

## TECHNICAL SPECIFICATION

Development of website and associated tools for project on digital remittances



## BACKGROUND

Increasing mobile phone penetration and the large remittance flows into Kenya and Somalia represent an opportunity to raise awareness of digital remittance services among more disadvantaged groups which may reduce the cost of receiving money and improve the ease in which this money is used – including access to more structured financial services. Civil Society Organisations (CSOs) provides an established and often trusted medium through which information on digital remittances can be provided.

The overall objective of the project is to build the capacity of CSOs in Kenya and Somalia who work on i) migration, ii) remittances and iii) financial inclusion, to support the creation of a network of CSOs engaging with and representing migrant groups, notably refugees in Kenya and returnees in Somalia. A website and associated tools are to be developed that present information (such as key terms) on digital remittances and act as a guide for CSOs to help members of their community determine the most suitable way of sending or receiving remittances based on their own knowledge and needs. This process will take the form of *remittance clinics* and the website is designed to support these clinics.

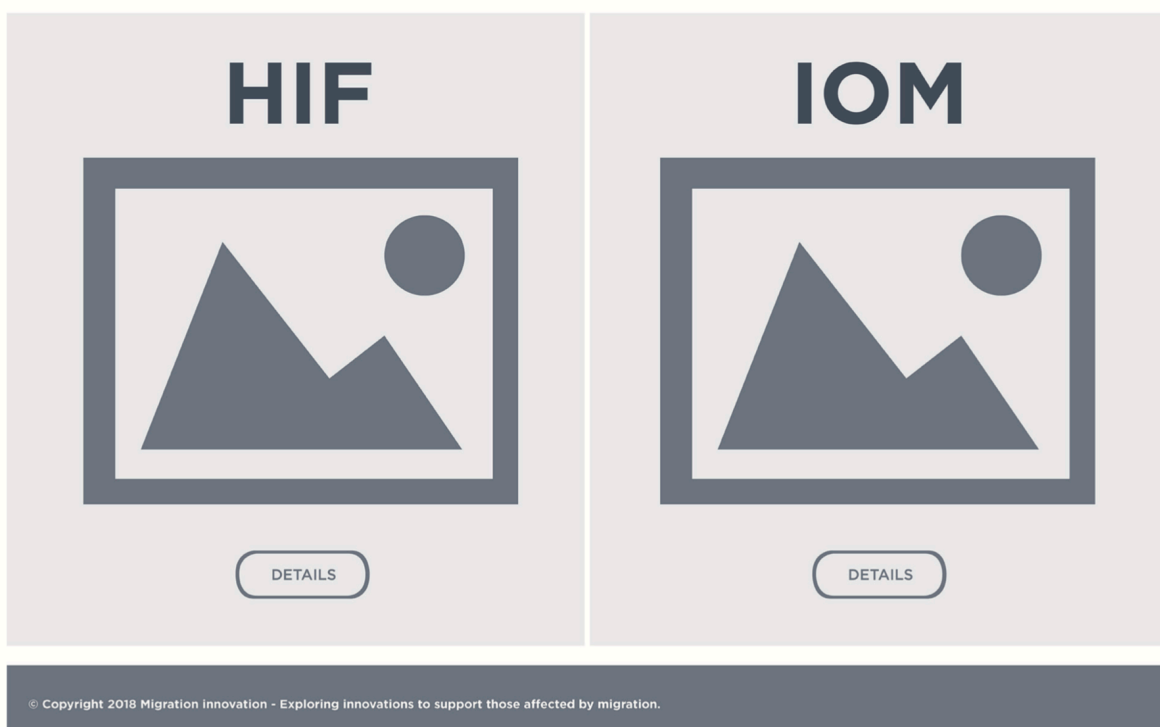
## SPECIFICATION

This specification is broken into three parts. You are invited to bid as many as you wish to do so. The most competitive bid in terms of quality, innovation and price will be selected. The three parts are listed as follows and then described in more detail:

- PART 1: Development of micro-website
- PART 2: Development of online questionnaire with corresponding database and visuals.
- PART 3: Development of online remittance service provider (RSP) selection tool.

### PART 1: DEVELOPMENT OF MICRO-WEBSITE

The micro site is to build on the existing website [www.migration-innovation.org](http://www.migration-innovation.org). The homepage is to be split into two parts; one linking to the current site content, referred to hereafter as **HIF**, and the other linking to the site dedicated to the digital remittances project, referred to hereafter as **IOM**, and on which this specification focuses. A suitable image is to be chosen for each project. The figure below illustrates this layout.



## SITE MAP FOR IOM PROJECT

The IOM microsite has six key components:

1. **ABOUT:** A description of the project presented as an interactive infographic. All of the remaining four components will be accessible through the infographic, as well as through shortcut links at the top of the page.
2. **KEY TERMS:** A visual description of key terms pertaining to digital remittances
3. **TOOLS:** Specific tools that form part of a '*remittance clinic*' developed to help users learn more about digital remittances and choose the most suitable remittance service provider for them. PARTS 2 and 3 of this specification will be linked to this component.
4. **DOCUMENTARY:** A description, visualisation and link to a short film about digital remittances in Kakuma refugee camp.
5. **PUBLICATIONS:** Project materials, such as reports, that can be downloaded.
6. **CONTACT US:** A short web form enable visitors to reach out with a short message

### ABOUT:

The about page requires a strong element of graphic design to produce a page that is both easy to read and to access content. It (and the rest of the site) should also be equally viewable on all devices, from desktops to smartphones. The about page will take the form of an infographic that maps a journey of information (or steps to be taken) that illustrates how remittance clinics will be conducted. These images can be categorised as six steps.

- **STEP 1 – BACKGROUND:** A short docufilm about digital remittances in Kakuma refugee camp
- **STEP 2 – KEY TERMS:** A description of key terms pertaining to digital remittances
- **STEP 3 – SURVEY:** An online questionnaire on digital remittances (PART 2 of this specification)
- **STEP 4 – SURVEY RESULTS:** A visualisation of data collected from the online questionnaire in step 3
- **STEP 5 – RSP SELECTION TOOL:** An online tool that helps users determine suitable remittance service providers (RSPs) based on the Survey in step 3 and other questions posited by the tool
- **STEP 6 – PUBLICATIONS:** Project materials, such as reports, that can be downloaded.

### BACKGROUND:

The background page sets the scene for the project and is to be used as an introduction to remittances and the remittance clinic. The centre piece for the page is a short docufilm which should be supported by text and visuals. The docufilm can be embedded on the page or linked to.

### KEY TERMS:

This page will present key concepts and terms on digital remittances that also includes definitions of key financial services. These can be found in Annex A of this specification document. The page should use visuals and icons to re-enforce concepts. An example of visualisations for these terms can be found in the Training Manual attached with this document.

### SURVEY:

The survey will be an online form comprising of around 45 multiple choice questions that are designed to learn more about how interviewees use remittances and other financial services and to support the selection of the most appropriate RSPs to meet these needs. The survey is currently available as a Google Form which can be viewed here: [https://docs.google.com/forms/d/1BwGOXsOafG2eaybjA9U\\_oZrOLmcNJZsBIDAjO8dIKpA/edit](https://docs.google.com/forms/d/1BwGOXsOafG2eaybjA9U_oZrOLmcNJZsBIDAjO8dIKpA/edit). Initially, the questionnaire will focus on two locations (Kakuma and Kismayo), however the questionnaire should be developed so that other locations (and corresponding visuals for these locations) can be easily added. More information on the survey step/page can be found in PART 2.

#### SURVEY RESULTS:

Responses from the questionnaire are to be visualised on a separate page, with around 20 questions visualised to convey key results. Users will also be able to download questionnaire responses as an Excel or CSV file (or equivalent) for their own analysis. Example visualisations can also be found on the Google Form survey – the link for which is in the paragraph above.

#### RSP SELECTION TOOL:

The RSP selection tool will build on questions provided by the survey to help users determine RSPs that best fit their remittance and other financial services needs. This tool is designed to be highly visual and more details will be provided in PART 3.

#### PUBLICATIONS:

This page will provide links to a number of publications which can be downloaded (typically in pdf). A short description of each publication will be provided and around 10 publications will be available when the site goes live.

## PART 2: DEVELOPMENT OF ONLINE QUESTIONNAIRE WITH CORRESPONDING DATABASE AND VISUALS

#### ONLINE QUESTIONNAIRE

The survey will be an online form comprising of around 45 multiple choice questions that are designed to learn more about how interviewees use remittances and other financial services and to support the selection of the most appropriate RSPs to meet these needs. The survey is currently available as a Google Form which can be viewed here: [https://docs.google.com/forms/d/1BwGOXsOafG2eaybjA9U\\_oZrOLmcNJZsBIDAjO8dIKpA/edit](https://docs.google.com/forms/d/1BwGOXsOafG2eaybjA9U_oZrOLmcNJZsBIDAjO8dIKpA/edit). In addition to the Google form, a soft copy of the questionnaire guide can be provided upon request.

Initially, the questionnaire will focus on two locations (Kakuma and Kismayo), however the questionnaire should be developed so that other locations (and corresponding visuals for these locations) can be easily added. The survey should be available in three languages (English, Somali and Ki-Swahili) the text for which will be provided by Samuel Hall. The user should be able to switch between languages during the survey using simple iconography (flags for example) to represent the language.

#### DATA BASE:

All responses collected on the website should be immediately stored/updated on the site in an easily accessible database format (such as CSV or Excel) which can be downloaded via the ABOUT page or a quick link.

#### VISUALISATION OF KEY QUESTIONS

Using the database of questionnaire responses, a page of key findings should be presented visually, using a combination of charts, graphs and icons. The visualisation should be continuously updated as new questionnaires are completed. This is similar to the function of Google Forms where responses are visualised for reference. The key visualisations to be visualised (based on the survey numbering) are:

#### Demographic:

1. Q7) What is your country of birth?

#### Receiving remittances

2. Q9) How often do you receive remittances
3. Q11) From which countries do you receive remittances?
4. Q12) Who do you receive remittances from?

5. Q14) How do you receive your money?
6. Q15) In the past year, on average, how much do you receive each time?
7. Q16) On average how much does it cost you to receive your money?

#### Sending remittances

8. Q17) How often do you send remittances?
9. Q19) Where is the money sent to?
10. Q22) How do you send your money?
11. Q23) In the past year, on average, how much do you send each time?
12. Q24) On average how much does it cost you to send money?

#### Awareness of remittances, barriers and costs

13. Q26) Rank the most important factors in choosing how you receive remittances
14. Q27) How would you prefer to receive remittances/money?
15. Q28) What is preventing you from using this remittance channel?
16. Q30) Who receives remittances in your household?

#### Assessing the effect and impact of remittances

17. Q34) If you receive remittances, how important is the money received to meet your basic needs?
18. Q35) Roughly, what is the amount per month that you're able to save?
19. Q38) Roughly, what is your monthly income including that gained from remittances?

#### Access to and need of additional financial services

20. Q42) Which financial services do you currently use?
21. Q43) Which services would you like to use?
22. Q44) What is preventing you from using these services?

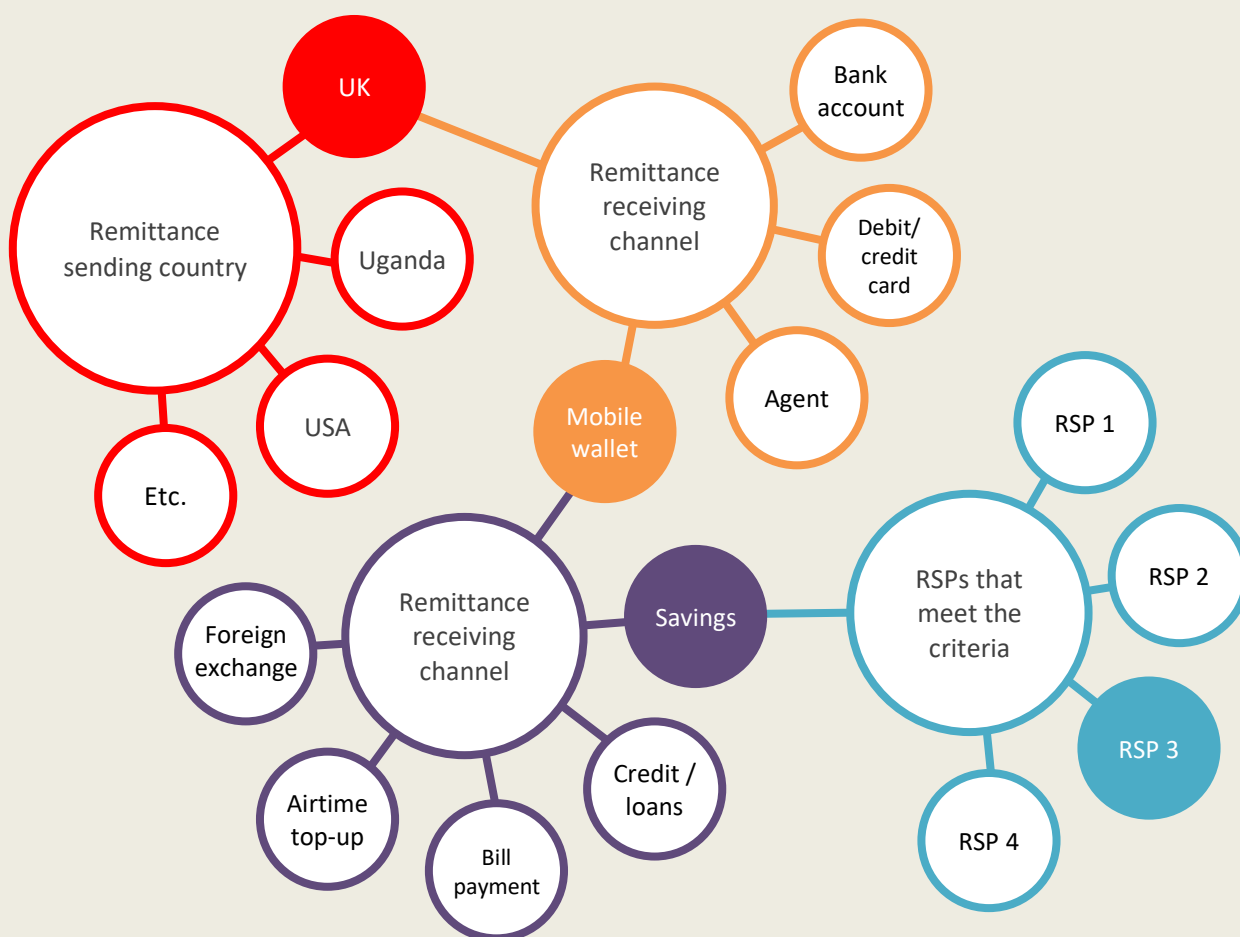
### PART 3: DEVELOPMENT OF ONLINE REMITTANCE SERVICE PROVIDER (RSP) SELECTION TOOL

The RSP selection tool will build on questions provided by the survey to help users determine RSPs that best fit their remittance and other financial service needs. The tool will have four sections with the output of one section feeding into the next.

- Section 1: Select countries from which remittances are being sent (the remittance corridor)
- Section 2: Select how money is currently received (the remittance channel), or how the user would like money to be received
- Section 3: Select any additional financial services that the user would like to use from the remittances received
- Section 4: RSPs that meet the criteria specified in Section 1, 2 and 3 are displayed. The information presented about each RSP will be provided by Samuel Hall in a database and should include:
  - The RSP name and link to the company website
  - The services available by the RSPs
  - The cost of sending remittances.

This tool is designed to be highly visual, an example of which can be seen below (although this is not a fixed representation but an indication of how the tool might look) and many sections may be pre-completed based on answers provided in the survey tool. Additional selections can then be made (or pre-completed selections edited) such that a list of suitable RSPs is provided at the end and the websites of these RSPs can be linked to.

The tool should be viable and useable on both desktops and mobile platforms.



## QUOTATION

Designers are asked to submit responses for the work specified in this document in the following format:

WORK PART	YES / NO	ESTIMATED No. DAYS	COST (USD)	DATE OF COMMENCEMENT
PART 1: Development of micro-website				
PART 2: Development of online questionnaire with corresponding database and visuals				
PART 3: Development of online remittance service provider (RSP) selection tool				

The deadline for submission is Wednesday the 28<sup>th</sup> November 2018. Bidders are also asked to provide up to three examples of their work for each work part they are tendering for.

## ANNEX A: KEY TERMS

*An example of visualisations for these terms can be found in the Training Manuel attached with this document*

**Remittance:** The International Monetary Fund (IMF) defines remittance as household income sent or given by individuals who have migrated to a new economy and have become residents of those economies<sup>3</sup>. Remittances therefore include cash and non-cash items that are sent/received through formal or informal channels.

**Remittance corridor:** The geographical connection between a country where money is sent from and the country where money is sent to forms a remittance corridor. For example, the United Kingdom and United States are top two remitting corridors for Kenya and Somalia based on the average remittance flow.

**Remittance Transfer:** The act of sending money from one person to another person. The transfer can either be domestic or international. *Domestic remittance* transfer occurs within a country, commonly influenced by rural to urban migration while *International remittance* transfer cross-border in nature.

Remittances play an increasingly significant role in the livelihoods of hundreds of thousands of refugees. Through remittances families can access formal financial services such as credit facilities and saving products. The remittance ecosystem has several players, key amongst them being:

- **The Sender:** Often a friend or family member sending money to the receiver to support living costs or other expenses.
- **The Receiver:** Recipient of the money remitted. In the context of this manual the recipient is either a refugee or a returnee.
- **Remittance Service Providers:** Facilitate money transfers between the sender and the receiver. They do this with official documentation to provide cross-border money transfer services including commercial banks.

Remittance can broadly be categorised into formal and informal transfers. The two concepts are defined as follows:

- **Formal remittance:** refers to remittances sent to a country through legal channels where flows are typically documented in regulated financial systems.
- **Informal remittance:** refers to remittances that occur through private or unrecorded channels. Such transfers are usually based on trust.

Formal remittance channels include “banks, electronic payment systems, microfinance institutions, money transfer operators, non-bank financial institutions, remittance service providers and sometimes post offices”. *Informal remittance channels* on the other hand involve use of friends or family members as main.

The main distinguishing factor between formal and informal remittance channels is that the former operates within a regulated financial system while the later operates outside the regulated financial system.

**Digital Remittance:** A mechanism for sending money using electronic systems. It makes money transfer easier, quicker and money can be sent remotely. Digital remittance supports transactions such as direct deposits, debit and credit card transactions, online bill payments and wire transfers. Depending on the remittance service provider, using a mobile application or a website can support direct transfers to banks, debit and credit accounts.

**Mobile Money:** A technology that supports use of a mobile phone to transfer money between various accounts. Mobile money services typically offer the following products:

- **Domestic or international money transfer:** Domestic money transfer involves sending/receiving money from one location within a specific location within the same country while international transfer is

cross-border. \Mobile payments including bill payment: entails using a mobile phone/device to facilitate financial transactions/payment for goods/services offered such as electricity, airtime, hospital bills etc.

- Bulk disbursement: bulk payment is a quick way of transferring/ sending money/funds to multiple recipients, commonly used when paying salaries, employee benefits or supplier payments.
- Merchant payment: payment to wholesale traders or distributors who purchase goods in bulk and redistribute to retailers.

**Mobile money providers:** Are companies that have been authorised and licenced by central banks to provide domestic digital financial services

Financial services products provided by remittance services provides and other organisations include:

- **Saving products:** “Traditionally, the storage of a customer’s money by a bank within an interest-bearing account. It is sometimes used more loosely to describe any store of money, such as the balance of electronic money within a mobile wallet.”
- **Credit:** “Money or an object that is lent, usually with the understanding that the loan will be paid back, usually with interest.”
- **Insurance:** For cover such as health expenses.
- **Airtime:** “Purchase of mobile phone airtime via mobile money, usually funded from a mobile money account
- **Payment of utility bills:** Making a payment for a recurring service, either in person (“face to face”), or remotely
- **Foreign Exchange:** Exchange rates are defined as the price of one country’s’ currency in relation to another. Exchange rates may be expressed as the average rate for a period of time or as the rate at the end of the period.

### Remittance channels

**Bank-to-Bank transfer:** Money can be transferred between two bank accounts held with the same bank (intra-bank transfer) or between bank accounts held in two different banks (inter-bank transfers). Most international money transfers are inter-bank transfers. Bank-to-bank transfers can be facilitated through over the counter transactions or through wire transfer, which is a faster way of sending money between two financial institutions.

**Bank to a mobile wallet:** A mobile wallet also known as e-wallet is a digital version of a physical wallet linked to a mobile phone, usually in the form of a mobile application. Money can be deposited and withdrawn from a mobile wallet. Apart from money, it also stores and shows payment details including cash balances. Money can therefore be sent from one bank account/RSP to a mobile wallet. The sender needs to go to a bank/RSP agent, provide the receivers mobile contact, hand over the amount and it will be sent. Once the transaction has been done, money instantly reflects in the receiver’s mobile wallet. The receiver doesn’t need to travel to the agent to collect the money.

**Debit/Credit Card to Mobile Wallet:** There are remittance providers that allow their clients to make money transfers using a credit or debit card. Such transactions can be made through the sender’s bank account: with 3 options i) online, ii) over the phone and iii) by visiting a branch.



**Debit/Credit Card to bank account:** Money transfer can also be made directly from a credit card to a bank account. This too has three delivery options: i) online, ii) over the phone and iii) by visiting a branch. The sender only needs to link the card with the bank account.

**Agent (Cash) to Agent (Cash):** Local and International remittance service providers have agents strategically located in major towns, including refugee camps in Kenya and Somalia. These are outlets and sub-outlets of main RSPs that offer transaction services: clients can deposit, withdraw or transfer money. Transaction process includes physically visiting an agent with required identification documents to send to another agent or pick money sent through an agent.

**Agent (Cash) to mobile wallet:** Involves physically visiting the nearest RSP agent in person, fill in form or present identification documentations to the agent and recipient's mobile phone number. Most RSPs give unique reference numbers to be used by the recipient to withdraw.

**Mobile wallet to mobile wallet:** entails sending money directly from one mobile wallet to another.

### Types of remittance costs and their impact

Fees or transaction costs may vary based on factors such as the remittance channel used, location of the sender/receiver and the amount sent amongst others. There are transaction charges or associated interest charges attached to every transfer and can be incurred either by the sender receiver, or even both.

**Exchange rate:** OECD defines exchange rate as "the price of one country's' currency in relation to another" i.e. the worth of one currency when compared to with a foreign currency. In simple terms it can be treated as the price being charged to purchase a foreign currency. The rates (prices in this case) are prone to fluctuation and therefore change constantly.

**Sending fees:** Most remittance service providers charge users a fixed amount for assisting in transferring money from person-person. The fee depends on the remittance service provider one is using as well as the amount sent and currency in which the money is being sent. Some fees also depend on how one is sending the money i.e. from the bank account, mobile wallet, debit or credit card.

**Withdrawal fees:** Fees charged for receiving international transfer. They are charged when withdrawing money either from a bank account, mobile wallet, automated teller machines or an agent. Related charges can also be incurred when one pays for goods and services using a debit/credit card or mobile money.

**Interest rate:** The terminology is common when it comes to borrowing/ lending/saving money. It is the fee that one is charged for borrowing/saving money. It is commonly expressed as a percentage of the total amount borrowed or saved. For example, when one saves some money, he/she will earn some extra money on top of the principal amount. Using a similar principle, money to be repaid is usually more than the amount borrowed, based on the agreed interest rate.

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