**Trader selection questions**

This tool suggests questions based on common criteria used when selecting traders for a voucher programme. These questions will help you understand if traders meet the minimum conditions to participate in a voucher programme. You should select the criteria/questions that are relevant to your programme and define the level of compliance expected for each criterion (e.g. depending on the context you may consider that a trader able to provide most of the commodities from a typical local basket meets the criterion ‘variety of commodities’).

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| **Variety of commodities** |
| Is the trader able to provide the requested commodities (commodity voucher)? | No | A few | Most | All |
| How many commodities from a typical local basket is the trader able to provide?  | None | A few | Most | All |
| How would the trader procure the requested commodities? | Import | Mostly import | Mostly locally | Locally |
| **Quantity and supply capacity** |
| Is the trader able to provide the requested commodities in sufficient quantities? (Compared to the expected volumes of commodities or number of beneficiaries.) | No | Partially | Mostly | Yes |
| Is the trader able to resupply timely in order to meet the expected demand of each voucher cycle? (Refer to the voucher redemption frequency established, e.g. monthly) | No | With some difficulty | Most likely | Yes |
| **Quality** |
| Is the trader able to provide commodities of a certain quality? (E.g. quality certification, packaging, variety, etc.) | No | Only a few products | Most of the products | Yes |
| **Hygiene and storage** |
| In what storage conditions will commodities be kept? (Preferably visit the storage premises and check temperature, hygiene and cleanliness). | Bad | Mediocre | Good | Perfect |
| Does the trader have a cold chain facility to keep perishable items? (Only if dealing with perishable products) | No | Yes |
| If not, would s/he be able to make the necessary arrangements in time for the start of the voucher project? | No | Yes |
| **Price** |
| Is the trader able to provide the requested commodities at the established price? (Refer to market prices) | Yes | Not | Only with support from the agency |
| Is the trader able to maintain prices for the required period of time (ideally specify)? | Yes | Not | Only with support from the agency |
| **Proximity and relationship with beneficiary groups** |
| What is the distance between the shop and the furthest beneficiary village/household? |  |
| **Literacy** |
| Is anyone in the trader shop (owner or attendant) able to read, write and keep records? | No | Yes |
| **Legal requirements** |
| Is the trader in possession of a regular trading licence?  | No | Yes | Could obtain one |
| **Financial capacity** |
| Does the trader have enough liquidity, or access to credit, to procure the requested commodities for the first round of voucher exchange? | No | Only partially | Yes |
| **Willingness** |
| Will the trader be willing to take part in the project and to abide by a formal agreement with the agency? | No | Yes |
| **Experience** |
| Does the trader have any previous experience with voucher projects? | No | Yes |
| **Conformity with humanitarian standards and agency’s mandate** (Develop and ask context-specific questions, regarding, for instance child labour, money laundry, involvement in illegal trade, etc.) |