CALL FOR PROPOSALS

Project KACHE

Kit for Autonomous Cash transfer in Humanitarian Emergencies / Kit para Transferencias Autónomas de Efectivo en Emergencias Humanitarias

Acción contra el Hambre
Madrid, Spain

Call for proposals

Action Against Hunger–Spain is inviting to service providers to submit proposals to provide the technological support to develop the “Kit for Autonomous Cash transfer in Humanitarian Emergencies - KACHE”

Action Against Hunger (ACF) is a global non-governmental humanitarian organization committed to ending hunger, saving the lives of malnourished children and providing communities with access to safe water and sustainable solutions to hunger.

The final product we are looking forward to design is an inclusive and self-contained “kit”, in the form of a hard-case that could be shipped or transported directly to any location where an emergency is occurring. This could be used by non-IT specialists, such as members of any NGO rapid response team.

This package would have the following advantages:

• MOBILE: ability to be physically deployed in any given operation where cash transfer can be a viable response option;

• AUTONOMOUS: ability to be used “offline” in remote/chaotic context, based on a “closed-circuit branchless structure” and not requiring constant connection/information transfer to a remote server/database for the financial inclusion of the most vulnerable;
- SECURE: using “digital money” and smart devices (cards, stickers, etc) for improved security, easier transaction monitoring and reduced fraud.

Refer to the following link to have a brief explanation on what is KACHE about LAUNCHING VIDEOS: [http://www.powtoon.com/show/k5mq1eb9k/kache-launching/](http://www.powtoon.com/show/k5mq1eb9k/kache-launching/)

1. **BACKGROUND INFORMATION**

Project Name: KACHE stands for KIT FOR AUTONOMOUS CASH TRANSFER IN HUMANITARIAN EMERGENCIES. The project is implemented by ACF and supported by the World Food Programme’s Cooperating Partners’ Innovation Fund.

The Project aims at increasing the speed, security, and impact of aid response through the use and scalability of e-payments for affected population during humanitarian operations. This would be achieved by designing and field-testing a “Kit for Autonomos Cash transfer in Humanitarian Emergencies - KACHE”

The humanitarian sector has experienced a rapid uptake in the use of cash transfers as a tool for humanitarian response in recent years, enabled by the opportunities offered by electronic payments technologies. The demands of transferring money to large numbers of recipients as well as the level of accountability required for cash transfer programmes have led humanitarian actors to adopt technological innovations that have potential to benefit humanitarian programming more broadly.

There is a growing recognition that electronic payment (e-payment) systems have the potential to provide more efficient and reliable delivery of cash payments than manual cash-in-envelope systems. They are also much more powerful in terms of reporting, and increase beneficiaries’ self-esteem. Yet, lack of e-payment infrastructures is limiting drastically the scaling up and potential uses of this approach.

A positive change that KACHE would bring to the humanitarian sector lies in a product innovation: the design and set-up of a universal and user-friendly “e-transfer mobile and autonomous kit”. Based on current market offer, we will develop the best suited components (points of sale, smart devices-cards, stickers, etc., software, etc.) to combine them together to ensure: autonomy, mobility, adaptability, multi-platform use, data protection, user-friendliness and the capacity to track, consolidate and analyze activity information for real-time monitoring.

2. **SUMMARY OF GENERAL E-PAYMENT REQUIREMENTS**

An electronic payment system shall deliver functionality in a number of key areas, and will specifically:

A. Enable e-payment distribution to program participants.
B. Enable transactions between participants and vendors
C. Provide access to a centralized management platform that supports ACF’s administration of payments.
The proposal will be evaluated based on autonomy, security, reliability and user-friendliness.

- Autonomy: to enable a wide range of possible uses, criteria will include battery life, “closed-circuit” structure, the potential for universal standardization and capacity to operate in an off line mode.
- Security: physical security for beneficiaries and service providers (e.g. traders) as well as global system security will be considered, with attention to the risk of fraud.
- Reliability: the capacity to reduce the risk of rejected payments, as well as generating good quality data for monitoring cards’ use.
- Ease of use: for all potential users, from ACF emergency field team and service providers to the end-users.

This could include, points of sale (POS) deployed at locations offering goods /services; large number of smart cards (devices)\(^1\), easily configured at the beginning of a response and handed to beneficiaries for use in the above-mentioned POS. Proposals must include a centralized management platform that is accessible by different users and provides easy and quick access to payment transaction data.

3. **PROPOSAL SCOPE**

ACF is willing to accept the most suitable solution according to functional specification provided in the present document, available budget and timeframe.

- Functional Specification (key areas and number of pre requirements)
- Proposal cannot exceed the budget available which is **25,000 Euros**\(^2\).
- Proposals can be submitted in English and Spanish indistinctly.
- ACF will pre-qualify 3 or 4 proposals between the received proposals and ask the pre-selected service providers for more detailed or specific proposal.
- ACF will sign a Non-Disclosure Agreement with all service providers, if needed or requested by one of the parties involved.
- Work plan associated cannot exceed a period of time from November 2014-September, 2015

Some useful recommendations and comments to take into consideration:

- It is recommended to include a breakdown of the technical and economical proposal as much as possible. For instance, by hardware & programming services, cloud services, applications, cost per use & maintenance costs, software & firmware, etc.
- Present the proposal within a specific timeframe (refer to Annex 02 for more detailed information about the KACHE’s road map).
- Describe your plan, including any new technologies or tools to be developed. How will the work you describe be performed within the budget and time period presented in the road map annexed (November 2014-September 2015)
- ACF will pilot the solution in Spain and in Mali.
- The proposal need to be design to attend a minimum of 2000 beneficiaries (approx.), 10-20 terminals (1: 100 /200 beneficiaries) for the pilot

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\(^1\) Sometimes use indistinctly as “safe element”
\(^2\) Final cost comparison will be key criteria for proposal evaluation, although bids that exceed the budget available might be analyzed case by case, if relevant by the technical and procurement committee.
4. **TECHNICAL SPECIFICATIONS**

The functional requirements are classified according to its priority, which can be “high”, “medium” and “low” based on operational needs. Please refer to annex 01 to have a better understanding on how these functional requirements fit into the process that ACF is aiming at.

**HIGH**

1. The system must include mechanisms to ensure the quality of software and hardware components, data architecture and management system, allowing it to be susceptible to improvements and extensions without compromising its independence from the developer.
2. The system must consider dynamic reusable software components to ensure that it has a minimum maintenance and optimum development process.
3. The system should allow improvements in the storage of the data, based on the application of techniques for monitoring and benchmarking of the database, in order to meet response times expected by users.
4. The system should provide a module of Administrators, in order to support the creation of new users, assign rights access, expand activities and sub processes.
5. The system allows selection of language.
6. The system should ensure consistency and integrity of the database.
7. The system must be flexible to ensure the entry and update of different devices.
8. Ability to be physically deployed in any given operation.
9. The system can be quickly set up in remote and / or chaotic contexts.
10. Ability to be used “offline” in remote / chaotic based on a “circuit” closed context.
11. The system does not require the transfer of connection / constant information to a central server / database.
12. The system will have “terminals” to be deployed at selected locations that offer goods and / or services (shops, market stalls, health centers, etc. ...): hereinafter “point of delivery (PoD)”.
13. These terminals do not need connection to telecommunication networks.
14. Terminals can store data safely.
15. The terminal reads the electronic cards/devices quickly, simply and off line.
16. The terminal writes the electronic cards/devices quickly, simply and off line.
17. The information generated by the terminal can be integrated to the information management system.
18. The cards/devices can be loaded in a timely manner by ACF.
19. Beneficiaries have access to a single individual card/device, non-transferable, reliable (non-exchangeable, non-duplicable, etc.), and traceable.
20. The system can be used by people at points of distribution (retailers, health centers, banks, etc.) quickly and easily.
21. The cards/devices have the ability to be read and modified by the installed terminals at points of distribution in a fast, simple and off line.

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3 Priorities are based on preliminary exercise, based on learning and technological options available, requirements can be re classified.
22. Access and validation of different users. Prevent unregistered users from accessing the system. Ensuring control intrusion, preventing replication of beneficiaries.
23. The system should ensure confidentiality in personal registration data
24. The system allows different user profiles information management (recipient, supervisor, vendor, administrator): enlisting, enrollment, change data, etc.
25. The system should allow reconciling accounts weekly, monthly or for a period defined by the user, when he/she requests for it.
26. The system provides a portal that tracks all registration processes (enlisting), load, payment, receipt, expense; reload (beneficiaries) as well as registration, payment collection and distribution points.
27. The system shall provide data and information to export to xls file or other format, for management with other applications in order to develop projections, estimates and allow for greater analysis capability
28. The system shall allow the registration, approval and control of payments / services
29. The system can transfer from one bank account to each smart card/device in a quickly, reliable and traceable way.
30. The system should allow to enable / disable the electronic cards/devices for its use

**MEDIUM**

31. The system should allow the calculation of basic statistics and indicators on payments and / or services provided through the system. Both static and dynamic, producing reports and user-defined queries
32. Interface: Intuitive, Easy interaction with different user profiles, Usability. Less than three clicks to register beneficiaries and reporting
33. The system is available on time and quality to respond to emergencies in a timely manner.
34. The system consolidates and reports the list of beneficiaries (enrolled, active, cancelled, etc.).
35. The system has the capacity to reach a large number of beneficiaries
36. These terminals work with long-life batteries
37. Terminals can be stored safely at point of sale
38. Terminals issue a receipt or invoice after being used by the card user.
39. The system has the ability to provide a unique beneficiary identification reliably and quickly.
40. The beneficiary has the ability to appoint a second transfer’s recipient (i.e. family) to be integrated into the system of unique identification.
41. The unique identification code enables the activation of the transfer.
42. The unique identification code is integrated into the system for managing data information.
43. The system uses smart cards/devices for easy configuration with the ability to upload information from the cardholder.
44. The recipient can know his/her balance in simple, clear and free, and use the card/device as often as needed while the balance is positive.
45. The system can reload the card/device continuously.
46. The system shall allow issuing queries and reports; reporting beneficiaries list dates, amounts and service and other criteria defined by the program
47. The system should allow entering, querying, modifying and deleting information from the accounts of beneficiaries and service providers by access levels.
48. The system offers an intuitive, streamlined data management platform for easy interaction with different user profiles and access.
49. The centralized management platform offers search, analysis and reporting.
50. The system issues terminals activity report

LOW

51. The system provides a centralized management platform that allows you to
monitor a list of indicators regarding the electronic payment mechanism. It will
be complemented by other sources of information and means required by the
program monitoring system.
52. The system offers the possibility of integrating the transfer modality selected in
the program: conditioned vs unconditioned; cash vs voucher
53. The system offers the possibility of restricting products (voucher) while using
the smart card
54. The system offers the possibility of linking the conditionality of the transfer to
the levels of authorization for payment.
55. The system can be pre-stocked for emergency preparedness
56. The system can be deployed by the emergency pool or country office without
IT personnel
57. The system requires a basic training to deploy in the field but not experts in
new technologies
58. The terminals allow a registration system of PoD to which they are assigned
59. The system has the ability to integrate queries, complaints and feedbacks
from beneficiaries and other users
60. The system offers customized devices (cards, stickers, etc.) for the need of the
user

5. ETHICAL, ENVIRONMENTAL AND GENDER RESPONSIBILITY

Find at the end of this document our Good Business Regulations, please, send
them together with your technical and economic offer.

Furthermore, ACF is committed to limiting its environmental impact to a
minimum and expects its suppliers and service providers to adopt a similar
policy. Please, let us know if you have an Environmental Policy or similar.

ACF is committed to promote the principles of fairness and equality between
men and women, and expects its suppliers and service providers to adopt a
similar policy. Please, let us know if you have a Gender Policy or similar.

6. INTELLECTUAL AND COMMERCIAL PROPERTY

The service provider will accept ceding to ACF, on a sole and exclusive basis,
the rights of reproduction, distribution, transformation and public
communication, in all possible forms, of the end product of the
implementation of this contract, in order to practice these rights throughout
the world, for the maximum duration currently anticipated by law and with
the right to assign it to third parties. This assignment of rights about the work
includes but is not limited to, the authorization of its availability to the public
(as a whole, fragmented or summarized) by wireless means or any other kind
of means, for its use wherever, for its publication into print media, whether in
newspapers or in magazines, for its inclusion in audiovisual works and for its
integration and usage in databases, declaring the service provider that no
other person or entity has intellectual or commercial property rights over it.
and expressly guaranteeing to ACF, in front of any eventual claim of third parties, derived from the implementation of the intellectual property rights over the work object of this assignment of rights.

By virtue of the assignment of rights verified above, the service provider will not be able to use the end product of this implementation (not as a whole, fragmented nor summarised), nor the photos, presentations or any other type of material, without the prior, expressed and written authorisation of ACF.

In the case that ACF gives this prior, expressed and written authorisation for the publication of the work, ACF’s and WFP’s logos must appear in said publication.

7. QUESTIONS AND CLARIFICATIONS

If you need any technical clarification, you can contact Ms Jimena Peroni: mjperoni@accioncontraelhambre.org; Project Coordinator for KACHE Project with copy to Ms Maria Estecha: mestecha@accioncontraelhambre.org; ACF-Spain Head of Procurement.

8. DEADLINES

Deadline for submission of offers is Monday 3rd November at 15h (Madrid time).

Offers must be sent to:

licitaciones@accioncontraelhambre.org

with copy to:

Ms Jimena Peroni, Project Coordinator for KACHE Project: mjperoni@accioncontraelhambre.org

Ms Maria Estecha, Head of Procurement: mestecha@accioncontraelhambre.org
Annex 01. Processes (DRAFT)

Up to date it can be identified several sub processes aiming at contributing to have a better understanding of the process and the modules selected for defining prerequisites for technological development. Sub processes are dynamic and can be updated continuously while we improve our knowledge based on preliminary technological options available.

Process 1

All sub processes need to pre-defined in an off line and an on line option. Priorities will be allocated for each requisite; however, in general, off line options will be prioritized. On line options need to be compatible, though.

Sub process A. Sub process “Terminals”

1. ACF Emergency pool is deployed physically with the kit.
2. A certain numbers of terminals are physically deployed in country where emergency has occurred or is occurring.
3. The terminals are set up/activated/configured to work in an off line and on line mode
4. Depending on the program, several locations (stores/vendors) are identified and registered where beneficiaries can have access to needed goods and/or services.
5. ACF sets up activated terminals into the PoD
6. Terminals accept devices hold by beneficiaries (cards, stickers, etc.) as mean of payment
7. Terminals issue a source of verification of the expenditure to inform the vendor and the beneficiary about the purchased.
8. ACF collects all sources of verification (physical and digital) to reimburse the vendor
9. ACF collects all terminals from vendors/PoD

Sub process B. **Sub process “The safe element”**

1. ACF Emergency pool is deployed physically with the kit.
2. A certain numbers of devices customized for beneficiary use –“safe element” (smart cards, stickers, bracelets, etc.) are physically deployed in country where emergency has occurred or is occurring.
3. The user devices are set up/activated/configured to work in an off line and on line mode. If possible, cards can be loaded previously.

**THIS PROCESS CAN VARY BASED ON TECHNOLOGICAL OPTIONS**

4. If possible, the *safe element* is configured with unique ID (thumb print, pin number, etc.). If not possible, speed would be a priority and the *safe
element can be distributed while enrolling beneficiaries with other options (tablets with ability to export data, ODK, etc.)
5. If possible, beneficiaries are enrolled configuring beneficiaries personal data into the safe element.
6. If possible, amount is activated and/or transferred into the safe element.
7. The safe elements are distributed to beneficiaries.
8. Depending on the program, several locations (stores/vendors) are identified and registered where beneficiaries can have access to needed goods and/or services.
9. ACF sets up activated terminals into the PoD.
10. Terminals accept beneficiaries safe element as mean of payment.
11. Terminals issue a source of verification of the expenditure to inform the vendor and the beneficiary about the purchased.
12. ACF collects all sources of verification (physical and digital) to reimburse the vendor.
13. ACF collects all terminals from vendors/PoD.

Annex 02. KACHE Road Map

October, November and December 2014

The project KACHE is moving forward into the stage of finalizing the functional design. The conceptual and functional design describes the functional requirements, modules and processes required for the product.
In the coming weeks, ACF will ask for a Request for Proposal to Service Providers.
By mid-December, it is expected to have a contract signed with the selected service provider.
By the end of the year, we are looking forward to finalize “Pre-alpha phase” (refer to Glossary).

January, February, March 2015

During the first trimester of 2015, the main activities will be towards to get through the Alpha phase. This will include developing an exhaustive and complete testing script to be followed in different scenarios. This face aims at having a ready to use version to be tested in “real context” and to start focusing on the potential “users” of the KIT: Emergency Pool, Beneficiaries, Missions, etc.

April, May, June 2015
**During this period, active coordination, involvement between ACF HQ, WFP Dakar, ACF Mali and WFP Mali are key for the success of the project.**

- During April, activities for preparing the Beta Version will commence. This includes preparing of “Know Your Customer” (KYC) requirements assessment for pilot country (Mali); training material development, joint working plan with Mali’s country offices, coordination with relevant authorities and communities, etc.
- Between mid-May and June (concurring with hunger gap starting point in Mali), ACF is planning to deploy the kit to Mali, finalize together the testing scripts, carry out the trainings, and start the period of testing.
- By the end of June, there should be an evaluation of beta versions and recommendations.

**July, August, September, 2015**

- During the last trimester of the project, KACHE will focus on the review and upgrade of the kit, and release a version 1.0. In addition, a systematization report will be carried out, including a scalability analysis as well as dissemination campaign for the community of practice.

**Graphic 1. Road Map**

**Technological Development Phases –Glossary -KACHE-**

- Pre alpha phase: refers to all activities performed during the project before testing
- Alpha phase: It is the first phase to begin software testing. It is tested in Spain by ACF and Service Providers
- Beta Version: It is the phase were “real time” context testing begins. It is focused also in usability testing.
- RTM: the KACHE Version 1.0 is ready to be used for the first time in a humanitarian context.
ACF GOOD BUSINESS REGULATIONS

ACF is a non-governmental organisation. Private, non-political, non-denominational and non-profit-making, it was set up in France in 1979 to intervene in countries throughout the world. ACF’s vocation is to save lives by combating hunger, disease, and those crises threatening the lives of helpless men, women and children.

ACF intervenes in the following situations:
- In natural or man-made crises which threaten food security or result in famine,
- In situations of social / economic breakdown, linked to internal or external circumstances which place particular groups of people in an extremely vulnerable position,
- In situations where survival depends on humanitarian aid.

These Good Business Regulations are the ground for a professional working relationship between ACF and the suppliers.

They are general regulations valid unless others particular conditions are mentioned in the contract. In case of conflicting terms within documents, the conditions of the contract or tender dossier will prevail on these Good Business Regulations.

Principles of the procurement procedures

ACF has transparent procedures to award markets. Essential principles are
- Transparency in the procurement process
- Proportionality between the procedures followed for awarding contracts and the value of the markets
- Equal treatment of potential suppliers

Usual criteria to select a supplier are:
- Authorisation to perform the market
- Financial and economic capacities
- Technical expertise and Professional capacities

Usual criteria to award markets are:
- Automatic award (the cheapest offer complying with all requirements)
- Best value for money (price/quality ratio)

Misbehaviour, ineligibility and exclusion

ACF considers the following misbehaviour as a valid ground for a systematic exclusion of an awarding market procedure and for the termination of all working relationship and contracts:
- Fraud defined as any intentional act or omission relating to:
- The use or presentation of false, incorrect or incomplete statements or documents, which has as its effect the misappropriation or wrongful retention of ACF or institutional donors funds
- Non-disclosure of information, with the same effect
- The misapplication of such funds for purposes other than those for which they were originally granted

- **Active corruption**: to deliberately promise or give an advantage to an official for him/her to act or refrain from acting in accordance with his duty in a way which damages or is likely to damage ACF or institutional donors financial interests.

- **Collusion**: the co-ordination of firms competitive behaviour, with the likely result that prices rise, output is restricted and the profits of the colluding companies are higher than they would otherwise be. Collusive behaviour does not always rely on the existence of explicit agreements between firms, but can also be tacit.

- **Coercive practice**: harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract.

- **Bribery**: to offer ACF employees monetary or in kind gifts in order to gain additional markets or to continue a contract

- **Involvement in a criminal organisation** or any other **illegal activity** as established by a judgement, by the US Government, the EU, the UN or any other donor funding ACF.

- **Immoral Human Resources practices**: exploitation of child labour and the non-respect of basic social rights and working conditions of employees or sub contractors

**ACF will exclude from a procurement procedure any candidate or tenderer falling into one of the following cases:**

- To be bankrupt or to be wound up, to have affairs administered by the courts, to have enter into an arrangement with creditors, to have suspended business activities, to be the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations
- To have been **convicted of an offence** concerning professional conduct by a judgement
- To have been **guilty of grave professional misconduct** proven by any means that ACF can justify
- To have not fulfilled obligations relating to the payment of **social security contributions** or the **payment of taxes** in accordance with the legal provisions of the country in which they are established or with those of the country where ACF mission is operating or those of the country where the contract is to be performed
- They have been the **subject of a judgement** for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests
- To have been declared to be in **serious breach of contract** for failure to comply with their contractual obligations in another previous procurement procedure

**ACF will not award contracts to candidates or tenderers who, during the procurement procedure:**
- Are subject to a conflict of interest
- Are guilty of misrepresentation in supplying the information required ACF as a condition of participation in the contract procedure or fail to supply this information

Administrative and financial sanctions

In the event a supplier, candidate or tenderer is engaged in corrupt, fraudulent, collusive or coercive practices ACF will impose:

- **Administrative sanctions:**
  Administrative sanctions are the official notification of the misconduct to the relevant civil or commercial authorities and the immediate termination of all existing working relationships.

- **Financial sanctions:**
  ACF will request the reimbursement of the cost linked directly and directly to the conduct of a new tendering process or market award. If any, the tender or performance guarantee will be kept by ACF.

Information of and access for the Donors

ACF will inform immediately the Institutional Donors and will provide all the relevant information in the event a supplier, candidate or tenderer is engaged in corrupt, fraudulent, collusive or coercive practices. Furthermore, the contractors agree to guarantee a right of access to their financial and accounting documents to the representatives of ACF’s institutional donors for the purposes of checks and audits.

Documents to be a supplier

Hereafter is the minimal documentation a contractor working with ACF will have to provide:

- Status and registration of the company

**Important note:** Additional documentation may be required for a particular market.

In addition the contractor must have the capacity to issue invoices, receipts and waybills (or delivery notes).

ACF Anti-Corruption Policy

If you believe that the action of anyone (or a group of people) working or volunteering for ACF programs is responsible for violating the above rules, you should file a report through the Whistleblower Email Hotline.

In order to enable the treatment, reports should give as precise information as possible; your name and contact are optional but encouraged. All reports are treated confidentially to the extent permissible by law. ACF will use all reasonable efforts to preserve the confidentiality of the whistleblower and to protect whistleblowers against any possible retaliation.

Reports are to be sent as follows: transparenciaproveedores@accioncontraelhambre.org
TO BE FILLED OUT BY SUPPLIERS:

I, undersigned representative name, representative of company name, certified that I have read and understood these regulations.

On behalf of the company I act for, I accept the terms of ACF Good Business Regulations and I commit to achieve the best performances in the event company name is awarded a market.

By signing, I certify that company name has not provided, and will take all reasonable steps to ensure that it does not and will not knowingly provide material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in fraud, active corruption, collusion, coercive practice, bribery, involvement in a criminal organization or illegal activity, or immoral Human Resources practices, such as the use of Child labour or overriding basic social rights and work conditions or the standards defined by the International Labour Organisation (ILO), particularly in terms of non-discrimination, freedom of association, payment of the legal national minimum wage, no forced labour, and the respect of working and hygiene conditions.

Last, I hereby certify that company name is not involved in any pending lawsuit, claim or action in the Company’s name, or on behalf of any other person or entity, against the Company, regarding fraud, corruption, bribery or any illegal activity, and has not been convicted guilty of such practices at any time.

Name: Date: