

TERMS OF REFERENCE

Disbursement of Funds to Beneficiaries

Organization	iRise Hub Foundation
Project/Programme	Nagaasho Project
Donor/Funding Source	Danida
TOR Reference No.	iRise/PROC/EOI/2026/002
Country/Location	Somalia
Procurement Method	
Date of Issue	04/08/2026
Submission Deadline	11/08/2026

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1. Background

iRise Hub Foundation is implementing the Nagaasho Project, funded by Danida, with the objective of supporting vulnerable beneficiaries through direct financial assistance. The assistance is intended to enable selected beneficiaries to meet priority needs, improve resilience, support livelihood recovery, participate in approved project activities, or receive other project-based support approved under the programme.

To ensure that funds are disbursed in a transparent, accountable, timely, secure, and properly documented manner, iRise Hub Foundation seeks to engage a qualified service provider to facilitate the disbursement of funds to approved beneficiaries.

The disbursement process must comply with donor requirements, organizational financial procedures, safeguarding principles, data protection standards, anti-fraud controls, sanctions screening requirements, and applicable laws and regulations.

2. Purpose of the TOR

The purpose of this Terms of Reference is to define the scope of work, responsibilities, deliverables, reporting requirements, compliance obligations, and expected performance standards for the disbursement of funds to approved beneficiaries under the Nagaasho Project.

The selected service provider will be responsible for transferring approved amounts to beneficiaries through a secure and traceable payment mechanism, such as mobile money or another approved financial channel.

3. Overall Objective

The overall objective of this assignment is to ensure the accurate, secure, timely, and fully documented disbursement of funds to verified beneficiaries in accordance with the approved beneficiary list, project budget, donor guidelines, and iRise Hub Foundation internal control procedures.

4. Specific Objectives

1. Disburse approved funds to eligible and verified beneficiaries.
2. Ensure each beneficiary receives the correct approved amount.
3. Maintain a complete audit trail for every payment made.
4. Prevent duplication, fraud, diversion, misuse, unauthorized payment, or payment to unapproved persons.
5. Provide complete payment confirmation, exception, and reconciliation reports.
6. Protect beneficiary personal data and ensure strict confidentiality.
7. Support complaint handling and resolution for payment-related issues.
8. Ensure compliance with donor, organizational, financial, legal, safeguarding, and anti-fraud requirements.

5. Scope of Work

5.1. Beneficiary Data Review and Validation

The service provider shall receive the approved beneficiary list from iRise Hub Foundation and review the required payment information, including but not limited to:

- Beneficiary full name.
- Beneficiary phone number or approved payment account details.
- Unique beneficiary code or identification reference, where available.
- Approved disbursement amount.
- Payment channel to be used.
- Any special remarks, payment condition, or eligibility note approved by the programme team.

The service provider shall notify iRise Hub Foundation of any incomplete, duplicate, inconsistent, inactive, or invalid beneficiary payment information before any disbursement is processed.

5.2. Payment Processing

The service provider shall process payments only after receiving formal written authorization from iRise Hub Foundation. No payment shall be made unless the beneficiary list, payment schedule, payment amount, and funding instruction have been reviewed and approved by authorized personnel.

- Payments shall be made only to approved beneficiaries included in the final authorized list.
- The approved amount shall be paid in full unless deductions are explicitly authorized in writing.
- Payments shall be processed within the agreed timeline.
- Each transaction shall be traceable, verifiable, and supported by a transaction reference.

- Failed, reversed, or pending payments shall be identified, reported, and resolved promptly.
- No unauthorized changes shall be made to the approved beneficiary list or payment amount.

5.3. Payment Confirmation

After each disbursement, the service provider shall submit a payment confirmation report showing:

- Beneficiary name and unique beneficiary code, where available.
- Payment reference or transaction number.
- Amount disbursed.
- Date and time of payment.
- Payment channel used.
- Payment status: successful, failed, pending, reversed, rejected, or cancelled.
- Reason for failed, rejected, or reversed payments.
- Corrective action taken or recommended.

5.4. Reconciliation and Refund of Undisbursed Funds

The service provider shall support full reconciliation of all funds received from iRise Hub Foundation against the approved payment list and the actual payments processed. The reconciliation shall clearly identify successful payments, failed payments, reversed payments, service charges, pending amounts, and any balance remaining.

Any undisbursed, unclaimed, rejected, or reversed funds shall be refunded to iRise Hub Foundation within the agreed period unless iRise Hub Foundation issues written instruction for reprocessing.

5.5. Complaint and Issue Resolution

The service provider shall establish a clear mechanism for resolving payment-related complaints, including wrong payment details, failed transactions, delayed payments, duplicate records, non-receipt of funds, incorrect beneficiary information, and reversal or refund issues.

All complaints and payment issues must be logged, tracked, and reported to iRise Hub Foundation until fully resolved. The complaint log must indicate the nature of the complaint, date received, action taken, responsible person, and resolution status.

5.6. Data Protection and Confidentiality

The service provider shall maintain strict confidentiality of all beneficiary information shared by iRise Hub Foundation. Beneficiary data shall not be shared, sold, transferred, published, reused, or disclosed to any third party without prior written approval from iRise Hub Foundation.

The service provider shall use beneficiary data only for the purpose of processing approved payments under this assignment and shall apply appropriate safeguards to prevent unauthorized access, loss, misuse, or disclosure.

5.7. Compliance and Anti-Fraud Controls

The service provider shall comply with all applicable laws, donor requirements, financial regulations, anti-money laundering rules, counter-terrorism financing obligations, sanctions screening requirements, and iRise Hub Foundation policies.

The service provider must immediately report any suspected fraud, attempted manipulation, suspicious transaction, conflict of interest, duplicate claim, unauthorized beneficiary substitution, or misuse of funds.

6. Expected Deliverables

No.	Deliverable	Description	Timeline
1	Inception confirmation	Confirmation of readiness, payment channel, focal persons, system requirements, risk controls, and process flow.	Within [insert] days of contract signing
2	Validated beneficiary payment list	Review of submitted beneficiary data and identification of errors, duplicates, missing details, or invalid payment information.	Before disbursement
3	Payment execution report	Confirmation of payments processed, including successful, failed, pending, reversed, and rejected transactions.	Within [insert] days after payment
4	Failed payment report	Detailed list of failed or rejected payments, reasons, and required corrective actions.	Within [insert] days after disbursement
5	Final reconciliation report	Complete reconciliation of funds received, funds disbursed, service charges, pending items, failed payments, refunded balance, and supporting transaction references.	Within [insert] days after completion
6	Refund confirmation	Evidence of refund of any undisbursed, rejected, reversed, or unclaimed balance, where applicable.	Within [insert] days after reconciliation
7	Complaint resolution log	Record of beneficiary payment complaints, responsible focal person, action taken, and resolution status.	As required and at final reporting

7. Responsibilities of the Service Provider

1. Assign qualified personnel to manage the disbursement process.
2. Ensure accurate and timely transfer of funds to approved beneficiaries.
3. Verify the technical validity of payment details before processing.
4. Maintain complete transaction records and supporting evidence.

5. Submit accurate reports within agreed timelines.
6. Protect beneficiary data and maintain confidentiality.
7. Report failed, suspicious, duplicate, or irregular transactions immediately.
8. Resolve failed payments and support beneficiary payment complaints.
9. Refund undisbursed funds as required.
10. Cooperate with audits, donor verification, monitoring exercises, and spot checks.

8. Responsibilities of iRise Hub Foundation

1. Provide the approved beneficiary list and payment authorization.
2. Confirm the approved amount per beneficiary.
3. Authorize disbursement in writing through designated personnel.
4. Transfer funds to the service provider for payment processing.
5. Review payment confirmation and reconciliation reports.
6. Support correction of beneficiary information where required.
7. Handle programme-related beneficiary communication and eligibility issues.
8. Monitor compliance with donor and internal procedures.
9. Approve refunds, reversals, or reprocessing of failed payments.
10. Maintain the official project file, approvals, and procurement documentation.

9. Beneficiary Eligibility

Only beneficiaries officially verified and approved by iRise Hub Foundation shall receive funds. Beneficiaries may include individuals, households, groups, trainees, vendors, community members, or other approved categories under the project.

Eligibility shall be based on approved project criteria, which may include:

- Project participation or verified vulnerability status.
- Approved location or target area.
- Registration and verification status.
- Completion of required project conditions.
- Approval by the relevant programme team.
- Compliance with donor criteria and project targeting requirements.

No beneficiary shall be paid unless included in the final approved payment list.

10. Disbursement Modality

The preferred disbursement method shall be mobile money or another approved payment method. The selected modality must be secure, traceable, accessible to beneficiaries, cost-effective, auditable, compliant with applicable laws and donor requirements, and capable of producing transaction-level reports.

Where mobile money is used, the service provider must confirm that the beneficiary number is active and capable of receiving the approved amount. Where any alternative payment mechanism is used, the service provider must demonstrate equivalent levels of verification, traceability, and audit evidence.

11. Internal Controls

1. Segregation of duties shall be maintained between beneficiary approval, payment authorization, fund transfer, payment execution, and reconciliation.
2. Written approval shall be obtained before any payment is processed.
3. No changes shall be made to beneficiary data without formal written approval.
4. Unique beneficiary identification numbers shall be used where available.
5. All successful, failed, reversed, cancelled, and pending transactions shall be documented.
6. The approved beneficiary list shall be reconciled against the payment report and bank or mobile money records.
7. Irregularities shall be reported immediately to the designated focal person at the organization.
8. Undisbursed balances shall be refunded or reprocessed only through written authorization.
9. Records shall be available for audit, donor review, and management verification.
10. Anti-fraud, safeguarding, data protection, and sanctions compliance controls shall be applied throughout the process.

12. Reporting Requirements

The service provider shall submit reports in PDF and editable Excel formats unless otherwise agreed. Reports must be clear, accurate, signed or officially confirmed, and supported by transaction evidence. At minimum, reports must include:

- Total number of beneficiaries approved and total number paid.
- Total amount received from iRISE Hub Foundation.
- Total amount successfully disbursed.
- Total transaction or service charges.
- Total failed, pending, reversed, rejected, and cancelled payments.

- Balance remaining and amount refunded to iRise Hub Foundation.
- Detailed transaction reference numbers and payment dates.
- Exception report showing unresolved payment issues and required corrective action.

13. Timeline

The assignment is expected to be completed within [insert number] days/weeks from the date of contract signing or issuance of the purchase/service order. A tentative timeline is provided below:

Activity	Responsible Party	Timeline
Contract signing/service order issuance	iRise Hub Foundation and Service Provider	Day 1
Submission of approved beneficiary list	iRise Hub Foundation	Day [insert]
Validation of beneficiary payment details	Service Provider	Day [insert]
Fund transfer to service provider	iRise Hub Foundation	Day [insert]
Disbursement to beneficiaries	Service Provider	Day [insert]
Submission of payment report	Service Provider	Day [insert]
Resolution of failed payments	Service Provider and iRise Hub Foundation	Day [insert]
Final reconciliation and refund	Service Provider	Day [insert]

14. Required Qualifications of the Service Provider

1. Legal registration and valid operating license.
2. Proven experience in handling fund disbursement, cash transfers, mobile money payments, bank transfers, or related payment services.
3. Capacity to process payments securely and efficiently.
4. Ability to provide transaction-level reports and reconciliation documentation.
5. Strong internal control and reconciliation systems.
6. Compliance with financial regulations, anti-money laundering requirements, counter-terrorism financing rules, and data protection standards.
7. Adequate staffing, technical infrastructure, liquidity capacity, and operational continuity arrangements.
8. Experience working with NGOs, donors, humanitarian actors, or development programmes is preferred.
9. Ability to resolve failed transactions and beneficiary payment complaints promptly.
10. Financial stability and professional credibility.

15. Documents to be Submitted by Bidders

1. Company profile.
2. Valid business registration certificate.
3. Valid operating license or authorization to provide financial or payment services.
4. Tax compliance certificate, where applicable.
5. Evidence of similar assignments completed.
6. Technical proposal describing the proposed disbursement methodology.
7. Financial proposal showing service fees, transaction costs, and any applicable charges.
8. Data protection and confidentiality statement.
9. Description of internal controls, sanctions screening, and reconciliation process.
10. Contact details of at least two previous clients or references.
11. Bank account details for payment processing.
12. Any relevant regulatory approval, certification, or compliance document.

16. Evaluation Criteria

Proposals shall be evaluated based on technical and financial criteria. iRIse Hub Foundation reserves the right to conduct due diligence, reference checks, system verification, capacity assessment, and compliance review before awarding the contract.

Criteria	Weight
Relevant experience in fund disbursement or payment services	20%
Technical capacity and proposed methodology	20%
Internal controls, reporting, and reconciliation system	20%
Data protection, compliance, sanctions screening, and risk management measures	15%
Experience working with NGOs or donor-funded projects	10%
Financial proposal and cost-effectiveness	15%
Total	100%

17. Payment Terms

Payment to the service provider shall be made based on agreed service fees and satisfactory completion of deliverables. A suggested payment structure is as follows:

- [Insert percentage] % upon successful completion of beneficiary payment validation.
- [Insert percentage] % upon successful disbursement to approved beneficiaries.
- [Insert percentage] % upon submission and approval of the final reconciliation report.

No final payment shall be made until all failed payments, refunds, reconciliation issues, supporting evidence, and reporting requirements have been fully resolved.

18. Service Fees and Transaction Charges

The service provider shall clearly indicate all applicable fees, including service charges, transaction fees per beneficiary, bank/mobile money charges, reversal fees, refund fees, reprocessing fees, and any other applicable costs. No hidden charges shall be accepted. All costs must be clearly stated in the financial proposal.

19. Risk Management

The service provider shall identify and manage risks related to wrong beneficiary payments, duplicate payments, failed transactions, fraudulent claims, data leakage, delayed payments, liquidity constraints, network/system failure, unauthorized access to beneficiary data, and non-compliance with donor or regulatory requirements.

A risk mitigation plan must be included in the technical proposal and must explain prevention, detection, escalation, corrective action, and reporting measures.

20. Safeguarding and Protection

The service provider and its staff must respect the dignity, safety, privacy, and rights of all beneficiaries. The service provider shall not exploit, harass, discriminate against, intimidate, or request any form of payment, favor, or benefit from beneficiaries.

Any safeguarding concern, misconduct, fraud, abuse, exploitation, or unethical behavior must be reported immediately to iRise Hub Foundation.

21. Confidentiality

All information obtained during the assignment shall remain the property of iRise Hub Foundation. The service provider shall not disclose beneficiary data, project information, donor information, payment records, or internal documents to any third party without written authorization. This obligation shall continue after completion of the assignment.

22. Audit and Record Retention

The service provider shall maintain all transaction records, reports, approvals, payment confirmations, reconciliation documents, complaint logs, exception reports, refund confirmations, and related correspondence for audit purposes. Records must be retained for a minimum period of [insert number] years or as required by donor regulations and applicable law.

iRise Hub Foundation, the donor, auditors, or authorized representatives shall have the right to review relevant records related to the assignment.

23. Conflict of Interest

The service provider must disclose any actual, potential, or perceived conflict of interest before contract award and during implementation. The service provider shall not process payments to staff, relatives, affiliated entities, or unauthorized persons unless formally approved by iRise Hub Foundation and supported by valid documentation.

24. Grounds for Termination

1. Failure to disburse funds within the agreed timeline.
2. Processing unauthorized payments or changing beneficiary data without approval.
3. Failure to provide accurate reports and supporting transaction evidence.

4. Misuse, withholding, diversion, or unauthorized retention of funds.
5. Breach of confidentiality or data protection obligations.
6. Failure to refund undisbursed balances within the agreed timeframe.
7. Fraud, corruption, misconduct, negligence, or safeguarding violation.
8. Violation of donor, organizational, regulatory, or legal requirements.

25. Submission Instructions

Interested service providers shall submit their technical and financial proposals to Ali@irisehub.so no later than [insert deadline]. The proposal must clearly indicate the following title:

Proposal Title

Proposal for Disbursement of Funds to Beneficiaries - Nagaasho Project

Late submissions may not be considered.

26. Contact Person

Item	Details
Name	
Position	
Organization	iRise Hub Foundation
Email	Ali@irisehub.so
Phone Number	

27. Approval

This TOR shall become valid once reviewed and approved by the authorized personnel of iRise Hub Foundation.

Prepared By	Reviewed By	Approved By
Name: Position: Signature: Date:	Name: Position: Signature: Date:	Name: Position: Signature: Date:

Annex 1: Suggested Beneficiary Payment Template

No.	Beneficiary Name	Beneficiary Code	Mobile No.	Payment Channel	Amount	Transaction Ref.	Status	Remarks
1								
2								
3								

Annex 2: Payment Authorization and Reconciliation Checklist

Control Step	Responsible Party	Evidence Required	Completed
Approved beneficiary list received	Programme Team	Signed/approved beneficiary list	Yes / No
Payment amount verified against budget	Finance Team	Budget line and payment schedule	Yes / No
Payment authorization approved	Authorized Approver	Written approval/email/approval memo	Yes / No
Funds transferred to service provider	Finance Team	Bank/payment transfer evidence	Yes / No
Payment execution report received	Service Provider	Transaction-level payment report	Yes / No
Failed payments resolved or documented	Service Provider and Programme Team	Failed payment report and action log	Yes / No
Final reconciliation completed	Finance Team	Reconciliation report and refund confirmation	Yes / No

How to Apply

Interested service providers are invited to submit their proposal, together with all required supporting documents, to Ali@irisehub.so no later than **11 August 2026**.

The proposal should be clearly titled **“Proposal for Disbursement of Funds to Beneficiaries – Nagaasho Project.”**

Only complete proposals received on or before the submission deadline will be considered.