UNICEF Pakistan invites Expression of Interest (EOI) for the provision of a Payment Aggregator

UNICEF Pakistan would like to improve its payment infrastructure to enable more donations from the public to support our vital work for children in Pakistan and beyond. The funds raised will address the severe shortfalls in planned funding for key programmatic interventions.

Currently, UNICEF Pakistan uses the Stripe-based UNICEF Global Gateway, which has limitations:

• Donations must be made in USD
• Donations are processed overseas (in the US)
• Transaction fees are high for local donors

This means that many Pakistanis cannot donate conveniently, and the donor experience is weak compared to local fundraising organizations.

The purpose of this EOI is for UNICEF Pakistan to invite legal entities to express interest in providing payment aggregation services to support UNICEF Pakistan's fundraising activities and make the donation process as frictionless as possible.

We are providing detailed contractual and technical requirements at this stage to try to make the final award, agreement and integrations as efficient as possible.

The initial transaction volume expected after integration is modest (around PKR 30 million /5-10,000 transactions in the first 12 months). But we would receive significantly more if there were a successful emergency fundraising appeal.

An effective donation process will support the business case for more investment in fundraising. With that investment secured, we would expect to grow rapidly and raise significant funds annually, if we can emulate our rapid market growth in India and China and the fundraising performance of the top fundraising organizations in Pakistan.

Section 1:
Contractual elements that should be acceptable before reviewing our technical criteria (summarised below, but shared in more detail in Appendix 1):

UNICEF Pakistan is not subject to national or sub-national laws due to its status as a subsidiary organ of the United Nations. As such, any Agreement will be interpreted and applied without the application of any system of national or sub-national law. Any references to applicable laws in the Agreement will not apply to UNICEF.

Regarding Tax, there are several exemptions that will also need to be agreed:

A. You will need to authorize UNICEF to deduct from all invoices any amount representing direct taxes (except charges for utilities services) and customs restrictions, duties and charges of a similar nature in accordance with the exemption from tax in Article II, Section 7 of the Convention of the Privileges and Immunities of the United Nations, 1946.
B. In the event any governmental authority refuses to recognize this exemption from taxes, restrictions, duties or charges, you will need to immediately consult with UNICEF to determine a mutually acceptable procedure.
C. You will need to provide full cooperation to UNICEF regarding securing UNICEF's exemption from, or refund of amounts paid as, value added taxes or taxes of a similar nature.

Additionally:
UNICEF will be willing to net-settle fees directly during the transaction process, if UNICEF's PSP pricing file template is used and agreed as a formal part of the signed contract.

And full breakdowns of all fees are always provided to facilitate reconciliation of charges and fees.

It is preferable for UNICEF to enter into a single agreement with the PSP so that separate agreements are not required with APMs etc. We would prefer an agreement that prevents any increase in all fees charged (including those of third parties) without the prior written approval of UNICEF.

• We are open to limiting any unilateral fee increases to fee increases by third parties (such as card schemes); additionally, there should also be a termination clause in the contract, to enable UNICEF to terminate the contract if any fee increase is unworkable.

UNICEF will require that the contracts clearly state the conditions and timelines when any fines and interest payments would be imposed on the organization. Legal clauses must have precise language and highlight that these refer only to 'pass-through' conditions imposed by third parties, such as card schemes or other APMs.

Any requirement to reserve funds to cover chargebacks or other fees incurred by UNICEF will not be considered. However, UNICEF can agree to paying service invoices – including third-party fees (chargeback, payment method charges, refund fees etc.) – after the contract with the PSP is terminated, ideally for a maximum period of 18 months (540 days).

UNICEF must be given a reasonable amount of time to perform reconciliations and report errors or other problems.

UNICEF cannot allow PSP vendors to conduct financial operations or gain interests with donation funds destined for humanitarian projects even if only temporarily held by the PSP. As such, UNICEF requests that PSPs permit settlement of funds to its bank accounts as fast as possible, ideally within 24hrs of the original transaction (T+1).

- As part of the contractual documents, PSPs will be required to provide a list of 'target' timing settlement of funds for each available payment method.
- Consistent failure by the PSP to settle funds could lead to contract termination.

As a non-profit, non-commercial entity, UNICEF must protect donated funds and make sure they are used mainly to support projects for children. As such:

- We expect all vendors to be fully liable to UNICEF, without limits.
- UNICEF's standard position is also not to offer any kind of indemnity to vendors.

However, we understand PSPs operate as connectors to 3rd-party services under a heavily regulated environment. Considering this, we are open to evaluating counterproposals on how to mitigate the risk.

- Deviating from our standard position on liability will require special approval from UNICEF's Comptroller and may delay the overall contracting process.

Section 2:
Technical capability we are looking for (in addition to Section 1):
In your response, please advise what is currently possible, what is not possible but could be developed, and what cannot be provided.

Core capability	A payment gateway that connects UNICEF Pakistan's online fundraising platform, i.e. https://help.unicef.org to the payment processing system and shall:
	
	 • accept multiple standard payment methods via a single platform or integration, including but not limited to:
	
	      • major credit card or debit card such as Visa, MasterCard, AMEX, UnionPay, JCB, PayPak (both local and international)
	
	      • alternative payment methods (via a single platform or integration), including but not limited to local MFS such as Easypaisa, JazzCash, Upaisa, Zindigi, as well as RAAST
	
	 • have the willingness and ability to adapt to changes to the payment landscape (trends, technical, legal)
	
	 • authorise, clear, and settle transactions, by communicating with the donor's bank, card issuer, or other digital/mobile wallet provider to verify the transaction details, check for sufficient funds, and obtain authorisation and facilitate the transfer of funds from donor's account.
	
	 • be able to manage high volume of transactions (for example, up to 1,000 transactions per minute), and to handle peak moments of large server loads, during high profile events and/or unexpected surge of traffic
	
	 • provide the ability to refund donors as per the regulatory conditions

	• manage both one-time and recurring payments/donations through relevant payment methods, with instant validation on the status of the transaction. • provide options for deferred payments/donations (pay at a later date) or suggestions for alternative payment methods and flexible options to set-up frequency of recurring payments/donations (monthly, quarterly, yearly etc.) • provide flexible options for upgrading/downgrading of recurring payment/donation values • provide easy process for cancelation of recurring payments/donations • provide easy process for pause/resume of future charges for recurring payments/donations • provide flexible retry options • be able to update card expiry date without donor intervention (if allowed by local regulations and for recurring payments/donations only)
Required user experience, front and back-end integration	Provide auto-fill, easy formatting, form layouts that are responsive to multiple screen sizes and resolution and other usability features that increase conversion rate. Integration capabilities to connect to • 3rd party front-end platforms such as, but not limited to CMS (e.g. Drupal based website), and other types of online data capture forms/apps used to securely acquire financial and non-financial information • 3rd party back-end CRM platforms such as Sales Cloud from Salesforce for donor care and fundraising program management • other types of back-end data processing and analytics • other 3rd party back-end marketing platforms such as, but not limited to Interactive Voice Response Payments (IVR Payments) for telemarketing campaigns • 3rd party back-end BI and analytics platforms for reporting and analysis The ability to configure data fields to align with UNICEF's donor and donation data structure (example: allow the addition of specific meta-data per transaction)
Legal	Permission to operate / have a license to perform the work assignments in each state/territory of service. Presence in the country and/or availability of its networks Can agree to specific conditions from the standard, global UNICEF contract (see above)
Stable & committed	Good and stable financial condition, with a willingness to share recent audited financial statements as proof. We prefer at least 5 years of experience in providing similar services, where possible.

People	Proven capacity of staff and technical infrastructure, with experience in developing payment processing solutions across the country.
Security	Ensures that sensitive payment data is stored, processed, and transmitted securely, reducing the risk of data breaches and fraud. • Adheres to the international standard on security of CHD of donors (i.e. PCI-DSS, ISO 27001, and payment processing standards - Payment Services Directive 2 and 3D-Secure protocol) • Data protection policy in place that meets all applicable data protection standards and legal, i.e. The Data Protection Act 2022 • Able to present UNICEF with a valid PCI DSS Attestation of Compliance from a Qualified Security Assessor. • Adequate disaster recovery plans in place • Incident Response Procedures for Data Breach in place that is in line with the PCI-DSS Systems and expertise in compliance with security standards (e.g. Payment Card Industry-Data Security Standards) Uses advanced tools and systems to identify and prevent fraudulent transactions. Monitors transaction patterns and uses intelligent algorithms to detect suspicious activities, protecting UNICEF businesses from chargebacks and other potential risks associated with fraud.
Insurance	Relevant insurance to cover data breaches related to their product/solution.
Not mandatory but preferred	Customer helpline for those facing technical challenges using the page. Sandbox environment for testing. Links to documentation for integration/technical information.
Reporting	Provide UNICEF with a dashboard to indicate file and transaction status. Provide reconciliation, recovery, error handling and reporting covering the end-to-end process.

After review of all responses, a formal bid will be issued and sent to the short-listed suppliers.

Interested suppliers based in Pakistan are requested to submit their Expression of Interest (EOI), confirming that they meet the requirements below to PAK-Islamabad Procurement procurementpakistan@unicef.org by 8 April 2025, 1500 Hrs.

Documents we will need later in the process:

- Legal name (name on registration/license)
- Commercial name (name you are commonly known by)
- Company Profile (credentials and website link)
- Agreement to sign our legal side letter (content included in Section 1 above)
- ISO Cert
- PCI DSS Level 1 Certificate
- Audited financial statements for the past 2 years
- Valid license to provide digital fundraising services in the country
- Certificate of Incorporation
- Credit Rating
- Donation Flow and Processes (diagram and description)
- Pricing information

Appendix 1: UNICEF Side Letter agreement

Reference is made to the attached Supply Service Agreement (the "**Agreement**") between [Insert Name] (the "[Insert Name]") and the United Nations Children's Fund ("**UNICEF**").

Notwithstanding any provision of the Agreement, in case of ambiguities or inconsistencies between the terms of this Letter Agreement and the Agreement, the terms of this Letter Agreement will prevail.

1. Applicable Law. [Insert Name] acknowledges and agrees that UNICEF is not subject to national or sub-national laws due to its status as a subsidiary organ of the United Nations. As such, this Agreement will be interpreted and applied without the application of any system of national or sub-national law. Thus, any references to applicable laws in the Agreement will not apply to UNICEF.

2. UNICEF's Privileges and Immunities. As a subsidiary organ of the United Nations, UNICEF enjoys privileges and immunities under the 1946 Convention on the Privileges and Immunities of the United Nations and under international law. Nothing in or relating to the Agreement will be deemed a waiver, express or implied, of any of those privileges and immunities, which includes immunity from providing access to UNICEF's premises, personnel, records or other documents.

3. No Indemnity. Any requirement in the Agreement for UNICEF to defend, indemnify, or hold [Insert Name] and its affiliates or any of their directors, employees, personnel, or agents harmless for any claim or loss in connection with the Agreement will not apply.

4. Limitation of Liability. Notwithstanding any provision of the Agreement, each Party's total liability to the other Party shall be limited to the total of any Fees unpaid to [Insert Name] for Services rendered in accordance with the terms and conditions of this Agreement. For the avoidance of doubt, UNICEF shall not be liable to the payment of penalties or interest under the Agreement.

5. Tax Exemption. [Insert Name] authorizes UNICEF to deduct from Services Provider's invoices any amount representing direct taxes (except charges for utilities services) and customs restrictions, duties and charges of a similar nature in accordance with the exemption from tax in Article II, Section 7 of the Convention of the Privileges and Immunities of the United Nations, 1946. In the event any governmental authority refuses to recognize this exemption from taxes, restrictions, duties or charges, [Insert Name] will immediately consult with UNICEF to determine a mutually acceptable procedure. [Insert Name] will provide full cooperation to UNICEF with regard to securing UNICEF's exemption from, or refund of amounts paid as, value added taxes or taxes of a similar nature.

6. Termination and Suspension. Notwithstanding any provision in the Agreement, the Parties agree as follows:
   (a) The Agreement shall have an initial term of two years (Initial Term) and may be extended by written agreement between the parties. The parties will commence negotiations in good faith regarding the extension of the Agreement at least three (3) months prior to the conclusion of the Initial Term.
   (b) If one Party is in material breach of any of its obligations under the Agreement, the other Party can give it written notice that within fifteen (15) days of receiving such notice the breach must be remedied (if such breach is capable of remedy). If the breaching Party does not remedy the breach within the fifteen (15) days' period or if the breach is not capable of remedy, the non-

breaching Party can terminate the Agreement. The termination will be effective fifteen (15) days after the non-breaching Party gives the breaching Party written notice of termination. The initiation of conciliation or arbitral proceedings in accordance with will not be grounds for termination of the Agreement.

(c) Either party may terminate this Agreement for any reason by sixty (60) days' written notice to the other Party.

(d) [Insert Name] may suspend or terminate this Agreement in circumstances in which suspension or termination is necessary for the purposes of Vendor's compliance with applicable legal or regulatory requirements. [Insert Name] shall provide UNICEF with written notice of such suspension or termination within the period permitted under the legal or regulatory requirements that apply to Services Provider.

(e) The termination rights under this clause 6 are in addition to all other rights and remedies of each Party under the Agreement.

(f) Termination or expiration of the Agreement shall not affect either Party's accrued rights under the Agreement.

(g) If the Agreement is terminated by either Party, UNICEF will pay [Insert Name] all fees for Services rendered in accordance with this Agreement up to the date of termination. [Insert Name] will have no claim for any further payment beyond payments in accordance with this clause.

7. <u>Dispute Resolution</u>. The Parties will use their best efforts to amicably settle any dispute or claim arising out of the Agreement. Any such dispute or claim, unless settled amicably within sixty (60) days after receipt by one Party of the other Party's written request for such amicable settlement, will be referred by either Party to arbitration in accordance with the then-current UNCITRAL Arbitration Rules. The location of arbitration is to be mutually agreed between the Parties. The decisions of the arbitral tribunal will be based on general principles of international commercial law.

8. <u>Communications.</u> Except as otherwise agreed by the Parties, [Insert Name] will not advertise or otherwise make public for purposes of commercial advantage or goodwill that it has a contractual relationship with UNICEF or the United Nations. Except as regards statements of fact or otherwise agreed by the Parties, [Insert Name] will not reference UNICEF for the purposes of annual reports or communication between the Parties and between [Insert Name] and its personnel and subcontractors. Nor will [Insert Name], in any manner whatsoever, use the name, emblem, or official seal of UNICEF or the United Nations, or any abbreviation of the name of the United Nations, in connection with its business or otherwise without the prior written permission of UNICEF.

9. <u>Personal Data:</u>
(a) For the purposes of this Letter Agreement, "Personal Data" means any personal information including identifying information such as the name, identification or passport number, biometric data such as fingerprints, mobile telephone number, email address, cash transaction details, of whatever nature, format or media that by whatever means, is provided to [Insert Name] by UNICEF, is accessed or collected by [Insert Name] on the authority of the UNICEF or is otherwise received by [Insert Name] on UNICEF's behalf and includes

(b) [Insert Name] will implement appropriate organizational, administrative, physical and technical safeguards and procedures to protect the security of Personal Data, including against or from accidental or unauthorized destruction, loss, alteration, disclosure, access, or unplanned loss of

availability. Such measures may include logging access, changes to or deletion of Personal Data as further specified in the Scope of Services.

(c) [Insert Name] will comply with any request from UNICEF to amend, transfer or delete Personal Data; provide a copy of all or specified Personal Data held by it in a format and or a media reasonably specified by UNICEF within reasonable timeframes as agreed between the Parties.

10. <u>Compliance with PCI/DSS Standards</u>:

(a) For the purposes of this Letter Agreement, "PCI/DSS Standards" mean those issued by the PCI Security Standards Council (or its replacement body or successor), including, but not limited to, the Payment Card Industry Data Security Standard, Payment Application Data Security Standard, the PIN Transaction Security Standard, and the Tokenization Product Security Guidelines ("PCI/DSS Standards"), as updated from time to time.

(b) [Insert Name] agrees to comply with all applicable PCI/DSS Standards applicable to the provision of the Services during the term of this Letter Agreement.

(c) [Insert Name] confirms that it has, and will maintain throughout the term of the Letter Agreement, all relevant certifications required to demonstrate compliance with the PCI DSS and, at UNICEF's request, will promptly provide a copy of such certifications to UNICEF.

(d) [Insert Name] will notify UNICEF immediately if it becomes aware of, or suspects, any security breach relating to transaction data and will also (and without prejudice to any other remedy available to UNICEF) immediately investigate and take action, at [Insert Name]'s cost, to remedy such breach in accordance with the Letter Agreement.

(e) In addition to, and without prejudice to UNICEF's termination rights, UNICEF may terminate this Letter Agreement with immediate effect by written notice to [Insert Name] if, at any time, [Insert Name] ceases to be in compliance with its PCI DSS obligations.

11. <u>Audits & Investigations</u>: As a subsidiary organ of the United Nations, UNICEF cannot be subject to audits and/or investigations by anyone other than the United Nations Board of Auditors or the Office of Internal Audit Investigations. Accordingly, notwithstanding any provisions in the Agreement, [Insert Name] has no right to audit and/or investigate UNICEF, and/or have access to UNICEF's premises, personnel, records and/or other documentation in connection with an audit, investigation or otherwise.