Guidelines for the Request for Tender (RfT) for the Financial Service Provider (FSP) in Cash Transfer Programming (CTP)

This documents serves as a guideline for preparing a Request for Tender (RfT) for Financial Service Providers (FSP) to be used in Cash Transfer Programming (CTP).

Please keep in mind that the core of your RfT will come from the TOR defined by the requesting department.

To help you get a better understanding of what should be written in the RfT, you can find examples in the RfT template. All examples are highlighted in yellow. However, make sure that all highlighted parts of the text in the RfT template are filled in with the information related to the specific CTP.

**When you finish your RfT, please keep in mind that the final document should no longer contain yellow parts.**

## Introduction part

In the introduction part of RfT you should specify the country, region, district where CTP will be implemented within the framework of the ICRC assistance program. The objective of the CTP could be mentioned as well.

In this part you should mention the response option for the CTP and what mechanisms of cash transfer is requested. In case it is not clear what cash transfer mechanism(s) is (are) required for the intervention, specify that all proposals that offer cash transfer solutions in the context of the proposed intervention are welcome. Providers may propose non identified options or services that will be more appropriate.

## Object of the requested service

Section **2** **Object of the requested service –** will describe the object of the requested service from the FSP.

Keep in mind that the CTP might be extended to a higher number of beneficiaries (scaled up). Therefore if you have already discussed the matter with the concerned programme department (i.e. EcoSec) and you know that this is a possibility, it is better to already mention it to the FSP in the RfT (e.g. service is intended to be extended to more beneficiaries). During the evaluation process, you should try to understand with given current volume of work and the FSP management capacity (in terms of cash liquidity, number of agents and HR resources), how many additional clients could reasonably be added as a result of the programme?

Keep in mind that the area of intervention might extend or change. This should be specified in order for the service provider to respond properly, *e.g*.:

* *Service is intended to be provided in 2 new regions / districts or*
* *Service is intended to be provided in the place of origin of beneficiaries and / or in areas of intervention in Yola and Yobe (Damaturu).*

In order to respect beneficiaries’ data protection, multiple layers of control should be put in place around the collection, use, disclosure and storage of beneficiaries’ personal information - in order to address privacy related risk, fraud and abuse related risks. It can happen that beneficiaries do not have identification documents, therefore it is good to mention that ICRC will favor the solutions where less personal data is required to access the requested service, e.g. banks with the low Know Your Customer (KYC) requirements for beneficiary registration. This will also reduce the time and the workload of the beneficiary registration at the FSP.

In the RfT, it is important to mention the geographical areas of CTP intended intervention, especially as the service provider should share information about coverage and number of branches / ATMs / POS (depending on the cash transfer mechanisms). Before we choose the FSP, we should take into consideration how much time and money beneficiaries are spending to access the cash.

## Requirements

Section 3.**Requirements** aims at determining / assessing the capacity of the service provider (in terms of people, money, coverage, payment frequency). This part in the RfT should serve as a guide to the FSP to determine whether he is able to respond to the requirements or not. The type of proposed service, costs and the capacity suppliers’ transfer may depend on the location, the value of each transfer and the frequency of transfers.

All the information that can be relevant to making a sound FSP assessment should be asked in this section. Supporting documents should serve as a validation for provided information and be shared accordingly. Depending on the country and business environment, different type of documents can be submitted as supporting documents.

## Obligations of the financial service provider (FSP)

Section **4. Obligations of the financial service provider** shouldlistall the obligations that need to be fulfilled by the service provider. In the template you can see examples of possible obligations that FSP should fulfil. Keep in mind that this part depends on the context, concrete program, ToR provided (e.g. reporting frequency) and on the proposed solution (acknowledgment receipt, refund). If the programme department shares information regarding specific difficulties or tasks that they cannot handle (e.g. crowd management) it should be verified with the service provider if they can assist in conducting/ fulfilling the task(s).

Price and currency

Section **5. Price and currency** should specify theprice, currency and payment method, as well as payment deadline from the ICRC to the FSP. It should specify if the price / fee is per transfer, per transferred amount, borne by the ICRC or the beneficiary, including or excluding taxes, etc. Specify the exchange rate, if applicable.

Different type of costs could apply and should be indicated and segregated by type. e.g. set-up cost (materials, account opening, training, etc.), transfer costs (for the ICRC or beneficiaries), contingency costs (i.e. replacement cards, closure accounts, etc.), monitoring and reporting costs (i.e. online monitoring, etc.). Please consult the [FSP Fees Template](https://collab.ext.icrc.org/sites/TS_ASSIST/_layouts/15/DocIdRedir.aspx?ID=TSASSIST-17-4591) for more details.

Clarification request

Section **7. Clarification request** provides the e-mail address where all requests for clarifications and questions concerning the RfT can be submitted.

Submission of the proposal and the deadline

Section 9. **Submission of proposal and deadline** provides the relevant contact information including the ICRC delegation’s phone number and the address to which all proposals should be submitted.

**General remark:**

Please, keep in mind that these guidelines and the corresponding template should serve as an orientation when creating an RfT for the CTP program. Every CTP program has some particularities that require contextual adaptation of the RfT version you are preparing.

Additional questions that should be answered when assessing the FSP and that can serve as guidelines for preparing the RfT include the following:

* What are legal regulations on payments and transactions in the specific country?
* Next to institutional capacity, we could also asked who is the money transfer company manager? What experience does he / she have of managing larger amounts of funds and NGO relationships? To what extent the staff is experienced in working with rural communities?
* How has the FSP performed in the past year? Has the core business (remittance) increased or decreased significantly? If so, why?
* In order to have possibility for additional services, you can ask does FSP offer physical transport of cash to remote locations (e.g. from the branch to distribution site)? If not, can this be negotiated? What are the fees or insurance costs for this service?
* What reports will the FSP be able to provide and within what time frame (e.g. reconciliations of money received and money withdrawn)?
* What are the channels of communication with beneficiaries from FSP side?

*Note that these guidelines and corresponding template can also be used regardless of the CTP modality and can apply for unconditional cash grants, conditional cash grants, cash for work and vouchers.*

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One of the supplementary tools that can be used for the CTP RfT is Cash in Emergencies Toolkit and it is accessible at [www.rcmcash.org](http://www.rcmcash.org/). It has been developed as a mean to make cash tools, practical guidance and minimum standards easily accessible to staff and volunteers.

The toolkit results from collaborative work of the IFRC, the ICRC, the American Red Cross and the British Red Cross, gathered under the Red Cross / Crescent Movement Cash peer Working Group (CPWG). The first version is in English. By the time it will be translated in French, Spanish and Arabic.