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MINISTRY OF HEALTH-ETHIOPIA

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HEALTHIER CITIZENS FOR PROSPEROUS NATION!

REQUEST OF EXPRESSION OF INTEREST (EOI)

Development and Implementation of an Inclusive National
Digital Health Payment Solutions

Ministry of Health

December 6, 2024

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Development and Implementation of an Inclusive National Digital Health Payment Solutions

Issued by: The Ministry of Health, Ethiopia

Background

Ethiopia has made remarkable progress in its health sector, achieving significant milestones towards Universal Health Coverage (UHC). These accomplishments are attributed to the successful implementation of the Health Sector Transformation Plan I (HSTP I), which expanded primary healthcare infrastructure and introduced the Community-Based Health Insurance (CBHI) scheme, reaching a potential coverage of over 90% by 2021.

Building on this success, the Health Sector Transformation Plan II (HSTP-II) is further improving the health status of Ethiopians by accelerating progress towards Universal Health Coverage (UHC). The plan prioritizes strengthening primary healthcare, expanding access to essential health services, improving equity, and enhancing the efficiency and responsiveness of the health system, protecting communities during health emergencies, transforming service delivery at the local level and transforming woredas into model health districts. Leveraging digital health technologies and responsible digital payments are identified as pivotal strategy to achieve these objectives.

Recognizing the transformative potential of digital technologies, Ethiopia's health sector has embraced a Digital Health Strategy aligned with the country's Digital Transformation Strategy 2025. This vision seeks to improve UHC by leveraging digital tools to optimize service delivery, enhance data management, and modernize financial systems. Central to this effort is the Digital Health Blueprint (DHBp), a comprehensive framework guiding the digital transformation of the health sector. The DHBp is built on four strategic pillars:

1. **Digital Health Payments** – Integrating digital financial services to improve healthcare accessibility, affordability, efficiency, and equity.
2. **Point of Care Data Exchange**– Establishing interoperable systems for seamless and secure point of care health data exchange to enhance patient outcomes and support timely decision-making.
3. **Remote Healthcare Delivery** – Expanding telemedicine and mobile health services to ensure access to diagnosis, treatment, and consultations in remote and underserved areas.
4. **Digital ID and Literacy** – Leveraging robust digital identification systems and improving digital literacy to enable equitable access to health services and informed health decisions.

Progresses has-been made over the last three years in implementing digital health solutions, reflecting the Ministry's commitment to improving healthcare delivery and achieving universal health coverage. Key milestones include the introduction of Electronic Medical Records (EMRs) in over 70 health facilities, with 10 facilities now operating entirely paperless.

The country has also scaled up the use of the Health Information System 2 (DHIS2), which is now implemented across more than 33,000 health facilities¹.

Additionally, the Electronic Community Health Information System (eCHIS) has empowered over 8,000 health extension workers to streamline community health service delivery. Ethiopia has embraced telemedicine services, enabled remote consultations and care, and deployed innovative tools such as contact tracing apps and vaccine tracking systems. Furthermore, the launch of the Digital Health Payments Initiative (DHPI) signifies a major step towards financial inclusion and transparency in healthcare, supporting Ethiopia's broader vision of a sustainable and inclusive healthcare ecosystem.

Despite the launch of digital health payment initiative, the integration of digital payments into the health sector remains in its infancy. Currently, cash is the sole acceptable payment method at both EMR and non-EMR-based health facilities. The cash collection and deposit process are costly, time-consuming, prone to errors, creating inefficiencies, risks and ultimately resulting in financial loss for the health sector. While EMR efficiently record medical treatments, it does not capture associated cash payments, leaving a critical gap in financial reconciliation. Community-Based Health Insurance (CBHI) enrollment and premium collection are predominantly manual and cash-based, making the process expensive and inefficient. Similarly, CBHI relies on offline, Excel-based claim management systems at health facilities, which pose significant challenges for reconciliation, auditing, and timely refunds to health centres. These delays exacerbate cash flow challenges for health centers and hinder their ability to scale operations effectively. Moreover, the Health Extension Workers in remote rural areas are struggling with the current cash-based system, leading to demotivation and challenges related to their own salary, par dime payments and the services they oversee. The financial sector's limited attention to public health financing is another glaring issue. Tailored financial services for the health sector, such as health credits, savings, and insurance products, remain almost non-existent. This absence of innovative financing solutions further impedes the sector's ability to address critical needs of the citizens.

To overcome these challenges and to fully unlock the potential of the health sector, healthcare services need to integrate with the growing digital payment infrastructure. The Digital Health Payments Initiative aims to address these issues by embedding digital financial services across the health sector.

This initiative will:

- Enhance healthcare access, affordability, and operational efficiency,
- Minimize risks associated with cash handling,
- Improve transparency and financial accountability, and
- Provide a modern and inclusive healthcare payment system that supports Ethiopia's journey toward UHC

¹ MoH, Digital Health Executive Report (2024)

Objective

Transitioning to digital payments aligns with Ethiopia's broader digital transformation agenda and contributes to the Health Sector Transformation Plan II (HSTP-II), which emphasizes equitable access, efficiency, and accountability in healthcare. The objective of this assignment is therefore to provide digital payment solutions for the Ministry of Health starting with the prioritized use cases that includes.

1. **Health Facility Payments:** Integrating digital payments into both electronic medical record (EMR) adopted facilities and non-EMR adopted facilities. In EMR based health care facility the goal is to eventually integrate digital payments as part of the electronic medical record (EMR) system during the pilot scope and beyond.
2. **Community-Based Health Insurance (CBHI):** digitalizing and Streamlining enrolment, premium and renewal collections, claim management and refund to the health care facilities to support sustainable healthcare financing.
3. **Health Extension Workers (HEWs):** Ensuring prompt and efficient digital financial services for Health Extension Workers and enabling them to drive digital financial services at the community level.

This expression of interest seeks a broader range of qualified electronic/ account-based payment channels beyond traditional payments. This includes fully functional accounts with solutions utilizing mobile wallets, mobile banking, QR codes, payment cards, and other digital payment solutions.

Implementation Context

Ethiopia is well-positioned for the nationwide implementation of digital health payments, supported by significant progress in telecom and digital infrastructure, the financial sector, and healthcare digitalization. Telecom advancements boast 99.2% population and 85.4% geographical coverage, with 78.8 million Ethio telecom mobile subscriptions and over 40.5 million smartphone and internet users, enabling access to emerging digital services².

The financial sector is transitioning towards a cash-light society, evidenced by 68.7 million mobile money accounts, over 265,000 digital financial service agents, and over 7000 robust networks of bank and microfinance institutions branches supporting cash-in and cash-out transactions, as of June 2023³.

Digital healthcare tools, including Electronic Medical Records (EMR), DHIS 2, and eCHIS, are revolutionizing service delivery, with the expanding infrastructure offering significant potential to integrate digital health payments seamlessly. Together, these advancements create a robust foundation for leveraging digital payment systems to enhance health sector efficiency and access.

² Ethiotelcom (11 Jul 2024) : Ethiotelcom Annual Bussiness Performance Report 2023/ 2024 Presentation

³ NBE (April 2024), Financial Stability Report. Can be found on; https://nbe.gov.et/wp-content/uploads/2024/04/Finacial_Stability_Report_NBE_WF.pdf

Ethiopia has a favourable digital finance macro-level context, which is however tempered by disparities in digital payment infrastructure across Ethiopia's urban, semi-urban, and rural areas, identified during micro-level field diagnostic reviews:

- **Urban Areas:** These regions benefit from reliable mobile network coverage, high smartphone penetration, and widespread engagement with digital financial services
- **Semi-Urban Areas:** While showing promise due to high mobile phone usage, semi-urban areas face challenges like financial inclusion gaps and low financial literacy, resulting in underutilized digital financial services.
- **Rural Areas:** Rural regions encounter the most significant challenges, including inconsistent USSD service availability and limited access to financial institutions. Despite these barriers, there is strong interest and willingness within rural communities to adopt digital payment solutions.

FIGURE 1: HIGH LEVEL MICRO CONTEXT ANALYSIS FOR THE IMPLEMENTATION OF NATIONAL DIGITAL HEALTH PAYMENTS

DHP Requirements Analysis		
Field Review	Deep Rural Area	<ul style="list-style-type: none"> ➤ GREAT feature phone ownership and limited smartphone presence. ➤ There is an interest in Digital Financial Services, but lack of relevant products tailored for rural needs remains ➤ Cooperatives purely formed up of farmers associations exist with limited traditional operations and low literacy level ➤ Local market, small businesses, mini shops are present in kebele centres, supporting some economic activity. While a few households and extension workers hold accounts with financial institutions, actual usage of these services is minimal. ➤ Challenge is consistent network coverage and power supply inconsistency
	Semi Urban	<ul style="list-style-type: none"> ➤ USSD services available, some mobile data access. ➤ Nearly universal phone access; growing smartphone use. ➤ Presence of banks, MFIs, and SACCOs; growing interest in DFS. ➤ Shops and retail distribution points widely available. ➤ Bank accounts and mobile money accounts held though underutilised
	Urban	<ul style="list-style-type: none"> ➤ Reliable USSD coverage and reasonable data availability with consistent service. ➤ High smartphone penetration with strong user proficiency. ➤ Ample presence of FSPs with strong demand for digital financial services (DFS). ➤ Many shops accept electronic payments, mainly mobile money and mobile banking through personal accounts ➤ Diverse retail channels (shops, restaurants, minimarkets, fuel stations, etc.) ➤ Good literacy levels, individuals widely using mobile payments, card payment for financial transactions.

Tailored Implementation Approach

The implementation of Ethiopia’s national digital health payment solution will adopt a tailored approach to address these regional disparities. By customizing strategies for urban, semi-urban, and rural contexts, the solution providers are expected to:

1. Promote financial inclusion, especially in underserved regions.
2. Enhance operational efficiency within healthcare payment systems.
3. Ensure equitable healthcare access for Ethiopia's diverse population.

The Scope of Work

The scope of work for this expression of interest is to provide digital payment solutions for the defined use cases including health facility payments, digitalization of CBHI premium payments and claim management process and providing tailored Digital Financial Services value proposition for the health extension workers that meet service level standards required to serve beneficiary at different level.

Below are details on the required scope of work for each use cases.

A. Required solution functionalities for Health Facility Payments

1. Key Requirments

- **Digital Payment Solution:** Provide digital payment solution for all types of fixed payments within healthcare facilities. The solution must be piloted for both Electronic Medical Record (EMR) and non-EMR-supported sites.
- **Interoprability:** As part of the pilot scope, ensure interoperability with EMR-based facilities and electronic community health information system (eCHIS) for seamless integration.
- **Digital CBHI claim managemnt Integration:** Digitalize and Integrate CBHI claim management at difrent level of health care facilities as part of the payment solution.
- **Automated Reporting & Reconciliation:** Implement automated system-generated reporting and reconciliation. Ministry of Health will provide the Financial Service Provider (FSP) with detailed reporting requirements and a standard template for all implementation levels, which will include the minimum reporting requirement at the woreda and facility level. The FSP's technology-based solution must be capable of providing web based tailored reports against any specific queries requested by the government at diffrent level in the course of the implementation.

2. Mandatory features for the expected digital health payment solutions

- **Interoprable Payment Collection Platform** -Provide the health care facility with real time interoperable collection point to allow all customers of financial service providers pay without challenges. propose a broader range of account-based compliant digital payment alternatives that includes fully functional accounts with solutions utilizing mobile wallets, mobile banking, QR codes , biometric authentication, and payment cards, among others.
- **Beneficiary-Centric Design:** Focus on user-driven infrastructure with tailored customer journeys to enhance usability. Instead of a facility-driven approach, beneficiaries should have full control over their payment methods. For instance, in the context of mobile-based payment systems, beneficiaries will charge their mobile phones and keep their devices active when they need to make payments. If a facility-driven infrastructure, such as POS devices, is adopted without active management, users may face high downtime, device issues, and inconsistent interoperability.

- **Convenient Front-End Systems:** Provide a simple, intuitive payment process requiring minimal steps for users in simple to understand language.
- **Scalability and Practicality:** Ensure the solution is adaptable for nationwide implementation, accounting for varied infrastructure and literacy levels at rural, semiurban and urban areas.
- **Reliability for Delayed Confirmations:** Offer solution based innovative mechanisms to mitigate delays in digital receipt confirmations at health facilities.

3. Preferred additional Digital Financial Services (DFS) as part of this usecase

- **Health Credit Services:** Provide health credit solutions for non-CBHI-eligible groups, such as women, vulnerable populations and low-income government employees.
- **Health Savings:** Enable health savings accounts that allow users to borrow additional funds during emergencies and explore electronic health vouchers for critical needs.
- Ability to provide convenient digital payment integration for the emerging digital/Virtual health care services such as telemedicine services

B. Required and Proposed solution functionalities for Community Based Health Insurance Services (CBHI) digital Payments

1. Key Requirements

- **End-to-End CBHI Payment Platform:** Provide Community Based Health Insurance (CBHI) digital payment platform focused on end-to-end value chain including enrolment, premium collection, renewal collection, users claim management at different levels of health care facility and refund to the health center
- **Agent based premium collections:** Enable private sector / agents-based premium collections facility at the community/ kebele level, reducing the burden on healthcare workers and kebele administrators in the current collection format
- **Virtual CBHI Integration:** Introduce convenient Community Based Health Insurance (CBHI) payment integration for the potential Virtual CBHI registration and renewal needs
- **Automated Reporting:** Implement automated system-generated reporting and reconciliation. Ministry of Health and Health Insurance Services will provide the Financial Service Provider (FSP) with detailed reporting requirements and a standard template for all implementation levels, which will include the minimum reporting requirement at the woreda level. The FSP's technology-based solution must be capable of providing web based tailored reports against any specific queries requested by the government at different level in the course of the implementation.

2. Mandatory features for the Required digital health payment solution

- **Interoperable Payment Collection Platform** -Provide the CBHI platform with real time interoperable collection point to allow all customers of financial service providers pay their premiums without challenges. propose a broader range of account-based compliant digital payment alternatives that can includes fully functional accounts with solutions utilizing mobile wallets, mobile banking, QR codes , and payment cards, among others.
- **Beneficiary-Centric Design:** Focus on user-driven infrastructure with tailored customer journeys to enhance usability
- **Convenient Front-End Systems:** Provide a simple, intuitive payment process requiring minimal steps for users
- **Scalability and Practicality:** Ensure the solution is adaptable for nationwide implementation, accounting for varied infrastructure and literacy levels at rural, semiurban and urban areas.
- **Reliability for Delayed Confirmations:** Offer solution based innovative mechanisms to mitigate delays in digital receipt confirmations at health facilities.

3. Preferred Additional Digital Financial Services as part of this Digital Health Payment usecase

- **Premium Financing-** Offer alternative digital premium financing options with repayment plans aligned to income cycles.
- **Flexible Payment Terms:** Introduce Pay as you go non-fixed, flexible premium payment options.
- **Incentivized Insurance Savings:**Develop savings schemes tied to annual CBHI subscriptions.

C. Required and Proposed Functionalities for Health Extension Workers (HEW's) Digital Financial Services needs

1. Key Requirements

- **Mobile-Based Accounts:** Provide HEWs with mobile money-based accounts accessible via personal devices or proxy access points (e.g. agents, cashiers or merchants)
- **Local Agent Banking:** Establish agent banking and digital payment points at the kebele level.
- **Web-Based Payroll System:** Implement a payroll platform accessible directly by finance office at woreda, regional, or directly from central sources/ finance levels.
- **Implement automated system-generated reporting and reconciliation.** Ministry of Health will provide the Financial Service Provider (FSP) with detailed reporting requirements and a standard template for all implementation levels, which will include the minimum reporting requirement at the woreda level. The FSP's technology-based solution must be capable of providing web based tailored reports against any specific queries requested by the government in the course of the implementation.

2. Mandatory features expected for Health Extension Workers (HEW) usecases

- **HEW-Centric Solutions:** Design infrastructure and systems around HEWs' unique needs and challenges.
- **Simplified Interfaces:** Ensure user-friendly, secure, and efficient digital payment interfaces.
- **Scalable Solutions:** Deploy systems adaptable to varied infrastructure and literacy levels for nationwide implementation

3. Preferred additional Digital Financial Services as part of this Digital Health Payment usecase

- Tailored proposal that can provide HEW a financial safety-net that includes savings, microcredit, health credits as they currently don't have health insurance scheme
- Offer digital transaction ecosystems to allow them use funds in digital form.
- Create opportunities for HEWs to earn additional income as financial service agents, promoting financial literacy and digital banking at the community level.

Technical Considerations

A. Payment instrument channel

Financial service providers (FSPs) are responsible for implementing robust mechanisms to ensure secure electronic and account-based digital payment channels, including QR payments, mobile wallets, card payments, and other relevant online options. These mechanisms must include secure authentication processes to grant beneficiary customers access to safe payment infrastructure. Two-factor authentication, either electronic or manual, is required. While the FSP is fully accountable for the authentication system, the approach should consider the unique circumstances and preferences of beneficiary customers, including those who may be illiterate or unfamiliar with formal banking systems.

Moreover, FSPs must ensure digital financial literacy and promote responsible account management among beneficiaries. This can be achieved by establishing a comprehensive and continuous awareness-building culture that educates beneficiaries on the functionalities, secure usage of their accounts, payment methods, and associated security protocols.

B. Account opening/ customer registration

The Financial Service Provider (FSP) will be responsible for opening and maintaining transaction accounts or mobile wallet accounts for interested healthcare users in each assigned region or woreda. This must be done in full compliance with all applicable regulations set by the National Bank of Ethiopia. To enhance accessibility, the account opening and payment process should be streamlined for users opting to register at healthcare facilities by implementing a standardized onboarding system accessible via mobile devices.

C. Customer education and support

Customer education and support initiatives must ensure that all newly registered beneficiaries of digital health payment systems can effectively utilize their accounts. This includes understanding how the accounts operate, how to make payments and transfers, and how to access information or report a complaint. i.e. how to safely use and remember PIN (if applicable), how to verify payment receipt and balance checks, what service standards to expect from cashiers/ or payment points.

Additionally, payment collector cashiers, where applicable, should receive comprehensive training. This training should cover their responsibilities in digital collection processes, their obligations as service providers, and customer care skills, especially when engaging with targeted populations.

A robust support system should be established to handle customer queries, disputes, and service issues. Clear guidance should be provided on how customers can raise queries or complaints at any time. For common concerns, a defined resolution timetable should be communicated to ensure prompt responses and accountability.

D. Cash deposit and digital float management

To ensure beneficiaries have uninterrupted access to digital health payment services, the Financial Service Provider (FSP) must ensure that cash-in points are strategically located within a reasonable radius of each healthcare facility. Additionally, the FSP must facilitate the ability for customers to digitally pull funds from their accounts to make health-related payments. This arrangement allows beneficiaries to either deposit cash or access their accounts to fund digital transactions. The FSP is responsible for ensuring that these access points—whether directly managed by the provider or through third-party agents or networks—are adequately distributed and accessible to the target population. While the FSP may establish these points either through direct operations or partnerships with third-party agents, they are ultimately accountable for ensuring that these access points adhere to the agreed-upon service level agreements (SLAs). The design and distribution of cash-in points should prioritize convenience for beneficiaries, thereby ensuring efficient payment processing at healthcare facilities, fostering a seamless and accessible digital payment experience

E. Data protection

Data privacy and security are paramount in the execution of digital health payment services. All data collected during the performance of the service must remain confidential and cannot be used for commercial purposes. Additionally, no data can be shared with third parties without explicit written approval from the relevant national or regional authorities.

The FSP is required to comply fully with Ethiopia's data protection laws and regulations, which govern the collection, processing, and storage of beneficiary data. The FSP must implement robust security measures, such as encryption and access controls, to protect the privacy of beneficiaries and ensure compliance with national data protection standards.

F. Coordination

The successful delivery of the digital health payment service relies on effective coordination at various levels of government and within the FSP's structure. The FSP is required to designate qualified and competent individuals to specific roles at both national and regional levels. At the federal level, a senior project manager should oversee the execution of the contract and resolve issues on the overall strategic management of the project. At the regional level, a lead relationship manager must be designated to address routine problems and maintain regular communication with corresponding government officials. A coordinator at the field level is responsible for managing the implementation of the payment process and ensuring that issues raised by beneficiaries are promptly addressed. The FSP should ensure that all designated personnel are available to participate in coordination meetings and respond to queries in a timely manner.

G. Payment Points at the health care facility

The FSP must ensure that there are sufficient payment points at the health care facility to facilitate easy access for beneficiaries. The minimum requirement is one payment collection point for each facility, or alternatively, a sufficient number of payment collection points must be established based on the request to ensure that all beneficiaries can easily access the payment points.

H. Rigorous Reporting

For transparency and accountability, the FSP must provide access to online reporting portals at federal, regional, and woreda levels. These portals will allow stakeholders to query transaction-level data and generate summary reports in near real-time or according to the agreed schedule. The FSP will be required to submit detailed reports using standardized formats, ensuring that data is readily available and accessible for monitoring purposes. The exact reporting requirements will be finalized as part of the inception report. These measures will help ensure that all payment transactions are properly recorded, and that all stakeholders have access to up-to-date information for decision-making.

I. Integration with EMR and eCHIS

To enhance operational efficiency, the FSP is required to integrate their payment processing system with the EMR, eCHIS or other digital health solutions at the healthcare facility. This integration will facilitate the secure flow of data, reporting, and reconciliation at the federal, regional, and woreda levels. By ensuring that the payment system is fully integrated with other digital health solutions, the FSP will contribute to a streamlined payment process that supports the effective implementation of health care services.

J. Scalability

The Financial Service Provider (FSP) must ensure the solution's scalability for nationwide implementation, addressing Ethiopia's diverse infrastructure and literacy levels across rural, semi-urban, and urban areas. Significant disparities in digital payment infrastructure exist across these regions, necessitating tailored innovations. Urban areas benefit from reliable mobile network coverage, high smartphone penetration, and widespread engagement with digital financial services, enabling the provision of relatively convenient infrastructure for users in these regions. In contrast, semi-urban areas require solutions that balance USSD functionality with application-based services while addressing challenges such as financial inclusion gaps and lower levels of financial literacy. Rural areas face the most significant barriers, including inconsistent USSD service availability, limited access to financial institutions, and low digital literacy rates. The solution must prioritize accessibility and reliability, with innovative approaches designed to address these constraints. A holistic and adaptable approach to solution design is essential, ensuring scalability by accounting for the variability in infrastructure and beneficiary profiles. Respondents to the expression of interest are expected to incorporate these considerations into their proposals, laying the foundation for a robust and inclusive national digital health payment system.

Tasks and responsibilities

1. FSP Selection

Financial Service Providers (FSPs) are required to select any or all specific use cases from the scope of work and submit detailed proposals within 20 days of receiving the Expression of Interest (EOI). These proposals must outline functional parameters, how their solutions meet the stated requirements, providing comprehensive technical and functional specifications along with an implementation plan. FSPs unable to meet all requirements individually are encouraged to form consortium to deliver a complete value proposition to the Ministry of Health for their selected use cases. After submission, an evaluation panel will review the proposals and invite shortlisted FSPs to deliver demonstrations (DEMO) within 15 days. FSPs with successful demonstrations will be selected for implementation.

2. Contracting and contract management

Once selected, FSPs will sign a Service Level Agreement (SLA) with the Digital Health Executive Office under the Ministry of Health at the federal level. Following this, a Memorandum of Understanding (MoU) will be signed between the FSP and the respective Regional Health Offices. Regional Bureaus of Finance will handle contract administration. Alternatively, the contract may be directly signed between the FSP and regional authorities, with a federal-level MoU ensuring alignment and oversight.

3. Planning and preparation

The planning phase commences after the Ministry of Health completes the FSP selection process and contracts are signed. During this phase, FSPs will finalize the detailed framework for delivering the solution, including the overall architecture and functionality, which would have been partially defined during contracting.

The planning document must specify how all components of the solution will be implemented to achieve SLA compliance and must align with the digital health payments initiative's objectives. This document, requiring formal Ministry of Health approval, will include plans for pilot structuring, institutionalization processes, infrastructure establishment, and ongoing customer relationship management (CRM). The planning phase must be completed within 20 days of contract signing. Failure to produce an acceptable implementation plan may result in contract enforcement actions, including termination.

Key aspects of the planning document will include detailed business processes, solution architecture, key performance indicators (KPIs) for SLA compliance, system integration designs, allocation of payment points, sub-contract negotiations, personnel recruitment plans, communication and training strategies, risk mitigation and contingency plans, reporting standards, and a comprehensive timeline.

4. Solution roll-out

The roll-out phase involves deploying the solution per the approved implementation plan. Activities during this phase will include product deployment, modifications to core systems, establishment of system interfaces with EMR and eCHIS, deployment of acquiring infrastructure, preparation of digital payment collection infrastructures, staff training, and extensive system testing. This phase will be executed at pilot sites and must be completed within 60 days following the Ministry of Health's approval of the service-level standards.

5. Deliverables and Obligations

The contracted FSP is responsible for meeting the minimum service requirements outlined in the SLA, including ensuring that consortium members comply with service standards. FSPs must report regularly on their SLA compliance, while the Ministry of health will monitor performance through sampling. Non-compliance with SLA standards may lead to enforcement measures, including contract termination.

Qualification Criteria

To qualify for the opportunity to deliver digital payment services under the Ministry of Health's Digital Health Payments Initiative, interested Financial Service Providers (FSPs) must provide comprehensive information and evidence to allow the evaluation panel to verify compliance with the qualification criteria. Only the details provided in the proposals will be considered during evaluation. Insufficient information or evidence will result in disqualification. These criteria outline the minimum requirements that applying firms and their proposed solutions must meet to ensure eligibility. Firms meeting these standards may apply to deliver services in regions where they can fulfill the service requirements detailed in the scope of work.

Qualification requirements:

A. Consortium agreement on roles and responsibilities

FSPs may apply as part of a consortium, which is permitted to deliver the digital health payment services or as individual entities. In consortium cases, the proposal must include a signed agreement among consortium members, explicitly defining their roles and responsibilities.

B. Licensed by the National Bank of Ethiopia

The lead provider, designated to sign the contract on behalf of the consortium, must hold a valid license issued by the National Bank of Ethiopia. This includes licenses to operate digital payment solutions, conduct banking activities, payment instrument issuers and/or processors, provide payment services such as mobile money or agency banking under existing directives from the National Bank of Ethiopia.

C. Firm/s with experience in delivering similar payment service

Applicants must demonstrate a minimum of two years proven track record in delivering similar payment services at various level with high-quality service delivery across Ethiopia or in another market. Preference will be given to FSPs with experience in serving diverse customer segments, implementing digital financial services, and operating mobile wallet platform services. Prior engagement with the Government of Ethiopia on similar payment solutions is an added advantage. The required experience includes implementing digital payment systems (account-based or mobile payment platforms), utilizing electronic systems for account management, reconciliation, and reporting, and possessing the capacity to quickly deploy and operate digital payment services.

D. Team with experience delivering services

The FSP is expected to propose appropriate project team for the implementation of the requirements. The proposed team must comprise individuals with relevant expertise and clearly defined roles and responsibilities in the following format.

Named individual	Role and responsibilities	Firm	Years of Experience
	Senior project manager at Federal Level		seven years and above in designing and executing digital payments project and other digital financial services
	lead relationship manager at Regional Level		Atleast five years and above experiances in managing stakeholders relationship on multisectoral digital payment initiative implementation or in the areas of other digital fianacial services in rural and urban areas
	Field coordinator at the local/ Implementation areas		Three and above years of experience responsible for managing the implementation of the digital payment process on the field and managing customer supports in related areas .

While positions may remain unallocated at the time of proposal submission, the qualifications and experience required for these roles should be explicitly outlined. Named individuals will be included in the implementation plan at the latter stage to ensure proper staffing and operational readiness.

Financial Proposal Structure

The Ministry of Health, in collaboration with its implementing partners, will assess any additional support required by the selected service providers to meet implementation needs. This includes the provision of digital payment collection tools at healthcare facilities, technical assistance, risk mitigation strategies, capacity-building initiatives, and any other necessary services, based on well-founded and comprehensive proposals. However, FSPs are required to submit their financial proposals based exclusively on defined fees, which will be charged to users for each service they use. These fees will remain fixed for the pilot contract period, ensuring transparency and consistency for both the Ministry of Health and beneficiaries. The implementation structure is summarized below to help design interested FSPs business model ;

- The Ministry of Health - will provide strategic oversight and high-level institutional capacity building, positioning the implementation as a private-sector-driven business case.
- The private sector/ FSP's - will lead the implementation, encompassing product design, software development, infrastructure deployment, maintenance, and overall service management.
- FSP's - will submit financial proposals based solely on fixed fees charged to clients for each service rendered.
- Development partners - will assess and provide tailored support to selected FSPs, including digital payment tools, technical assistance, risk mitigation strategies, capacity building, and other essential resources, guided by convincing impact-oriented proposals.

Other Key Considerations for Evaluation:

- **Inclusivity:** Proposals will be evaluated on their ability to effectively address the financial needs of all genders, ensuring equal access to the proposed solutions. The system should be designed to overcome barriers faced by underserved populations, particularly women, in both urban peri-urban and rural areas. This includes considerations for gender-specific barriers such as access to mobile devices, literacy rates, and financial independence.
- **Innovation and Feasibility:** The evaluation will focus on the creativity and originality of the proposed solution. The design should incorporate innovative features that make it adaptable to different environments—urban, semi-urban, and remote rural settings. Proposals will be assessed on their practicality, ensuring they are feasible in terms of infrastructure, cost, and ease of deployment, while considering technological constraints and local infrastructure variations.

- **Impact:** Proposals will be measured by their potential to drive significant improvements in financial inclusion and empowerment within the health sector. Solutions that increase access to healthcare financing, improve efficiency, and strengthen the link between healthcare services and financial inclusion will be prioritized. Impact assessments should focus on long-term sustainability and how the solution will positively affect both the healthcare system and its beneficiaries.
- **Implementation Methodology:** The proposal should clearly outline the step-by-step implementation strategy, detailing how the system will be successfully deployed. This includes timelines, stakeholder engagement, risk management, training, and integration with existing healthcare infrastructure. Clear milestones for each phase, with defined deliverables and success metrics, will be key in evaluating this criterion.
- **Sustainability and Maintenance:** A comprehensive plan for post-implementation system maintenance will be crucial. Proposals should address how the system will be monitored, updated, and supported after go-live, ensuring its continuous operation and troubleshooting capabilities. This includes detailing the training programs, technical support teams, and long-term sustainability of the system, considering both financial and human resource aspects.

Submission Process

Financial Service Providers (FSPs) interested in providing digital health payment solutions are invited to submit their Expression of Interest (EOI) by **Monday, 23 December 2024**. Submissions should be emailed to moh@moh.gov.et, with the subject line: ***Expression of Interest for Digital Health Payment Solutions***. Please copy **Mr. Oli Kaba** at oli.kaba@moh.gov.et and **Mr. Desta Bayisa** at desta.bayisa@undp.org

A face-to-face briefing session will be held on **Tuesday, 17 December 2024**, from **9:00 AM to 11:30 AM** at the Ministry of Health. This session will provide an opportunity for interested FSPs to raise queries or seek further clarifications. Your attendance is encouraged.

Contact Information

For additional inquiries, please contact **Mr. Desta Bayisa** at **0913 58 35 54**.