

TERMS AND CONDITIONS OF THE CALL

LABORATORY ON FINANCIAL INCLUSION 2025

DIGITAL SOLUTIONS FOR FINANCIAL INCLUSION OF RURAL COMMUNITIES

1. Introduction

CAF - Development Bank of Latin America and the Caribbean, organizes the seventh edition of the **Laboratory on Financial Inclusion - LFI 2025: digital solutions for the financial inclusion of rural communities**, which seeks to support initiatives with a high degree of innovation and that incorporate technological elements to promote access and use of quality financial products and services to reduce the gaps in financial inclusion and literacy of MSMEs and segments underserved by the financial system, to promote a positive impact on their financial wellbeing¹.

The LFI is a platform that articulates the Fintech ecosystem and brings together the public and private sectors, entrepreneurs and investors with the aim of promoting business opportunities, encouraging the interaction of members of the financial and entrepreneurial ecosystems, and providing concrete solutions to development needs raised by the partners of this initiative.

CAF defines financial inclusion as a multidimensional concept that includes elements on both the supply and demand side of financial products and services, with four basic dimensions: **access, use, quality** and impact on the **health or financial wellbeing** of families and MSMEs. Financial inclusion is a phenomenon that goes beyond purely access to financial products and services, and involves the regular and frequent use of them, so that the relevance and degree of satisfaction of the needs of unserved or underserved populations must be guaranteed, and lastly, the impact of access, use and quality of financial products on financial health or financial wellbeing, understood as the state in which individuals are able to meet their financial needs and obligations, can achieve financial goals and cope with negative financial shocks, considering their current and future financial situation, and from an objective and subjective point of view (OECD, 2023).

In its seventh edition, the LFI will focus on promoting the development of **innovative digital solutions for financial inclusion and literacy of underserved segments and MSMEs in rural areas** of Latin America and the Caribbean.

¹ For more information, visit: <https://www.caf.com/en/action-areas/financial-inclusion-and-literacy/>

CAF and its partners aim to foster the financial inclusion of rural communities in Latin America and the Caribbean, as well as support MSMEs in rural areas with innovative financial products and services.

Significant financial inclusion gaps exist between rural and urban areas in Latin America and the Caribbean. In cities, banks and financial institutions are more accessible, and digital infrastructure allows the use of online financial services. However, in rural areas the lack of physical and digital infrastructure limits access to these services. Additionally, lower levels of financial literacy in rural areas can make it challenging to comprehend financial products, leading to increased reliance on informal services and a greater use of cash.

Similarly, there are restrictions on knowledge of technological tools, which are a barrier for vulnerable populations to access them. While digital financial services are handy for scaling financial services to rural areas, not all communities have access to internet connectivity or smartphones to use online financial services. Even if these populations had access, many of them lack the digital literacy to use them.

To enable these services to reach the target population, it is necessary to adapt them to the context and needs of the rural population, as well as to complement them with financial and digital literacy so that users make better decisions and increase their levels of trust in these platforms.

Therefore, it is essential to improve the financial inclusion of individuals and MSMEs in rural areas, closing the gaps in access to financial products. The results of CAF's financial capability surveys show significant gaps between urban and rural areas in terms of savings behavior, ownership of financial products, resilience, capabilities, and financial wellbeing. Indeed, there is an average gap of 5 percentage points (pp) in savings behavior between urban and rural dwellers (37% in urban areas vs. 32% in rural areas). Similarly, people in rural areas are less confident about their retirement plans, with an average gap of 6 pp. The financial resilience of the rural population is low since a smaller proportion than the urban population states that they could cover their household expenses for three months or more if they lost their main source of income (gap of 6 pp).

In terms of access to financial products, there is a gap of 7 pp on average in the ownership of payment products between urban and rural inhabitants. Similarly, there is a gap between urban and rural residents in terms of savings products.

Financial inclusion in rural areas can significantly improve productivity, diversify income sources, invest in resilient infrastructure and efficient technologies, and increase the resilience of communities to climate shocks. In addition, financial literacy is fundamental to empowering rural communities, enabling them to make informed decisions about the use of financial products and improve their economic well-being.

The Laboratory on Financial Inclusion 2025 supports technology-based projects and initiatives with a high degree of innovation to address the need to improve financial inclusion and financial literacy in rural communities in the following categories:

- Solutions to improve the **Financial and digital literacy and capabilities** of rural communities.
- Solutions for the **design of financial products and services** for rural communities.
- Solutions with an impact on the **entrepreneurial capacity of rural communities and the productivity of their MSMEs**.
- **Govtech solutions** that facilitate the interaction between the State and the provision of services for rural communities.

2. To whom is the call addressed

The call is aimed at companies that are legally constituted and operate in a CAF member country².

Applicants must be developing technology-based projects focused on financial inclusion and literacy, specifically in one of the categories and subcategories presented in **section 5** of this document.

Applicants' projects must be actively operating in the market, generating revenue and be in one of the following stages:

- **Revenue:** the solution has paid users but is not yet complete enough to make active sales, has not yet reached the break-even point.
- **Growth / Scaling:** the solution is polished, has reached the break-even point and the team is actively selling/distributing.
- **Expansion:** consolidated sales and expansion to other countries.

Applicants must register in the following link:

<https://www.caf.com/en/lif2025>

3. Dynamics of the competition

Based on CAF's institutional strategy, and understanding the different supply and demand barriers that constrain the advancement of financial inclusion in the region, CAF has identified

² For more information, visit: <https://www.caf.com/en/countries/>

a series of categories or challenges, on which applicants must present their technology-based solutions.

The Laboratory on Financial Inclusion Selection Committee, formed by the partners of this initiative, will evaluate the projects and select the best 20 proposals. These proposals will be presented in a final event called Pitch Day, before the Selection Committee, who will ask questions and provide feedback.

The best 8 proposals will be selected to participate in a customized acceleration program. Following this program and considering the performance of each of the participants, they will be able to enter an investment readiness and matchmaking program with CAF Allies.

Likewise, this year's award will include support and assistance from CAF to refine their business model in terms of inclusion and financial wellbeing. They will also have access to technical support to define their theory of change and the identification of indicators and strategies to measure the impact of the winners in terms of financial inclusion.

In addition, the finalists will become part of the LFI community, where, according to CAF's capacities and possibilities, they will have access to training programs, technical support in financial inclusion, knowledge transfer spaces, business rounds, and other activities led by CAF and its partners to increase their visibility.

4. Objectives

- Promote innovative technological solutions that contribute to improving the financial inclusion of vulnerable groups and MSMEs in Latin America and the Caribbean.
- Scale and replicate solutions focused on financial inclusion of vulnerable groups and MSMEs to other countries in the region.
- Promote the generation of business opportunities and investment agreements with the private sector to strengthen the selected ventures.
- Strengthen Fintech entrepreneurial ecosystem with a focus on inclusion, financial literacy and development of the financial system in the region.

5. Categories and sub-categories

The seventh edition of the Laboratory on Financial Inclusion seeks to boost the implementation, growth and expansion of technology-based solutions that help solve public and private sector needs in the following categories:

- Solutions to improve the Financial and digital literacy and capabilities of rural communities.
- Solutions for the design of financial products and services for rural communities.

- Solutions with an impact on the entrepreneurial capacity of rural communities and the productivity of their MSMEs.
- Govtech solutions that facilitate the interaction between the State and the provision of services for rural communities.

5.1. Solutions to improve the Financial and digital literacy and capabilities of rural communities:

- Digital financial literacy: design of accessible digital tools to improve financial education, encourage savings, investment, improve organization, planning and financial decision making, as well as to promote a the optimal choice and responsible use of financial products and services in rural communities.
- Measurement and identification of strategies to improve the financial health or wellbeing of rural communities.
- Design and development of digital literacy programs and mechanisms to facilitate digital on-boarding for rural communities in a secure manner, with a special focus on women and the elderly.

5.2. Solutions for the design of financial products and services for rural communities:

- Digital banking and responsible electronic payments: platforms and tools that facilitate access to digital financial services without the need for bank branches, through banking and digital correspondents, adapting to the limited connectivity and sociodemographic conditions of rural areas.
- Savings products and financial management tools: technological solutions to smooth household consumption during periods of volatility and scarcity related to the production cycles of different rural activities.
- Access to alternative financing: development of digital solutions that enable people with no credit history to access financing through alternative credit assessment models, such as behavioral analysis, non-bank records or alternative collateral.
- Insurance and financial protection: technological solutions that offer accessible and efficient insurance for small rural producers, such as parametric insurance, using satellite data and climate prediction models to increase their resilience to adverse events, as well as microinsurance that responds to the realities and payment capacities of vulnerable communities in the rural context.
- Digital community finance: platforms that digitize community savings and credit practices, improving their security and connecting them to the formal financial system.
- Financial inclusion for rural women: digital solutions that consider the financial inclusion gaps faced by rural women.
- Rural silver economy: development of financial products and services that consider demographic transformations in rural areas, such as the aging of the population, as well as the provision of products and services with a long-term perspective for the

entire life cycle of rural communities, including retirement plans and savings for old age.

5.3. Solutions with an impact on the entrepreneurial capacity of rural communities and the productivity of their MSMEs:

- Digitalization of rural production chains: development of platforms that digitalize transactions in rural production chains, improving product traceability, access to financing based on trade flows and reducing intermediation costs.
- Access to alternative financing: develop platforms that facilitate financing for rural MSMEs, such as P2P (Peer-to-Peer) loans, digital microcredit, crowdfunding, crowdlending and crowdequity, financing based on future income, flexible credit lines, among others.
- New credit risk assessment models and financing based on alternative data: design credit models for rural MSMEs using alternative data, such as digital invoicing, mobile payments or production records that allow for more accurate credit risk assessment.
- Insurance and financial protection for adaptation and resilience to climate change: technological solutions that make it possible to offer accessible and efficient insurance for small rural producers, such as parametric insurance, using satellite data and climate prediction models to increase their resilience to adverse events.
- Digital payments and collections adapted to the rural environment: technological solutions that facilitate digital payments for rural MSMEs in different sectors (agriculture, commerce, tourism, etc.), even in areas with limited connectivity, promoting their integration into the digital economy.
- Financial management and optimization for rural MSMEs to enable their access to various services through personalized financial advice, helping to improve their administration, reduce costs, access better financing opportunities, optimize their resources and improve their profitability.
- Services for seasonal income management: analysis of the volatility of liquidity in production cycles to provide financing for the economic activities of micro, small and medium-sized producers (working capital), the acquisition of insurance, or investment in capital.
- Access to financing for rural MSMEs owned by women and the elderly: design financial products that reduce financing gaps for rural MSMEs owned or led by women and the elderly.

5.4. Govtech solutions that facilitate the interaction between the State and the provision of services for rural communities:

- Govtech solutions that facilitate the provision of national and local government services to rural communities to strengthen consumer protection and offer more efficient, transparent and accessible financial services.

- Digital payments and social assistance: platforms to improve efficiency and transparency in the dispersion of social assistance and transfers from government to rural communities.
- Digital identity and formalization: innovative mechanisms, such as biometrics or Blockchain to provide digital identity to people without formal documents, allowing them to access financial services and government support programs.
- Govtech solutions that, through innovative technologies such as satellite monitoring or artificial intelligence, provide states with the necessary information to carry out optimal environmental risk management, implementation of parametric insurance or investment to enhance the competitiveness of productive units in rural areas.

6. Key dates

| | |
|--|---|
| Phase 1: Open Call and Applications | In the first stage, applicants must fill out a basic form with general information about the project. The deadline for submitting projects in this first stage will be from July 14 to September 7, 2025, at 23:59 hours Colombia time. |
| Phase 2: Second Phase of Applications | The evaluation team will make a first filter and will contact the selected ventures to fill out a second application form with detailed information about the company, its business model and its impact on the target population. The application period for this second phase will be from September 12 to October 5, 2025, at 23:59 hours Colombia time. |
| Evaluation | The final review and evaluation of the projects will take place between October 7 and 26, 2025. |
| Announcement | The LFI team will inform contestants about the shortlisted proposals as finalists on November 4, 2025. |
| Pitch Day | The LFI 2025 finals will be held at a virtual event called Pitch Day on November 18 or 19, 2025. |
| Awards | Acceleration, investment readiness and matchmaking activities will take place between January and August 2026. |

| Phase | Activity | Dates |
|----------------------|--|-----------------------|
| Open Call | Call I (First Form) | Jul 14 → Sep 7, 2025 |
| Open Call | Analysis – First selection (shortlist) | Sep 8 → Sep 12, 2025 |
| Open Call | Call II (Second Form) | Sep 12 → Oct 5, 2025 |
| Selection Process | Evaluation (Allies + CAF) | Oct 7 → Oct 26, 2025 |
| Selection Process | Analysis y selection of Finalists | Oct 27 → Oct 31, 2025 |
| Selection Process | Announcement of 20 finalists | Nov 4, 2025 |
| Selection Process | Pitch Day (Announcement of 8 winners) | Nov 18 / 19, 2025 |
| Acceleration | Acceleration Program | Jan → May, 2026 |
| Investment Readiness | Investment Readiness Program | May → Jul, 2026 |
| Investment Readiness | Matchmaking and workshops | Jul, 2026 |
| Investment Readiness | Follow-ups | Aug 2026 |

7. Prizes and rewards

The 8 winning projects will be selected to access prestigious acceleration, investment readiness and matchmaking programs. These programs, which will begin in January 2026 and end in August 2026, will provide personalized mentoring from industry experts, strategic guidance in impact monitoring and evaluation, and extensive networking opportunities. Participants will also benefit from increased exposure within the venture ecosystem, paving the way for future investment and partnership opportunities.

In the first phase, the 8 winning proposals will participate in the **acceleration program**³ tailored to the needs of each of the ventures. This program will start in January 2026 and will end in May of the same year.

Subsequently, depending on their performance in the acceleration program, the winners will have the possibility of being chosen within the group of 8 winners that will participate in the **investment readiness and matchmaking program**⁴. This program will start at the end of May 2026 and will culminate in August of the same year.

Throughout the acceleration and investment readiness process, the winners will also receive **support and technical assistance** to refine their business model in terms of **financial inclusion and health**, as well as to define their theory of change and identify indicators and strategies for **measuring impact** in terms of financial inclusion.

³ Annex 1 includes a general description of the acceleration program

⁴ Annex 1 includes a general description of the investment readiness and matchmaking program

8. Jury

The Laboratory on Financial Inclusion Selection Committee will be made up of representatives of partner organizations. This body will oversee the selection of the best initiatives and those that best respond to the needs expressed by the partners. The Jury's decision will be final and unappealable.

9. Selection criteria

The Laboratory on Financial Inclusion Selection Committee will oversee selecting the final projects to participate in the Pitch Day, a virtual event to be held on October 15, 2025.

Considering that this edition will be a two-stage call, the Committee will make a first filter from the applications received in the basic form. This first stage will consider criteria such as whether the venture is legally constituted, whether it is already operating in the market, and whether the venture is operating in any of CAF's member countries.

Once the first selection filter is completed, the ventures that meet all the criteria will be invited to fill out a second form, in which the following criteria will be considered:

- Differential innovative aspects.
- Value generation.
- Potential for growth and replicability in other areas.
- Incorporation of technologies.
- Project's commitment to development.

| No. | Criteria | Description | Weight |
|-----|--|---|--------|
| 1 | Innovation and incorporation of technologies | The project solves one of the challenges posed in the categories of the Laboratory and makes use of technological tools to solve the problem. | 30% |
| 2 | Commitment to development and value generation for rural communities in the region | The project provides solutions that contribute to the development and greater financial inclusion of rural communities. | 40% |
| 3 | Potential for growth and replicability | The project has a high potential to be scalable and has a committed and competitive work team. | 30% |

10. Terms and conditions

The Laboratory on Financial Inclusion reserves the right, unilaterally and without prior notice, to exclude any participant, especially when it is suspected or detected that he/she is incurring

falsehood or affects the smooth running and normal course of the competition. Candidatures that do not contain all the requested requirements will be automatically disqualified, while the decisions of the Selection Committee will be final and no appeal will be allowed.

11. Intellectual property

All participants must have sufficient title to the industrial property rights in the brands, business ideas, logos, and commercial names that are part of or included in the proposals.

Through the acceptance of the rules to participate in this call, the contestants declare not to infringe any intellectual property right; in such a way that they exempt LFI and its allies from any responsibility for the use of these contents.

Participants are responsible before third parties for the images and contents they make public during the competition and are responsible before the Laboratory on Financial Inclusion in relation to the following considerations:

- They are owners, holders of the rights or have obtained from third parties the consent to grant their publication within the framework of the call for entries.
- The participants fully comply with the laws concerning the right to privacy, good name, intellectual property rights, industrial property or similar.
- All participants are responsible for the veracity of the data provided to participate in the call for entries.
- Participants assume sole responsibility for the consequences of damages or actions arising from the use of the contents and/or programs included in their proposals, as well as their reproduction or dissemination.
- The intellectual and/or industrial property of the projects presented in the Laboratory on Financial Inclusion will belong - if applicable - exclusively to the participants who have presented them.

12. Privacy Notice

Confidentiality is guaranteed in relation to the information on the projects submitted by the participants. The information will be shared confidentially only with the LFI Selection Committee, to select the finalists and winners of the initiative.

CAF, as leader of the Laboratory on Financial Inclusion, may disseminate, at any time and by any means, the general characteristics of the projects or initiatives, as well as the names of the projects and participants, especially the finalists and winners.

13. Advertising and social media

The participants, and in particular the finalists and winners, expressly authorize, by accepting these rules, the Financiera Inclusion Lab to publish, reproduce, disseminate and use by all written, spoken and signed means, in any form, by any means and on any support, their name, image and voice, and the general characteristics and the name of the ideas or projects presented without any benefit and without prejudice to the provisions of the Intellectual Property and Confidentiality sections of this document.

14. Contact

For more information, write to inclusionfinanciera@caf.com or contact CAF's LFI team, comprised by:

- Oscar Vargas - OVARGAS@caf.com
- Meyly Valdez - MVALDEZC@caf.com
- Rebeca Vidal - MVIDAL@caf.com
- Mercedes Raffalli – MRAFFALLI@caf.com
- Maria Fernanda Castellanos – MCASTELLANOS@caf.com

Annex1

Description of the acceleration program

4-month program focused on growth. The methodology is structured around two pillars that allow startups to advance in an agile, personalized and collaborative way:

I. Growth Machine – Priority-based Sprints

This pillar is based on the **SMART** methodology and the **SIGMA** platform developed by Seedstars.

The **SMART methodology** allows working with a structured and adaptive approach that guides each startup in the identification, development and validation of strategic growth actions, tailored to their specific needs. Each week, startups participate in 1:1 sessions with **Growth Coaches**, who act as growth agents. These 40-minute sessions allow them to monitor progress, rethink hypotheses, prioritize challenges and activate decisions in real time.

On the other hand, the **SIGMA** platform facilitates **sprint tracking**, providing visibility on progress, learning and bottlenecks. This fosters a mindset of continuous execution and agile validation.

One of the fundamental aspects of the program is the analysis and creation of the Theory of Change and Impact Indicators of the participating startups. This allows clearly to define social and financial development objectives, identifying the key routes and activities to achieve them, and establishing precise metrics to measure results. This approach facilitates impact assessment and contributes to a clearer value proposition.

II. Knowledge Sharing – Experience exchange

The second pillar promotes collaborative learning through spaces for exchange and co-creation. This component includes:

- **Sessions with expert mentors** (1:1 optional): up to 5 tokens for specialized sessions in priority areas of the cohort.
- **Peer-to-Peer (P2P) meetings**: monthly meetings between founders where challenges, learning and practical recommendations are shared.
- **Thematic forums and conversations**: weekly meetings with industry leaders that open the conversation on trends, strategies and lessons learned.

Expected results

The startups will achieve concrete progress based on their strategic priorities, with the objective of presenting them at the **Demo Day** to key CAF allies, investors and relevant actors of the ecosystem. This space makes the achievements obtained visible and facilitates potential collaborations, business alliances and funding opportunities.

Description of the investment readiness program

4-month program focused on investment readiness and matchmaking for startups in the growth and expansion stage. The methodology has a differentiated approach depending on the stage of each of the selected startups. In this sense, different financing strategies will be explored according to each stage.

The main objective of this program is to strengthen the capabilities of 8 companies to access financing. Through a structured and personalized approach, it seeks to improve their ability to present investment projects, manage risks and optimize their financial situation. The program will be carried out in 4 phases:

I. Diagnosis and interviews

Two diagnostic stages will be carried out through a digital tool and an interview with each company to evaluate and improve the financial capacity of the participating companies by preparing access to various sources of financing according to their current situation and business model.

II. Development of customized work plans

In this phase, customized work plans will be developed for each of the 8 participating startups, according to the results of the diagnosis, ensuring a comprehensive accompaniment in their financial readiness process.

III. Capacity Building

Different activities will be made available to the participating startups, 1) a portfolio of useful financial tools; 2) 1:1 mentoring provided by experts and mentors assigned according to the different topics defined in the program; 3) development of live masterclasses. The program will be divided into financing routes for capital raising, addressing strategic, legal and risk management dimensions.

IV. Practice and preparation

Pitch preparation sessions (pitch and deck) will be conducted for investors with personalized feedback.

Matchmaking

Strategic connections with key players in the financing and business ecosystem will be facilitated to strengthen your growth and investment opportunities.

Follow-up and closure

A pre-closing session will be developed in which the main milestones will be previously defined, then 1:1 follow-up sessions will be carried out with each participant and, finally, an individual closing report will be prepared with specific follow-up results.