**Criteria to select vendors for a voucher programme**

This tool provides a list of common criteria used by relief agencies in the process of selecting vendors for a voucher programme. Based on these criteria, you can develop questions that will help you identify vendors that meet the necessary conditions to participate in a voucher programme. In case you intend to carry out a tendering process, you can also use the criteria to develop the application and selection requirements.

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| **Criteria** | **Description** |
| Variety of commodities | Vendors should be able to provide a variety of commodities (cash vouchers) or the agreed commodities (commodity vouchers), which should preferably items that can be locally sourced and part of the usual local basket. |
| Quantity and supply capacity | Vendors should be able to provide commodities in sufficient quantities and to resupply timely in order to meet the expected demand |
| Quality | Vendors should be able to provide commodities of agreed quality over the project timeframe. In some cases, vendors can be asked to abide by specific quality standards. |
| Hygiene and storage | Vendors should be able to keep commodities in acceptable storage conditions (temperature, hygiene and cleanliness). When dealing with perishable, items vendors can be asked to ensure a cold chain and high turnover. |
| Price | Vendors should be able to provide commodities at competitive or agreed prices. In some cases, vendors can be asked to maintain prices for a period of time. |
| Proximity and relationship with the beneficiary groups | Vendors should be located at a reasonable (walking) distance form beneficiaries. Selected vendors should be trusted by the community and preferably the usual suppliers of beneficiary groups. In some cases, convenient opening hours and location can be considered relevant to ensure beneficiary accessibility and safety. |
| Literacy | Vendors or shop attendants should be able to read, write and keep simple records |
| Legal requirements | Traders should abide by local regulations and ideally be registered and in possession of (or keen to get) a regular trading licence. |
| Financial capacity | Vendors should have enough liquidity, or access to credit, to be able to reimbursed at a later date, ideally after the vouchers’ redemption and reconciliation. In most cases, vendors will be asked to have a bank account in order to be paid through bank transfers or checks. In the case of big supermarket chains, insurance against insolvency can be required. |
| Willingness | Vendors should be willing to take part in the project and to abide by a formal agreement with the agency. |
| Experience | Ideally, vendors will have previous experience with voucher projects (this should not be an eligibility criteria) |
| Conformity with humanitarian standards and agency’s mandate | Traders comply with humanitarian standards and the agency’s mandate (specify what relevant in the context: no child labour, money laundry, involvement in illegal trade, etc.) |