Request for Proposal (RFP)

For

Selection of Technical Consultant

For

Business Process Re-engineering & Core Banking
Upgradation to Flexcube Version 12.x

RFP Reference No. IZB:IT:2014/03

Indo Zambia Bank
Head Office, Plot 6907,
Cairo Road, Lusaka, Zambia

Release Date: July 28, 2014

Last Submission Date:
08 August 2014, Time: 1700 Hours, GMT+2, Lusaka
INTRODUCTION AND DISCLAIMER

This Request for Proposal document ("RFP document" or "RFP") has been prepared solely for the purpose of enabling Indo Zambia Bank ("Bank") to select a suitable Technical Consultant who shall provide assistance for Business process re-engineering and upgradation of Core Banking from Flexcube 7.3 to Version 12.x.

The RFP document is not a recommendation, offer or invitation to enter into a contract, agreement or any other arrangement in respect of the services. The provision of the services is subject to observance of selection process and appropriate documentation being agreed between the Bank and any successful bidder as identified by the Bank after completion of the selection process as defined.
<table>
<thead>
<tr>
<th>CONTENTS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Background</td>
<td>4</td>
</tr>
<tr>
<td>Project Definition</td>
<td>4</td>
</tr>
<tr>
<td>Objectives</td>
<td>4</td>
</tr>
<tr>
<td>Scope</td>
<td>4</td>
</tr>
<tr>
<td>Outline of Project Deliverables</td>
<td>4</td>
</tr>
<tr>
<td>Indicative Streams involved:</td>
<td>8</td>
</tr>
<tr>
<td>SERVICE LEVEL AGREEMENT</td>
<td>9</td>
</tr>
<tr>
<td>Eligibility Criteria:</td>
<td>9</td>
</tr>
<tr>
<td>Evaluation</td>
<td>10</td>
</tr>
<tr>
<td>Lodgment of RFP Response</td>
<td>10</td>
</tr>
<tr>
<td>Annexure-A</td>
<td>11</td>
</tr>
<tr>
<td>Annexure-B</td>
<td>12</td>
</tr>
<tr>
<td>Annexure-C</td>
<td>13</td>
</tr>
<tr>
<td>Annexure-D</td>
<td>14</td>
</tr>
<tr>
<td>Annexure-E</td>
<td>15</td>
</tr>
</tbody>
</table>
BACKGROUND

Indo Zambia Bank was incorporated in October, 1984 as a joint venture Bank between the Government of the Republic of Zambia and the Government of India represented through its three large Public Sector Banks: Bank of India, Bank of Baroda and Central Bank of India. The Bank enjoys tremendous customer confidence and is considered one of the most secure and customer friendly Banks in Zambia. The IZB network now stands at 25 branches, 01 agency branch, 40+ ATMs and represented in all Zambian provinces having implemented various channels viz. SWIFT fund transfer, Internet Banking, ATMs, SMS Banking, e-statements, VISA Debit Cards, etc. IZB is currently using FCC and Flexbranch as their Core Banking system, with a decentralized retail banking setup.

The Bank’s Technology initiatives are clearly focused on the customer. The Business Transformation Programme encompassing technology is being implemented by the Bank with a view to provide its customer, convenience banking on 24 X 7 basis through upgrade of Core Banking Solution platform with integrated delivery channels like ATM, Internet, Phone, Mobile, E-mail/SMS, Kiosk, Call Centre etc.

Bank has now embarked on upgrading their Core Banking System to Oracle Flexcube Universal Banking System with related interfaces & enhancement of various processes including but not limited to Flexcube, delivery channels. To accommodate Bank’s technology initiatives, suitable hardware/middleware/database upgrade, solutions procurements/enhancements would also be accomplished, which in turn would assure smooth running its business in the coming years.

PROJECT DEFINITION

OBJECTIVES

Main objective of the Project is to upgrade the existing Core Banking system to Oracle Flexcube Universal Banking System version 12.x. In the process, the Bank would upgrade its hardware and communication network, and also reengineer all its business processes to make effective use of the Core Banking system for improving operational efficiency of the Bank. Bank also want to focus in improving consumer lending module effectiveness during this upgrade.

Bank envisages the upgrade project timelines as 06 to 08 months. The appointment of the consultant shall be for the period of a maximum of 10 months. The extension for the period is subject to Bank’s discretion only.

SCOPE

Scope of the project is to improve the infrastructure availability and to implement Oracle Flexcube Universal Banking Solution to streamline business processes. During the course of this implementation, FCUBS will be evaluated and gaps will be identified, to assess whether any specific customisations/enhancements will be required.

OUTLINE OF PROJECT DELIVERABLES

Following will be the major project deliverables:

1. Documents will inter-alia include:
A Comprehensive Project Management Methodology to manage the complete CBS upgrade project for Bank including preparation of Project Charters, details of processes, activities and process flows involved. Project Plans for 06 months, Project Review Report formats, Escalation procedures and establishing milestones, timelines, budgetary considerations, investment/expenditure requirements, etc.

- Design and document the BPR & CBS Upgrade Project architecture (Functional, Operational and Technical)
- Design and document the security architecture required for the BPR & CBS Upgrade Project.

2. Document on Business Processes Re-engineering for ensuring successful implementation and to derive maximum benefits to Bank out of BPR & CBS Upgrade. Consultant will also submit related Operating manuals with detailed description of standard operating procedures.

3. Close monitoring of the CBS implementation/upgradation project of Bank including hand holding and providing sign-offs at different stages.


6. Attending Meetings with Bank officials, Committees formed by the Bank, Vendors, Service Providers and other agencies as and when required by the Bank.

7. Providing Fair Cost estimation for various RFPs to be floated.

8. Consultant to provide consultancy service for all the issues/matters connected to BPR & CBS Upgrade project of Bank.

9. If required, Consultant have to do following activities,
   - Drafting of related RFP(s) for any service/service provider, etc.
   - Scrutiny of RFP responses, providing Evaluation report of the prospective vendor(s)
   - Extending assistance in final selection of vendor(s)

10. Draft of all agreements/contracts/Statement of Works/POs/SLAs/NDAs related to BPR & CBS Upgrade project.

11. GAP Analysis:
   - The Core Team shall identify whether the current practices can be accommodated in the new system, what will be the new desired practices and whether any changes to the new system will be required. Accordingly, enhancement requests will be prepared.
   - Detailed Analysis on all modules, including separate document on **Flexcube CL module gaps**.

12. Core Team/Other Teams setup:
   - To identify business users to be team leaders to understand the new system, set the system up according to documented processes, test the same and get the system ready for live roll-out
   - Document describing strategies, approach and methodology with regard to requirement of Bank’ human resources for successful implementation and maintenance of the CBS Project. The Consultant will address the manpower
requirements for various teams to be formed to implement the Project with number of personnel, special skills required, composition of such teams. Consultant will also address Technical and Functional training needs of such teams as well as the Functional training needs for the general branch staff involved in routine operations. The issue of deployment / redeployment of Personnel at various locations (Head Office /Branches/Other offices) in the pre and post upgradation scenario of CBS Project.

13. Product Walk-Through:
   o Core Project team will be taken through the system by the Vendor (OFSS) or their partner explaining the functionalities and limitations of the new system

14. Hardware sizing & Procurement
   o To procure hardware to host Flexcube by projecting medium to long term business volumes and sizing the hardware requirements accordingly. At this stage, the Bank will also have to decide on the merits and demerits of centralized architecture as against the decentralized setup and plan for hardware requirements accordingly.

15. DC/DR, IT Infra / communication /Security/ middleware / DB
   o Design of the proposed Data Centre(s), Disaster Recovery Site, and Wide Area Network, Security architecture
   o Monitor the implementation of proposed Data Centre(s), Disaster Recovery Site, and Wide Area Network and providing sign-offs
   o A detailed report on IT infrastructure and hardware requirements for Bank Head offices/ other offices/Branches/Agency Counters/Other Processing Centers/back-offices to implement the Project.
   o Document describing strategy for re-deployment of the existing IT hardware in CBS Upgrade to save costs.

16. System setup & parameter definitions
   o In Flexcube implementation process, this is known as the “database design” process. As per identified processes, Core Team will design and create products in Flexcube, to ensure that all business requirements are adequately met. All “To be” processes derived from the BPR exercise will have to be suitably incorporated into the system.

17. User Acceptance Test
   o All the products and processes setup in Flexcube will be verified and results checked for satisfactory performance. Testing will be done both by Core Team users as well as regular business users. An open license tool shall be used to track all test cases, results and issues. Sign-off shall be based on successful testing of all test cases and resolution of all issues.

   a) Documents describing requirements for such User acceptance test and IS audit for the above.
   b) Providing Test Cases for UAT, monitoring of UAT and providing sign-offs.
   c) Monitoring audit by auditors and providing sign-offs.

19. Enhancements (Based on GAP analysis)
To identify if there are any legal or business requirements that are not supported by Flexcube off-the-shelf functionalities and to determine what specific enhancements will have to be requested for.

- Ensuring available product with local/international regulatory requirements and all changes/enhancements till date made available to the Bank as part of upgrade
- Ensure stability of CL module in upgrade with requisite identified enhancements

20. System integration testing with interfaces
   - To identify all interfaces to the system like SWIFT, ATM/POS, clearing, internet banking and other such requirements, integrate them to Flexcube and to test and confirm results.

21. Train the trainers
   - To identify the team of trainers who would train users at the branches and to train such trainers by OFSS team and Core team members; to prepare Bank specific training manuals containing all processes and procedures clearly defined

22. Demo branch setup and testing by business users
   - User Acceptance Tests would be conducted by Core team members with specific reference to their respective departments. Once these tests are completed, branch/business users may be invited to simulate a normal day’s operations to check all functionalities are covered. This would provide a different perspective to the testing and would also help in identifying if any requirement is missed out.

23. Mock migrations
   - To migrate data from old system to new system. Data migration strategy will have to be finalised before this step, multiple iterations would be conducted to ensure error-free live migration.

24. Strategies, approach and methodology for Interfaces and integration of different systems.

25. Data Analyst (Extract, Translate, Validate, Upload)

26. Data Cleanup & Enrichment

27. Reconciliation of migrated data, internal audit

28. End user training and Change Management
   - Trainers who were trained in the earlier stage would be sent to regions/branches as required to train all the end users. Before this, all user manuals will be prepared with Bank specific procedures and processes. All such manuals may also be published on web based learning solution.
   - To keep users and stakeholders sufficiently informed and to prepare all of them for a transition to the new system.

29. Stress testing/Dress Rehearsals
   - All branch users will be simultaneously involved to post transactions of a complete working day, to ensure that the system is sufficiently stress tested. This would also ensure that processes for all types of transactions are defined and users trained in all such cases.

30. Live migration
   - Live data migration from the legacy system to the new system will be performed on the planned cut-over date, on satisfactory hardware and application setup, UAT and mock migration sign-off.

31. Post Go-Live Support
RFP for Selection of Technical Consultant

32. Hand-holding users into the new system and helping to resolve issues faced during the predefined post-go-live period.

33. Redesigning Reports – daily reports, periodic reports, MIS reports, statutory reports

34. Ensure stability of CL module in upgrade including inconsistencies checks/verification reports

35. Revision on IT Security Policy including BCP/DRP

36. Assistance to Bank in implementing the IT Policies & IT Security Policy including BCP/DRP.

36. Major Interfaces Integration Included:
   - Switch/ATM/POS/VISA interface/National Switch
   - Card Management
   - Clearing/CTS operations
   - Internet Banking
   - SWIFT
   - Mobile Banking
   - RTGS
   - DDACC/EFT
   - SMS Banking & SMS-Alerts
   - E-Statements & Email Alerts
   - ZRA – Online Tax Payments/ Duty Payments – ASYCUDA
   - Any other interface/utilities that shall be identified during the Project Plan stage

37. Reconciliations Process set-up for
   - ATM (3-way: SWITCH/ATM/Flex cube)
   - NOSTRO
   - Inter-Branch Accounts
   - BOZ account as CASA to use NOSTRO Reconciliation
   - VISA Interface
   - Product Balance Summary – account balance sum matching to reporting GLs – for CASA, TD, Loans, interest accruals (payable/receivable)

38. Dashboards in FCUBS

39. Web services for interfacing with FCUBS

40. EOD Controls
   - Denominations, till/vault balances to match with respective GL balances
   - Deferred accounts, suspense accounts – tracking, reporting, reversals
   - Interbranch balances
   - Currency positions and Revaluation Gain/Loss

INDICATIVE STREAMS INVOLVED:

On the basis of the deliverables, certain major streams are indicated below:

- Project Administration (HR, Documentation, Library, Sign-offs)
- Change Management & Training, Process Documentation
- Business Process Reengineering
- Application Functionality & Product Fitment
- Infrastructure - Servers, OS, middleware, network, DBA, User PCs
- Testing Manager (Testlink, Mantis, Subversion)
- Data Analyst (Extract, Translate, Validate, Upload)
- Data Cleanup & Enrichment
- Reconciliation of migrated data, internal audit
- Redesigning Reports – daily reports, periodic reports, MIS reports, statutory reports
• Interfaces & Third Party Software integration
• Help Desk Setup
• Daily reports/Monthly reports (MIS/BOZ reports)
• New requirements that are not fulfilled in current environment

SERVICE LEVEL AGREEMENT

The Bank expects that the Bidder to adhere to the Service Levels described in this document.

SLA during Implementation:

- The successful bidder is expected to complete the responsibilities that have been assigned on time.
- The implementation period is 06 months
- As a deterrent for delays during implementation, Bank may levy penalties for delays attributable to the bidder or the participating entities, a 5% of Monthly Professional Fee on delay of each fortnight

ELIGIBILITY CRITERIA:

The eligibility criteria for the bidder taking part in this bid process is as under:

- Bidder should be in to IT consultancy business, minimum for the past five years.
- Bidders should have Banking experience of at least 10 years in Flexcube operations or implementations.
- Must possess experience of assignments executed successfully as Technical/IT Consultant, for implementing end to end Core Banking Solution that included:
  - defining IT strategy and technical requirements, including hardware sizing, network architecture
  - project management of Implementation of Flexcube - Oracle FCUBS version 11 onwards

in at least two Banks having more than 20 branches.

Those who fulfill all the eligibility criteria as mentioned above are only eligible to take part in this Bid exercise.

Proposals of those bidders, who do not fulfill the Eligibility Criteria conditions as stated above fully, will be rejected.
EVALUATION

The Bank will determine to its satisfaction whether the Consultant that is selected as having submitted the highest evaluated response is qualified to perform the contract satisfactorily. Selection will be made based on but not limited to the following verifications:

- Professional, technical capability & experience required
- Resource expertise and managerial ability (competence)
- Conversant with Flexcube Modules/Interfaces including Consumer Lending Module working in Flexcube
- Methodology/ Approach
- Consultant track record and proof of previous related projects
- Professional Qualification/Domain Expertise,
- Soundness of the proposed Strategy for Implementation
- Communication & Negotiation Skills
- Competitive Price – (Commercials “Annexure –E”)

Note: The bidder needs to submit their Proposal & Presentations with documentary evidence as asked in this RFP. The shortlisted bidders shall be called for in-person presentation or Web demo wherever feasible on their Approach.

LODGMENT OF RFP RESPONSE

RFP CLOSING DATE

RFP Response should be received by the officials indicated below not later than 5:00 PM (Zambia Time –GMT +02:00) on 08-Aug-2014.

RESPONSE SUBMISSION TO BANK

The RFP response documents should be submitted in paper copy.

Bid should be put in a sealed envelope superscribing ‘PROPOSAL FOR SELECTION OF CONSULTANT – FOR BPR & CBS UPGRADE’.

The proposal should be prepared in English in MS Word/Excel format. The e-mail address and phone/fax numbers of the bidder should also be indicated on the sealed envelope.

Paper copy of RFP response as mentioned above along with presentation & one electronic copy (Microsoft Word and Excel) of Bid submissions must be submitted to Bank at the following address

Chief Manager (IT),
Indo Zambia Bank,
Plot- 6907, Cairo Road,
Lusaka, Zambia

The sealed bid envelopes as mentioned above should be delivered to Mr. Mbiko Moyo on 2nd Floor, IT Dept. Please call at +260 211 225
Undertaking

To,

The General Manager
Indo Zambia Bank,
Head Office, Plot 6907, Cairo Road,
Post Box 35411
Lusaka,
Zambia

Sir,

Re: Bid for Selection of Consultant- BPR & Core Banking Upgrade Project
(RFP Ref#: IZB: IT: 2014/03, dated 28th July’14)

I/We hereby undertake and agree to abide by all the terms & conditions and Scope of services stipulated by the Bank in the RFP including all annexure, addendum and corrigendum.

I/We understand that

You are not bound to accept the lowest or any bid received by you, and you may reject all or any bid.

If our Bid for the above job is accepted, I/we undertake to enter into and execute at my/our cost, when called upon by the Bank to do so, a contract in the prescribed form.

Unless and until a formal contract is prepared and executed, this bid together with your written acceptance thereof shall constitute a binding contract between us.

If my/our bid is accepted, I/we are to be jointly and severally responsible for the due performance of the contract.

You may accept or entrust the entire work to one consultant or divide the work to more than one consultants without assigning any reason or giving any explanation whatsoever.

Bank shall not entertain any deviation to the clauses of this RFP and I/We agree to the conditions stipulated within this RFP during agreement execution with the Bank.

I/We execute Non-Disclosure Agreement with the Bank and report on the assignment in a week’s notice period, if selected.

Date: _____
Place: _____

Yours faithfully,

Signature:
Name of Signatory:
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Name of the Bidders / Company</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Address:</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Telephone No. / Fax Number: Email-ID: Website:</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Period in which you have been in the consultancy business for Flexcube, for which you wish to bid.</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Please provide a copy of the latest returns in case of Company/Firm</td>
<td></td>
</tr>
</tbody>
</table>
# Consultants’ Profile

**Please Note**: Attach complete CV, Certificates, Bank’s letter for assignment carried out

<table>
<thead>
<tr>
<th>#</th>
<th>Name of Proposed Engagement Manager /Proposed Overall person responsible/ Proposed Team Member</th>
<th>Professional Qualification</th>
<th>Certification/Accreditations</th>
<th>IT Expertise</th>
<th>Number of similar assignments involved in Commercial Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Documentary proofs are to be enclosed to substantiate the claims made.**

Date: 

Signature of the bidder
References Sites Details

Name of the Commercial Banks where Flexcube is implemented by the bidder. (Separate sheets may be enclosed for different Bank(s))

Copy of related engagement letter/orders to be enclosed.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Details</th>
<th>Bidder Reply</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Name of commercial bank in where Flexcube Solution has been implemented and you being Project Manager (end to end implementation)</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Implemented Version of Flexcube</td>
<td></td>
</tr>
</tbody>
</table>
| 3.      | Bank’s Detail
Contact Person:
Designation:
Telephone No.
Fax Number:
Email-Id: |  |
| 4.      | End to end implementation of Core Banking Solution, included:
   a. defining IT strategy and technical requirements, including hardware sizing, network architecture
   b. project management of Implementation of Flexcube - Oracle FCUBS version 11 onwards (for these two categories the documentary evidence must be enclosed) |  |
| 5.      | Number of Branches at the time of implementation |  |
| 6.      | Time in implementing the complete solution including interfaces |  |

Documentary proofs on respective Bank’s letter heads are to be enclosed to substantiate the claims made.

Date: ____________________________ Signature of the bidder
RFP for Selection of Technical Consultant

ANNEXURE-E

Commercial Bid

Name of the Bidder:
Address:

Quote:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Unit Price per Month (USD)</th>
<th>No. of Consultants (in case of company)</th>
<th>Total Price (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Professional Fee</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Banks shall arrange self-catering accommodation, Airfare, Local Transport, visa/work permit for maximum of 02 Consultants from a company or one if individual bidder.

(Rates should be quoted strictly in above format. Bids quoting rates in other than above formats will be summarily rejected.)

Service Tax, Sales tax, VAT, other applicable local taxes shall be paid over and above on actual basis on production of documentary evidence.

Bank will not be making any other payment except those mentioned in the commercial bid.

Signature of the bidder

The bidder with lowest total cost will be allocated 100 L score. The L score for other bidders will be calculated on the following basis:

\[
L \text{ score of current bidder} = \frac{\text{Cost of lowest cost bidder} \times 100}{\text{Cost of current bidder}}
\]

For Example

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Cost</th>
<th>Minimum cost</th>
<th>L score</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>80</td>
<td>60</td>
<td>(60x100 / 80)=75</td>
</tr>
<tr>
<td>B</td>
<td>60</td>
<td>60</td>
<td>100</td>
</tr>
<tr>
<td>C</td>
<td>70</td>
<td>60</td>
<td>(60x100 / 70)= 86</td>
</tr>
<tr>
<td>D</td>
<td>81</td>
<td>60</td>
<td>(60x100 / 81)= 74</td>
</tr>
</tbody>
</table>

Please note that decimal values will be rounded to the nearest number.

Bidder with highest Total score will be adjudged successful bidder. The Bank reserves the right to conduct the commercial negotiation.