

Scope of Work – Two Lot Tender

This Scope of Work includes the following lots:

- Provision of open-loop card (or other biometric) solution – ATM/POS cards
- Transfer to a named beneficiary via local money agent / post office/ Cardless ATM

Note: Service Providers are encouraged to demonstrate new products/solutions/technologies that might serve the purpose of this tender.

This is likely to be applicable to:

**Banks
Card Providers
International/Domestic Remittance agents
Closed Loop payment system providers
Block Chain technology providers**

Scope of Work – Lot One – open-loop card (or other biometric) solution – ATM/POS cards

1 Core Activities:

- 1.1 Provision of ATM's cards, Primary account for LRC, Sub-accounts for LRC and funding partners, proxy accounts for beneficiaries
- 1.2 Provision of physical ATM cards and any other related hardware needed to implement the programme i.e. POS terminals
- 1.3 Detailed reporting as described below and preferably access to an online platform (online banking) for reporting and reconciliation

2 In detail, services required will include (but not be limited to):

- 2.1 Provision of producing reloadable, personalized (names or number) standard-sized ATM cards, that can be used at ATM's and POS devices, transactions should be limited to only Lebanon (the card should not be able to work in other countries) and with a 3 year validity.
- 2.2 Cards should have a chip and a magnetic stripe.
- 2.3 All issued cards must have the ability to be used at ATM's
- 2.4 All issued cards must have the ability to be used at POS terminals
- 2.5 All issued cards must have the ability to be restricted to either ATM or POS.
- 2.6 All issued cards must have the ability to hold multiple wallets (sub-accounts) that can be in different currencies and different restrictions (ATM usage and/or POS usage), as required by LRC.

- 2.7 Each card should be linked and secured by a unique PIN number.
- 2.8 The ability to de-activate cards upon the request of LRC.
- 2.9 The ability to re-issue cards and pin numbers to LRC if reported as damaged or stolen.
- 2.10 Cards should be delivered deactivated in sealed envelopes. The PIN numbers should be in sealed envelopes, with a unique reference number on the envelope
- 2.11 For contingency and emergency planning purposes, a stockpile of non-personalized ATM cards (instant issuances) will need to be pre-positioned.

3 Card/ Account Administration:

- 3.1 Preferably Cards will have a certain barcode which will be linked to a LRC's database for tracking of card distributions to facilitate the accountability as well as bank and card transfers' reconciliations.
- 3.2 Cards must be able to accommodate multiple funding sources using First-In First-Out (FIFO) in order to allow cash transfers to the same beneficiaries on a single card. Provision of virtual accounts (sub-account) for beneficiaries under the main LRC account shall be ensured. The virtual accounts must be linked to an individual or family number as advised by LRC and other organizations using the services. Banking system should have the ability to provide full traceability of sources of funds and the utilization of funds e.g. by using the First in First Out (FIFO) system.
- 3.3 FSP must be able to open and transfer fund to beneficiaries in both local currency (LBP) and foreign currency (USD) "Fresh money", as per LRC's request and financial terms agreement between the FSP and the LRC.
- 3.4 Fees, other transaction or withdrawal charges and all related costs should be covered only by LRC and/ or the organization providing funds and not by end users themselves.

4 Reporting:

- 4.1 Periodic submission (as close to real time as possible, minimum of daily or 24/hours) of reports and uploaded transactions (both to the donor accounts and the beneficiaries' accounts) and the statement of LRC account shall be made available.
- 4.2 Card incidents. The Financial Service Provider (FSP) to report weekly on the list of lost cards and replacements, PIN resets and other card incidents.
- 4.3 Financial movements and balances on the cards: FSP to report of all proxy account activity including expenditures, credits and balances.
- 4.4 LRC must have the ability to send back any unspent balances remaining on cards to LRC's account.
- 4.5 FSP reconciliation: The FSP to send weekly update on the details for the account in order for LRC finance to do the reconciliation.

4.6 The use of LRC case number or equivalent in all instructions, reporting and reconciliation of funds as part of Data Protection and privacy.

4.7 Provision of online information management systems accessible to LRC (internet banking).

4.8 FSP integration: ability to provide LRC with an "API" for a third-party integration (Optional).

5 Coverage of services

5.1 Country-wide coverage of ATMs to all parties and individual beneficiaries. Where ATMs do not exist, LRC might request service provider to increase coverage through installation of additional infrastructure or mobile ATMs.

6 Other requirements

6.1 Fraud proof/anti-corruption features in the cards and the system as well as secure transmission of data (i.e. use of HASH and VPN) compliance with Payment Card Industry Data Security Standards).

6.2 As close to 24/7 hours as possible - accessible and toll-free hotline reachable by phone and online by the LRC and the individual beneficiaries. The FSP call centre will handle common cardholder queries (PIN reset, card inactivation in case of loss/ theft/ replacement, etc.).

6.3 Centralized management by the Financial Service Provider of the financial administration of transactions, including other services such as detailed reporting on refunds (using First-In First-Out method), ownership of the not withdrawn funds, monthly calculation of charges, etc.

6.4 SMS notifications will be required to be sent to all cardholders, once payments are uploaded and have been approved by the FSP. Automated SMS standard message should be delivered to beneficiary mobile SIM cards for e.g.: "You have just received your monthly financial assistance of X amount from LRC. Please go to the nearest ATM to collect your entitlement. For any issues, please call X number". LRC would require that a unique identifier (name and/or card/registration number) is used on the text. Duplicate messages will not be sent where duplicate numbers are provided. This must also be available in Arabic. (optional)

6.5 Unspent and unused amounts will be refunded to LRC or other organization whose funds were transferred originally based on SOPs that will be developed by LRC.

The above scope of work covers the provision of the services that are required by LRC but does not cover all aspects of the relationship between the service provider and LRC.

Issues relating to fees, terms and conditions, performance metrics will be covered in the bidder response document.

Scope of Work – Lot Two – Wire Transfers (money agents / post offices)

1. Core Activities:

- 1.1** To facilitate the transfer of cash grants to individuals nominated by LRC
- 1.2** To ensure agreed volumes of funds are always available for the disposal of LRC at an agreed timeframe.
- 1.3** To ensure a reporting management platform is available to LRC in the form of soft copy reports and a data management system for the purpose of financial reconciliation.

2. Minimum Specification: The selected wire transfer system will need to meet the following requirements.

2.1 Programme set up requirements

- 2.1.1 The system must facilitate both one-off and regular payments to individuals
- 2.1.2 The system must support the upload of excel format data that will identify the recipients chosen by LRC.
- 2.1.3 The system must allow for LRC nominated participants to collect cash with any form of identification that is nominated by LRC.
- 2.1.4 The system must allow participants to collect cash in LBP or USD "Fresh money", based on the financial terms agreed on with LRC.
- 2.1.5 The system must support batch uploads for bulk transfers to multiple participants in multiple locations simultaneously
- 2.1.6 The system must support the printing of transaction receipts in Arabic and they should be provided to participants at the point of disbursement
- 2.1.7 The system must be able to operate in an offline environment in case data connections are unavailable
- 2.1.8 LRC will require the company to set up new agents in the event that there is insufficient coverage in the areas of intervention
- 2.1.9 LRC will require different levels of cash capital to be available for agents to disperse and require the company to provide adequate insurance for that sum.

2.2 Communication requirements

- 2.2.1 System must be able to report transaction errors and provide details of the error to both LRC and the participant
- 2.2.2 System must be able to inform disbursing agents of the value of the transfer that is redeemable by participants.

2.3 General transaction requirements

- 2.3.1 Vendors must be provided with a means to authenticate the identity of a participant attempting a transaction.
- 2.3.2 Vendors must provide the cash to selected beneficiaries in the currency specified by LRC.
- 2.3.3 The system must deduct value from participant accounts following a transaction.
- 2.3.4 Transactions will be identified by a unique transaction number.

- 2.3.5 Failed transactions should also be assigned a transaction number.
- 2.3.6 The system will track transactions by the following attributes: unique transaction number, vendor, participant, date, time, amount/quantity spent and voucher number.

2.4 Reporting requirements

- 2.4.1 System can provide both raw, unanalyzed data, and structured reports.
- 2.4.2 All reporting should be downloadable in an excel data format that can be sorted and analyzed by LRC.
- 2.4.3 Reporting can be provided through pre-defined scheduled reports and on-demand reports.
- 2.4.4 Scheduled reports will have defined formats and will be sent to LRC according to a defined timetable. On demand reports will have defined formats and will be available on request.
- 2.4.5 Proposals should indicate the specific types of reports that are available.

2.5 Programme Management requirements

- 2.5.1 The system shall allow pre-agreed levels of authorization for LRC staff members to complete different tasks, including different authorization levels, including authorizing transfers, canceling transfers, and recouping transfers that are not redeemed.

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