



UNITED NATIONS CAPITAL DEVELOPMENT FUND (UNCDF)  
Better Than Cash Alliance (BTCA)

Driving Digital Payments' Adoption for Hindustan Unilever's Shakti Entrepreneurs in India

Frequently Asked Questions

Deadline for submission: Wednesday, 20<sup>th</sup> of March at 23:00 EST

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Query received from agencies & Responses – Revised

1. Will on-ground execution of the training program lie with HUL or will we be expected to deliver the same  
*The selected agency is expected to own the entire training program (development of training material, train-the-trainer and final delivery of the program to all 10k Shakti Ammas).*
2. Will it be facilitated by RSPs who can be designated trainers to further assist with delivery?  
*No. HUL staff will only provide required inputs/advice as and when required and help shape the training program as per Shakti's needs. RSPs or any other HUL staff are not expected to utilize their time in the actual delivery of the training program.*
3. Will we need to provide trainers who will train Shakti Ammas directly?  
*The selected agency is expected to provide the trainers who will then train the Shakti Ammas.*
4. Is the format for 'Proposed Budget Allocation' in Section-5 to be followed to depict all the project budget costs or is it just an example? At present, we have developed our own 'Approach and Methodology' to implement this project and all the deliverables as mandated by BTCA have been mapped as the outputs/ outcomes at different stages/modules over the two year period. Would this suffice or would UNCDF require deliverable-wise cost as shown in Section-5?  
*The response should follow Section 5. Format – to support transparent Evaluation process.*
5. 'Sample of Performance Based Financing Agreement', also to be submitted along with the final technical proposal as detailed in Annex-1 'Submission Format'?  
*Correct, it must be submitted*



## 6. Criteria for the Assessment of Proposal

### Technical Proposal (70%)

As per the application criteria under section "5. Application Requirements",

### Financial Proposal (30%)

To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNCDF.

#### 7. Can HUL/ BTCA share with us State-wise and district-wise number of Shakti Entrepreneurs?

No. Information on the Shakti Network (states/districts/number of Shakti Ammas), essential for executing this project, will only be shared with the selected agency post final selection.

Final selection of geographies would depend, in addition to other factors, on the footprint of the financial services partners.

#### 8. Regarding the location of 10,000 Shakti Entrepreneurs to be reached through the pilot, does HUL/ BTCA want them to be across all the 18 states where Shakti Entrepreneurs are located, or this can be a more focused intervention in a representative sample of states/ districts with higher coverage of Shakti Entrepreneurs? This decision is crucial in preparing cost estimate for the project, as it will have significant bearing on the travel costs.

The final selection of the target 10k Shakti Entrepreneurs would be done by HUL in consultation with the selected agency. The idea is to create a scalable model to drive adoption of digital payments among the remainder 90,000 Shakti entrepreneurs.

For estimating the costs, we recommend the respondent assume field execution in all regions (E,W,N,S and NE). HUL can be flexible to look into 4 representative states to start with and roll out to 10k once the pilots are successful.

The selected agency would also be expected, based on their experience, to share recommendations on potential locations, for this effort, across India.

#### 9. The RFA expects 2-3 presentations to HUL/ BTCA Stakeholders. Are these presentations to be made within India, or at the BTCA offices New York?

Presentations will be in India and via video conference for other locations.

#### 10. Expected key deliverables, Section a.5 specifies that 2-3 workshops will be organized for dissemination of rule book. Section a.6 specifies that the final project report will be disseminated through 2-3 workshops. Adding these, a total of 4-6 workshops are expected. However, submission format Section 5 (Proposed budget allocation), item 29.8 asks for cost estimate of 6-8 presentation workshops and materials of final outcomes to key stakeholders. Please provide a more precise estimate of the number of workshops to be



organized. What is the targeted number of participants for each of these workshops?

The technical partner should provide the cost for 8 workshops. Specifics about the workshops will be defined in consultation with HUL, based on project needs, and can be discussed/finalized at the time of contracting.

**11. Is the applicant expected to directly intervene at the Shakti Amma level- that means engaging with 10,000 of them or the applicant will have the train the trainer/hub & spoke/train HUL model . We think that this question is important as this has a bearing on how we frame the budget for the entire operation.**

Respondent would be responsible for providing and maintaining the training infrastructure, including the trainers who would engage directly with the Shakti Ammas (10k) , in close consultation

**12. Is the applicant expected to engage with Shakti Ammas directly?**

Yes

**13. If the intervention requires devices to be purchased- is the cost of that to be covered under \$400, 000?**

We assume that cost of technology development and operating expenses of implementation partners, as finalised during the course of the project, will be borne by HUL/BTCA. Is this understanding correct?

Costs of devices and technology development is not included in the \$400,000, however, any operational costs should be included in the overall project budget.

**14. Do the Shakti Ammas/HUL presently have any MIS- monitoring system. Does this also require API/system integration of Payment MIS into HUL system?**

There is an MIS system which is internal to HUL. Final decision regarding access to this system, by the selected agency, and the data would be taken by HUL based on project needs.

The selected agency would be expected to make recommendations on the best way to digitize the payments between the Shakti Amma and the distributor. The execution of any recommendations, pertaining to technology/payments solution, would not be the responsibility of the selected agency and would be driven by HUL.

**15. What is the level of availability/usage of Smartphones within the Shakti ammas, would they be able to e-learn**

The selected agency should recommend all practical approaches for training the Shakti Ammas. Per latest estimates, around 40% of them have a smartphone.

**16. We understand that the infrastructure for the digitization initiative will be provided by HUL/Better Than Cash Alliance. We also understand that the implementation of the technology solution will take some time. Is this expected to be factored into our 24 month timeline or will there be an allowance period for the technology implementation?**



The implementation of the technology solution will be completed in partnership with financial service providers/technology partners as agreed by HUL and is expected to be factored into the 24 month timeline. Given that the core objective of the project is "to enable 10,000 Shakti entrepreneurs to make and receive digital payments with the HUL distributors across rural India", we expect the implementation of the technology (digital payment) solution to take place in the initial stages of the project preferably within 3 (earliest) and 6 (latest) months of the project.

The project would be divided into the following stages-

Phase 1- 100 to 200 Shaktis (est.)

Phase 2- 1000 Shaktis (est.)

Phase 3 (Post success of pilot)- Remaining nos. out of target 10k.

Implementation of the technology solution/s is expected to take place in Phase 1.

**17. How will BTCA control deliverable delays which might be there due delay in provision of services that HUL has to cover - on-boarding partner, developing technology?**

As per the contract agreement, the selected agency will have a clear set of deliverables. The agency will be paid according to the delivery of these.

**18. What role do you envisage for the consultant to play in selection of vendor for HUL?**

The selected agency is expected to support HUL in scoping and identifying the solution and service providers. Final decision on selection of financial service providers/technology partners will be taken by HUL

**19. While it is understood that HUL will be heading the overall project delivery, what will the role of the provider as per deliverable # 4 on page 7 of the RFA? Will it be limited to quarterly cadence meetings and issue resolution or also in proposing governance structures for the project and operationalizing a PMO?**

**What will be the implementation role division among HUL and the winning agency? Is the winning agency responsible for primarily developing the project strategy, digital financial need mapping/ behavioral change/M&E framework, reports and subsequently monitoring the same?**

The intention is for the selected agency to also propose a governance structure for the project and project management support in close partnership with HUL and the Better Than Cash Alliance.

Yes. For this deliverable, the selected agency would be expected to provide requisite support for "non-field" activities associated with this project only. All field and operational elements of the project would be the responsibility of HUL and would be executed by leveraging their existing field teams actively supported by the manpower (provided by the selected agency) involved in "behavioural change" activities. The selected agency is expected to own the training and behaviour change plan 100% - HUL teams would provide inputs & guidance, at various stages of the project, as required.



**20. For the behavioral change component, can the winning agency suggest the behavior change partner in the RFA? Or would this be identified and selected later by HUL?**

We envisage that BTCA/HUL might have to incur costs to develop incentives/materials for capacity building of Shakti entrepreneurs - some of this will come from consultant's research findings. We want to confirm if this understanding is correct.

Yes. The respondent can suggest a behavioral change partner as part of this RFA. However, the responsibility of executing the behavioural change program, as part of this project, would rest with the selected agency.

Cost of incentives (financial/non-financial) is to be included, in the proposal, for the 1<sup>st</sup> & 2<sup>nd</sup> Phase of the project (est. 1200 Shaktis). Respondents are suggested to indicate this amount in Section 5 against point # 5 (Delivery of mini digital payments awareness campaigns in selected Shakti villages).

Financial services partners are expected to contribute to the above starting Phase 3 (remaining 9000 Shaktis).

All costs associated with material for capacity building should be included in the \$ 400,000 budget.

**21. While we understand that we will be responsible for identifying the Shakti Amma segments for the pilot rollout, will the provider be expected to conduct the pilot or will it be conducted by HUL? While we understand we need to provide the behavioural change framework and assist with delivery, have villages been already identified for the pilot? Also, is it possible to know the indicative geographic spread (in terms of number of districts or blocks or villages) of these 10,000 Shakti entrepreneurs, since this would require planning for resources/partners accordingly**

The behavioural change program is expected to be rolled out by the selected agency during the pilot of the digital payment system in close partnership with HUL. The villages to be included in the pilot will be identified in close cooperation with HUL as well.

The project would cover 10,000 Shakti entrepreneurs. Respondent should assume that the selected villages would represent all regions across India. The final selection of geographies would be done by HUL in consultation with the selected agency and BTCA.

**22. Will the cost of deployment be included in the provider's financial proposal as a cost or will it be borne by HUL as part of a separate business model? Will the provider be expected to price in the distribution of materials in its financial proposal?**

The cost of deployment should be included in the financial proposal. The price of distribution of materials should be included in the financial proposal as well.

**23. Will incentives provided be financial or non-financial or both? Will HUL/BTCA be bearing the cost of the incentives suggested or will the provider be expected to provide for the same?**

The provider is expected to provide recommendations in terms of financial and non-financial incentives that would increase adoption of digital payments. In case the incentives carry specific costs, it would not be expected to be covered by the provider, and it would remain at the decision of HUL to implement these incentives or not.

Cost of incentives (financial/non-financial) is to be included, in the proposal, for the 1<sup>st</sup> & 2<sup>nd</sup> Phase of the project (est. 1200 Shaktis). Respondents are suggested to indicate this amount in Section 5 against point # 5 (Delivery of mini digital payments awareness campaigns in selected Shakti villages).

Financial services partners are expected to contribute to the above starting Phase 3 (remaining 9000 Shaktis).

**24. Are there any specific studies (Apart from the ones already mentioned and linked in the proposal) that HUL/BTCA would like the provider to refer to for designing the behavioural change framework? If so, please specify the same.**

We would recommend to include any relevant studies referred to on the Better Than Cash Alliance or Unilever website, if relevant.

**25. Will recording of data needed for the computation of the KPIs be part of the provider's scope? If so, how will the provider be expected to source the data for KPI measurement? For example, will the provider be expected to source information such as number of digital transactions made by specific Shakti Ammas as part of the project or will that responsibility lie with HUL/tech provider?**

**Essentially, will the provider's role be limited to reporting and tracking or also sourcing the data for KPI measurement?**

Recording of data for measuring of KPIs should be part of the scope of work, as well as recommendations on how to source the data for KPI measurement and the potential partners or costs associated with that.

Data on digital transactions would be provided by digital payments solution provider.

Data for digital financial transaction KPIs would be provided to the selected technical partner. The technical partner would be expected to source data for all non-digital financial transaction KPIs directly from other stakeholders (Shakti Ammas, Distributors, RSPs, etc.). The final set of KPIs- (digital/non-digital, financial/non-financial) would be finalized in consultation with HUL and BTCA at the beginning of the set-up phase.

**26. What does this KPI incorporate? Does it also include the no. of residents of the village engaging in digital payments as customers of Shakti entrepreneurs? or is it just the no. of villages where Shakti entrepreneurs are transacting digitally with distributors?**

Given that the core objective of the project is "to enable 10,000 Shakti entrepreneurs to make and receive digital payments with the HUL distributors across rural India", the key KPI would be the adoption of digital payments among



Shakti entrepreneurs. Additionally, the adoption of digital payments in villages where Shakti network is operational would also be tracked.

- 27. Will this date be shifted based on the actual start date of the project to allow for a full 24 months for scope completion? Will UNCDF/HUL impose liquidated damages in case of delays in the date of completion?**

Yes, the date will depend on the actual start date of the project. No, UNCDF will not impose liquidated damages in case of delays.

- 28. Would providing a letter from the lead engagement partner/authorised signatory suffice for this requirement?**

This is sufficient.

- 29. Do the applicant needs to submit a separate letter signed by the organization's executive director, CEO, or board, expressing its commitment to the execution and participation in this process (as given in point 13 Section 1 of the TOR ) in addition to the Annex1-Submission Letter format, given in the RFP?**

Yes, as Annex I is the sample of a Contract which will be in place with selected Vendor.

- 30. Will the Recipient be required to furnish the documentary proof in support of all the expenditures (including fees, travel and supplies)?**

No, the payments will be completed upon submitted invoice and once deliverables have been fully approved.

- 31. Will the \$400,000 be inclusive or exclusive of:**

**Taxes**

**Travel/OPE expenses?**

\$400,000 should include all Taxes/Travel/OPE Expenses