**Annex A – Terms of Reference (ToR)**

**I. Overview**

Cash-based interventions (CBIs) and in-kind assistance are the principal modalities for delivering assistance and services. CBIs are intended to provide forcibly displaced people greater dignity and flexibility of choice in meeting their priority needs. Designed and delivered appropriately, CBIs can contribute to protection risks, facilitate solutions, and improve efficiency and effectiveness in programme delivery. CBIs also contribute to the local economy and foster positive relations with host communities.

UNHCR has been directly implementing CBIs in Iraq since 2017 to deliver assistance to refugees, IDPs, returnees, and asylum seekers in the form of Multipurpose Cash Assistance, Winter Cash Assistance, Emergency Cash Assistance, and Medical Cash Assistance. In 2023, some 80,000 individuals were targeted (including refugees, and asylum seekers) to benefit from various cash assistance programs and assistance by UNHCR was made possible through Mobile Money transfers/e-wallets, using IRIS biometric authentication, the payment infrastructure provided by UNHCR through its partner with the Financial Service Provider’s (FSP) infrastructure.

**Specific situation of the populations covered by the mandate of the UNHCR**

Populations within the mandate of UNHCR in Iraq, who will benefit from cash assistance, include refugees and asylum-seekers, who present the following specific constraints and opportunities for cash assistance services:

- Across Iraq there are more than 300,000 individuals under the mandate of UNHCR, including refugees and asylum-seekers.

- Most refugees have mobile phones but their SIM Cards are often not linked to their personal identity, due to restrictions set by Iraqi Communication and Media Commission when issuing SIM Cards for non-residents.

- Populations benefitting from cash assistance are scattered across all governorates of Iraq, residing in camps, urban and rural settings.

- The majority of people benefitting from UNHCR’s cash assistance speak at least one of the local languages; mainly Arabic and Kurdish.

The following table provides more details on the specifics of the populations concerned according to their geographical location. This information is given as an indication.

|  |  |  |
| --- | --- | --- |
| **Population Group** | **Urban/in-camp** | **Location of Target Population** |
| Refugees and Asylum Seekers (over 300,000 individuals) | Urban Governorates | Anbar, Babil, Baghdad, Basrah, Dahuk, Diyala, Erbil, Kerbala, Kirkuk, Missan, Muthanna, Najaf, Ninewa, Qadisiyah, Salah al-Din, Sulaymaniyah, Thi-Qar, Wassit |
| In-camp refugees | Duhok: Domiz; Domiz 2; Gawilan Erbil: Basirma; Darashakran; Kawergosk; Qushtapa Sulaymaniyah: Akre settlement; Arbat |

As UNHCR responds to displacement emergencies that could go beyond the scope of the locations and population numbers stated in this Terms of Reference, bidders are requested to state their ability to provide services in any location inside Iraq.

Populations within the mandate of UNHCR in Iraq, which will benefit from cash transfers, include asylum seekers and refugees. Every recipient should be registered in UNHCR proGres database and should be issued with UNHCR certificate. The certificate should be used as a piece of identification in addition to a valid ID issued by the government of Iraq (PC\_MOI or residency card issued by KRG), if available.

Additional constraints and opportunities for delivering cash transfer services, include, but are not limited to, the following:

Absence of valid documentation, expired documents, or inability to renew documents due to problems in accessing these services as expired documents may need time to be renewed. If these documents are mandatory for provision of services, it will deprive eligible beneficiaries to receive their cash assistance. Beneficiaries who are below 18 years old without any known adult in the family will not be able to access the services and will be deprived from receiving cash assistance. It is expected that proposals will take this information into account and will describe how the proposed service will be adapted to the target populations and implementation contexts.

**II. Description of required services**

The Office of UNHCR in Iraq is seeking to enter into Frame Agreement(s) (FAs) with qualified and dedicated supplier(s) for the provision of cash transfers to refugees and asylum seekers. The FSPs are encouraged to submit the proposal for one or more cash transfer modalities, which may include mobile wallets, bank accounts, prepaid cards, gift cards etc. Among the modalities of delivery of assistance required under this bid, the FSP may also include biometric authentication for the refugee related payments which UNHCR currently performs based on a web-based connection to UNHCR’s biometric (iris) database. Please refer to Annex I on integration of biometric authentication. The FA is for an initial duration of two (2) years, potentially extendable for an additional period of one (1) year, subject to satisfactory vendor performance and operational needs.

The ToR is written to define terms and conditions with FSPs where UNHCR Iraq operation uses UNHCR’s Enterprise-Resource-Planning (ERP) system for payment submission. Details on the ERP system are located in Section VII of this document.

The currency of implementation for the cash transfers is: Iraqi dinar.

The financial transfer services include, but are not limited to:

* One-time monetary transfers.
* Regular, monthly transfers.

The following table provides more detail on the specifics of the populations concerned according to their geographical location. This information is given as an indication. It is expected that proposals will take this information into account and will describe how the proposed service will be adapted to the target populations and implementation contexts.

Cash flow requirements assumptions for the coverage;

Provision of Multipurpose Cash Assistance to Refugees and Asylum Seekers

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Lot | Region / Governorates | IRIS authentication/e-wallet | Estimated Number of HH beneficiaries | Indicative Amount per HH (IQD) | Frequency of assistance | Indicative transfer amount per year (IQD) |
| Countrywide – but 95% in KRI (please refer to table above under section I) | | | 10,000 | 300,000 | 12 | 36,000,000,000 |

Provision of Emergency Cash Assistance (ECA), Medical Cash Assistance (MCA) and DAFI allowance for Refugees and Asylum Seekers

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Lot | Region / Governorates | IRIS authentication/e-wallet | Estimated Number of HH beneficiaries | Indicative Amount per HH (IQD) | Frequency of assistance | Indicative transfer amount per year (IQD) |
| Countrywide (please refer to table above under section I) | | | 75 (ECA) | 550,000 | 1 | 41,250,000 |
| 115 (DAFI) | 400,000 | 9 | 414,000,000 |
| 30 (MCA) | 2,000,000 | 1 | 60,000,000 |

If the FSP has no current operational capacity in some governorates as highlighted above under section I, the FSP should indicate the maximum timeline to expand its operational capability in those governorates will be put in place. FSPs must also provide information about any partners/sub-contractors that they can use to expand their service area.

As UNHCR responds to displacement emergencies that could go beyond the scope of the locations and population numbers stated in this Terms of Reference where UNHCR may require services in the future under the same Frame Agreement, bidders are requested to list any other areas within the country where cash transfer services can be provided.

**III. Mechanism for the transfer and disbursement**

UNHCR will securely transmit to the FSP the lists of target beneficiaries, the amount to transfer and related financial details. The FSP will then transfer the designated funds to the identified persons in an accountable, timely and secure way.

The bidder should also describe how their funds transfer system will deal with one-time cash transfers and regular transfers (monthly or other frequency). The transfer mechanism(s) should be clearly presented and detailed in the proposal. Potential bidders should present evidence and/or examples of the effectiveness of their services. In addition, FSPs must detail their accessibility, the availability of agents/branches with sufficient liquidity to make disbursements, based on the required volumes.

FSPs are encouraged to clearly demonstrate what measures are being taken to ensure that the targeted beneficiary is able to access and effectively use the transfer service. If necessary, proposals must include the activities, modes and methods of communication and/or training that will be implemented to ensure an adequate knowledge of the transfer mechanism to ensure its proper use, both for the beneficiaries and for UNHCR staff and partners.

The bidders should explain the process of providing electronic/printed receipt when beneficiaries receive their entitlement against any proposed modality (as listed below).

**IV. Types of transfer mechanisms and disbursement**

The types of transfer mechanism and disbursement considered:

* Mobile money (e-Wallet)
* Other option (bank account and mobile money integration; prepaid/gift cars; direct disbursement)

|  |  |
| --- | --- |
| Transfer Mechanism | Minimum standards |
| Mobile money (E-Wallet) | a. The FSP provides a detailed list and the precise location of funds withdrawal points in each area of intervention. Please only submit this in the Microsoft Excel sheet format, hard copies are not considered.  b. The FSP guarantees the availability of the volumes of liquidity required by UNHCR at points of withdrawal at the time of the credit of the e-wallet based on a submitted projection shared by UNHCR at least 3 working days in advance.  c. Based on demand for services, the FSP should have the capacity to open new withdrawal points with sufficient liquidity.  d. The FSP shall reduce the balance of each e-wallet each time that the beneficiaries carry out withdrawals, purchases or other transaction using the available funds on their account. The balance represents the total of the amounts that have not been received/used by beneficiaries.  e. The FSP must ensure that accessible and confidential communications channels are established to ensure that beneficiaries can request and/or raise service issues or complaints. The FSP should ensure agent networks are equipped to support users with basic device usage and how to utilize the service on their device. Furthermore, the FSP should have materials appropriate for users on how to use the service available through their preferred channels.  f. Each transaction with an individual beneficiary must be individually recorded and documented by the FSP, with all the relevant details of the transfer.  g. E-wallet should be issued to each beneficiary when required and registered under his/her name, either on the existing SIM cards or on new-SIM cards.  h. E-wallets should allow for hard-currency cash-out, digital payments (person -to-person) or point-of-sale POS use.  j. The FSP under this modality needs to integrate with the UNHCR authentication services. This can be done through a synchronous model with authentication taking place at the time of cash out or asynchronous with authentication taking place prior to the cash out or at a different site than the cash out point. The FSP needs to specify which locations they will use for the authentication as it requires dedicated infrastructure (e.g. individual mobile phones, self-help verification stations at the level of agents/branches) and to ensure wide geographical coverage of the authentication points (please refer to annex I for further details)  k. Reports generated for the e-wallet should be fully automated, fraud-proof – with standard transaction codes, time-stamped, verifiable, and auditable. This should include the transaction trails even if wallets are cancelled, changed, or transferred to a new e-wallet number.  l. FSP will register UNHCR Master wallet account where it will hold the funds before it is being disbursed to the e-wallets of the beneficiaries, it will be a dedicated account for the sole purpose of distribution of cash assistance to beneficiaries. UNHCR will retain sole and full beneficial title and interest to any and all funds deposited into the UNHCR (wallet) account and the FSP will hold such funds as custodian for and on behalf of UNHCR. UNHCR (wallet) account and the funds therein shall, at all times, enjoy the privileges and immunities of the United Nations and UNHCR (as a subsidiary organ of the United Nations).  The FSP will ensure that UNHCR (wallet) account has no negative balance, and under no circumstance will UNHCR be liable to pay interest or tax. The FSP will promptly notify UNHCR in the event of insufficient sums. The FSP will not withdraw any funds from a UNHCR (e-wallet) Account by way of set-off or otherwise, including with respect to applying such funds for the payment of costs, expenses, fees or other liabilities. |
| Other transfer mechanism | FSPs are encouraged to offer alternative payment solutions that meet the requirements as set out in the RFP and its annexes. Examples on other cash out options:  **Bank account with mobile money integration:** Bank integration with Mobile Money, interoperability with ATM withdrawal points should be outlined in the offer. Inclusion of options to withdraw transfers in cash from ATM or transfer all or portion to a Mobile Wallet are encouraged.   * Under this modality, beneficiaries should be able to access cash transfers through Iris-enabled biometric withdrawal solution where the beneficiaries will be able to withdraw the cash transfers in a card-less and PIN-less manner. Please refer to annex I for details on biometric integration. |
| **Prepaid card/gift card:** Rechargeable, prepaid cards/gift cards to make withdrawals at ATMs and electronic payments at payment points (POS).   * Cards are provided and distributed in sealed envelopes to each beneficiary individually by the FSP or to UNHCR. * The design of the cards is defined in close collaboration with UNHCR to define the elements that must be visible on each card. * Each card must have a unique identification code/PIN code. * The possibility to have multiple portfolios (multiple wallets) on individual cards/subaccounts must be specified and will be an asset. * Cards must be able to be quickly cancelled on request of UNHCR or the beneficiary (in case of loss, theft or other) and the amount refunded without delay to UNHCR. * Cards must be restricted for use in Iraq only. * The FSP provides a detailed list and the precise location of POS devices, shops/service providers, and merchant categories (e.g. supermarket, pharmacy, clinic, clothing store, etc.; * The FSP should reduce the balance of card accounts whenever the beneficiaries carry out purchases. Statements of UNHCR owned card accounts (showing the movements and balances) must be regularly communicated to UNHCR. The balance of the card accounts represents the total of the amounts that have not been used by beneficiaries. |
| **Direct cash disbursement/over the counter by FSP or an agent**.   * Under this modality, beneficiaries should be able to access cash transfers through Iris-enabled biometric withdrawal solution where the beneficiaries will be able to withdraw the cash transfers in a card-less and PIN-less manner. Please refer to annex I for details on biometric integration. |

**V. Identification of the Beneficiaries**

* The FSP must specify in its proposal if the previously listed pieces of identification (See Section I – Overview) are valid for receiving the transfers and if this is in compliance with national Know Your Customer (KYC) regulations. Otherwise, the FSP must specify solutions and possible adaptations, including availability of minimum technical requirements to integrate with UNHCR biometric authentication system for Cash Payments to ensure the transfer services can be provided to the target beneficiaries.
* UNHCR will provide lists of the targeted beneficiaries to the FSP in the form of digital signatures (hash protected). The file will include the beneficiaries name, case number, individual number, contact number, address, and amount of transfer. Upon receipt of this file, the FSP will proceed with the payment of money to the targeted beneficiaries.
* All transfers of data must be encrypted, contain integrity checks, and must be sent over secure lines, using protocols including API, Host to Host and SFTP. The provider must provide detailed information about the security measures they use.

**VI. Dedicated customer service**

* The FSP should be able to provide a dedicated service to UNHCR, including the provision of two focal points dedicated to managing this project, answering questions, and solving any technical issues within a reasonable timeframe. The FSP should be available to provide this support during normal business hours. The channels of communication and reporting mechanisms should be established to ensure efficient resolution of issues.
* A free telephone hotline, or suitable alternative based on the communication preferences of the population, for individual beneficiaries must be included, especially in the case of loss or theft of means of withdrawal or other technical problems.  A free telephone hotline, or suitable alternative, and if available online access must be included for the staff of UNHCR and other organizations authorized by UNHCR, who will use this service for the resolution of urgent problems related to the operation of the service. To the extent possible, this hotline should be accessible 24/7, in Arabic and Kurdish languages. Standard Operating Procedures (SOPs) should be established for appropriately managing complaints not related to CBI or sensitive information which may be shared via communications channels established by the FSP.
* The FSP should also be able to provide training sessions and/or guidance documents to beneficiaries on how to access their funds and resolve customer service issues. A listing of the topics that the trainings are expected to cover are listed in Annex B.
* The FSP should make its staff/agents available for a sensitization training by UNHCR or its partners on serving refugees/Asylum-seekers and ensure appropriate training for its staff/agents on Fraud Prevention and Prevention of Sexual Exploitation and Abuse.
* FSP should assume responsibility to print posters with guidance on the available communication means (Both customer services and UNHCR channels for complain and feedback mechanisms), including messages on the free of charge services, and provide it to all agents who would be engaged for cash-out.

**VII. Integration with UNHCR’s Enterprise-Resource-Planning (ERP) system for payment submission**

When it is determined to use UNHCR’s ERP system/Cash Assist or any other proprietary payment calculation application, this section details the minimum requirements for integration between the FSP and UNHCR system via two basic interfacing methods:

API integration

* UNHCR requires a clear specification of the type of interface to be used, full details, on data required and data returned. The exact fields will be determined in collaboration with the FSP at the time of integration (see Annex H – Data Dictionary for more information).
* UNHCR will agree with the FSP on the full details on data required and data returned. In addition, credentials for a secure Staging/Test integration server as well as a secure Production server will be required. For API integration, the exact fields will be determined and adjusted in collaboration with the FSP.

SFTP and Host to Host

* UNHCR shall establish a host-to-host connection and send payment files electronically from its system by way of transfer of files.
* Connectivity between hosts shall be established in a secured manner and files will be encrypted and sent in XML format.
* UNHCR shall also expect a response from the FSP on the status of execution.
* The exact fields will be determined in collaboration with the FSP at the time of integration.

Additionally:

* The FSP should provide a secure Staging/Test integration environment during the testing phase and subsequently a secure Production server at the time of going live.
* FSP will provide all necessary data for end to end testing including beneficiary test accounts, test account numbers associated with test entitlement cards and test wallets;
* Whenever possible, UNHCR will expect to use ISO 20022 standard for communicating and exchanging data with the FSP.
* Alternatives to ISO 20022 will be considered but must align with UNHCR’s minimum integration requirements (see Annex H – Data Dictionary).
* Additional development work needed for integration on the FSP side should be borne by the FSP and can be accounted for in the financial proposal.
* UNHCR expects to work directly with the FSP for integration between UNHCR and FSP systems.

**VIII. Different agencies using same delivery mechanism**

* Upon clearance by UNHCR and agreement with the FSP, other humanitarian actors should have the option to deposit restricted or unrestricted cash on the account (through the card or wallet) when targeting common beneficiaries. The FSP shall have the capacity to clear separate funds from multiple humanitarian actors for tracing purposes either through the ability of FIFO (first in/first out) and/or through multiple wallets. Humanitarian actors who make use of this functionality shall be charged the same transaction fees and benefit from the same procedures, terms and conditions as agreed to between the service provider and UNHCR. FSP will provide UNHCR with transactional data (transaction list, withdrawal type, amount, location, timestamp, balances, etc.) regarding clearance of funds.

**IX. Reporting and Reconciliation**

The FSP may suggest reporting templates that allow for reconciliation. These should be automated in the web-based system and can be filtered by Date, Transaction Type, Area/Geographical Coverage and Assistance Type.

In addition to the automated reporting, the FSP must provide reporting on:

* Protection or theft issues
* Reports listing incidents and delays in implementation of the service Reports on e-wallet registration or virtual account registration.

**Reporting related to potential integration with ERP:**

The service provider should be able to provide either fully formatted reports pertaining to the transactions made from accounts of UNHCR to beneficiaries, or at the very least the raw data for creating these reports.

**X. Mechanisms of internal control and risk management**

* The FSP will ensure that appropriate internal control and fraud prevention mechanisms are in place. Although such mechanisms may vary depending on the type of FSP, the internal control mechanisms provided shall be clearly specified in the proposal. The submission should detail the company’s Compliance Risk Assessment program and Business Continuity Plan, measures for monitoring and regular testing of security systems and procedures, and the mechanism of monitoring and detection and response in real time to technical problems and potential fraud.
* For effective discharge of contractual obligations, selected FSPs may be required to provide a performance bond/bank guarantee.  The bond/guarantee will be determined by UNHCR based on the results of operational and financial assessments. The bond/guarantee value will be a proportion of the monthly transfer value (subject to the level of risks identified), and cover the entire contract period only refundable upon satisfactory performance and conclusion of the contract.

**Account management**

* The FSP will open a dedicated account for UNHCR distributions and will be used to conduct transfers to the accounts/wallets of the target beneficiaries. The service provider must ensure a complete separation of the funds and the traceability of these up to their withdrawal/disbursement by the beneficiaries.
* The FSP must reimburse UNHCR any balance not withdrawn by the beneficiaries on any UNHCR owned account in accordance with the criteria which will be specified by UNHCR in the Frame Agreement.
* The FSP must ensure that control measures of physical or virtual system access, restricting access to the data of the beneficiaries and monitoring the access of users, are in place.

**XI. Data Protection agreement**

It is a pre-eminent requirement of UNHCR to protect the confidentiality and security of the personal data of its persons we serve under its protection. Therefore, services and proposed transfer mechanisms must be aligned with the UNHCR policy on the protection of personal data of individuals under its mandate and must reflect the rules and processes that allow the encryption of beneficiaries’ data.

The FSP must have in place appropriate data protection policies or be able to put in place policies, including:

* The encryption of any database providing details on the beneficiaries.
* The policy for handling and management of personal data.
* Sharing and access to data in accordance with the UNHCR Policy on the Protection of Personal Data

In addition to the contract signed by UNHCR with the FSP, the UNHCR data protection agreement (**Annex F**) will also be signed between the two parties. In the event where the service provider would subcontract a third party to provide its services, this third party will also be held accountable to the same data protection principles and agreement. The FSP must therefore specify in its proposal if it will need to share confidential personal data with a subcontractor in which case the relevant provisions of the Supplemental Agreement will apply, including the requirements that the sub-contractor is approved by UNHCR, that the FSP signs a Data Protection Agreement with the subcontractor and that the FSP remains responsible for compliance with the Data Protection Agreement.

The FSP must maintain an up-to-date information security policy that is in line with the UNHCR policy on the protection of personal data.

**XII. Insurance**

UNHCR cannot be held responsible for the fraud, misappropriation or loss of funds occurring between the UNHCR dedicated account at the FSP and the targeted beneficiaries.

The FSP should specify the mechanism of insurance in place or planned to be implemented in order to provide the necessary financial guarantees in cases of fraud, misappropriation or loss of funds for this project under the responsibility of the FSP, namely the transfer of initial funds of UNHCR to the dedicated account of the FSP and the onward disbursement to the targeted beneficiaries.

In certain cases, a performance bond/security will be required.

**XIII. Assessment of performance**

UNHCR will periodically review the performance of FSPs to ensure, inter alia, the following:

* Acceptance of Persons documentation for account opening and transfer services.
* FSP’s funds transfer system met the requirements as per Frame Agreement/FSP proposal.
* Geographical coverage of services provided as per Frame Agreement/FSP proposal.
* Distribution of means of payment (SIM cards, bankcards, mobile phones, PINs, locations of withdrawal, liquidity points etc.) done as per Frame Agreement/FSP proposal.
* Timeliness and accuracy of distribution, confirmation reports, reconciliation reports, refunds, invoices and other items detailed in the Frame Agreement/FSP proposal.
* Availability of cash out points with sufficient level of liquidity (including right denominations) for the beneficiaries.
* Training of beneficiaries and staff/field agents as per FSP proposal
* Effectiveness of communication, complaints management and response mechanisms provided to the beneficiaries (i.e., customer service hotlines).
* Effectiveness of FSP’s response mechanisms to cases of loss/theft of means of payment or withdrawal.
* Staff/Agents professionalism in service delivery and responsiveness of FSP to UNHCR inquiries or request.

The technical proposal shall also cover details on the actions/steps and the compensation procedures that the FSP will enforce against the agents who may charge extra fee/charges from beneficiaries’ entitlements.

Additionally, UNHCR will also assess the Key Performance Indicators (see listing of proposed indicators in Annex B) are met as per the Frame Agreement/FSP proposal.

**XIV. Respect for national legislation**

All financial transfers and other services offered, as well as the underlying infrastructure, must conform to national regulatory frameworks, in particular with regard to the licenses granted by the Government, taxation, KYC, anti-money laundering, anti-terrorist and international sanctions, the laws/standards concerning protection of personal data and/or mandatory information security requirements.

Proposals must provide the required certifications to ensure that the transfer and disbursement mechanism is in full compliance with national legislation.

The FSPs should check with the Central Bank of Iraq or relevant regulatory bodies and verify that their solutions are acceptable under local regulations. The confirmation should be submitted as part of the proposal.

**XV. Settlement of Disputes and Governing Law**

Any disputes, controversies or claims arising out of or in connection with the Frame Agreement will be subject to and governed exclusively by Article 19 of the UNHCR General Conditions of Contract for the Provision of Services, which will be annexed to the Frame Agreement. The interpretation, construction and performance of the Frame Agreement will be exclusively governed by general principles of international commercial law, to the exclusion of any choice of law rules which would subject the Frame Agreement to the laws of any jurisdiction.

**XVI. Privileges and Immunities**

The FSP will acknowledge and agree that UNHCR, its property, funds and assets and its officials and consultants, enjoy the privileges and immunities provided for by the 1946 Convention on the Privileges and Immunities of the United Nations. The UNHCR bank account will enjoy the privileges and immunities of UNHCR, including full immunity from any attachment, lien or other encumbrance against such UNHCR-owned accounts or any funds contained therein.

**XVII. Project Implementation Timeframe**

If the FSP will have to make adjustments to its systems, it is expected that an implementation timeline is submitted, which should explicitly articulate risks and assumptions for elements that may impact the implementation and are not within the control of the FSP. The expectation is that the systems will be developed, and tested by April 2025, and ready for use as soon as possible thereafter, but not later than 30 September 2025.

**XVIII. Process flow**

A broad flowchart needs to be presented showing which units will be involved in which part of the monthly process, a list of FSP staff responsible for the various components and the team dedicated to the project (including an outline of which unit/department is responsible for which part of the process).

**XIX. Contingency procedures**

The FSP must outline its benchmarks for timelines and procedures that are in place to manage broken or malfunctioning equipment (particularly POS machines or Iris cameras). The FSP’s business continuity plan should be included in the proposal. This should include an outline of timelines for resumption of services as well as fail-safe procedures to ensure continuity.

* + 1. Both parties are equally responsible for ensuring stable site-to-site VPN connectivity between the Remote Server and the Host Server. Connectivity problems are to be addressed and resolved immediately and directly between the Parties.

**XX. Usability of the transfer mechanism**

FSPs are encouraged to clearly demonstrate what measures are being taken to ensure that the targeted beneficiary is able to access and effectively use the transfer service. In particular, the FSP are invited to provide details on how their services can be accessed and used by people with specific needs or vulnerabilities - including people with disabilities, the elderly and the illiterate.

If necessary, proposals must include the activities, modes and methods of communication and/or training that will be implemented to ensure an adequate knowledge of the transfer mechanism to ensure its proper use for the beneficiaries.

The FSP must provide a detailed guide for the proper use of the service by the beneficiaries in Arabic and Kurdish, with the possibility to extend the service to other languages spoken by the target population.

The guide should explain clearly, but not limited to, the following:

- How and where to make withdrawals,

- How to use the means of payment

- How to use individual identification codes/PIN code

- The required information and identification documents to make a withdrawal

- If applicable, how to check the balance on their individual account

- How to report lost or stolen cards, etc., or any other problem linked to use of the service (for the FSPs proposing Cards mechanism or other modality rather than e-wallet

**XXI. Modes/methos of communication with beneficiaries**

As per Central Bank of Iraq regulations (article 5th; point # 11) for mobile electronic payment service providers that reads ‘when any financial transaction is executed, the payment service provider must immediately inform the customer of the type of transaction, its amount, and the remaining balance in his/her wallet via a text message to his personal phone number through which s/he registered or by sending a notification via the electronic application.

Therefore, the UNHCR will be required FSP to send customized SMS to the beneficiaries in Arabic and Kurdish. The specific requirement for the customized SMS will be discussed with the selected FSP before signing the contract.

**XXII.** **Means of payment/withdrawal, infrastructure, and network.**

FSPs will specify in their submission the means of individual payment/withdrawal, including the infrastructure and communication network used for the provision of the service.

The FSP is to ensure, if they do not exist, the implementation of points of payment/withdrawal in the immediate vicinity and directly accessible by targeted beneficiaries.

The mechanism for cancellations of payments in case of loss or theft. The means of payment must be immediately cancelled out by the FSP, who will report in writing the suspending of wallet and credit the corresponding unused amounts to the UNHCR account.

The FSP is responsible for ensuring that cancellation procedures are implemented on time and accepts financial responsibility to reimburse UNHCR for any financial loss resulting from the delay in processing by the FSP.

When the infrastructure and/or the network used for the transfer service does not belong to or are not supported by the FSP, the proposal should specify the mechanisms by which the FSP will ensure their quality and effectiveness to ensure the transfer service.

#### XXIII. Records; Audits

The FSP will maintain up-to-date records necessary to verify the performance of its obligations in accordance with the Contract, including (a) all documents and records required to be maintained by applicable law, (b) copies of the Contract, any amendment, change or modification hereto, (c) any reports or other documentation that the contractor is required to produce/submit pursuant to the Contract, (d) minutes of all meetings between the Parties and their representatives. The FSP will promptly, upon request from UNHCR, provide to its representative copies of such records.

END