**Annex A - Terms of Reference for Long Term Framework Agreement for Cash Hawala/Transfer & Distribution in all locations**

**MSPs to go through following Terms of Reference for each category mentioned below:**

**Category 1: National cash distribution to beneficiaries/salary distribution to Staff:**

**Background:**

WCUK intends to sign a Framework Agreement with potential MSP(s) desiring to set forth the following understanding that will govern cash distribution in Heart, Ghor, Badghis, and Farah provinces included districts as per attached **BoQ 01.**

**The Money Service Provider (MSP) Responsibilities:**

1. The Money Service Provider (MSP) must have the capacity of minimum liquidity of 2 million USD for cash distribution in 1 year.
2. The MSP should be able to deploy multiple teams to the fields simultaneously to run the distribution in different distribution points in one day.
3. The MSP should strictly follow WCUK standard operating procedure for cash distribution as well as supplier code of conduct.
4. The MSP should be able to transfer cash first and then submit invoice to WCUK for reimbursement.
5. Please mention the minimum advance notice you need for any single cash Distribution.
6. WUCK anticipates issuing a Framework Agreement of 2 years to the Money Service Provider that has the ability to fulfil the requirements in these locations.
7. Must have not declared or are in the process of declaring bankruptcy.
8. Have not been convicted for an offense concerning professional misconduct.
9. Have fulfilled obligations related to payment of government taxes.
10. Are not in situations of conflict of interest (e.g. with primary relationship to family or business relationship to parties on tender committee or any person in WCUK)
11. Have the capacity, operational personnel, and capital to provide the desired service in all locations.
12. The MSP will be responsible for the security of its staff travelling to provinces and districts and any risks to transporting the cash to the distribution sites.
13. The MSP will be responsible for any money lost, before and during the distribution.
14. The MSP will be responsible to provide accommodation of its staff when required at the field.
15. Money Service provider(s) to be able to manage these cash distributions in line with the following requirements:
	1. Beneficiaries receive cash transfers in a timely fashion in line with agreed distribution schedules.
	2. Ability of financial institution to cover all mentioned districts (see Geographic locations, preferably more at the same time.
	3. WCUK will do the households registration and finalize the number of households in each of the targeting locations within preparing all the payment/signature sheets for beneficiaries.
	4. WCUK will distribute the cards and tokens to the beneficiaries before the cash distribution occurs.
	5. WCUK will share the Master distribution plan, Detailed (Amount, # of families and distribution date) with the Money Service Providers 1 day in advance.
	6. Money Service Providers will provide physical cash distribution to the beneficiaries based on the Master Distribution Plan received from WCUK.
	7. MSP must be able to make regular, repeat cash distribution to beneficiaries of varying values as per payment request from WCUK.
	8. The proposed distribution process should include adequate security measures to prevent fraud, misuse, or theft, and have adequate insurance coverage to mitigate risks associated with the cash distributions.
	9. The proposed distribution process should have suitable mechanisms in place to verify the correct identity of the individual receiving the cash transfer. This is applicable at the point of giving money to each beneficiary in front of WCUK finance/Program staff, Shurra and members and community elders presence.
	10. Training/orientation for WCUK, partner staff, MSP staff and beneficiaries should be incorporated as part of the process to ensure clear understanding of the cash distribution process.
	11. Safe, secure, and dignified cash distribution process for beneficiaries that limits to the extent possible the need for beneficiaries to travel to a central distribution point.
	12. Distributions required in every single district or Final Distribution Point (FDP) level depending on the area and beneficiary access.
	13. Money Service Providers should be able to travel to all locations, including areas without regular internet/mobile access.
	14. Cash transfers are expected to start in Oct 2022 and continue through Sep 2024. Additional cash transfer might be planned depending on fundings.
	15. Cash transfers per beneficiary household will vary and will determine by WCUK.
	16. MSP staff will be required to respect WCUK code of conduct and cash distribution protocols.
* The MSP will submit the following document to WCUK:
	+ Signed Distribution Report summarizing the payments made by location and number of HHs in each location
	+ Invoice on MSP official letter head for the total distributions completed, and the applicable fees as per the signed agreement with the MSP.

**The War Child UK Responsibilities:**

* Confirm that all WCUK Payment Sheets for each district is signed/thumb at the bottom by all applicable signatories, community elders if required and WCUK Staff
* Confirm that the total number of signatures/thumbprints on the WCUK Payment Sheet correspond to the Distribution Reports
* Confirm the total number of absent beneficiaries on WCUK payment Sheet corresponds to the Distribution Report
* Confirm that the cash distribution totals reconcile b/w the WCUK Payment Sheet and Distribution Reports
* Confirm that any delegates have been dually documented by WCUK staff and shura leader if applicable.
* Once the documents have been cross checked and confirmed, the WCUK Programme Team should then prepare the Certificate of Completion, and submit the following to process payment:
	+ Distribution Plan
	+ Final Beneficiary List
	+ WCUK Payment Sheet (original signed)
	+ Distribution Reports (original signed)
	+ Certificate of Completion
* The Program Manager will send full original hard package to Admin/Logistics and Admin Logistics to submit to Finance after IAF is prepared/approved and document are scanned, and Finance will pay MSP.

**Category 2: Cash Hawala from Herat/Kabul to field offices in 33 provinces:**

**Background:**

WCUK intends to sign Framework Agreements with potential MSPs desiring to set forth the following understanding that will transfer cash Hawala from Herat/Kabul to other 33 provinces in Afghanistan for transferring cash. BoQ 02 attached.

 **The Money Service Provider (MSP) Responsibilities:**

1. The Money Service Provider (MSP) must have the capacity of minimum liquidity of 500,000 USD for cash hawala in 1 year.
2. The Money Service Provider (MSP) will provide the cash to WCUK field offices based on official request.

**The War Child UK Responsibilities:**

1. WCUK will reimburse the transferred amount within 4 working days to MSP.

**Category 3: International Cash Hawala from UK to Afghanistan**

**Background:**

WCUK intends to sign a contract with a potential MSP desiring to set forth the following understanding that will govern supplying of fresh USD Notes to War Child UK.

**Responsibilities of MSP:**

1. The Money Service Provider (MSP) must have the capacity of minimum liquidity of 1.5 million USD for international cash hawala in 1 year.
2. To deposit WCUK bank account with the required amount of USD cash in Herat branch.
3. Sometimes the amount may be required to be deposited in Kabul bank branch.
4. To inform WCUK about any problem, which may cause delay in the cash being delivered beyond 4 days of requisition.
5. In the case of cash being provided late (i.e., more than the required time after signing the agreement), WCUK shall be informed immediately to consider a backup plan.
6. The notes that are provided/delivered to WCUK must be legally tendered and must not be damaged, in addition the notes shall be:
	1. For Herat, the notes shall be 70% newer versions (Blue color) and 30% old versions.
7. Invalid/damaged notes of all types will not be acceptable to WCUK and Bank.
8. Only 10% of the 50 USD notes is acceptable to WCUK and Bank
9. In case MPS cannot provide the amount WCUK requested, he should submit something in writing to care stating his excuse based on which WCUK can ask the second MSP to provide the needed amount onwards.
10. Sometimes the amount requested by WCUK shall be delivered to desired locations in Kabul and Herat provinces that will be shared with MSP by WCUK at that time. Normally the locations can be either any bank that WCUK prefers or the WCUK offices in Kabul and Herat.
11. MSP to introduce officially their international agent TO WCUK for reimbursement purposes and MSP takes full responsibility of the information shared with WCUK. The information that WCUK requires is as following:
	1. International Agent Company Name
	2. Providing copy of the agent license
	3. Address of the Company
	4. Account Name of International Agent
	5. Account Number of International Agent
	Swift Code of International Bank
	6. Bank Address of the International Bank
12. MSP dealer request for change of Bank account must be approved by WCUK through an amendment to the FWA.
13. In Addition to above, MSP must also confirm in the later that WCUK will transfer the delivered amount plus commission charges to their international agent named.
14. MSP will have to first deliver the required/requested amount to WCUK and once the cash receipt is confirmed by WCUK related staff, the amount will be reimbursed with their commission charges to their international account.
15. The service charges/commission of MSP will be subject to deduction of 2% contract tax withholding.

**Responsibilities for War Child UK:**

1. WCUK will submit request of delivering amount by MSP at least 4 days in advance.
2. Reimbursing MSP without any delays for the amount delivered to WCUK including their commission charges.
3. As banking system in Afghanistan is still an unresolved matter, the payment to MSP will be done by WCUK Headquarter office based on electronic communication system, WCUK emails the receipt documents to its main office in HQ to reimburse MSP, normally this reimbursement process will take from 5 to 10 UK working days.
4. WCUK will undertake to count the money at the point of receipt from MSP and will reject any damaged notes to MSP.
5. War Child UK will be issuing a Purchase Order under this FWA each time when there is a need for cash delivery, and both parties will have to sign the PO before cash is delivered.