



THE GOVERNMENT OF THE BAHAMAS

REQUEST FOR PROPOSAL

PROJECT MANAGEMENT - TAX INFORMATION REPORTING SYSTEM
US Foreign Account Tax Compliance Act
Common Reporting Standard –
Automatic Exchange of Information

Ministry of Finance
Issue Date: June 26, 2017



1) Introduction and Background

The Ministry of Finance wishes to implement a comprehensive integrated application to manage both the United States of America's Foreign Account Tax Compliance Act (FATCA) and the Organisation for Economic Co-operation and Development's (OECD) Common Reporting Standard for Automatic Exchange of Information (CRS - AEOI).

In order to achieve FATCA compliance, the Commonwealth of The Bahamas entered into a Model 1 Inter-Governmental Agreement (IGA) with the USA. Through the IGA and enabling legislation, Foreign Financial Institutions (FFI's) incorporated in The Bahamas are required to report specified information with respect to US account holders to the Competent Authority (CA) in a standardized electronic format established by the IRS. The Competent Authority then transmits that information to the IRS.

Following the establishment of US FATCA, the OECD created a standard for automatic exchange of financial account information in tax matters to establish a global standard for the automatic exchange of information. The scale of CRS is much greater than FATCA and it extends to any customer who is tax resident in a "reportable jurisdiction". The Common Transmission System (CTS) platform was created to facilitate the exchange of tax information between Competent Authorities (CAs) around the world, securely and efficiently. Bahamas registered financial institutions (FIs) will submit specified information in the required format to the Bahamas CA which will in turn connect to the CTS to exchange that information in a secure way with the relevant CA through the CTS.

The goals and objectives of the engagement include:

- Managing the Tax Information Reporting System Project to ensure that The Bahamas meets its reporting obligations under FATCA and CRS in a timely, secure and efficient manner;
- Managing stakeholder communication to ensure engagement of stakeholders and appropriate communication flow;
- Preparing internal and external stakeholders for operational changes to take place;
- Participation in roll-out activities associated with the launch of the reporting system;
- Advising the CA on FATCA and CRS legislation and guidance notes as they relate to reporting requirements.

2) Delivery Schedule

- a) The Commonwealth of The Bahamas will meet its reporting obligations to FATCA in August 2017 using its existing platform.
- b) It is anticipated that Bahamas will conduct its first CRS exchanges in 2018. In order to meet this commitment, the integrated application for FATCA and CRS will need to be in place by November 17, 2017. This will allow a reasonable period for FI registration and individual FI submission as well as testing of the CTS platform.



3) Content of Responses to this RFP

The firm undertaking this project will have expert knowledge of FATCA and CRS-AEoI and will have relevant previous experience in providing advisory services to governments and the financial services sector with respect to these reporting regimes. Firms responding to this tender should ensure that their response contains the following information:

- a) An inception report with a detailed work plan and project management methodology
- b) An implementation/roll out plan for the reporting system
- c) A detailed price proposal which will cover the following:
 - (1) Projected HR costs (lump sum);¹
 - (2) Travel/living expenses (lump sum);
 - (3) Training (lump sum);
- d) Biographies and relevant experience of key staff and management personnel. List of personnel who will work on this project along with their qualifications and relevant experience as well as affirmation that no employees working on the engagement have ever been convicted of a criminal offence either inside or outside the Commonwealth of The Bahamas;
- e) Company overview including:
 - i) Official registered name of company, business address, main telephone number, toll-free numbers, facsimile numbers, e-mail address and website URL;
 - ii) Key contact name, title, address (if different from the above address), direct telephone, fax numbers, e-mail address;
 - iii) Name of person authorized to contractually bind the organization for any proposal against this RFP;
 - iv) Brief history, including year established and number of years the company has been offering this type of services;
 - v) Organization size and structure, and annual turnover rate of staff;
- f) Three corporate references, including company name, contact name, title, address, telephone number, e-mail and client relationship synopsis.

4) Administrative Information

a) Designated Contact Person

The Designated Contact Person for this RFP is:

Catherine Gibson
Ministry of Finance
Cecil Wallace-Whitfield Centre
West Bay Street
P.O. Box N3017
Nassau, The Bahamas

Email: catherinegibson@bahamas.gov.bs

¹ This cost would represent the maximum budget to be allocated. Any additional costs would have to be agreed in advance with MoF.



b) Proposal Delivery Office

For the purpose of this Competitive Selection Process, delivery of Proposals may be made electronically to the Designated Contact Person at the email address provided below. Respondents are also requested to deliver four sealed hard copies of the proposal to the following address:

Chairman
Tenders Board
Cecil Wallace-Whitfield Centre
West Bay Street
P.O. Box N3017
Nassau, The Bahamas

Attention: Simon Wilson
Financial Secretary

Labelled: - RFP – Ministry of Finance, FATCA CRS-AEOI Advisory

E-mail to the Designated Contact Person at catherinegibson@bahamas.gov.bs

c) Closing Time

Proposals must be received electronically and in hard copy before 4:00p.m. local time (Daylight Savings Time) on July 24, 2017 (the "Closing Time").

The Designated Contact Person will send a confirming email following receipt of an electronically submitted Proposal. If such confirmation is not received the onus is on the Vendor to re-submit the Proposal, and to follow up for confirmation.

Late proposals will not be accepted and will be returned to the Vendor unopened.

Note: Please ensure that if a third party carrier (Federal Express, UPS, DHL, etc.) is used, they are properly instructed to deliver your proposal to the location specified above.

d) Amendments

At any time prior to the close of the RFP, the Ministry of Finance may alter, amend, delete or add to, in whole or in part, any terms or provisions of this RFP. The Ministry of Finance will publish any such modification or amendment, revision or addendum in writing to all vendors by hard copy or e-mail.



5) General Terms and Conditions

a) Applicant's Responsibility

It is the applicant's responsibility to ensure his/her complete comprehension of the requirements and the instructions vis-à-vis products/services/ requested by the Ministry of Finance. To clarify any discrepancies, it is required that **applicants submit their inquiry in writing** (as specified above).

b) Negotiations

The Ministry of Finance reserves the right to enter into discussions or negotiate with an applicant as it deems essential, or with another applicant or applicants concurrently. In no event will the Ministry of Finance be required to enter into discussions or negotiations on similar or other terms or offer any modified terms to any other applicant prior to entering into a bidding contract. The Ministry of Finance shall incur no liability to any applicant as a result of these discussions, negotiations or modifications.

c) Other Terms and Conditions

- i) The Ministry of Finance reserves the right to accept or reject any or all bids;
- ii) All proposals will be considered final. No additions, deletions, corrections or adjustments will be accepted after the time stated for submission has expired;
- iii) The Ministry of Finance shall not purchase goods or services from any business owing taxes to the Government of the Commonwealth of The Bahamas;
- iv) Proposals received after the designated time of receipt will be considered as "NO BID" and "VOID". The time stamp for proposals submitted will be calculated based on that of the Ministry of Finance. It is the applicant's responsibility to allow sufficient time for delivery and submission to the designated place;
- v) Applicants must disclose and include as part of their proposal, all costs, products and services required for the complete solution with such costs including any and all third party vendors.

c) Waiver of Minor Irregularities

The Ministry of Finance reserves the right to waive minor irregularities in proposals, providing such action is in the best interest of the Ministry of Finance. Minor irregularities are defined as those that have no adverse effect on the Ministry of Finance's best interests, and will not affect the outcome of the selection process by giving the respondent an advantage or benefit not enjoyed by other respondents.

6) Evaluation Factors For Award

Any award to be made pursuant to this RFP will be based upon the proposal with appropriate consideration given to operational, technical expertise, cost and management requirements. Evaluation of offers will be based upon the applicant's responsiveness to the RFP and the price quoted for all items covered by the RFP.



The following elements will be the primary considerations in evaluating all submitted proposals and in the selection of a Service Provider or Service Providers:

- i) Completion of all required responses in the correct format;
- ii) The extent to which Respondent's proposed solution fulfils Ministry of Finance's stated requirements as set out in this RFP;
- iii) An assessment of the Respondent's ability to deliver the indicated service in accordance with the specifications set out in this RFP;
- iv) The Respondent's stability, experiences and record of past performance in delivering such services;
- v) Availability of sufficient high quality personnel with the required skills and experience for the specific approach proposed;
- vi) Respondent's acceptance of Ministry of Finance's contractual terms and conditions;
- vii) Overall cost of Respondent's proposal.

There will be no award if the Respondent has any violations or past due debt with the Government of The Bahamas.

The Ministry of Finance may, at its discretion and without explanation to the Respondent, at any time choose to discontinue this RFP without obligation to such Respondent.

7) Chain of Command

The project is owned by the Ministry of Finance whose daily operations are supervised by the Financial Secretary. A project Management Committee exists for oversight of the project. Final decisions must be approved by the Financial Secretary and Minister of Finance. Matters with financial or policy implications may have to be referred to the Cabinet.

Simon Wilson
Financial Secretary, Ministry of Finance

26/6/17
Date