



**Guidance for
Collaborative Procurement for
Humanitarian Cash Transfers**





Humanitarian Cash Transfer Programme in Greece
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Acknowledgements

This 'Guidance for Collaborative Procurement for Humanitarian Cash Transfers' was prepared by the Procurement-Finance Inter-Agency Working Group for Humanitarian Cash Transfers, from the UN Refugee Agency (UNHCR), United Nations Children's Fund (UNICEF) and the World Food Programme (WFP).



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ACRONYMS AND ABBREVIATIONS

AML Anti Money Laundering

ATF Anti-Terrorism Financing

BCP Business Continuity Plan

FSP Financial Service Provider

GTCs General Terms and Conditions

HQ Headquarters locations

ITB Invitation to Bid

LTA Long-term agreement

MoU Memorandum of Understanding

OCHA United Nations Office for the Coordination of Humanitarian Affairs

RFP Request for Proposal

UN United Nations

UNHCR United Nations High Commissioner for Refugees

UNICEF United Nations Children's Fund

WFP World Food Programme

WG Working Group

1. INTRODUCTION

The purpose of this ‘Guidance for Collaborative Procurement for Humanitarian Cash Transfers’ (this “**Guidance**”) is to support collaborative procurement options for humanitarian cash transfer services required by UNHCR, UNICEF and WFP, as per the Joint Statement issued on 5 December 2018 by the Principals of OCHA, UNHCR, UNICEF and WFP (the “**Principals Statement**” included as Annex I).

This Guidance has been adopted by the Procurement - Finance Inter-Agency Working Group for Humanitarian Transfers established by UNHCR, UNICEF and WFP (the “Working Group”) and builds upon the “Harmonizing UN Procurement: Common UN Procurement at the Country Level” (the “**Common UN Procurement at the Country Level Guidelines**”⁶) issued by the High-Level Committee on Management Procurement Network in collaboration with the United Nations Development Group.

This Guidance does not replace existing policies, procedures and rules of the agencies, nor does it impede their independent decision-making powers.

This Guidance is intended for UNHCR, UNICEF and WFP staff in all country operations and presents an overview of collaborative procurement opportunities for cash transfer services. This Guidance aims to clarify the acceptability of and to encourage the agencies to pursue collaborative procurement in their respective operations for humanitarian cash transfers.

⁶ Published March 2015, Version 3.1
https://www.ungm.org/Areas/Public/Downloads/15_06%20HarmonizingUNProcurement_GUIDELINES_final.pdf

Collaborative procurement can:

1. Reduce duplication of procurement actions and maximize potential benefits of one procurement action for all parties involved;
2. Reduce human resource requirements and costs in the implementation of cash transfer programmes;
3. Reduce lead time in implementing cash transfer programmes by any organization of the UN system when another UN organization has already carried out a procurement process for the selection of a Financial Service Provider (“FSP”);
4. Leverage the joint purchasing power where applicable;
5. Allow people of concern and beneficiaries to have a more simplified and harmonized solution in accessing their entitlements where possible; and
6. Enhance FSP risk management, and sharing of common FSP risks assessments and risk mitigation measures.

In the spirit of the agreement among the participating agencies as set out in the Principals Statement, all participating agencies are required to mobilize relevant resources to ensure a successful country level collaboration. It is expected that this Guidance will also be of use in new humanitarian situations or in existing situations where the collaborative approach has not yet been developed, and this Guidance consequently informs the process required for the start of the inter-agency collaboration as needed.

Although this Guidance is focused on UNHCR/UNICEF/WFP, as appropriate, it may also be consulted for collaborative opportunities with all other humanitarian actors.



Humanitarian Cash Transfer Programme in Zimbabwe
© WFP/Tatenda Macheke

2. OPTIONS

FOR COMMON PROCUREMENT AND DECISION TREE FOR COLLABORATIVE PROCUREMENT

This Guidance builds upon the below indicated options for common procurement also identified by the High-Level Committee on Management Procurement Network in collaboration with the United Nations Development Group⁶. The considered options are illustrated in Chart 1 below.



Chart 1: Chart highlighting options for common procurement considered by the Working Group (adapted from the Common UN Procurement at the Country Level Guidelines)

² Harmonizing UN Procurement: Common UN Procurement at the Country Level , p5 https://www.ungm.org/Areas/Public/Downloads/15_06%20HarmonizingUNProcurement_GUIDELINES_final.pdf

Given the particular nature of cash transfer services, the options that were considered relevant by the Working Group are as listed below.

- Option 2.1: Using existing LTAs/contracts of other UN organisations;
- Option 2.2: Procuring from another UN organization;
- Option 2.3: Using joint LTAs/contracts (lead agency)/Using a joint procurement team;
- Option 2.4: Own agency tendering (with Collaboration clause).

The Working Group developed a Decision Tree to aid country operations in selecting the most appropriate collaborative procurement option (see Chart below):

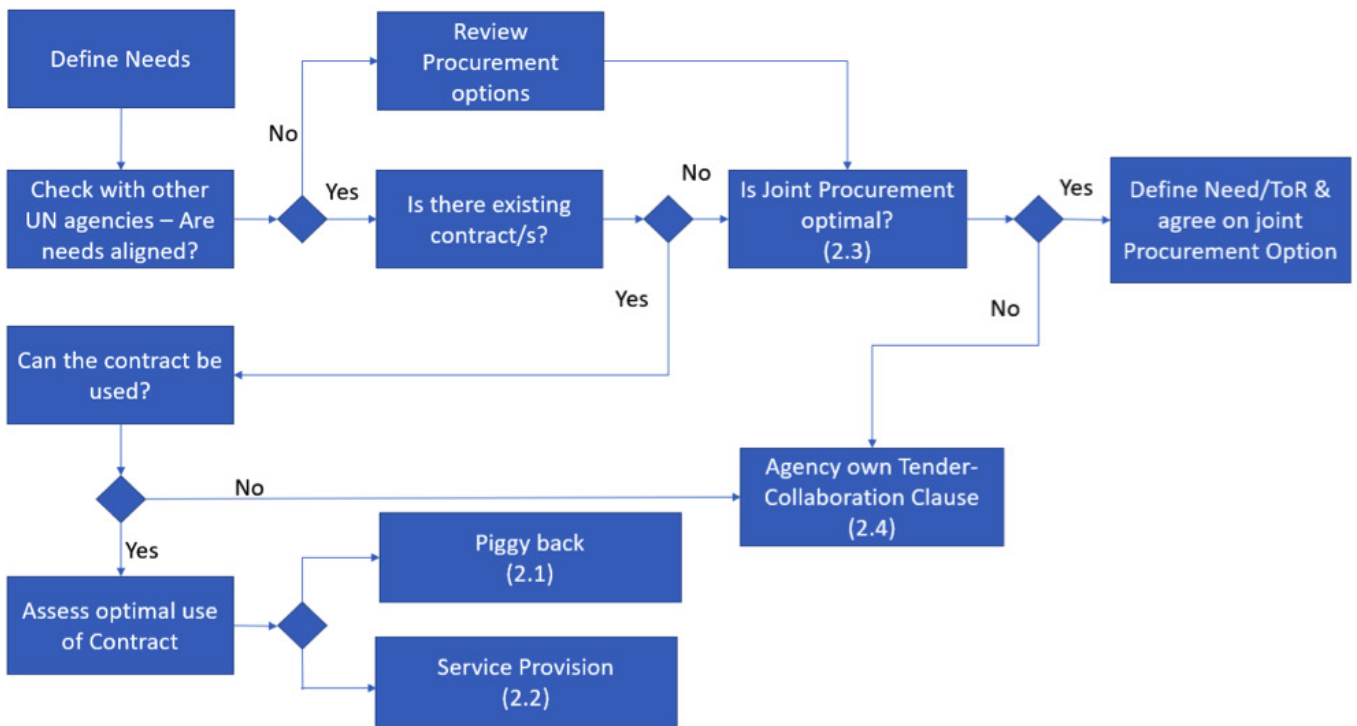


Chart 2: Decision Tree for collaborative procurement

The first step is for each agency to assess its programme needs (such as beneficiary/People of Concern location, documentation) as the starting point for defining the most optimal way forward for collaboration.

Thereafter, an agency may follow the decision tree to consider the options for collaborative procurement. Where there are insufficient commonalities amongst the agencies’ programme requirements, own agency tendering may be the only available procurement option. This, however, should still be pursued from an angle that allows for collaboration at a later stage e.g. in the form of piggy-backing by another agency in the future.

Inter-Agency collaboration can take many other forms during a Cash Transfer Programme life cycle. For example, collaboration can occur during the stages before and/or after the engagement of FSPs to effect cash transfer services. However, such collaborations are outside the scope of this Guidance.

The remainder of Part 2 of this Guidance provides details and explanations on each of the options identified in Chart 1 to help guide country operations in their decision making on appropriate collaborative procurement possibilities.



Humanitarian Cash Transfer Programme in Yemen © UNICEF Yemen

2.1. Using existing LTAs/contracts of other UN organizations ('piggybacking')

Under this model of procurement collaboration⁶, an organization of the UN system wishing to procure services of a FSP (UN-B) may use the existing LTAs/contracts and/or procurement award decision of other UN organization (UN-A) in order to reduce administrative time and costs of engaging an FSP to benefit from agreed/negotiated terms including rates which UN-A has already obtained in procuring cash transfer services. The agencies' collaboration may also result in further benefits such as volume discounts. The updated list of FSP contracts can be requested from the HQ counterparts of each agency. The Common UN Procurement at the Country Level Guidelines distinguishes between two options for piggybacking i.e.:

- Piggybacking Option A: Using the solicitation results (award) to establish your own LTA/contract; or
- Piggybacking Option B: Purchasing against the already established LTA/contract.

³ Harmonizing UN Procurement: Common UN Procurement at the Country Level, p7 https://www.ungm.org/Areas/Public/Downloads/15_06%20HarmonizingUNProcurement_GUIDELINES_final.pdf

In light of the complexities of cash transfer services, establishing an own contract/LTA using the solicitation results of the other agency is likely to be the most appropriate solution.

2.1.1. Using the solicitation results to establish own LTA/contract

Process

For cash transfer services, using the other agency's solicitation results to establish own LTA/contract is usually preferred as depicted in below chart:

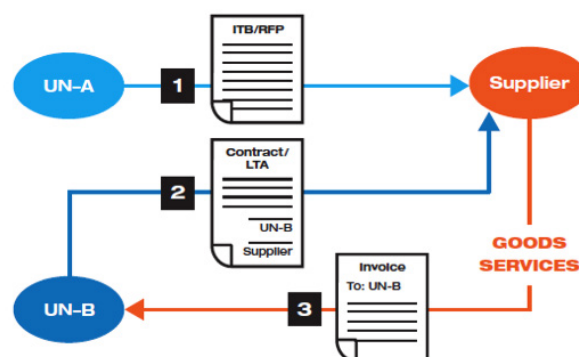


Chart 3: Utilizing LTAs/contracts of other organizations in the UN system⁶

⁴ Harmonizing UN Procurement: Common UN Procurement at the Country Level, p10

For more detailed guidance, please refer to the Common UN Procurement at the Country Level Guidelines.

To support this process, the following documents should be shared with UN-B, subject to confidentiality restrictions:

1. RFP document and annexes;
2. Awarded FSP proposal documents (technical and financial);
3. Signed Contract/LTA (relevant for Piggybacking Option B but also desirable for Piggybacking Option A);
4. Written confirmation from UN-A that UN-B can use the outcome of their process in addition to other key information relating to the solicitation process, including the nature of the award, the duration of offer, contract review committee approval and other relevant details.

UN-B should review the shared documents to determine if its requirements /programmatic needs match those of UN-A's solicitation process and results. Collaborative risk assessment processes, as described in Part 4 may be of use to support this review. Once this is confirmed, UN-B should contact the FSP for confirmation on maintaining terms and conditions contained in solicitation results which is a pre-requisite to entering into discussions with a view towards a final contract.

In case a single FSP is engaged by multiple agencies, there should be regular communication on the planned disbursements in order to mitigate adverse performance of the FSP that may have a negative impact on the beneficiaries and the success of the programme. Should there be difficulties in having a regular/smooth communication among the agencies, then the Issue Resolution Mechanism described in section 3 below can be utilized.

For examples of piggybacking, please refer to Annex II.

2.2. Procuring from another UN organization

Under certain circumstances, rather than entering into a new contract with the FSP, an organization of the UN system (UN-B), or any other humanitarian actor, may request another UN organization (UN-A) to carry out cash trans-

fer services on its behalf. UN-A will provide the service using the LTA/contract it has with the given FSP. This may be effected through a UN-to-UN agreement or a service agreement between UN-B or the humanitarian actor, as relevant, and UN-A.

This option may be considered by UN-B if its programmatic requirements can be met through services provided by the UN-A in the interest of efficiency.

For example,

- by tapping on to the administrative capacity of UN-A; and
- time and costs savings:
 - » UN-B will not be required to conduct a procurement selection process or contract a FSP;
 - » Some of the associated costs for setting up humanitarian cash transfer mechanism may have been met by UN-A already.

Process

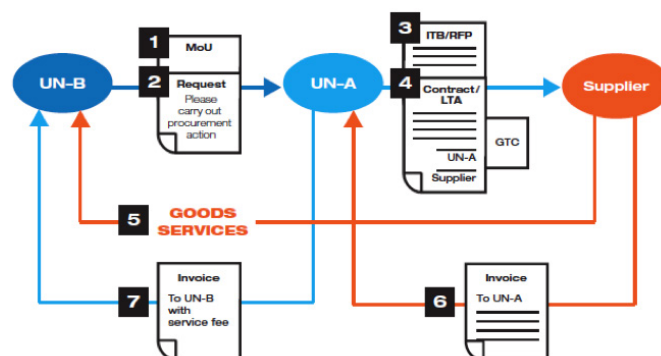


Chart 4: Utilizing LTAs/contracts of other organizations in the UN system⁶

For general guidance, please refer to the Common UN Procurement at the Country Level Guidelines.

For examples of service provision, please refer to Annex II.

⁶ Harmonizing UN Procurement: Common UN Procurement at the Country Level , p17 https://www.un.org/areas/public/downloads/15_06%20HarmonizingUNProcurement_GUIDELINES_final.pdf

2.3. Joint procurement options in cash transfers

Under this model of collaboration⁶, UN organizations cooperate in a joint solicitation process. This model is used to leverage purchasing power to achieve rates and prices and service level terms that no single organization could obtain on its own. Further, this model can help reduce inefficiencies and reduce workload in the long run for all participating organizations.

Important collaborative elements for a successful joint procurement include the following:

- Ability for alignment, requiring commonality in programmatic requirements;
- Establishment of terms of reference agreed by participating agencies;
- A Joint Procurement Team, both during the procurement solicitation process and, where necessary, during contract management;
- Development of joint procurement solicitation documentation and templates for joint contractual arrangements (in case non-individual contracts are pursued);

- Collaborative risk assessment processes, as described under Part 4, may be used to support this review.

There are two principal joint procurement options:

- “Joint procurement team”: joint procurement team comprising all participating agencies undertakes the full procurement process with a selected agency launching the tender on their behalf; and
- “Lead agency” procurement: all participating agencies share their requirements with the lead agency that undertakes the procurement process on behalf of all the participating agencies.

The contractual engagements resulting from a joint procurement processes may take the form of:

- Individual contracts for awarded FSPs: each organization enters into a contract with one or more of the awarded FSPs; or
- Joint contracting: multiple organizations agree on common terms with one or more awarded FSPs, which are activated through individual LTA/contract.

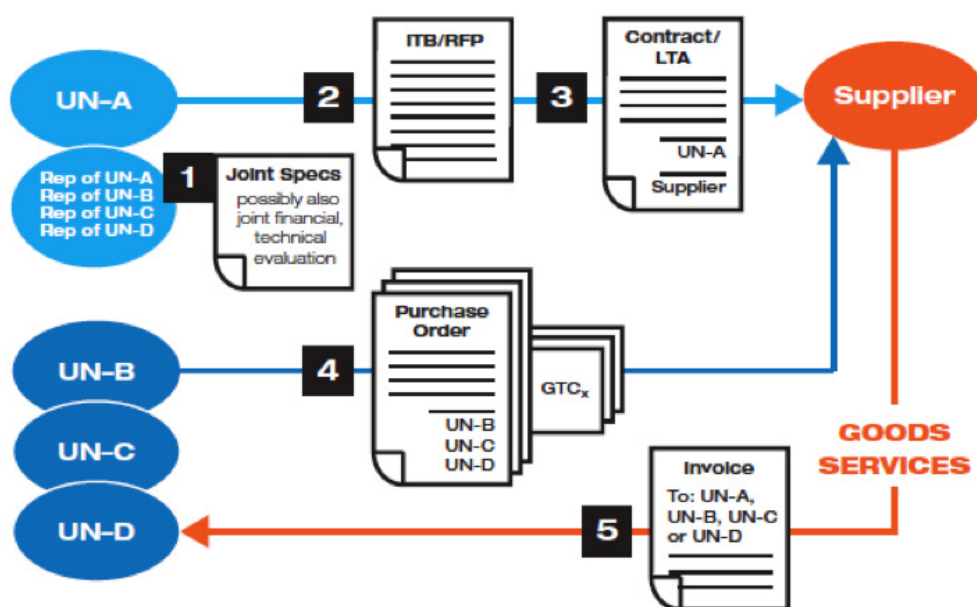


Chart 5: Joint solicitation with lead organization⁶

For general guidance, please refer to the Common UN Procurement at the Country Level Guidance. For examples of joint tendering, please refer to Annex II.

⁶ Harmonizing UN Procurement: Common UN Procurement at the Country Level, p12



2.4. Own agency tendering with collaborative touchpoints

Where an agency determines to pursue a procurement of a FSP on its own, there are several collaborative touchpoints which should be considered and used.

In undertaking tender processes as an individual agency, the participating agencies are encouraged to anticipate potential collaborative touchpoints for future programmatic activities of other agencies. For example, catering for programme expansion (such as service coverage in additional geographical areas and/or for different target population) could be a strong enabler for another UN agency pursuing collaborative procurement options later on.

2.4.1 Collaboration clause

In order to facilitate collaboration, each individual agency carrying out a procurement will include the “Collaboration clause” in the RFP and endeavor to include the same in the resulting LTA/contract. The Collaboration clause will include the following principles:

- Identification of the key business terms and conditions upon which another organization of the UN system may be able to obtain services (as prescribed under 2.1) on already existing LTA/contracts. These terms and conditions should be no less favorable than those included in the original LTA/contract;
- To the extent possible, FSP’s proposal documents in response to the RFP and/or the LTA /contract may be shared with other organization of the UN system.

The organization holding the original LTA/contract may not become party to the separate LTA/contract between the piggybacking organization of the UN system and the FSP. However, the organizations of the UN system may together derive certain benefits, such as volume discounts. To make this effective, pricing under the LTA/contract should be subject to review. Eventually, when organizations piggyback, an agreement may be entered into amongst the relevant organizations of the UN system, as well as the FSP, to share information to allow for such benefit/volume discount to apply.

2.4.2 Service provision clause

Where an agency has a capacity to offer service provision as discussed under point 2.2, it can anticipate these arrangements by ensuring the LTA/contract with the FSP contains the necessary clauses to enable the agency to operationalize the service provision arrangement.

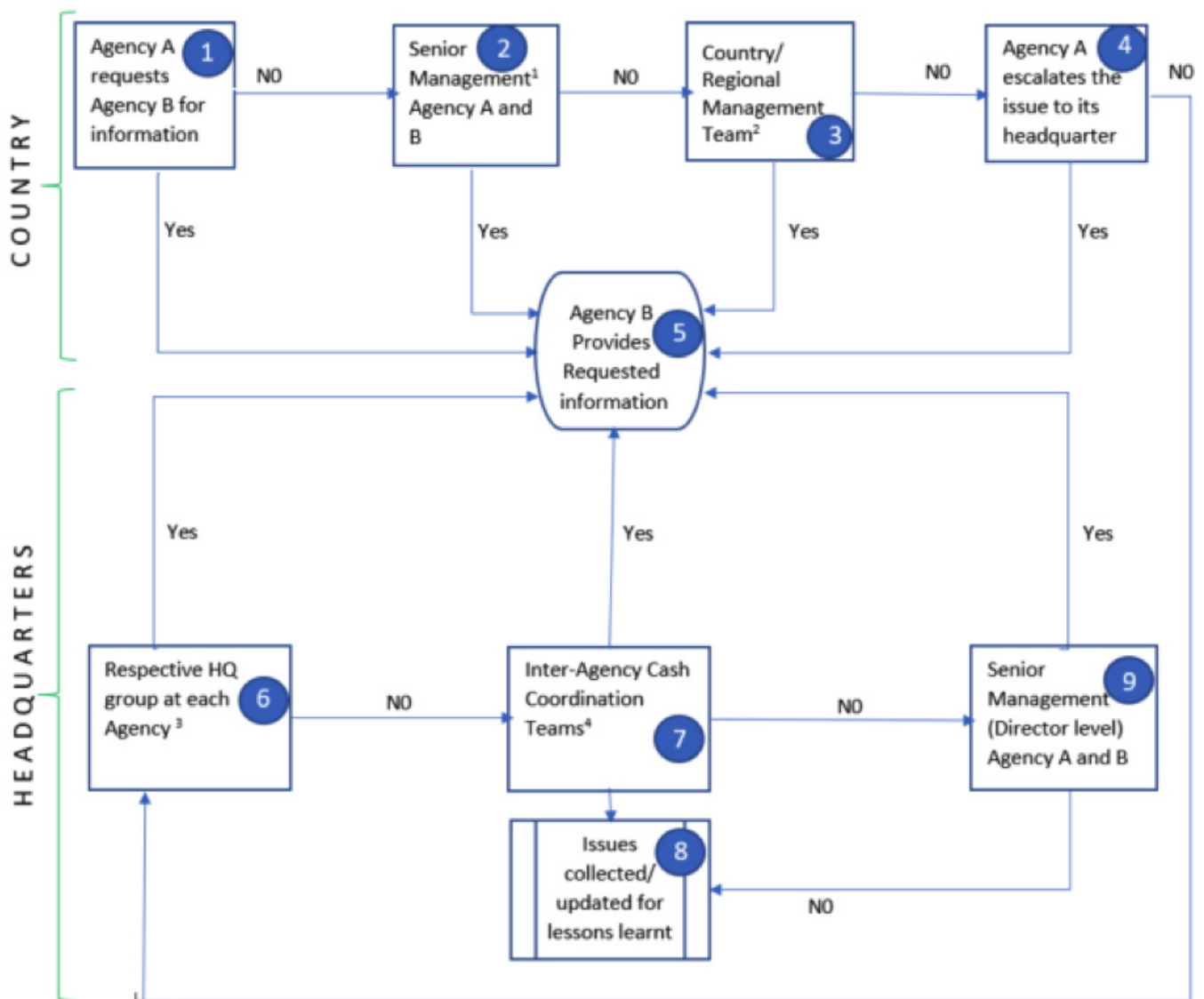
Existing policies, procedures of the respective participating agency will be followed in the tender process but including above-described Collaboration clause as an enabler for collaborative procurement opportunities.

2.4.3 Collaborative risk assessment processes

Where another agency (UN-A) has already contracted an FSP in the location where an agency (UN-B) has determined to pursue its own procurement solicitation, UN-B’s process can be aided on a collaborative basis through the sharing of risk assessment documentation and other financial due diligence material of UN-A. See Part 4 below.

3. ISSUE RESOLUTION MECHANISM

In case of issues encountered in any of the above collaborative procurement options, respective Working Group focal points at the HQ of each agency may be contacted as per below chart.



Note:

- 1/ Respective agency senior management at the country office level (i.e. Rep/Dep. Rep/designated official).
- 2/ UN Country team (inter-agency coordination) or Regional office – Depending on each agency structure
- 3/ Depending on each agency’s country/HQ escalation arrangements.
- 4/ Respective HQ Cash Coordination Teams (i.e. EMOPS-Humanitarian Cash Transfer Coordination Team in UNICEF).

4. POSSIBILITIES FOR COLLABORATIVE FINANCIAL RISK MANAGEMENT

1. The participating agencies have FSP risk assessment already embedded at different levels of the agency specific cash transfer processes.
2. Each agency is guided by its own established risk management procedures including the risk tolerance levels.
3. All agencies will continue to perform FSP risk assessment at all levels in cash transfer processes especially procurement of cash transfer services including:
 - a. Macro level: Risk associated with financial system of country, its regulatory framework and its ability to support cash operations. Examples include without limitation: (I) supervision by central bank, (II) reliability of financial system, (III) financial sector risk assessment, (IV) compliance with national regulations, (V) geographical penetrations, (VI) currency restrictions, (vii) liquidity.
 - b. Micro level: Assessment of individual FSPs and identification of potential associated risk based on past performance, system, capacity etc. Examples include without limitation: (I) experience, (II) financial performance, (III) registration with relevant authorities, (IV) FSP risk management including BCP, anti-fraud measures and performance bonds, (V) compliance with regulations including AML and ATF, (VI) cash and liquidity management, (VII) data management and file transfer protocols, (VIII) systems and technical functionalities, (IX) reporting.
4. The agencies will share information at the operational level on common FSP risks identified with other agencies delivering cash transfers or intending to deliver cash transfers through the same FSP.
5. Where feasible, joint risk assessment to be performed by all agencies using the same FSP with commonly agreed procedures and templates at the operational level.
6. As part of the FSP risk management, FSP performance evaluation to be done periodically by each agency using agency established procedures and tools. This information can be shared with other agencies where possible or can be produced jointly using commonly agreed templates and procedures at operational level.

RESOURCES

- Harmonizing UN Procurement: Common UN Procurement at the Country Level
- Cash Digitization: UN Collaboration, Coordination and Harmonization Opportunities – Better than Cash Alliance, UNHCR, UNICEF, WFP, December 2018 by Price Waterhouse Coopers

ANNEXES

- [I. Joint Statement- Statement](#) from the Principals of OCHA, UNHCR, WFP and UNICEF on cash assistance
- II. Examples of collaborative procurement for cash transfer services

ANNEX II

EXAMPLES OF COLLABORATIVE PROCUREMENT FOR HUMANITARIAN CASH TRANSFERS

Examples of piggy-backing (2.1)

UNHCR piggy-backing on WFP procurement process in Mauritania

To enable refugees to meet their basic needs as well as needs in support to specific needs, education, livelihoods and shelter through conditional and unconditional cash assistance, UNHCR Mauritania opted to use cash based interventions across the operation as of 2018.

As UNHCR Mauritania was made aware of the recent tender exercise conducted by WFP and its arrangement with La Banque El Amana S.A. in order to shorten lead time to start UNHCR implementation and to benefit from the other UN agency achieved prices and terms of the contract, UNHCR approached WFP to have more understanding on their tender process as well as to seek WFP authorization for an eventual piggy-backing, i.e. UNHCR to be authorized to use the WFP procurement process in order to obtain the services under the same terms and conditions. Following an initial meeting with WFP on 22 March 2018 clarifying that requirements of both agencies are aligned and confirming piggy-backing as a feasible option for UNHCR, the necessary documents and authorizations from WFP as well as from the FSP were received in less than a week. Thanks to the rapid information/document sharing, UNHCR could proceed with its internal approval process in a very short time frame and start the contracting process with the FSP to establish the UNHCR-La Banque El Amana Long Term Agreement under the same terms and conditions.

Cash based interventions in Mauritania target the refugees living in Mbera camp, Bassikounou region, as well as refugees outside of camps locations, these mostly being the cities of Nouadhibou and Nouakchott, for an approximate target population of up to 59,087 HHs.

UNICEF Yemen shares own LTAs with UNHCR, UNDP & FAO

Tender process and collaboration:

In 2018, UNICEF initiated a competitive tender process to select and establish LTAs with different service providers for the portfolio of services needed to deliver the Yemen Emergency Cash Transfer (ECT) project. In addition to contracting FSPs, UNICEF also contracted a Facilitation company, Monitoring company, insourced the development and maintenance of the cash transfer MIS and the grievance redressal mechanism which includes a Call Center based in Sanaa and Case Management under the UNICEF's Project Management Unit direct oversight.

On the collaborative principle, UNICEF made the FSP contracts (LTAs) available to all the UN Agencies that were interested in piggy-backing on the contracts, including by issuing their own LTAs directly with the FSP leveraging UNICEF's LTAs.

UNHCR Piggy-backing on UNICEF LTAs: UNICEF shared with UNCHR in Yemen the LTAs UNICEF had with the two FSPs (Al Amal Bank and AL Kuraimi Bank), enabling UNHCR to issue its own direct contracts with these FSPs. Through this collaboration, UNHCR was able to speed up the implementation of their cash assistance in Yemen, and also to negotiate lower fees than even those negotiated by UNICEF itself when UNICEF's LTAs was signed. This saved UNHCR time and money.

UNDP Yemen piggy-backing on UNICEF Payment agency LTAs: UNICEF shared the LTA for the FSP Al Amal Bank with UNDP Yemen to facilitate their own contracting process with them.

Outcome: Through the collaboration example above, the Agencies were able to implement their cash transfer programmes faster. In addition, some Agencies were able to negotiate a reduced fee with the FSPs thanks to the prior efforts of other Agencies. The collaboration among the UN Agencies has stimulated the market and additional FPS approached UNICEF afterwards to express interest in subsequent procurement processes. Open and transparent collaboration among the Agencies when procuring for FSPs can strengthen the UN agencies negotiation power, speed up implementation and increase value for money.

In line with the Principals Statement, the Yemen UN teams will be looking at further strengthening their collaboration in the area of cash systems in Yemen.

Examples of service provision (2.2)

UNHCR and UNICEF joint winter assistance in Egypt

In November 2017, UNHCR and UNICEF launched a joint winter assistance programme for vulnerable refugees in Egypt.

A minimum expenditure basket (MEB) of EGP 620 had been calculated to ensure that asylum-seekers and refugees in Egypt were able to cover the additional costs associated with winter such as clothing and electricity bills. A total of 129,000 vulnerable refugees had been identified to be in need of assistance. The funding available by UNHCR was not sufficient to cover the full MEB. The two agencies agreed, that for this one-time unconditional cash assistance, a joint programme would be established to cover the 129,000 persons in need. Jointly the agencies were able to provide the EGP 620 per person, of which UNHCR funded 75% of the contribution and UNICEF 25% contribution per person.

The winter assistance to the refugees was disbursed through regular modalities of the cash assistance by Egypt Post across the country. UNHCR is the holder of the contract with Egypt Post and this was a one-time contribution by UNICEF to the joint assistance programme. The UN-to-UN agreement service contract was used for UNHCR to receive the funding for this joint programme and to ensure that the beneficiaries would receive the full MEB contribution at once.

UNICEF providing cash transfer services to WFP in Sierra Leone

As part of a UKAid (also known as DFID) funded cash transfer (CT) program, UNICEF provided services to WFP and the National Commission for Social Action (NaCSA) to help deliver cash transfers to 1800 beneficiary Households affected by the August 2017 mudslide and floods in Freetown, Sierra Leone.

UNICEF provided the service, through its FSP, the Mobile Network Operator (MNO) Orange, using a tripartite agreement with NaCSA. Cash distribution services were provided via its mobile money platform, Orange Money. The CT took the form of 3 tranches of unconditional HCT and a conditional ERCT payment. The ERCT was based on willingness to move from locations deemed prone to flooding. Total transfer value of the program was approximately \$1,000,000.

Uniquely, UNICEF Sierra Leone used the U-Report /Rapid Pro platform to support the HCT process by engaging directly with Beneficiaries. An independent, UKAid funded, post project survey concluded that “U-Reports/ Rapid Pro have been proven to be highly useful in engaging directly with populations in an emergency aid situation and should be used extensively in any future emergency scenario to provide information to affected populations.”

WFP providing value voucher services to UN organizations and international NGOs in Palestine

In 2014, WFP contracted FSPs (comprising of a bank and its subsidiary, an IT software and systems company) for a closed loop value voucher distribution system. WFP, created beneficiary lists and printed magnetic cards, called “Sahtein card”, for beneficiaries and issues vouchers. A beneficiary redeems the vouchers at a retail shop designated to him/her by purchasing food items from a long list of pre-selected items using a POS terminal linked to the system. The system reports on the volume of sales for each retailer on daily basis and WFP settles its payment to the retailers within hours of such reports being generated minimising any “financing” costs enabling retailers to offer competitive price. The system allows beneficiaries to receive in-kind distribution from multiple donors using a single card and tracks distribution from each donor.

WFP supported a number humanitarian actors on the ground for relatively small projects to deliver assistance through this larger system. In 2014/2015 WFP provided services to an international NGO, Help Age International, for the distribution of value vouchers for food items to its beneficiaries (USD 40,000) and from 2014 to 2018 to UNRWA (USD 24,305,837). In addition vouchers for purchasing hygiene items were developed to support Medecin du Monde in 2014 (USD 160,000) and Oxfam UK in 2015. From 2014 onward, UNICEF uses this service for the provision of hygiene items, school uniforms, stationary, winter clothing and blankets (USD 325,000).

Providing the value voucher system allowed for a cost and time efficient response, as well as enhanced the collaboration to achieve efficiency in other areas, such as monitoring of Cash Based Transfer distributions at the point of contact with the beneficiaries, at the retailers, to avoid duplication of efforts and resources by the humanitarian actors.

Examples of joint procurement (2.3)

Joint procurement with UNHCR (Lead Agency) in Jordan, resulting in joint umbrella LTAs for all CCF members

UNHCR in Jordan has pioneered a collaborative, multi-stakeholder approach to the delivery of cash, known as the Common Cash Facility (CCF). The aim of the CCF is to provide humanitarian actors with direct and equal access to a common financial service provider. The CCF uses a public-private partnership approach, contracting with financial service providers that provide transparent and equal services to all agencies under the CCF Agreements (and due to the volume are willing to customize tools for specific humanitarian assistance purposes). One advantage of the Jordan CCF is the ability to utilize UNHCR’s biometric registration system that was already in place before the CCF. CCF partners are able to utilize the iris database for beneficiary verification prior to withdrawing assistance. However, the core premise of the CCF is the ability to jointly negotiate with FSPs, and actively coordinate and collaborate on issues relating to humanitarian cash assistance.

The latest tender for CCF services was launched in 2018. The CCF Steering Committee nominated three members (UNHCR, UNICEF, and ACF) who represented the 25 members of the CCF, to conduct the tendering process. Several meetings took place to determine the composition of the required teams, the process and the evaluation scoring methodology. Following the tender closing date and the receipt of technical proposal documents, a thorough technical evaluation process commenced. The three CCF panel members created their own internal teams and provided a single organization/agency score to the full panel. At the first joint technical evaluation meeting, using the previously agreed evaluation methodology, the initial scores of each agency were presented with the rationale behind. The committee developed a set of issues and a list of questions for the Site Visit. At a second joint eval-

uation session, the scores were revised in light of new information from the Site Visits and final scores were calculated as an average of the three agencies' proposed scores, and approved by the panel.

UNHCR carried out the financial evaluation process and based on the total overall scores, submitted a request for approval for the establishment of Long Term Agreements with two (2) FSPs for banking services and mobile wallet services respectively to UNHCR's HQ Committee on Contracts (for UNHCR requirements solely). The same approval was to be obtained by the participating agencies for their respective requirements and from their respective authorities.

Each agency under the CCF opens its own account, signing an agreement that represents the terms and conditions of the holistic CCF LTAs. There is no pooling of funds, and each CCF Member manages its own money and beneficiary lists. It is important to highlight that all partners joining the CCF can transfer cash assistance on an equal and direct basis, under the same terms and conditions, and at the same low overheads, with no entry or exit barriers. This means that a small NGO processing a one-off payment for a limited number of refugees would benefit from the same low fees as a large agency delivering monthly cash assistance to thousands of refugees.

Joint procurement with WFP (Lead Agency) in Lebanon, resulting in individual contracts supported by a joint common terms agreement

Tender process and collaboration:

In 2016, WFP jointly with UNHCR and UNICEF initiated a competitive tender process to select and contract a FSP for a portfolio of services including, delivery of cash transfer to people of concern/beneficiaries using prepaid cards. The sourcing of potential FSPs was carried out through a request for expression of interest (EOI) and a market assessment.

Subsequently, the request for proposal (RFP) was jointly prepared with input from all Participating Agencies and issued by the lead Agency, WFP.

The technical and financial evaluation was conducted for the three proposals received by an evaluation committee composed of evaluators from the three (3) Participating Agencies. Banque Libano-Française ("**BLF**") obtained the highest combined technical and financial score and was recommended to WFP HQ procurement contracts committee ("**PCC**") for endorsement. WFP PCC duly endorsed the recommendation. Thereafter, UNICEF and UNHCR recommended BLF to their respective PCC citing that WFP PCC had endorsed the selection and each obtained the endorsement of its own PCC, resulting in Participating Agencies to award contract to BLF.

WFP lead the negotiation to enter into a Master Banking Agreement between the Participating Agencies, on one hand, and the FSP, on the other. This sets out the common terms that apply to all the Participating Agencies when receiving services from the FSP, for example, on fee calculation and prepaid cards configuration.

Then, each of the Participating Agencies signed its own Participation Agreement with the FSP. This sets out terms that are relevant that Participating Agency, including any additional services that might be required solely by that Participating Agency. The Master Agreement read together with the Participating Agreement forms a complete contract for each agency to obtain the FSP services. Thus, even if one agency decides to withdraw from the arrangement and terminates its contract with FSP, the remaining Agencies' contract stand alone and remain unaffected. The main services include opening and maintaining the Participating Agencies' accounts, issuing and managing prepaid cards so that a beneficiary can access benefits from different Agencies through a single instrument, point of sales machine management, help desk and customer support services to beneficiaries, provision of records, reports and financial statements and an online platform.



Humanitarian Cash Transfer Programme in Jordan
© UNHCR

Examples for Own Agency Tendering with Collaboration clause in Zambia (2.4)

Outcome:

Benefits included Participating Agencies obtaining a reduced fee with the FSP using the collective bargaining power. Also, the collaboration among the UN Agencies resulted in a more efficient procurement process and use of UN resources. It is expected that subsequent collaborative procurement processes will further strengthen the UN agencies negotiation power, speed up implementation, increase value for money and continue to make more efficient use of resources.

Negative impacts reported includes heavy administrative burden on the on-going management of FSP relationship and contracts and slower progress on processes compared to independent contracting. For example, changes in an Agency's programme needs that impacts on the common terms require agreement of all Participating Agencies through signed documents.

With the view to support the government's efforts to provide protection and assistance to refugees in the country, UNHCR in partnership with the Ministry of Community Development and Social Services (MCDSS) provides humanitarian cash assistance to targeted refugees in Zambia. In Meheba and Mayukwayukwa, two of the oldest refugee settlements in Zambia, UNHCR provides unconditional Cash assistance to two segments of refugees – to new arrivals for a period of 18 months from the legal status change to refugee and to targeted persons with specific needs.

In October 2018, UNHCR Zambia floated a Request for Proposal to establish a Long Term Agreement for 2+1 years for the provision of financial services for cash based interventions required by the operation. Following the technical and financial evaluation processes carried out for the subject tender, two (2) FSPs were retained and awarded, i.e. SCB as primary LTA holder and MTN Zambia as back-up supplier.

Similarly to other UNHCR Requests for Proposals issued for humanitarian cash transfers, the tender was launched with the CCF (Common Cash Facility) clause which is the UNHCR clause that has been used in all cash transfer tenders to facilitate collaboration in procurement, i.e. in this case piggy-backing by other humanitarian partners. The use of this clause –subject to FSP consent- allowed other interested humanitarian actors in the operation to benefit from the same prices and terms already obtained by UNHCR and establish their respective agreements with a shortened lead time.

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Cover Photo: Humanitarian Cash Transfer Programme in Lebanon © UNHCR/Michael Muller