**Contract Template
for Voucher Redemption Services**

This tool provides a structure and indicates the key contents to be included in a contract between relief agencies and local vendors/sellers/traders for the redemption of vouchers. The contents proposed are general and can be adapted to both cash and commodity voucher projects. Each agency will need to adapt and complete the proposed structure and contents to their own standards, in consultation with their Finance, Logistics and Programme units.

|  |
| --- |
| **Title:****Contract for Voucher Redemption Services***[Insert NAME OF THE PROGRAMME/PROJECT]**[Insert TOWN, DISTRICT, COUNTRY]* |
| **Parties:**This contract for voucher redemption services (herein after referred to as ‘Contract’) is between:*[Insert* ***Name of the agency****, address, representative or contact person with contact details]**[Insert* ***Name of the vendor****, address, representative or contact person with contact details]* |
| **Period of agreement:**This Contract is effective as of *[Insert* ***start******date****]* until *[Insert* ***end******date****]* in accordance with the terms and conditions below. |
| **General description of the voucher redemption services:***[Insert* ***brief description*** *of: objectives and features of the voucher scheme (location, number and profile of beneficiaries, timeframe, type, number and value of vouchers to be redeemed and redemption process); type and quantity of commodities that the agency expects the vendor/seller/trader to redeem]* |
| **Commodity specification:**(particularly for commodity and restricted cash vouchers)*[List all the goods to be made available under the Contract, their specifications (brand, variety, year of production, expiration date, origin, packaging and measures, etc.). This information can be provided in annex.]* |
| **Roles and responsibilities:**The agency is required to:* Design, print and distribute vouchers to beneficiaries, and ensure that beneficiaries are able to redeem vouchers.
* Provide the vendor with the list of vouchers and beneficiary names *[Provide any relevant detail regarding the identification of vouchers]*
* Keep the vendor informed about the voucher distribution dates *[Mention timeframe for voucher distribution if available]*
* Ensure visibility of the project *[Mention posters to be displayed, etc.].*
* Train and support the vendor on voucher transaction and redemption processes *[Mention if and how the agency will provide the vendor with training and support to comply with the contract requirements]*
* Collect/Receive redeemed vouchers from the vendor.
* Reconcile redeemed vouchers and inform the vendor of the value to be reimbursed.
* Pay the vendor for all the reconciled vouchers. *[Mention how the payment will be done, by when, and if necessary indicate any exceptions, in accordance with the payment terms below]*
* Ensure crowd control at distribution sites, as well as a sound beneficiary communication and accountability system, in order to deal with and respond to complaints.
* Perform quality and price control of goods and inform traders in case of non-compliance.
* Perform quality control of vendor’s premises to ensure sound storage conditions.

The vendor is required to:* Accept vouchers from project beneficiaries in exchange for:
	+ goods available at the shop (cash voucher)
	+ goods listed in Annex X (restricted cash voucher)
	+ a standard basket of items as per Annex Y (commodity voucher)
* Sell goods at competitive market prices based on price monitoring (cash and restricted cash vouchers) *[Explain how prices are determined/agreed]*
* Ensure that all goods are kept in good, safe and hygienic conditions *[Specify any particular storage requirement, particularly for perishable goods]*
* Secure enough stock to meet project needs. *[When applicable, refer commodity specification]*
* Charge beneficiaries prices equal to those charged to other costumers purchasing the same goods with cash. *[Otherwise mention if different/lower prices have been negotiated]*
* Treat beneficiaries in a respectful and non-discriminatory manner, providing them with the necessary assistance to carry out the purchase.
* Document and keep record of all voucher transactions. *[Mention any specific forms to be filled and submitted by the vendors]*
 |
| **Payment terms:*** The vendor will submit the redeemed vouchers and the required documentation *[Specify any form required by the agency]* to the agency *[Specify the frequency and/or deadlines. Eg. Every end of the month]*. The agency’s financial staff will review the redeemed vouchers and determine the reimbursement amount.
	+ Only the vouchers that are redeemed by beneficiaries and confirmed by the agency will be paid.
	+ In the event that the total value of the items selected by beneficiaries does not reach the total value of the voucher, the vendor should not pay the difference to beneficiaries. (cash vouchers)
	+ In the event that the total value of the items selected by beneficiaries is more than the value of the voucher, the vendor should settle the difference directly with beneficiaries. In no circumstance the agency will cover extra expenses. (cash vouchers)
	+ The vendor is the final responsible to control the authenticity of vouchers. The agency will not pay the vendor for vouchers that are found to be fraudulent.
	+ The agency will not pay the vendor for vouchers that are expired (in case there is a validity date).
	+ The agency will not pay the vendor for vouchers that have been exchanged for any prohibited items (cash voucher)
	+ The agency will not pay the vendor for vouchers that have been exchanged for items outside the list (commodity or restricted cash voucher).
* The vendor will be reimbursed via *[Define reimbursement mechanism and time: via bank transfer/ check/ other, two weeks after the reception of the redeemed vouchers].*
* The agency *[will/will not]* reimburse additional costs associated with voucher redemption *[Define which costs and how they will be reimbursed].*
 |
| **Quality inspection and acceptance:**The vendor will be responsible for the quantity and quality of goods according to the agreed specifications In case of non-conforming goods, the agency has the right to reject them. *[Define any quality requirements, conditions, certifications, etc., and attach the agency’s quality policy if existent]*.  |
| **General conditions:*** Conditions not mentioned herein shall be governed by the [mention any internal document that may help clarify doubts arising from the contract, and provide such document in Annex]
* No modification of any of the clauses of this contract may be done without the written agreement of both parties.
 |
| **Termination:*** Either party of this contract can terminate it at their convenience with *[Insert number of days]* days notice.
* Failure by vendor to comply with the terms and conditions of this contract will give the agency the right to cancel it in part or total.
* If it is determined that the vendor is charging voucher beneficiaries higher prices than those paid by non-beneficiaries.
 |
| **Signatures:** |
| **Annexes:** list of goods, general conditions, etc. |