

CENTRAL BANK OF THE BAHAMAS

PAYMENTS SYSTEMS MODERNIZATION INITIATIVE (RTGS Implementation) REQUEST FOR INFORMATION

JUNE 2003

Background

Following substantial consultation with financial sector institutions The Central Bank of The Bahamas is leading an initiative to modernize all aspects of the national payments and securities clearance & settlement systems to ensure that these systems satisfy the business needs of all sectors of the real economy as well as those of the financial institutions.

Much discussion has taken place during the past two years and, although the current cheques and card systems are working quite well, there was a clear consensus that a modernisation initiative is justified.

The Central Bank, having consulted with the CEOs of the commercial banks, determined that the initiative should be undertaken as a matter of urgency. The resultant strategy documentation contains conceptual descriptions of any required new systems, an implementation plan, implementation responsibilities, system acquisition strategy, and estimated implementation costs. In essence, the strategy document provides an agreed sound basis for all subsequent procurement and implementation activities.

A National Payments Council consisting of the Chief Executive of each Clearing Bank plus the Deputy Governor of the Central Bank has been established to direct the long term strategy of payments systems in The Bahamas. The Council has delegated responsibility for the implementation of a Real Time Gross Settlement system to the Central Bank. This project is now moving into the systems acquisition and implementation phase and the Central Bank invites responses from suppliers interested in supplying a Real Time Gross Settlement system.

Confidentiality

All information exchanged between the parties under this project remains the property of the sender and must not be disclosed to third parties without the explicit written consent of the owner.

Project objectives

The objective of the project is to provide The Bahamas with a modern RTGS system as part of its drive to modernize its payment systems. The RTGS system will be the cornerstone of any future payments strategy and act as the settlement system for other systems. All systems must demonstrate compliance with internationally accepted standards and contribute to the overall risk reduction objectives of the Central Bank.

Selection protocol

Those companies electing to respond to this Request for Information by the specified date will be evaluated as to suitability. A short list of (maximum) three

vendors will be selected to receive the full Request for Proposal (RFP). Those vendors not selected to receive the RFP will be notified in writing.

Communication

During the vendor selection process The Central Bank of The Bahamas will treat all vendors equally. To this end, no vendor will be allowed to make individual approaches of any kind to the Central Bank unless specifically requested to do so. Any such request by the Central Bank will also be extended to all vendors still taking part in the selection process. All information distributed by the Central Bank will be distributed equally to all vendors. Questions posed by vendors, and the Central Bank responses, will also be copied to all vendors.

Except in exceptional circumstance during the RFI process communication will be in writing whereby 'writing' includes e-mail, fax and exchange of computer files. Vendors may submit request for information up to start of business on Monday 21st July 2003. All queries from all vendors, together with the Central Bank response will be distributed as a single document after Monday 21st July 2003.

Once the RFP has been issued to those companies on the short list of recipients, a vendor information day will be held at which those vendors can meet with the Central Bank Project Team in order to clarify any issues relating to the completion of the RFP.

Vendor Queries

In order for the Central Bank to judge your company's suitability to provide the proposed Real Time Gross Settlement system please provide the following information:

- A comprehensive company profile including financial data for the last three years, corporate structure and history.
- A detailed description of your company's specific experience in providing RTGS solutions including data on live sites.
- A brief description of the approach your company would take to implementing the solution including a typical schedule of events.
- A brief overview of the technical solutions you might offer including hardware platforms, software language used, software architecture etc.
- An overview of the support program offered as part of the solution.

As a second phase to the project, the community is looking to implement an Automated Clearing House (ACH). It would be useful, therefore, if your company could also give brief details of its experience in providing ACH solutions. Please note that lack of experience in this area will not affect eligibility to provide the

RTGS solution but neither will proven experience guarantee inclusion in the ACH selection process.

Timetable

The proposed implementation date for the RTGS system is April 1st, 2004. In order to achieve this, the following timetable has been proposed:

- Responses to RFI by start of business July 21st July
- Vendors notified of selection Friday 1st August
- RFP issued by 5th August
- RFP responses received by September 12th
- RFP responses evaluated by September 26th
- Contract negotiations with selected vendor completed by October 24th.

Contact

The contact point for all vendor enquiries in respect of this initiative is:

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