

REQUEST FOR INFORMATION

11 November 2024

REQUEST FOR INFORMATION (RFI) - HQ24NF443-RFI for EMERGENCY PAYMENT SOLUTIONS

Closing on 29/11/2024

A. Background

1. The United Nations World Food Programme hereinafter referred to as the “WFP”, with its Headquarters located in Via C.G. Viola, 68/70, 00148 Rome, Italy is the leading humanitarian organization saving lives and changing lives, delivering food assistance in emergencies and working with communities to improve nutrition and build resilience by assisting almost 100 million people in around 83 countries each year. About 17,000 people work for the organization, most of them in remote areas, directly serving the hungry poor.

2. Cash-based transfers¹ (CBT) are a proven way to save lives and change lives, which is why WFP transferred over US\$2.9 billion to 57.5 million people across 76 countries in 2023. Of that, US\$2.2 billion were transferred through emergency response interventions. When a disaster strikes, conflict flares, or shock hits, the quicker we can get transfer to those affected – the better. Communities suffer less, people can protect themselves, and families recover faster. Yet while the use of CBT in emergencies has grown significantly, its use in the first phase of responses remains modest. At WFP we believe there is a strategic opportunity to change this by leveraging a new generation of digital payment solutions.

B. The purpose of this RFI

1. The purpose of this RFI is to gain a detailed understanding of digital payment solutions that can be used in emergency contexts. WFP seek solutions and vendors capable of supporting WFP in one or several solution contexts as defined in Appendix A.
2. WFP invites suppliers operating on the relevant market to provide information about the services they offer.
3. Solutions are divided into three separate but possibly interlinked areas –
 - A) global disbursement solutions facilitating WFP digital transfers to local Financial Service Providers (FSPs) in emergency contexts, and
 - B) digital payment instruments designed for emergencies and
 - C) emerging solutions and instruments.

Solution A: Global/regional disbursement solutions facilitating WFP transfers to local FSPs

A1: Technical payment switch (working as an emergency switch with quick deployment in emergencies)

A2: Cross-border payment solutions build on traditional payment rails or tokenization (blockchain)

Solution B: Payment instruments designed for emergency situations

B1: Prepaid cards (linked to global acceptance networks) – similar to described “Rescue Card”

B2: Mobile money solution for emergencies

- i. Built on existing mobile money accounts.
- ii. New concept for “emergency wallet”, preconfigured and quick-to-deploy wallets in emergencies.
- iii. E-vouchers linked to mobile money (a “Rescue Card” for mobile money).

B3: E-vouchers built on mobile phones (no direct link with mobile money: solution that leverages reach to anyone with a mobile phone, perhaps in combination with existence of a well-developed ID infrastructure (see Yemen example). Not necessarily linked to a mobile money account.

Solution C: Emerging digital payment instruments and solutions

C1: e.g. built on stablecoins or CBDC.

¹ CBT means providing money to people using different payment instruments, from distributing physical cash to using digital payment solutions such as cards and mobile money.

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Important key considerations

- **Submission of Information** - a vendor can choose to provide a solution of one or all areas.
 - **Emergency response** - a solution needs to be deployable from 72hrs to 1 week from the start of a WFP intervention. If there are deviations to this, please indicate the expected timeline for the deployment, including preconditions and requirements.
 - **Access points** - how will the users access, register and above all use the payment solution? For instance, a prepaid card is useless if there are now ATMs or retailers accepting the card. However, there could be additional solutions for facilitating merchant acceptance, such as mobile point-of-sale solutions built on usage of regular mobile phones or QR codes when a merchant is accepting a payment.
 - **Regulatory framework** - what regulatory approvals are necessary to make the solution work? For instance, simplified KYC, if onboarding to an emergency wallet or other simplified bank account. Other example may be the regulation of an agent acceptance network in emergencies, built on existing retailers (if they are previously not regulated for financial services).
 - For more details about requirements please see description in Appendix A
2. After the deadline for submission of responses has passed, WFP will review responses received and will notify eligible participants of the outcomes of this initiative.

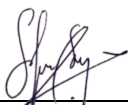
C. How to prepare and submit your response to Request for Information

1. In order to participate, companies/organizations are required to provide the following:

The filled in Annex I. RFI Response Form, which includes:

- Table I. WFP Requirements;
 - Table II. Supplier Information;
 - Table III. Signatory by the authorized company representative and company stamp (if available).
2. All supporting documentation listed above shall be prepared in accordance with the instructions provided and sent by email to HQ.TENDERS <hq.tenders@wfp.org>.
 3. This request for RFI is a non-binding inquiry and does not constitute a solicitation. WFP reserves the right to change or cancel this procurement process or any of its requirements at any time during the process.
 4. Should you have any questions please do not hesitate to contact us at HQ.TENDERS <hq.tenders@wfp.org>.

Sincerely,



11.11.2024

Sofiane Essayem
Head of Coordinated Markets
Procurement Branch (SCDP), HQ Rome
The United Nations World Food Programme
World Food Programme

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TABLE I. WFP REQUIREMENTS (PLEASE REFER TO APPENDIX A FOR DESCRIPTION)

Suppliers' response can be provided in table below or in separate document. If answer is provided in separate document, it should clearly state which of the below requirements it links to.

| A. Company / Organization's competencies/ capacities | | |
|---|--|----------------------------|
| | List of requirements to satisfy WFP needs | Supplier's response |
| 1 | What is the name of the solution that your company might offer. If your company offers more than one solution, please indicate | |
| 2 | What solution area(s) does it cover [please refer to Appendix 1.2, Focus Areas] | |
| 3 | Describe value proposition and business model, if needed elaborate in separate document | |
| 4 | Describe preconditions (if any) for the solution to work, e.g. regulatory, contractual, adjacent/supporting technologies, etc. | |
| 5 | Describe operational set up for solution, e.g. key stakeholders to deliver the solution and delivery model (on-prem, cloud, etc) | |
| 6 | How will access and usage be secured, e.g. are there available agents or ATMs for cash out, acceptance at point of sale with retailers, etc. Please elaborate if the solution requires supporting solution/technologies, e.g. mobile POS, QR code solution, etc. | |
| 7 | Is the solution globally scalable, i.e. can it be deployed centrally for multiple places simultaneously across different geographies, if not please elaborate | |
| 8 | What is the lead time to acquire solution – i.e. existing solution or development needed (indication, not contractual) | |
| 9 | What is the lead time to deploy your solution in an emergency? Please include any preconditions or key assumptions | |



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TABLE II. SUPPLIER INFORMATION

| B. Company / Organization's Background Information | | | |
|---|-------------------------------------|--|----------|
| 1 | Legal Name of Company/Organization: | | |
| 2 | Full address: | | |
| 3 | E-mail address: | | |
| 4 | Website address: | | |
| 4 | Telephone: | Fax: | |
| 5 | Contact person, title: | Tel./E-mail of contact person: | |
| 6 | Registration with UNGM | Yes <input type="checkbox"/> No <input type="checkbox"/> | UNGM No. |

TABLE III. SIGNATORY & ORGANIZATION STAMP

| C. Signatory | |
|--|------------|
| Name of Company/Organization: | |
| Name of the authorized representative: | Signature: |
| Title: | Date: |

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Appendix A to solution requirements

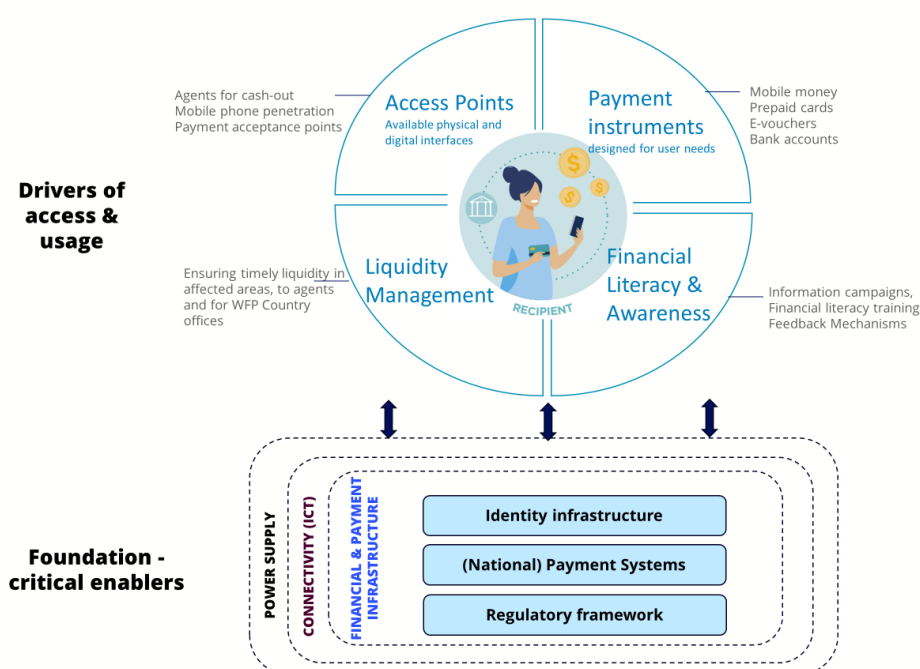
DIGITAL PAYMENTS IN EMERGENCIES – BACKGROUND AND CONTEXT

Deploying digital payments (in emergencies) relies on a number of factors, both in terms of basic infrastructure (for example availability of electricity and connectivity), maturity of national payment systems, readily available access points for users and a conducive regulatory environment, for example in simplifying identification for account opening in emergencies. Depending on the situation and on the country context different payment solutions will be more or less suitable. Understanding this context and the different requirements are central in the design of emergency payment solutions.

The following is a general framework for digital payments that lists key enablers. It is not intended as a map that needs to be fulfilled in every detail for every solution. However, these key components may support vendors in identifying gaps and pain points that need to be addressed in designing the solution for emergencies. It is divided into two areas – 1) the critical enablers and 2) drivers for access and usage. The critical enablers are basic pillars for enabling any digital payment service to a mass market. These pillars are important but not enough to secure access and usage by the intended users. The second area “access and usage” describes key elements, like providing physical access points, that are critical to make the solution work in practice.

Foundation – critical enablers

- Availability of **power and ICT connectivity** – electricity, mobile coverage, data connectivity
- Maturity of **national payment infrastructure**, availability of Financial Service Providers reaching key areas, maturity of national payment systems for example level of interoperability between FSPs in the country
- Supporting **identity infrastructure** - availability of IDs for beneficiaries, either formal government IDs or functional IDs accepted for opening accounts
- Conducive **regulatory environment** – for example simplified KYC or use of alternative IDs in emergencies.



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Drivers for access and usage

An enabling (technical) payments infrastructure is not enough to reach targeted people and providing solutions that are fit for purpose. In order to successfully enable access and usage of digital payment services in emergencies there need to be

- **Readily available access points**, both physical and digital – meaning for example available agents or branches for cash-out, access to mobile phones, merchant acceptance points for making digital payments
- **Payment instruments designed with the users in mind** – this can be based on an available payment instruments such as mobile money, prepaid cards and vouchers but could also be designed as new solutions for emergencies.
- **Awareness and financial literacy** – are the users capable of using the intended payment solution, what kind of support and information is needed
- **Liquidity management** – availability of timely liquidity at physical agents, possibility of transporting cash. This area also entails the level of efficiency of WFPs global cash and liquidity management solutions in place for supporting the country intervention, and moving money in and out of a country in a cost-efficient and timely manner.

EMERGENCY SCENARIOS – EXAMPLES

Different emergencies pose different challenges in deploying digital payment solutions. Below are four different scenarios. These are authentic examples but should not seen as encompassing all emergency contexts. However, they can serve to illustrating typical needs and challenges that WFP encounter when considering a digital payment solution for emergencies.







| CONTEXT | A | B | C | D | E |
|--|-----------------------------|---------------|---------------|---------------|-----------|
| National payment system (interoperability) | Not available | Not available | Not available | Not available | Available |
| Identity infrastructure | Not available | Not available | Not available | Available | Available |
| Connectivity | Not available | Not available | Available | Available | Available |
| Mobile coverage | Not available | Available | Available | Available | Available |
| Power | Available | Available | Available | Available | Available |
| Example country | Earthquake, e.g. Haiti 2010 | Sudan | Yemen | Rwanda | |

For all scenarios there might be a need to combine different solutions in order to address different gaps, for example

1. **Solution for establishing basic mobile network and data connectivity** (not the main focus for this RFI) – these solutions are already being used by WFP in collaboration with ICT partners and may be further explored in the context of enabling an emergency payment solution.
2. **Solution for transferring funds into country and reaching local FSPs** – e.g. an emergency payment switch or commercial aggregator, capable of routing payments from WFP to various Financial Service Providers in the country, e.g. mobile money operators, banks, money transfer operators, etc.
3. **Set up and distribute payment instruments** suitable for the specific context – this may be a mobile money solution if the country context is represented by an underdeveloped banking infrastructure, or it could be a prepaid card solution if there is a country with an acceptance network with retailers and ATMs.

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| | |
|--|--|
|  <p>Scenario A/B</p> <p>Only Power (possibly GSM connectivity)</p> | <p>In scenario A/B there is no infrastructure in place except basic power supply and limited GSM capacity. As a base scenario this is the most challenging environment for setting up any kind of digital payment solution. Obviously a first step is to have some form of mobile coverage established and secondly also internet connectivity if possible.</p> |
|  <p>Scenario C</p> <p>GSM+Internet but national payment system absent/weak</p> | <p>In scenario C we have a country with existing solution for mobile money services, but its national payment infrastructure is not connecting different providers allowing to reach affected conflict areas. This leads to a patchwork of solutions where cash in hand is common but also working with Money Transfer Operators.</p> |
|  <p>Scenario D</p> <p>GSM+ Internet+ ID infrastructure (government IDs)</p> | <p>In scenario D the Country is an example where there is a strong foundation for identities as 95% of population has a national ID card. Also, most people have a mobile phone, and a high proportion of these are smart phones. However, the national payment infrastructure is weak. There is availability of mobile money through one operator.</p> |
|  <p>Scenario E</p> <p>Country with all components, including fully interoperable national payment system</p> | <p>In Scenario E, we have a country with a well-developed financial infrastructure, an interoperable national payment switch including all FSPs in the country. The availability of interoperability between banks and mobile money operators greatly simplifies the access for WFP to reach beneficiaries accounts.</p> |

DIGITAL PAYMENT SOLUTIONS FOR EMERGENCY CONTEXTS

Current examples

WFP deploys a large variety of payment instruments and transfer mechanisms, from paper vouchers to mobile money. In emergencies it is more challenging to have a solution readily in place as it usually requires agreements to be in place with FSPs. Below are 2 examples from solutions used in emergencies by WFP plus a solution used recently in DRC (not WFP related). These can serve as an inspiration to finding new digital payment solutions to the challenges WFP seek to address.

- **Prepaid cards linked to payment cards (Rescue cards)**

WFP have partnered with a fintech to provide prepaid cards to refugees – labelled Rescue Cards. The solution allows users with no formal ID to have a simple payment instrument (a prepaid card) that is usable across the most known payment networks, also when moving across borders. The cards are prepositioned but activated only at registration of the user.

The advantage of the rescue card is its simplicity and the addressing of common challenges in emergencies, such as lack of ID. The disadvantage is that it is less likely to function well in a country with less developed card acceptance networks. Furthermore, a solution linking a prepaid account with possibility to open a financial account (like mobile money or a bank account) would further promote WFPs goal to advance financial inclusion.

➔ **WFP interest in RFI** - alternative prepaid solutions similar to a Rescue Card but working also in countries with low card acceptance network.

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- ***A mobile voucher/scratch card to top-up mobile money wallets***

Following the success of mobile money operations in a Country, WFP collaborated with a company to develop a mobile voucher/scratch card that are issued to beneficiaries at the point of their registration for assistance.

The scratch card works like any voucher or gift card (like iTunes gift cards) and is activated by the beneficiary to top up their mobile money wallet. The system consists of a beneficiary management system (to capture beneficiary information during registration), a voucher tracking system (to manage the issuing and tracking of scratch cards), a voucher management system (linking the vouchers with a system that checks validity of vouchers at their usage). Upon successful activation the value of the voucher is transferred to the beneficiary's mobile wallet.

The advantage with such a solution is that it can be deployed quickly, in previous responses assistance have been provided within 48hrs using these cards. The disadvantage relates to cost and risk of being not scalable to other countries necessarily.

➔ **WFP interest in RFI** – similar to above Rescue Card. An electronic voucher to mobile money is basically just a different bearer instrument compared to a prepaid card.

- ***Emergency wallet² [example from DRC, not a WFP solution]***

The Democratic Republic of Congo (DRC) has long suffered from absence of systems to identify and deliver social assistance to those in need. Digital transfers, like mobile money, have been difficult due to regulatory restrictions and low mobile phone penetration. In a new program in 2020, following the COVID-19 pandemic the government launched a program based on new digital methods such as satellite imagery, cell phone usage data and a mobile payment system to identify and reach the vulnerable.

The program included a collaborative effort by government, development partners and the private sector.

The central bank of DRF (Banque Centrale du Congo) enabled the opening of special mobile money accounts to receive social transfers from humanitarian organizations and government agencies, by revising the country's KYC norms.

The Mobile Network Operators (MNOs) opened a basic mobile money account for beneficiaries vetted by the Social Ministry. As beneficiaries were already subscribers and simplified KYC requirements in place this process was straight-forward. MNOs then processed transfers to beneficiaries' individual mobile accounts.

➔ **WFP interest in RFI** – providing emergency wallets to beneficiaries in an emergency context. This will include both how to solve the transfers to mobile wallets and the payment instrument (emergency wallet accounts) design itself. Examples of ideas

- Mobile wallet account automatically connected to subscribers in emergency area as soon as GSM network detects and locates the mobile phone. Self-service interface for registration, e.g. SMS-based, USSD or app-based interface.
- E-vouchers distributed to mobile phones – similar to above, the ability to send value vouchers to recipients in the emergency zone as soon as they are connecting to the mobile network.

² Discussion Paper 2302/March2023 - Digital-First approach to emergency cash transfers: Step-KIN in the Democratic Republic of Congo