



Terms of Reference

TOR – Request for Proposal - Financial Service Provider (FSP) for Bank Card–Based Cash Assistance

LRC Economic Security Program 2026

1. Background

The Lebanese Red Cross (LRC), founded on 9 July 1945 and officially recognized as a public non-profit organization in 1946, is the leading national humanitarian organization in Lebanon. Acting as an auxiliary to public authorities in the humanitarian field, LRC provides principled, neutral, and impartial assistance to populations affected by emergencies and crises across the country.

In response to the evolving humanitarian context following the 2011 regional crisis and the large-scale influx of refugees, LRC established its Disaster Management Sector (DMS) in 2014. The sector was mandated to strengthen the organization's capacity to prepare for, respond to, and recover from emergencies and protracted crises, while ensuring that affected populations are supported in a dignified and accountable manner. Within DMS, the Economic Security (EcoSec) Program was developed to enhance the economic security and resilience of individuals and households through a range of interventions, including Cash and Voucher Assistance (CVA), in-kind support, and livelihoods-related activities. Since 2014, LRC has progressively built its CVA capacity, moving from pilot initiatives to large-scale, multi-sectoral cash responses implemented nationwide. LRC's CVA journey began with pilot interventions in 2014, followed by a scaling-up phase from 2016 onwards, during which cash assistance was increasingly integrated into emergency response, seasonal support, and sectoral programming. Delivery mechanisms evolved to include ATM-based bank cards, conditional and multipurpose cash grants, and later electronic voucher solutions.

The Beirut Port Explosions of August 2020 marked a critical turning point in LRC's cash programming. In response, LRC delivered multipurpose cash assistance to more than 15,000 households using ATM cards, across both emergency and early recovery phases. This response demonstrated the organization's ability to design, implement, and monitor large-scale cash interventions under highly complex and time-sensitive conditions, while coordinating with national and international stakeholders.

Since 2021, LRC has further institutionalized CVA as a core component of its national disaster management approach. Cash assistance is now implemented through multiple financial delivery channels and financial service providers, supporting emergency response, recovery, and integrated sectoral programming. LRC currently has access to all regions of Lebanon through its branch network and maintains strong community acceptance, enabling nationwide reach across diverse population groups.

As CVA continues to expand in scale, scope, and complexity, LRC seeks to strengthen and formalize its partnerships with qualified Financial Service Providers capable of supporting bank card–based cash delivery mechanisms in a safe, efficient, and accountable manner.

2. Objective

The objective of this Terms of Reference is to invite qualified Financial Service Providers (FSPs) to apply for the provision of bank card–based financial services to support the delivery of cash assistance programs implemented by the Lebanese Red Cross.

The selected FSP will be expected to facilitate cash transfers through Automated Teller Machines (ATM) cards, Point of Sale (POS) card usage while - using Merchant Category Codes (MCC) feature when needed, or a combination of both, ensuring secure fund disbursement, broad geographic coverage, operational reliability, and compliance with humanitarian standards and applicable regulations.



This ToR aims to establish a framework for collaboration with one FSP capable of supporting LRC's current and future cash assistance interventions at scale, across emergency and non-emergency contexts.

This Terms of Reference does not constitute the full contractual requirements. Detailed expectations, performance standards, service levels, and contractual obligations shall be defined in a subsequent framework agreement to be concluded with the selected FSP.

3. Scope of Services

Under this Terms of Reference, the selected FSP shall provide secure, reloadable bank card-based financial services to support cash assistance programs implemented by the LRC. The issued bank cards shall comply with international banking standards, be enabled with chip and magnetic stripe technology, be valid for use within Lebanon only, and have a minimum validity period of three (3) years.

The Financial Service Provider must have the technical and operational capacity to support all three delivery modalities, namely:

- ATM-only withdrawals,
- POS-only transactions (with MCC functionality where required), and
- Hybrid modality

The ability to provide all three modalities is a mandatory requirement under this ToR. Bidders that are unable to support any of the three modalities at the time of submission shall be considered non-compliant and will be excluded from further evaluation.

Services may be deployed through any of the above modalities depending on programmatic requirements and contextual considerations.

The scope of services shall include, but not be limited to, the following:

3.1. Card Issuance and Management

- Issuance of bank cards to beneficiaries, including card personalization, where applicable.
- Secure generation and management of Personal Identification Numbers (PINs), ensuring confidentiality and data protection.
- Handover of bank cards and corresponding PINs to the Lebanese Red Cross for distribution through LRC-authorized staff or volunteers, in accordance with LRC's standard operating procedures.
- Upon request from the Lebanese Red Cross, the FSP may be required to support or directly carry out the distribution of cards and PINs to beneficiaries, based on modalities and procedures agreed in advance with LRC.
- Replacement, deactivation, reissuance, blocking, and unblocking of cards and PINs in cases of loss, theft, damage, or misuse, etc. upon request from LRC.
- The ability to deactivate specific cards upon the request of LRC at the end of each project.
- Cards should be delivered deactivated into sealed envelopes. The PIN numbers should be in sealed envelopes, with a unique reference number on the envelope.
- Issuance of new cards and PINs shall be completed within agreed timelines defined in the framework agreement or service-level arrangements, taking into account emergency and non-emergency contexts.
- Replacement or reissuance of cards and PINs shall be carried out within agreed timelines to minimize service disruption for beneficiaries, in accordance with service-level standards to be defined with LRC.

3.2. Fund Disbursement and Transaction Processing

- Execution of cash transfers in line with LRC-approved lists and disbursement schedules.
- Timely crediting of funds to beneficiary cards in accordance with disbursement timelines defined by the LRC and agreed in the framework agreement or applicable service-level arrangements;
- Capacity to support one-off, recurring, conditional, and emergency cash transfers.



- Ability to process bulk payments and ad-hoc disbursements on short notice when required.
- 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.
- Fees, other transaction or withdrawal charges and all related costs should be covered only by LRC and not by end users themselves.

3.3. Delivery Channels (ATM and POS, Hybrid)

- Provision of access to ATM networks and/or POS merchant networks with sufficient geographic coverage across Lebanon.
- Clear identification of delivery modalities offered (ATM, POS, or hybrid);
- Technical capacity to restrict card usage by channel, allowing cards to be enabled for ATM withdrawals only, POS transactions only, or both, as instructed by the Lebanese Red Cross.
- Flexibility to adapt delivery channels in response to operational constraints, security considerations, or changes in program design.
- For POS-based transactions:
 - The FSP shall have the technical capacity to apply MCC restrictions as defined by LRC, where required by the program design.
 - MCC configurations shall be flexible and adjustable, allowing activation, modification, or removal of restrictions in accordance with LRC instructions and evolving programmatic needs.
 - Where MCC restrictions are applied, the FSP shall ensure their correct configuration in line with LRC guidance and provide transaction-level reporting on MCC-restricted transactions.
- Under the hybrid modality, a single bank card and PIN allow beneficiaries to access the same transfer value through either ATM withdrawals or POS transactions, without duplication of transfer amounts.
- FSP shall demonstrate the technical and operational capacity to support cash assistance interventions at scale, without imposing predefined caps on transfer values, transaction volumes, or number of cards, subject to applicable regulatory requirements and as instructed by the Lebanese Red Cross.

3.4. Merchant Network Management (for POS-based Delivery)

Where POS-based delivery mechanisms are used, the Financial Service Provider shall be responsible for establishing, contracting, and managing a network of eligible merchants, including but not limited to supermarkets, pharmacies, hospitals and other entities required for program implementation.

Bidders shall demonstrate, as part of their technical proposal, their capacity and prior experience in establishing and managing such merchant networks, including relevant examples of merchant categories, geographic coverage, and scale.

The Lebanese Red Cross may, based on programmatic needs, request the inclusion of specific merchants or categories of merchants within the POS network. In such cases, the Financial Service Provider shall remain responsible for conducting all required due diligence, compliance checks, and contracting procedures prior to onboarding the requested merchants.

The FSP shall:

- Identify and contract merchants based on eligibility criteria agreed with the Lebanese Red Cross.
- Assess and onboard merchants proposed or requested by LRC, subject to successful completion of due diligence and compliance requirements.
- Conduct due diligence and risk assessments on all contracted merchants, including legal, financial, and operational checks.



- Ensure adequate geographic coverage, accessibility, and operational functionality of the merchant network.
- Manage merchant onboarding, contracting, monitoring, and ongoing relationship management throughout the contract period.
- Take appropriate corrective measures, including suspension or termination, in cases of merchant non-compliance, in coordination with LRC.

3.5. Merchant Training and Support

The FSP shall be responsible for providing initial and ongoing training to personnel of contracted merchants on POS-based card transactions.

Training shall include, at a minimum:

- Proper use of POS devices and transaction processing procedures.
- Verification and validation of card-based payments.
- Handling of transaction errors, declined payments, and technical issues.
- Referral pathways for beneficiary complaints and support requests.

The FSP should ensure the availability of trained personnel at merchant locations and should provide refresher training or additional support as required.

3.6. Liquidity and Service Continuity

- Maintenance of adequate liquidity across ATM and/or POS networks to meet beneficiary demand.
- Measures to ensure uninterrupted service during peak periods, large-scale disbursements, or emergency responses.
- Business continuity and contingency arrangements in case of system failures, connectivity issues, or access constraints.

3.7. Reporting, Monitoring, and Reconciliation

- Provision of regular and ad-hoc reports at both beneficiary and aggregate levels, including transaction status and usage.
- Reconciliation of disbursements against LRC payment instructions.
- Support for internal and external audits, including provision of required financial and operational documentation upon request.
- Any unspent, reversed, or unused balances related to Lebanese Red Cross-funded assistance shall be fully refundable to the Lebanese Red Cross. The Financial Service Provider shall ensure timely reconciliation and return of such funds in accordance with agreed financial procedures.

3.8. Customer Support and Complaints Handling

- Establishment of accessible customer support channels for beneficiaries and merchants.
- Timely handling and resolution of complaints related to card usage, transactions, or access issues.
- Coordination with LRC on complaint tracking, escalation, and resolution mechanisms.

4. Data Protection, Compliance, and Risk Management

The Financial Service Provider shall comply with all applicable data protection, confidentiality, and information security standards relevant to the provision of bank card-based financial services.

In accordance with the Lebanese Red Cross's data protection policies and operational procedures:

- Bank cards shall be issued under the name of the Lebanese Red Cross and not under the names of individual beneficiaries.



- The Financial Service Provider shall not require, collect, process, or store personal identifying information of beneficiaries, unless explicitly requested in writing by the Lebanese Red Cross and required by applicable regulations.
- Beneficiary identification, verification, and records shall remain the sole responsibility of the Lebanese Red Cross.
- The Financial Service Provider shall process payments and transactions using unique card numbers or anonymized reference identifiers provided by the Lebanese Red Cross.
- Any regulatory requirement invoking beneficiary-level Know Your Customer (KYC) shall be communicated in writing to the Lebanese Red Cross in advance and shall be subject to LRC's written approval prior to implementation.
- Data exchanged between the Lebanese Red Cross and the Financial Service Provider shall be limited to the minimum information required to execute transfers, reconcile payments, and provide reports.
- Implement access controls to ensure that reports and data are accessible only to authorized personnel.
- Comply with applicable international payment security standards, including Payment Card Industry Data Security Standard (PCI-DSS) requirements, and maintain appropriate safeguards against fraud, data breaches, and unauthorized access.
- Implement fraud-proof and anti-corruption features at both card and system levels, including controls to prevent unauthorized use, duplication, or manipulation of cards and transactions, and ensure secure transmission of all program-related data using recognized cryptographic methods (e.g. hashing and encryption) in line with international banking and information security standards.

Any regulatory action, penalty, suspension, system failure, compliance breach, or operational incident occurring at the level of the Financial Service Provider shall not result in the transfer of financial, legal, or regulatory risk to the Lebanese Red Cross, except where such risk arises directly from the Lebanese Red Cross's failure to comply with its contractual obligations.

5. Geographic Coverage and Network Requirements

The Financial Service Provider shall demonstrate the capacity to provide nationwide coverage to support cash assistance programs implemented by the Lebanese Red Cross across all regions of Lebanon.

Bidders shall provide detailed information on their ATM and POS network coverage in Annex B (Geographic Coverage and Network Information). Information provided in Annex B shall be used for assessment and comparison purposes only and shall not constitute a contractual commitment unless explicitly incorporated into the framework agreement.

The Financial Service Provider shall:

- Provide access to a network of ATMs and/or POS merchants with sufficient geographic coverage to ensure reasonable access for beneficiaries, including in urban, peri-urban, and remote areas.
- Clearly indicate the geographic distribution of ATMs and POS merchants, including by governorate and district in **Annex B**;
- Ensure that services remain accessible in areas affected by emergencies, security constraints, or movement restrictions, subject to safety considerations.
- Maintain operational capacity across all Lebanese Red Cross operational areas, including the ability to expand coverage rapidly in response to emerging needs and/or upon request from LRC.

Where POS-based delivery mechanisms are used, the Financial Service Provider shall:

- Ensure adequate density and accessibility of contracted merchants to avoid excessive travel time or costs for beneficiaries.
- Maintain a diversified merchant network to reduce service disruption risks.
- Replace or supplement merchants in cases of non-functionality or non-compliance, in coordination with the Lebanese Red Cross.



The Financial Service Provider shall demonstrate surge capacity and scalability, including:

- Ability to support rapid scale-up of card issuance and cash disbursements during large-scale emergencies.
- Capacity to increase ATM and/or POS availability during peak disbursement periods.
- Contingency arrangements to ensure service continuity in the event of system failures, liquidity constraints, or access limitations.

6. Liquidity Management and Business Continuity

The Financial Service Provider shall ensure the availability, reliability, and continuity of all financial services provided under this Terms of Reference and the framework agreement concluded with the Lebanese Red Cross throughout the duration of the contract.

6.1. Liquidity Management

The Financial Service Provider shall:

- Ensure sufficient liquidity across all delivery channels, including ATMs and POS merchants, to meet beneficiary demand during regular and peak disbursement periods.
- Be fully responsible for cash availability, replenishment, and settlement arrangements required for ATM withdrawals.
- For POS-based transactions, ensure timely settlement and reimbursement to contracted merchants in order to maintain uninterrupted acceptance of card-based payments by beneficiaries.
- Implement settlement arrangements that prevent merchants from refusing transactions, limiting acceptance, or imposing informal restrictions due to delayed reimbursements or cashflow constraints.
- Anticipate increased liquidity requirements during large-scale disbursements, emergency responses, or changes in program scale, and adjust liquidity planning accordingly.

Any failure to ensure adequate liquidity or timely settlement at the level of the Financial Service Provider, its banking partners, or contracted merchants shall remain the responsibility of the Financial Service Provider and shall not transfer operational, financial, or reputational risk to the Lebanese Red Cross.

Repeated or material failures to meet liquidity and settlement obligations may result in remedial actions, including the implementation of corrective measures, temporary suspension of specific services, or contract termination, in accordance with the terms and conditions of the framework agreement.

6.2. Business Continuity and Contingency Planning

The Financial Service Provider shall maintain and implement a documented Business Continuity Plan (BCP) and disaster recovery arrangements appropriate to the scale, complexity, and risk profile of the services provided.

At a minimum, the Financial Service Provider shall:

- Maintain procedures to ensure continuity of card issuance, transaction processing, settlement, and reporting in the event of system outages, connectivity failures, cyber incidents, or other operational disruptions.
- Ensure redundancy and failover mechanisms for critical systems supporting ATM and POS services.
- Establish contingency measures to address disruptions arising from security incidents, access constraints, infrastructure damage, or conflict-related escalation.
- Minimize service downtime and restore full functionality within agreed timelines following any disruption.



The Financial Service Provider shall promptly notify the Lebanese Red Cross of any actual or anticipated disruption affecting service delivery and shall coordinate mitigation measures, without requiring the Lebanese Red Cross to assume operational or financial responsibility arising from such incidents.

7. Reporting and Data Management

The Financial Service Provider shall provide timely, accurate, and comprehensive reporting to enable the Lebanese Red Cross to monitor implementation, reconcile payments, manage risks, and meet internal and external accountability requirements.

7.1. Reporting Requirements

The Financial Service Provider shall provide, at a minimum, the following reports:

1. Transaction-level reports:

Using unique card numbers or anonymized reference identifiers, detailing:

- Amount credited and debited.
- Date and time of transactions.
- Transaction status (successful, failed, reversed);
- Delivery channel used (ATM or POS).
- For POS transactions, merchant identifier and applicable Merchant Category Code (MCC).

2. Consolidated summary reports at program level, including:

- Total amounts disbursed.
- Number of cards credited and active.
- Number and value of ATM withdrawals and POS transactions.
- Aggregate transaction success and failure rates.

Reports shall be provided in formats agreed with the Lebanese Red Cross and shall allow for reconciliation against approved payment instructions.

7.2. Reporting Frequency and Timeliness

The Financial Service Provider shall:

- Provide standard transaction and reconciliation reports within agreed timelines (Daily, weekly, Monthly, Annually, etc.)
- Provide ad-hoc reports upon request by the Lebanese Red Cross, including during emergency responses or investigations.
- All reporting should be downloadable in an excel data format that can be sorted and analyzed by LRC.
- Immediately notify the Lebanese Red Cross of any anomalies, irregularities, security incidents, system errors, or transaction failures that affect or may affect the delivery of cash assistance, data integrity, or beneficiary access to funds.
- Provide Reports on card-related incidents, including lost cards, stolen cards, blocked cards, ATM-captured cards, and card replacements.

7.3. POS Settlement and POS using MCC

Where POS-based delivery mechanisms are used, the Financial Service Provider shall:

- Provide visibility on merchant transaction volumes and values,



- Flag any merchant-level issues that may affect beneficiary access, including transaction refusals or service interruptions.
- Provide reporting on the application of MCC restrictions, including accepted and declined transactions.
- Clearly indicate instances where transactions are declined due to MCC restrictions.
- Support the Lebanese Red Cross in monitoring and adjusting MCC configurations as required by program design.

8. Customer Support and Complaints Mechanism

The Financial Service Provider shall establish and maintain effective customer support and complaints handling mechanisms to ensure timely resolution of issues related to bank card-based cash assistance services.

8.1. Beneficiary Support

- Respond to beneficiary inquiries received directly by the FSP through its customer service channels, including inquiries related to card functionality, PINs, transactions, ATM access, POS usage, and card capture incidents.
- Identify cases that require programmatic clarification, protection-related follow-up, or beneficiary support beyond the scope of financial services, and refer such cases to the Lebanese Red Cross through the official hotline (1760) or other agreed referral channels.
- In cases where bank cards are retained or captured by ATMs, provide clear guidance to beneficiaries on the procedures to be followed, including orientation to the nearest designated bank branch for card retrieval, as applicable.
- Coordinate with the LRC to verify authorization prior to handing over any card to a beneficiary who approaches a bank branch following an ATM card capture incident.
- Ensure that no card is handed over directly to a beneficiary without prior confirmation and agreement from authorized LRC staff.

8.2 Merchant Support (for POS-based Delivery)

- Provide dedicated support to contracted merchants for issues related to POS devices, transaction processing, settlements, and system connectivity.
- Respond promptly to merchant-reported issues that may affect beneficiary access or transaction acceptance.
- Escalate unresolved or recurring merchant issues to the LRC, where relevant.

8.3 Complaints Handling, Coordination, and Protection

- Record, categorize, and track complaints received, including actions taken and resolution status, in accordance with agreed reporting and data protection requirements.
- Ensure timely resolution of complaints within defined internal timelines.
- Escalate serious incidents, systemic issues, repeated complaints, or service disruptions to the Lebanese Red Cross without delay.
- Support the Lebanese Red Cross in monitoring service performance and identifying recurring risks or areas requiring corrective action.
- Complaints mechanisms are accessible, confidential, and free of charge if applicable and in compliance with applicable data protection and confidentiality.
- Complainants are protected from retaliation or adverse consequences as a result of submitting a complaint.

9. Pricing and Cost Structure

Lebanese Red Cross places strong emphasis on cost-efficiency, value for money, and the responsible use of humanitarian funds. Pricing proposals shall therefore reflect competitive, transparent, and proportionate costs that support the effective delivery of cash assistance.



The Financial Service Provider shall submit a clear, detailed, and transparent pricing proposal for the services outlined in this Terms of Reference.

Bidders shall complete and submit the pricing schedule provided in **Annex A in Excel format while referring to the instruction sub-sheet**. Only pricing submissions using the prescribed template will be considered for financial evaluation.

Bidders may optionally indicate any scale-based price adjustments applicable at higher volumes in a separate disclosure table provided for information purposes only. Such adjustments shall not be considered for financial evaluation and scoring and shall not be binding unless explicitly incorporated into the framework agreement.

9.1 Pricing Principles

- Be presented in a structured and itemized format.
- Clearly distinguish between one-time costs and recurring costs.
- Specify all fees applicable to card issuance, management, transactions, and support services.
- No fees, charges, or commissions shall be deducted from the assistance value received by beneficiaries under any delivery modality.

All prices shall be quoted in the applicable currency and shall remain valid for the duration specified in the contract, unless otherwise agreed in writing.

9.2 Cost Components

- Card issuance and personalization costs.
- PIN generation and management costs.
- Card replacement and reissuance costs, including cases of ATM card capture.
- Fees related to ATM withdrawals, including any network or transaction fees.
- Fees related to POS transactions and merchant settlements.
- Merchant onboarding, contracting, and training costs (for POS-based delivery).
- Customer support and complaints handling costs.
- Reporting, reconciliation, and audit support costs.
- Any system setup, integration, or maintenance costs.

9.3 Pricing Transparency and Variability

The Financial Service Provider shall:

- Clearly indicate any variable pricing elements, including volume-based fees or tiered pricing structures.
- Specify any assumptions underlying the pricing proposal.
- Identify any costs that may vary based on program scale, delivery modality (ATM, POS, or hybrid), or geographic coverage.

The Financial Service Provider shall not introduce new fees or modify the agreed pricing structure without prior written approval from the Lebanese Red Cross.

9.4 Invoicing and Payment Terms

The Financial Service Provider shall:

- Submit invoices in accordance with agreed billing schedules and formats.
- Provide sufficient details in invoices to allow verification of services delivered.
- Support invoice verification through reconciliation reports and supporting documentation.



Payment terms, invoicing frequency, and supporting documentation requirements shall be defined in the contract.

10. Contract Duration, Performance Management, and Termination

10.1 Contract Duration

The contract resulting from this Terms of Reference shall be established for 3 years.

The contract shall be established as a framework agreement and does not constitute a commitment to minimum volumes, transaction values, or guaranteed usage.

The Lebanese Red Cross reserves the right to amend the contract in accordance with programmatic requirements and organizational procedures.

10.2 Performance Management

The Financial Service Provider's performance shall be monitored throughout the contract period against agreed service standards and performance indicators.

Performance management shall include, but not be limited to:

- Timeliness and accuracy of cash disbursements.
- Availability and reliability of ATM and/or POS services.
- Timeliness of POS merchant settlement.
- Responsiveness to beneficiary and merchant inquiries.
- Resolution of complaints within agreed timelines.
- Compliance with reporting, data protection, and confidentiality requirements.
- Adherence to liquidity management and business continuity obligations.

The Financial Service Provider shall cooperate fully with performance reviews and provide relevant data and documentation upon request by the Lebanese Red Cross.

10.3 Corrective Measures

Where performance issues are identified, the Lebanese Red Cross may require the Financial Service Provider to implement corrective actions within agreed timelines.

Failure to implement corrective measures or repeated performance shortcomings may result in the application of contractual remedies, including suspension of specific services or other actions as defined in the contract.

10.4 Contract Suspension and Termination

The Lebanese Red Cross reserves the right to suspend or terminate the contract, in whole or in part, in accordance with contractual terms, including but not limited to the following circumstances:

- Material breach of contractual obligations.
- Failure to meet agreed performance standards.
- Regulatory or compliance violations affecting service delivery.
- Repeated or unresolved service disruptions.
- Data protection or confidentiality breaches.

Termination or suspension of the contract shall not result in the transfer of financial, legal, or operational risk to the Lebanese Red Cross arising from acts or omissions of the Financial Service Provider.