



The First MicroFinanceBank
اولین بانک قرضه های کوچک
'bank with a social mission'

Request for Proposal

For

**Oracle Flexcube Islamic Banking Modules License & Implementation
on FCUBS 12.0.3**

The First MicroFinance Bank-Afghanistan

Date of Issue: 25, Oct 2021



Milestone	Relevant Date
RFP Reference No.	-----
RFP Subject	Oracle Flexcube Islamic Banking Module License & Implementation on FCUBS 12.0.3
RFP Opening Date	12-Nov-2021
Deadline for Queries	10-Nov-2021
RFP Closing Date	10-Nov-2021

FMFB-A BACKGROUND:

The First Microfinance Bank, Afghanistan (FMFB-A) started operations in 2004 and is part of the Aga Khan Agency for Microfinance (AKAM), which has financial institutions operating in over 15 countries throughout the developing world. It is affiliated with the Aga Khan Development Network (AKDN), a group of nine development agencies working in health, education, culture and rural economic development primarily in Asia and Africa. We provide credit and deposit products to a wide range of clients including micro, small and medium enterprises along with commercial banking, international and domestic remittance services. Our credit activities focus on micro enterprises, small businesses and the creation of productive sources of income and employment.

Our primary objective in Afghanistan is to contribute to poverty alleviation and economic development through the provision of sustainable financial services to the poor and underserved. Since 2016, we are a member of the Global Alliance for Banking on Values (GABV) – an independent network of banks using finance to deliver sustainable economic, social and environmental development. Our values- based banking agenda focuses on providing affordable financial services that promote entrepreneurship, agriculture, incremental housing and clean energy in Afghanistan.

GOVERNMENT INCOME TAX OR WITHHOLDING TAX:

Pursuant to Article 72 in the Afghanistan Tax Law effective March 21, 2009, FMFB-A is required to withhold "contractor" taxes from the gross amounts payable to all Afghan for-profit subcontractors/vendors. In accordance with this requirement, FMFB-A shall withhold two percent (2%) tax from all gross invoices to contractors under this Agreement with active AISA or Ministry of Commerce license whereas non-registered partners'/vendors bidding for this RFP shall include 7% tax and the mentioned percentage will be deductible upon invoice payment.

LICENSES & BANK ACCOUNTS:

Before placing the order or signing Agreement, the local companies shall provide a copy of the organization's Ministry of Commerce license along with the TIN (Tax Identification Number) issued from Ministry of Finance.



Foreign companies shall also submit their country issued registration documents, Licenses, Taxation documents, brief introduction of the company and detailed proposal.

Bidding Companies are required to have the Bank account, only the winning company shall be asked to provide the bank details on the Proforma Invoice on the letter head of the company duly stamped and signed by the authorized signatory/signatories.

PROPOSAL CURRENCY:

The proposal currency should be USD (United States Dollars) whereas the transfer will be to local companies in AFN (Afghani) currencies considering the central Bank and market prevailing exchange rates and for foreign companies' fund will be transferred in EUR at bank mid-rate.

ACCEPTANCE, REJECTION OR POSTPONE:

The First Microfinance Bank of Afghanistan reserves the right to accept or reject any or all bids and to postpone the bidding process at any time/stage, without thereby incurring any liability to the affected bidder(s) or any obligations to inform the affected bidder(s) of the grounds for FMFB-A action.

CURRENT RFP OBJECTIVE:

The First MicroFinance bank has initiated to start the implementation of the Oracle FLEXCUBE Islamic banking solution and looking for a competitive vendor to successfully manage and implement the Islamic banking project that is fully compliant with Sharia laws and regulatory requirements such as Basel II and AntiMoney Laundering, allowing FMFB-A to ensure corporate governance and reduce risks.

Selective Vendor should take in to account to apply business processes i.e. contracts, lifecycle events and related accounting entries assessed by the Sharia Law and standards published by Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).

PROJECT APPROACH:

The overall project approach remains as following:

- The bidders are required to submit the detailed proposal for Oracle Flexcube Islamic Banking Implementation where the proposal must contain the technical and financial specifications.
- The bank will initiate the project upon selection of the Vendor.
- The bidders are also required to segregate all the costs associated to the Islamic Banking implementation, module configuration, data accuracy and project life cycle.

COMPANY CAPABILITIES:

Bidding companies should be the authorized and golden partner of the oracle and should have at least 5 years of work experience in the areas of Islamic banking system implementation and



product development, project management and project implementation in the financial sector. FMFB-A reserve the right to reject any proposal if the solution service does not meet the standards and project scope.

BIDDER AND PROPOSAL SELECTION/EVALUATION PROCESS:

Total transparency will be observed while opening of proposals and the evaluation/selection processes will be based on the following criteria:

- Technical Compatibility
- Oracle Golden Partner
- High Quoted Price
- Past experience on similar project with other financial institute

The Technical Proposals will be evaluated first for technical compatibility. Commercial Proposals will be opened only for the short-listed bidders who have qualified in the Technical Proposal evaluation.

INQUIRY AND RESPONSES:

The mode of delivering written questions to the aforementioned contact would be through email only with subject line as “Islamic Banking Implementation in FCUBS 12.0.3

The Bidders shall send their queries at the following email address. The last date for receiving the clarification requests is 05 Nov 2021. Any query received beyond the specified timeline would not be entertained under any circumstances.

Email: parwiz.popalzai@fmfb.com.af

Phone: +93 796259032

Email: muhib.kabiri@fmfb.com.af

Phone: +93 071 110 1112

VALIDITY OF PROPOSAL:

The pre-qualification, technical and financial bids shall be valid for a period of 30 days from the date of submission of the proposals.

DELIVERY:

To be able to successfully complete the Islamic banking Implementation, functional Testing, UAT and post go live support under the current version of FCUBS 12.0.3 and as per the Bank requirement, following services should be achieved and delivered within project timeline.

- Enabling the Islamic Financing and Investment modules in FCUBS 12.0.3 including all licensed products as per need of the bank.



- Providing Product walk through and FCUBS 12.0.3 Islamic features functionalities that comply with the Sharia law.
- Parameterization and implementation of Islamic investment and financing services as per the bank requirement.
- Conversion and migration of existing conventional active contracts in to Islamic banking respective products as needed by the bank.
- Developing test case scenarios for User acceptance test and providing dedicated support for execution and fixing the issues and coordinating the training to the end users.
- Performing Functional testing with the Bank to enable system functionalities as per bank requirement and compliance with sharia law.
- Provides online ticketing portal for the follow up and updating the issues.
- Performing Stress testing for Islamic Mandatory batch process, EOD timing and PDM batches.
- Vendor to develop, tune and submit accurate reports based on bank requirement.
- Vendor to implement PDM module in such a way that further manual interventions are minimized.
- Segregation of Islamic data from Conventional banking, that include reporting GLs and customers in financing and Investment modules.
- Perform Customizations if required by the bank during the Implementation with no additional cost.
- Vendor to provide list of functional and technical deviations before sign off of the project for implementation.
- Vendor to be able to perform an impact analysis and ensure that Islamic modules will not affect other channels of banking and Islamic segment customers are able to operate through rest of bank service channels.
- Proper Documentation of all changes and customization should be delivered to the bank.
- After successful completion of Islamic UAT, should coordinate to perform the month end and year end life cycle to verify Islamic financing and investment accounts in the system and make sure the resulted data are consistence, accurate, matching with financial accounts and report.
- Providing post go live support and training.



- Closure of all ticketing issues.
- Providing Project Closure report and Sign off.

Schedule Period for Service Delivery;

No	Activities Breakdown	No-Days
1	Product Walkthrough	7
2	Enabling the Islamic Modules in FCUBS 12.0.3	8
3	Product Parametrization and Set up	18
4	Developing Test Case Scenarios	5
5	End User Training	7
6	Functional/Technical Adequacy Training and Coordination with the bank requirement	7
7	Islamic Data Segregation from Conventional Banking	10
8	User acceptance Test round (1)	20
9	User acceptance Test round (2)	10
10	Stress Testing for Islamic batch process, EOD Tuning, Data perching and Archive	5
11	Closing the Stopper issues	5
12	Performing Month end and year end in the system to make sure the data accuracy and consistency for the Islamic accounts and Financial data and report.	5
13	Completion of Customization and prepare of the Islamic modules for Go live	10
14	Go live (Preparation and Official launch)	3
		120
Post Go Live Phase		
1	Post Go live Support	30
2	Customization Document Delivery	5
3	Project Closure report & Listen Learned	3
4	Project sign off	2
Total Number of Days		40

ORIGINAL DOCUMENTS TO BE DISPATCHED:

- Proforma Invoice
- UAT sign off
- Post Go live sign off

PROPOSAL SUBMISSION GUIDELINES:

Proposals must be submitted to info@fmb.com.af not later than 15 Nov 2021 – 03:00 PM.
Bids/Proposals received after the due date will not be considered at all.