

Questions and Answers – Round 1

Date: **3 June 2021**

Project: **Purchase of Cloud SaaS Treasury Management System (TMS)**

Reference Number: **UNDP/ITM/RFP/2021/009**

Closing date of tender: **18 June 2021 at 1pm New York Time (EDT)**

TO ALL INTERESTED COMPANIES

SUBJECT: Request for Proposals – Purchase of Cloud SaaS Treasury Management System (TMS)

INFORMATION: The following are questions received from bidders and their respective answers

1. Would you consider an extension of the deadline to submit from June 11, 2021 by 1pm ET?

Response: UNDP extended the submission deadline by one week until **18 June 2021 at 1pm New York Time (EDT)**. **Bidders are strongly encouraged to submit their proposals ahead of time to avoid potential technical issues which UNDP may not be able to troubleshoot at the last minute.**

2. Would UNDP accept Hosted, non-SAAS solutions or is this an automatic disqualifier?

Response: Looking for a TMS Cloud platform, non-SAAS solutions are not recommended.

3. Page 19 of the main document is written: " Financial Standing Minimum average annual turnover of USD100,000,000 for the last 3 years." Is this amount mandatory for an editor to compete for the RFP please?

Response: A minimum cumulative turnover of USD100M over 3 years is mandatory as per the RFP.

4. No. 19 in the Bid Data Sheet states that the initial term for the contract is one year. Is this a 'Must Have' requirement? Our minimum agreement term is 5 years. Please advise.

Response: UNDP plans to sign a Long-term Agreement (LTA) with the selected service provider for a period of 5 years. However, the UNDP Purchase Order (PO) or commitment will only be for one year. Subsequent extension of the subscription service (POs) will be subject to continued business needs, availability of budget as well as satisfactory contract performance.

5. How many users are in central treasury and if you have subsidiary or departmental users and if yes, how many users there too?

Response: Core Treasury: 16 -20
Subsidiary Department: 5-10

6. Is UNDP able to sign a Mutual Non-Disclosure agreement? If not, what is the process for the vendor to gain confidentiality on our proposal response?

Response: UNDP has a secure internal system to receive and maintain bids in strict confidentiality. Please refer to RFP Section 2, clause 26 *'Information relating to the examination, evaluation, and comparison of Proposals, and the recommendation of contract award, shall not be disclosed to Bidders or any other persons not officially concerned with such process, even after publication of the contract award...'*

7. Does UNDP require a minimum number of bids to award a contract?

Response: UNDP makes its award decision based on bids received in line with the evaluation criteria established in the RFP document.

8. Do you anticipate a BAFO?

Response: Under normal circumstances, UNDP does not negotiate on price alone for open competitive procurement processes. Please refer to UNDP Procurement Policy on Negotiation ([here](#)). Bidders are requested to propose their most competitive pricing that would demonstrate best value to UNDP.

9. Is there a date UNDP is targeting for Vendor Demonstrations? Will those be in person or remote?

Response: The date for Vendor Demo would be determined upon completion of Stage 1 in technical evaluation. The Demo will be remote, and bidders will be advised on the technical details for joining the session.

10. Will the financial proposal be reviewed prior to the demonstration?

Response: No. Financial proposals will only be reviewed after the demo and completion of technical evaluation. Only those offerors who obtain minimum of 70% of the total obtainable score for the technical evaluation and demo (stage 1 + stage 2) will be considered for financial evaluation. Please refer to RFP Section 4: Evaluation Criteria.

11. Does UNDP plan on a technical/security review as part of this RFP and what impact does that have on the evaluation/points? If yes, what is the timing, and what documents would you like to see (SOC 1/2, ISO 27001, etc).

Response: Yes, there will be a security review. UNDP needs to see an independent, third party audit of cybersecurity controls such as a SOC2 audit or ISO 27001 certification with its statement of applicability.

12. Which individuals from UNDP are participating on the evaluation committee and what are their roles within the business?

Response: The evaluation committee comprises of technical experts from the respective UNDP business units and facilitated by procurement team.

13. Would you like us to split the Returnable Forms Technical A - E file into separate forms and attach them individually to questions 2 - 6 in the online portal? Or leave them as one file and just attach that to question 2?

Response: The forms in the technical proposal, Forms A-E can be submitted either as a single file or separate files. However, it is important to note that the technical proposal and the financial proposal must be submitted in separate files and the financial proposal must be password protected.

14. Can you please elaborate on the contracting process. As the RFP mentions contract signature within 15 days of receipt. Does that assume a fully negotiated contract?

Response: Yes, the template of contract is provided in the RFP for advance review by bidders.

15. Is there an opportunity to negotiate the General Terms and Conditions prior to contract signing?

Response: The standard GTCs of UNDP are not negotiated. If there are provisions that are not covered under the GTCs, bidders may propose as part of their bid. However, it is to be noted that all provisions that modify the terms and conditions must be reviewed and approved by various offices in UNDP include Legal Office and the clearance process usually takes at least 4-6 weeks and more. Given the tight implementation timelines of this project, UNDP does not plan to engage into heavy legal negotiations.

16. Will UNDP consider a longer term contract to take advantage of savings and in reflection of the project magnitude?

Response: UNDP plans to sign a Long-term agreement (LTA) with the selected service provider for a period of five years. As such, bidders can propose options that would present best value for money for UNDP.

17. For implementation/consulting services, Time and Materials is preferred as to ensure the best pricing to UNDP. Please confirm this is an option.

Response: This is an option if bidders would like to share information. However, this will not be part of the evaluation process.

18. What is the relationship between UNDP and UN Pension Fund and do these two groups work together frequently?

Response: UNDP and the UN Pension Fund both fall under the UN umbrella, but all agencies work independently of each other and have separate accounting and reporting structures as well as internal business processes and third-party contracts. Some shared services are utilized from time to time, but it is not typically the case.

19. Please share the # of UNDP team members that will need access to each of the following: Bank Relationship Management, Primary and Secondary Cash Management, Payment (can create templates), Secondary Payment (initiation or approvals), Financial Instruments (Debt, Investments & fx)

Response: Core Treasury: 16 -20
Subsidiary Department: 5-10

20. Where will the system users be located? Does UNDP have secondary locations where you anticipate system users?

Response: System users will worldwide, with Core Treasury located in UNDP headquarters in NYC, and Subsidiary departments located in Kuala Lumpur, Copenhagen with the ability to expand to more locations if required.

21. Bank Connectivity: How is your current SWIFT BIC managed today? Internal direct connect? AL2? With a SWIFT Service Bureau? Would UNDP be open to moving to a true Service Bureau Offering?

Response: UNDP SWIFT AA infrastructure is self-managed, with the DR hosted with the Service Bureau. UNDP is open to options on full-Service Bureau as well as hosted Service Bureau with ability to retain its own BIC in either situations.

22. Bank Connectivity: On Figure 2 – Future State Architecture for A7 you list Tier 1 banks. Please identify which banks from your Bank Connectivity list you are designating as Tier 1

Response:

Tier 1 banks refer to the current supported H2H model in the current system. The below are the banks which must support as part of Tier1 banks:

BankOfAmerica
CITI bank
Standard chartered bank

For the rest of the banks listed, UNDP is looking forward to seeing the coverage in terms of connectivity/payment file support in order to scale up the H2H model across the globe. Appreciate if the feedback is received for the below comments.

- List the banks/branch with whom file connectivity already exists and for what kind of payments/currency.
- List the banks with whom connectivity can be established, how long it takes.
- List the banks with whom connectivity cannot be established.

23. Bank Connectivity: For Tier 1 banks can you identify the payment format scenarios required for each Tier 1 bank? Origination Country, Receiving Country, FX or no FX, High or Low Value?

Response: BankOfAmerica – payment file format is BAFF(proprietary)
 CIT BANK – PAYMUL and ISO2022 ver2 (supported payment file formats)
 Standard chartered bank. - ISO2022 ver2
 Bank statements – BAI2,MT940.

The file format varies based on each country based on the local regulatory requirements.

24. Bank Connectivity: The RFP states that you have Host to Host built today with SCB, CITI and BOA. Do you have payment files developed and tested today for those three banks where you would like the Payment Factory to blind route or STP those files, or are you look for transformation of those payment files as well.

Response: The existing payment file formats under current H2H model needs to be migrated to the new TMS cloud platform. The current file formats were developed in the current on-premises system which will be decommissioned post TMS cloud implementation. All the current payment file formats/Connectivity needs transformation in the TMS cloud platform.

25. Bank Connectivity: For A8 “In Country Banks” – are only low value domestic payments required?

Response: In country banks refers to the domestic payments as of now. But open to cross border payment option also.

26. Bank Connectivity: The RFP states 500 Active Bank Accounts. Can you provide the estimated number of bank accounts PER bank?

Response: The estimated no of bank accounts for each bank approximately 5 accounts except investment specific and ZBA accounts where UNDP is having multiple ZBA accounts for each country office globally for the replenishment/SWEEP needs. Most of the cases each country will have local currency and USD account and some specific project-based accounts.

27. Bank Connectivity: From the Banking list provided, please share which banks payments are sent to.

Response: UNDP is looking for the payment connectivity/payment file model most of the banks mentioned in the list.

28. Bank Connectivity: Is UNDP currently receiving the SWIFT 300,500, and 700 series messages to the existing BIC? If so, is it possible to describe the high level workflow after receipt of each of those messages?

Response: Currently UNDP is releasing the payments via SWIFT using MT messages purely on manual basis due to the H2H limitations in our current system. UNDP is looking for complete automated SWIFT MT messaging standards integration in new TMS solution for settlements where direct H2H solution is not possible. For example, MT 300 which is a trade confirmation message that needs to be interfaced automatically without any manual intervention.

29. Technical requirements: For the accounting function, is the preference to implement GL entries to PeopleSoft and then transition to Oracle Cloud after go-live? Wait until Oracle Cloud goes live to implement? Or other route?

Response: The accounting entries should be interfaced directly with Oracle cloud platform.

30. Technical requirements: Which hedge accounting standards are used by UNDP (IFRS, US GAAP, etc.)?

Response: We do not use hedge accounting. We follow IPSAS accounting standards.

31. Technical requirements: Does UNDP have an intercompany netting program in place today?

Response: Yes, we settle “interfund” netting transfers monthly. No FX multilateral netting or in-house banker (IHB) is required at this time but it would be a good option to propose and to be priced separately as an optional module.

32. Technical requirements: Is there currently, or potentially a future need, for FX balance sheet exposure management in addition to cash flow?

Response: Yes

33. Technical requirements: Does UNDP want the system to track uncleared checks?

Response: Desired but not mandatory.

34. Technical requirements: Does UNDP currently manage SEPA direct debit mandates, and if so, want those managed in the TMS?

Response: No, there are no SEPA direct debits.

35. Technical requirements: Which of the 16 eBAM XML messages, if any, in UNDP producing today?

Response: Currently UNDP is not having eBAM solution. ALL the bank account management activities are being done on manual basis which covers account opening, closing and Signatory management. UNDP is looking for Robust eBAM solution to automate through ISO20022 XML messages via SWIFT channel.

36. Technical requirements: Does UNDP have a data warehouse, or looking for TMS to act as data warehouse for all treasury related information?

Response: Yes, UNDP has a data warehouse and we are not looking for TMS to act as data warehouse.

37. Technical requirements: Question 43 – The ability to receive Receivables data from Oracle Cloud ERP FIN containing a reference number via an upload file OR REST-API to then initiate a payment transaction. – Can you provide an example of a type of receivable you would initiate a payment off of after import?

Response: The Receivables, payables and payroll information should be interfaced from Oracle cloud to TMS cloud platform to generate more robust cash forecasting functionality as part of Liquidity management.

38. Technical requirements: Regarding Deal Management - Investments - Is UNDP looking for forward curves or forecasted cashflows?

Response: Yes, forward curves and forecasted cashflow are in scope.

39. Technical requirements: Regarding Deal Management - Debt, Facilities, Letters of Credit, Guarantees & Collateral - Is UNDP looking for forward curves or forecasted cashflows?

Response: Yes, forward curves and forecasted cashflow are in scope.

40. Technical requirements: For Requirement # 182, Regarding In-country Lending Facility with Guarantees, can you provide more detail? Is this collateral allocation?

Response: Escrow accounts will be set up to cover the guarantee exposures.

41. Technical requirements: For Requirement # 25, Could you provide a description of SCA (service clearing account) process?

Response: SCA is an inter-company accounting structure to record receivable and payables when UNDP provides financial services upon request from a sister UN entity.

42. Technical requirements: Please provide detailed asset breakdown, including total AUM

Response: Total AUM for working capital is roughly USD 10 billion. Investments include: SSA bonds (fixed and floating), commercial paper, time deposits, CDs, and money market funds.

43. Volume: Please provide the estimated annual payment volume to go through the Payment Hub.

Response: The annual payment volume is 16B + with 900K+ transactions based on the year 2020 which covers supplier, travel, Treasury and payroll transactions which should hit the Payment hub in new TMS solution.

44. Volume: Please provide the estimated annual trade volume for investments, debts, FX, etc.

Response: Investments: USD 4 billion; FX: USD 3 billion

45. Volume: Please provide the estimated transaction annual volume for banking statements and GL Posts.

Response: The current annual bank statement transaction was 800K +. Currently UNDP is expecting to see the automated bank statements reporting from all the 500 bank accounts wherever possible. We are not using bank statement accounting, instead separate accounting protocol is established for bank fees, interest and Gain/Loss. Approximately 8K Treasury investments annually will hit GL.

46. Which entity is the "Bank Side": custodian, subsidiaries, clients? subsidiaries, clients

Response: Entity on the Bank side is "Bank"

47. What transactions are in the scope "Bank Side"? only interest and fees?

Response: Payments, deposits, Interest, fees and miscellaneous like gain/loss on the transactions.

48. What is the scope of the BTB Reconciliation: Position to GL, TMS to GL, Custodian to GL or something else?

Response: Both TMS to GL and position to GL integrating Cloud ERP and TMS. Expecting to see the best approach to manage the reconciliation process in TMS or Cloud ERP.