

Call for Expression of Interest

Recommendations for digitizing payments of small merchants in Mexico Consumer Goods Companies' supply chains

All interested proposers are invited to submit their Expression of Interest Letter (EOI) for “the recommendations for digitizing payments of small merchants in Mexico consumer goods companies' supply chains” proposed by the Better Than Cash Alliance (BTCA). The EOI shall demonstrate the company's ability to provide research and recommendations /action plan, as per the objectives.

About Better Than Cash Alliance

The Better Than Cash Alliance (www.betterthancash.org) is a global partnership of over 60 members - governments, companies and international organizations - that accelerates the transition from cash to digital payments to help people lift themselves out of poverty and drive inclusive growth.

BTCA's main areas of work include:

- Advocating for the transition from cash to digital payments in a way that promotes responsible digital finance.
- Conducting research and sharing the experiences of its members to inform strategies for making the transition.
- Catalyzing the development of inclusive digital payments ecosystems in member countries to reduce costs, increase transparency, and advance financial inclusion – particularly for women- and drive inclusive growth. This takes place through direct engagement with government and companies' members.

Based at the United Nations, the Alliance works closely with other global organizations and is an implementing partner for the G20 Global Partnership for Financial Inclusion. The Alliance was established in 2012 in New York, USA, and is funded by the Bill and Melinda Gates Foundation, Citi Foundation, MasterCard, Omidyar Network, SIDA, USAID, Visa, plus individual contributions for G20 work by BMZ and DFAT.

Payments completed in the value chain of businesses represent some of the most significant payment flows of national economies. As part of catalyzing the global movement from cash to digital, the Better Than Cash Alliance is committed to supporting digitization of companies' payment flows in different business sectors across the corporate payment grid (B2B, B2P, B2G, and P2B). The Alliance recently published a report on “[The Future of Supply Chains: Why Companies are Digitizing Payments](#),” showing how companies in different business sectors can benefit from digital payments in their supply chains and play an important role to build an inclusive digital payment ecosystem. The report looks at some examples and [case studies](#) from

the Fast Moving Consumer Good (FMCG) sector, especially [Unilever](#) in Kenya and [Grupo Bimbo](#) in Mexico.

Objectives

To continue its engagement supporting consumer good companies digitizing payments with small merchants, the Alliance is looking to work with a firm/ company with presence in Mexico to research and define action-oriented recommendations on scaling payment digitization and adoption of digital financial services for small merchants in the supply chain of Fast and Moving Consumer Goods (FMCG) companies in Mexico.

For most FMCG companies, in Mexico and other emerging markets, traditional small retailers/ "mom & pop" shops" remain an important channel of distribution and sales. However, most of these small retailers have limited access to bank accounts, and electronic payments means. Payments are completed in cash when merchandise is delivered to the shops once or twice a week. It is then the responsibility of the distributors and companies to manage this large amount of cash passing through their delivery trucks, cars or other vehicles. Companies often face many barriers when trying to digitize payments with small retailers, which limit the scale of these initiatives.

The main objectives of the work will be:

- Review national and international experiences (with a particular focus on Latin America) and provide a framework to understand the most efficient and effective incentives in supporting the digitization of payments and the adoption of digital financial services by small merchants ("mom and pop" shops), including but not limited to incentives from suppliers (such as FMCG companies) working with these small merchants.
- Document and create a landscape of most relevant past and ongoing initiatives, pilots or projects for digitizing B2B payments between consumer good companies and small merchants in Mexico, including but not limited to initiatives or programs by FMCG companies, large distributors, financial service providers, Mobile Network Operators, Fintech, Payment companies, international organizations (such as World Bank Group) or the Government.
- Articulate the most significant barriers faced by FMCG companies in Mexico when digitizing payments with small retailers and provide action-oriented recommendations (by types of players, company or group of stakeholders)
- Based on the recommendations, design a dissemination strategy to share the lessons learned with critical stakeholders in the ecosystem (including the Government).



The goal of these recommendations is to support the Better Than Cash Alliance (BTCA) in engaging Mexican Consumer Good companies, the Government and other actors of the ecosystem, with the goal of launching or scaling digitization initiatives across their value chains, especially with small distributors and merchants (“mom & pop” shops/ tiendas / tenderos) and define what actions, pilots or partnerships might be needed individually at company level or with other stakeholders of the ecosystem.

Requirements to Formalize EOI

The following information shall be submitted by all Interested companies:

A- Company Portfolio

- A brief outline of 5 projects implemented in the last 3 years for digitization of financial services to small merchants, supply chains or companies’ processes, with an indication of the client, contract amount;
- Relevant content knowledge and experience required:
 - a) Capacity to successfully deliver on the scope of services outlined above, including demonstrated commercial implementation experience with Fast and Moving Consumer Goods companies in Mexico on several of the following topics: digital payments, business strategy, value chain analysis, implementation of inclusive business strategies, financial and social inclusion, and management consulting
 - b) Demonstrated network and access to key contacts, data and information in the FMCG, Financial, Inclusive Finance and Fintech sectors in Mexico,
 - c) Knowledge and experience of digital payments and inclusive financial sector development in Mexico - required;
 - d) Knowledge and experience of digitization of large companies’ supply chains - required.

B- Documentation

1. Covering letter, comprising company profile and personnel portfolio and information on approach and methodology
2. Documented legal status/ proof of Company registration including trade name registration papers, if applicable
3. Latest Audited Financial Statement (Income Statement and Balance Sheet) including Auditor’s Report for the past [indicate number of years of reference]
4. Statement of Satisfactory Performance from the Top 3 Clients in terms of Contract Value in the past 3 years



5. All information regarding any past and current litigation during the last three (3) years, in which the Proposer is involved, indicating the parties concerned, the subject of the litigation, the amounts involved, and the final resolution if already concluded;
6. **Personnel** - list of team members with the required experience and skills to deliver on the scope of services mentioned above, including short bios of those that would work on this project. Included in the short bios should be the last 3 (three) three most senior positions held concerning recent relevant evaluation and policy work completed. Ability to work in English and Spanish.

C- Approach & Methodology

- Brief presentation (2-3 PPT slides or other) describing the approach/methodology and steps for how the organization/firm will conduct this research and achieve project objectives, including how to work with relevant companies and other stakeholders in the field;

Selection Procedure

The responses to EOI will be evaluated and ranked based on the minimum criteria for company and personnel, relevant experience, and methodology. Short-list of no more than 6 (six) companies will be developed. A subsequent Request for Proposal will be issued to the entities that will be shortlisted from this process, and who shall then be considered as eligible to submit a proposal

EOI Response Procedure

Companies interested in participating in the planned solicitation process shall submit as attached files to the response email address indicated below and shall not exceed 8 MB in size, in Adobe PDF format.

Please note that no further details of the planned solicitations can be made available to the interested companies prior to issuance of the solicitations documents. Please note that all companies selected to respond to the RFP will be expected to sign a UNCDF Non-Disclosure Agreement.

This is not an invitation to submit a proposal. This is the Request for Expression of Interest (EOI) to identify qualified and interested companies to participate in the upcoming Request for Proposal (RFP).

Projected contract dates are expected to be February 2019 – August 2019. (6 months).



EOI response deadline:

Timely submissions are accepted by and on Tuesday, January 18th, 2019@ 6.00 PM EST. Applications can be submitted in English or Spanish. EOI response submittal: Response shall be marked with the subject line "EOI – Small Merchants & FMCG supply chains in Mexico" and will be received via email address to marjolaine.chaintreau@uncdf.org and gisela.davico@uncdf.org.

This EOI does not entail any commitment on the part of UNCDF, either financial or otherwise. UNCDF reserve the right to accept or reject any or all EOI without incurring any obligation to inform the affected applicant/s of the grounds. The vendors shall bear any and all costs related to the preparation and/or submission of the EOI. UNCDF shall in no case be responsible or liable for those costs, regardless of the conduct or outcome of the process.

