NATIONAL PENSION SCHEME AUTHORITY

NOTICE TO ALL BIDDERS

ADDENDUM No. 1

NAPSA/DIT/005/16: **TENDER FOR THE DESIGN, SUPPLY, INSTALLATION AND COMMISSIONING OF A BIOMETRIC AND SMART CARD SYSTEM**

Reference is made to the above captioned tender.

Bidders are advised to obtain the following documents which form Addendum No.1 at National Pension Scheme Authority,3rd Floor, Levy Business Park, Corner of Kabelenga and Church roads, Lusaka:

(a)   Minutes of pre-bid meeting
(b)   Responses to queries

Please note that the closing date has been extended from 10th November,2016 to 24th November,2016.All other details remain the same.

James M. Chimpinde
Procurement & Stores Manager
NATIONAL PENSION SCHEME AUTHORITY

Issue Date : 28th October,2016

S/N	QUESTION	RESPONSE
1	Will the project be funded by NAPSA or it is donor funded and also what budget line is attached to it.	The project will be funded by NAPSA and the budget figures cannot be released.
2	Since the briefing was not compulsory will the clarifications be published on the website so that even those absent can have the information	The minutes of the meeting will be published on the website and an addendum issued to that effect,
3	"Since the system should be able to house a minimum of 50 institutions that can offer a number of services e.g. bill payments." What operations are you considering to integrate with these 50 institutions	The system should have capability to integrate but it doesn't mean we are going to have 50 at a go .e.g. ZESCO can be integrated to pay bills i.e. through the solution and most houses looked at already have a system
4	Is there a specific interface for integration that should be considered	Yes. Refer to REQ_ID number 1 on page 168 of the RFP Document.
5	When you mention mobile virtual accounts, are you referring to the wallet- enabled smart card? If not, what are you referring to?	YES-we are referring to the wallet enabled smart cards
6	How many users should receive training to use the system	The bidder needs to mention how many users they are able to train as trainers can be linked to the system
7	Can you provide a list of the points of service NAPSA currently has within their location	NAPSA has 29 points of service (i.e. Offices) located around the country but for this implementation, this will increase to include places like supermarkets, post-offices, etc.
8	Should we provide hardware and licencing for severs for the environments; development, testing, quality assurance,	Refer to REQ_ID 29 and 30 on page 174 of the RFP document. Apart from the pieces of hardware mentioned in REQ_ID 30 (including enrolment kits), the bidder is only expected to state the minimum hardware requirements that can work with their proposed solution.

	training, disaster recovery and production or just provide the specifications for these environments?	
9	For identifying bankable population groups (citizen or non-citizen) with unique bank identity number, will it be needed to integrate with external institutions like banks? Which services or interfaces should be considered?	The integration with the Banks is not in the scope of this project. All NAPSA members will be identified by the NAPSA social security number (SSN) together with their other associated details sitting on the SSN.
10	For citizens that can have a bank account, transfers will be made to that bank account? Is this interpretation correct?	NO- All payments through this solution will be made to the card through e-wallet account on their cards.
11	"The system MUST be on-line and real time as well as able to work off-line" what kind of operations do you expect to manage offline? Is it admissible that each client is assigned to a specific POS concerning offline operations?	Refer to REQ_ID numbers 6 (i.e. page 163), 7 (i.e. page 164) and 2 (i.e. page 168) of the RFP document. Almost all user operations such as registration (or KYC), payment processing (e.g. deduct amount on the card), etc. should be done both offline and online. A mechanism to synchronise with the main system, after performing offline transactions, should be put in place when each Kit or POS gets connectivity.
12	"Front-end POS device and ATM software that can co-exist with the other 3rd party application and have biometric authentication capability"- what ATM software are we referring to? Could you describe and use	This is expected to be the standard ATM software but with biometric capabilities to identify the card holder when the card is being used on the ATM. The bidder can propose a use-case of how their solution achieves this requirement at the system design stage with the successful bidder.

	case that illustrates this requirement?	
13	What formats should be considered for electronic transfer of funds?	There will be no transfer of funds to different banks through this solution.
14	We are assuming Siebel will keep being the master of the beneficiaries and employers data. Is this true?	YES but this solution will then hold the biometric information of all beneficiaries and employers.
15	What are the main operations supported by Siebel nowadays?	Contributions (i.e. registration and returns processing) and Benefits (i.e. claim processing)
16	What is the version of NAPSA's oracle Siebel? What are the main modules installed?	The Siebel version we are using is 15.00. Below are the modules being implemented.

Siebel CRM Base - Application User Perpetual

Siebel Financial Services CRM Base Option - Application User Perpetual

Siebel Public Sector CRM Base Option - Application User Perpetual

Siebel SmartScript - Application User Perpetual

Siebel CRM Desktop - Application User Perpetual

Siebel Group Pensions - Application User Perpetual

Siebel Group Policies - Application User Perpetual

Siebel Tools - Application User Perpetual

Siebel Data Quality - Application User Perpetual

Siebel Financial Services eService - Processor Perpetual

Siebel CTI - Application User Perpetual

Siebel Email Response - Application User Perpetual

| 17 | Do the physical points of service have access to the Siebel application | NO except for those within NAPSA offices. |

18	Does NAPSA currently have an integration layer? What technology is it based on?	Assuming with Siebel, this will be discussed with successful bidder. But the proposed solution should be able to work with and integrate with oracle Siebel
19	Do you consider that this project will imply making changes to the Siebel platform? If yes, is it included in the scope of this project, or NAPSA will have a 3rd party making those changes?	NO
20	Is there any specific requirements about the cards material (ex: PVC,PET, POLYCARBONATE)	The respondent should state their proposed card and only ensure that their card must have the best known standard security features and be of near life durability.
21	Should it have details printed on it e.g. personal details, serial number and logo	Yes, standard branding with serial number and logos should be done but printing of other dynamic data such as personal details should be done using the enrolment kit when issuing the card
22	Is the printer part of the deliverables	YES – because we would have to go in the field with the whole kit
23	Should legal, medical, personal or any other information be carried on the card? Are we interfacing to something?	Yes. We may not know how much information is out there in these categories but the card should have capability to capture the minimal standard information in each of these categories (e.g. Legal, medical, etc) as this may be used by NAPSA in the near future. We are currently not interfacing with any such institutions.
24	What kind of security is expected on the card	It needs to have best known standard card security features as well as biometric authentication. Refer to REQ_ID 13 on page 166 of the RFP document.
25	Is there some base design that should be used for the new cards?	Yes it is there but that will have to be discussed with successful bidder as some amendments may need to be done to what's available.
26	Is there any specific requirement about cards graphic design that in what concerns security elements and against copy?	Yes, this should be provided for as part of the delivery of the biometric cards. Refer to point 25 above and 29 below.
27	Are there any specific requirements related to the smart	Yes, this should be part of the delivery of the mobile Kits which will be used to issue cards among other services. Refer to point 29 below.

		card personalisation technology?	
28	Beyond the 2000 smart card batch, what is the approximate prediction of amount of cards to be emitted in the first and following years?	Approximately +-2000 more smart cards each year may be required	
29	How will the process for personalisation of each smart card be? Do you want to have a single place where smart cards are customised or a decentralised process in various service locations?	Standard card design can be done centrally but personalization when issuing will not be centralised, all stations should have the facility and ability to personalise and then issue using the mobile Kits.	
30	Should they be issued offline	YES- Since the mobile kits will be synchronised with the main system. Refer to REQ_ID 3 and 6 on page 163 of the RFP document	
31	In case it should be a decentralised process, how many locations will have the possibility to customise smart cards? For each of those places, how many smart cards are predicted to be customised each year?	A minimum of 29 locations (i.e. all enrolment kits delivered should have this capability to customise cards). For the estimates, refer to point 28 above as an overall for all service points as the actual distribution for each location cannot be determined at this stage.	
32	Should the bidder include equipment to customise the smart cards	YES (i.e. Mobile Kits). Refer to point 29 above.	
33	Who will be responsible for the operation of emitting smart cards?	NAPSA (staff will have to be trained)	
34	What elements should be graphically customised on smart card (alphanumeric data, photo, images or other)	Alphanumeric data and images	

35	In case you want the photo of the beneficiary to be printed in the card, should it be in colour or black and white	This should be in colour
36	What should be the validity of each card after emission?	Refer to point 20 above
37	Could you describe the use cases that you wish to support through biometric and bank features, including the interactions with POS, ATM and data capture locations?	The bidder should propose and then the final architecture will be discussed at design stage with the successful bidder.
38	On the smart card, beyond the finger print data, is it necessary to save additional biometric data	For now just the finger prints and images
39	How many finger prints per record do you want to have registered in the system and in the smart card?	All 10 fingers each (i.e. for the principle person and the proxy) bringing it to 20 fingers to be registered in the system and eventually on a card.
40	Should the beneficiary photo be registered in the smart card chip?	YES
41	Should the beneficiary photo be saved as an image or also as biometric information for automatic recognition? Should it be plus finger prints of the beneficiaries?	The photo should be stored as biometric information. No, only information for the principle and proxy will be stored on the card.
42	Should information for the beneficiary be stored on the card?	Refer to points 39 and 41 above
43	Beyond the finger print authentication, the alternative security input for	YES – biometric authentication is an extension to the standard PIN authentication so both should be available on the card.

	authentication will be a PIN number?	
44	"following the previous question" how about the disabled ones	Assuming the don't have all their 10 fingers, they can use the PIN as an alternative or the proxy will have to come in as back up.
45	Is it needed to implement a KPI responsible for the digital certificate emission and /or electronic signature, with which there should be integrated?	This will only be required whenever a need to integrate with external systems arises (e.g. passing an instruction file to the bank). Otherwise, the kit should be all inclusive to be able to capture electronic signatures of all NAPSA clients.
46	Beyond authentication and verification, the card holder should be able to digitally sign the card?	YES
47	The applications on the card with personal, bank and other data should be disjunct from each other by different partners.	YES – No wonder the e-wallet enabled card comes in as it is separated on the wallet
48	Is it said that smart cards should be compatible with ATMs with biometric features. What are the specifications of these ATMs that should be considered?	This refers to ATMs with biometric authentication capabilities (e.g. Fingerprint or facial recognition authentication) apart from the standard ATM features.
49	A request was made to extend the closing date for submission of bids	We would have run the tender for four weeks but it has run for 6 weeks and as such may not be extended further.
50	We would want to know when the authority will get back to us with responses of queries raised	Taking into consideration the holidays coming forth, we hope to communicate to all by Wednesday next week. And if there are any other queries, all should be sent before we respond.
51	With the 21 days window, how do you count the days?	It's not later than 14 days prior to closing date.

52	Should all enrolment kits be mobile or stationed?	They should be mobile
53	Should the database be an oracle application?	Refer to REQ_ID 20 on page 172 of the RFP document. For as long as it can integrate perfectly with our current oracle on which our pension administration systems are running
54	"Online electronic funds loading" what does it mean? Can a pensioner load additional funds?	This simply mean the POS can be able to load funds onto the card whether it's in an offline or online mode. Pensioners will only be able to load funds disbursed to them by NAPSA.
55	With ITB 6 what should be provided by foreign bidders?	Since the tender is Open National Bidding, the foreign firm can form a joint venture with a local firm in order to ensure compliance to all the requirements.
56	Who should the lead partner be?	The partners in the Joint Venture should choose the Lead partner.
57	With margin of preference, how will the joint venture be treated?	If the local partner in the Joint Venture is eligible for the preference, then the following preferential margins shall apply in accordance with the Citizen Economic Empowerment Commission Registration : I. Citizen Influenced companies – 4 percent II. Citizen Empowered companies – 8 percent III. Citizen Owned companies – 12 percent
58	Can you reconfirm the currency of the bid?	ZMW or any freely convertible currency.
59	Should the kit have capability to have GSM?	Yes it should have this capability to either use an inbuilt SIM or a dongle via USB to allow the kit to have connectivity especially in remote places.
60	Should the kit have a sim	Refer to point 59 above.
61	Are the bidders to supply the network?	NO – NAPSA will provide connectivity
62	Where the specifications done by NAPSA in house or it involved external parties?	It was done IN-HOUSE
63	What budget range is in place putting into consideration that foreign companies may be interested to venture?	Standard regulations do not allow us to disclose the budget but what is important to the bidders is to give a competitive propose at all 3 levels of evaluation (i.e. Preliminary, technical and financial)
64	Are you satisfied with the solution	YES - Since the initial requirement is from us and we have seen it work elsewhere.

	requirements? And do you see it work	
65	Can you mention a company which has implemented a similar solution and it has worked	Such solutions have worked in countries like Botswana and Ghana. Bidders are encouraged do their own research on such solutions if they have any doubts of them working.
66	What is the duration of the project and are there any plans for post implementation?	Bidders are encouraged to include their proposed implementation plans but the final one will be agreed with the successful bidder. Refer to REQ_ID 24 on page 173 and ITB 14.1 of the RFP document.
67	What is the delivery period?	Refer to point 66 above.
68	BG Amount not mentioned, please provide the Bid Security Amount to be furnished.	Refer to ITB 17.1,the Bids Must be secured by a bid securing declaration and not a bid security. The Bid Securing Form is under the section for sample forms in the solicitation document (Sample Form No. 4). Note that the suspension period on the form shall be three years.

69	Unless otherwise specified in the BDS, the prices shall be quoted on a CIP (named place of destination) basis, exclusive of all taxes, stamps, duties, levies, and fees imposed in the Procuring Entity's country. "ITB 14.4 (a) For foreign goods priced on a DDP (named place of destination) basis: (i) The contract of carriage shall include the cost of unloading the goods at destination, as well as payment by the Supplier of the cost of custom formalities, duties, taxes or other charges payable on the foreign Goods for their transit through any country other than the Purchaser's country. 14. Taxes and Duties Any duties, such as importation or customs duties, and taxes and other levies, payable in the Procuring Entity's country for the supply of Goods and Services from outside the Procuring Entity's country are the responsibility of the Procuring Entity unless these duties or taxes have been made part of the Contract Price.	The prices Must be DDP

14. Taxes and Duties (GCC Clause 14) The price should be quoted with VAT, Customs Duties applicable in the Republic of Zambia. However, the VAT and custom duties should be quoted separately in the bidder's bid Please confirm on these clauses as these are conflicting."	

70	The price of Services shall be quoted in total for each service (where appropriate, broken down into unit prices), separated into their local and foreign currency components. Prices must include all taxes, duties, levies and fees whatsoever, except only VAT or other indirect taxes, or stamp duties, that may be assessed and/or apply in the Procuring Entity's country on/to the price of the Services invoiced to the Procuring Entity, Unless otherwise specified in the BDS, the prices must include all costs incidental to the performance of the Services, as incurred by the Supplier, such as travel, subsistence, office support, communications, translation, printing of materials, etc. Please confirm if we need to include VAT or other indirect taxes on Services or not?	All taxes must be included on services.
71	Perform "a one to select" biometric search at the time of registration in order to prevent a person from being in the central database more than once.	This refers to the database coming with the proposed solution by the bidder so the bidder should ensure this functionality to search using biometric works within their proposed solution.

	Please confirm the capacity of the central database?	
72	"BIOMETRIC AND SMART CARD SOLUTION SCOPE The system must be scalable and provide a multipurpose platform for different financial/non-financial participants." Please provide few examples of Non Financials Participants, and their scheme or services which will run from this platform?	Refer to REQ_ID 17 of page 166 of the RFP document.
73	"A real-time online fingerprint matching & searching facility to detect individuals attempting to be in the database more than ONCE. The system MUST be able to support multiple concurrent users". Please share concurrent request performance requirement for the platform. We have to size the system accordingly. How many POS terminal will hit the server per	Refer to REQ_ID 30 on page 174 of the RFP document for the minimum numbers required but expected to grow in subsequent years at an estimated rate of about 19% each year.

	minute on Peak Load Situation?	
74	A secure Central PAYMENT SERVER that can facilitate different financial institutions / issuers housing the smart card and mobile virtual bank accounts, and managing interbank switching, settlement & clearing combined with a suite of smart solutions. "Please confirm who will provide and host the clearing house and settlement system. Is it part of the scope of work?"	No its not part of the scope, the bidder can just make propose on providers and hosts.
75	The system suppliers MUST commit to setup a development, testing, quality assurance, training, and disaster recovery and production environments and the supplier should state the minimum hardware specifications required to setup these environments. "Please confirm if the system can be provided on cloud?	No, currently we don't have authority to store the institutional systems and data in the cloud.

		This will allow minimizing the cost and data centre space. "	
76	The system MUST operate as an integrated unit with the NAPSA core system (i.e. Oracle Siebel Application) Will we provide interface / API of our system, we understand Oracle will consume our services and do the development on their side.	No, oracle will not do any development on their side so the proposed solution should provide for this integration without changing the oracle side.	
77	The system MUST be able to support multiple concurrent users Please share the expected No of Concurrent Users during peak load	Refer to point 73 above. This means a minimum of about 150 concurrent users to start with which includes POS, enrolment Kits and back office administration users.	
78	Cost Summary Table Price Formats shows some BOM details, please confirm correct details	Please provide pricing as per our technical requirements the BOM details provided in the sample forms are just a guide.	
79	Network and hosting services will be provided by NAPSA	YES	

80	POS - connectivity charges will be provided by NAPSA or supplier? Also if we have to provide the same share the DATA requirement on monthly basis.	NAPSA will provide the connectivity required.
81	"Smart Card Printing, which location will be provided for setting up printers? It should be connected with Main Data Centre or should it be inside DC Location itself. Also please clarify how these Smart Cards will be delivered to the Members / Employers? Is there any need of printing Smart Cards for Employers also? Please clarify if required."	Refer to points 21, 22 and 29 above. Further, printing of smart cards for employers will not be required.
82	Manages and processes the flow of funds in the form of smart card transaction values or mobile interbank transactions between the banks and service providers (e.g. POS merchants). "1.) Please clarify, what do you mean by Interbank Transactions. In which scenario will these interbank transactions take place? 2.) Is there any National Level Bank Account for NAPSA	1) this is in scenario where money has been deducted from the card when a pensioner withdraws and the issuing merchant holding the POS has disbursed the cash to the pensioner then NAPSA has to do the actual settlement of those funds between NAPSA and the participating merchant in the background. 2) Yes 3) NAPSA does not have a payment gateway so it should be part of the delivery

	where contribution is deposited against Employer Registration and Member Registrations? 3.) Please confirm if we need to include the Payment Gateway in our solution or NAPSA already has one which can be utilized."	
83	The system should be equipped with capability to alert soon to be pensioners like a three (3) months configurable before they are due and trigger the process of creating their smart card to facilitate their payments "1.) We understand this can be done only based on 60 Years criteria but no other business rules where NAPSA decides based on different parameters like Physical Disability to work, Health Issues. 2.) Do you have any current system which is used for Member Registration and workflow management? Please share the current system details as this might	1) Yes, this can only be done on the standard 55, 60 and 65 years' retirement ages. The actual algorithm on how this will be done can will be discussed with the successful bidder at design stage. 2) Yes, our pension administration system does that but the details are too many to be discussed at this stage but only with the successful bidder at design stage.

	be required for any possible integration."	
84	The System should be able to house a minimum of 50 institutions that can offer a number of services (e.g. Bill Payments) We assume that Transaction Application will be provided by respective institutions.	Not fully as this solution is expected to handle the part of payment deduction from the card and settling with the participating institution as a standard.
85	The system MUST be on-line and real-time as well as able to work off-line. "a) Please confirm if we need to provide High Availability or not? Do we require Active or Passive DR SITE? b) Please confirm the location for Data Centre and Disaster Recovery Site? c) Please also confirm if Data Centre and Disaster Recovery Sites are connected or not?	a) Both active and passive DR sites setup will be required. b) This will be shared with the successful bidder c) They are connected d) Fibre e) Yes, bidder should state the specifications required. f) Cannot be shared at this stage but the bidder can specify the minimum they would require for their solution to operate effectively.

	d) What is the network mode (Optical Fibre) available currently? e) Hosting service will be required to HOST web Server, please confirm if this will be provided by NAPSA? f) What is the bandwidth between DC and DR (in MBPS please clarify)"	
86	NAPSA Mobile Office Locations - Town and Cities "We understand that there are 19 Towns / 82 Locations; currently NAPSA Mobile Offices are running from. How are these offices currently sending data to the backend?? Is it connected via Internet?"	They connect via VPN using GSM internet dongles.
87	The supplier should provide the member/employer data capturing/enrolment kits (60), the POS(60) machines, and Wallet-enabled smart cards (2000) as part of the delivery and these should be costed separately with unit	Refer to point 20 above. The Bidder should propose the minimum card specification and memory required to handle the specified information in the RFP by NAPSA

	costs clearly indicated. Please confirm the specification of the Smart Cards? Is it Contactless or Contact Chip one? Also please confirm the memory required for Smart Cards.	
88	Please confirm number of users to be trained and duration for the same	At least 30 NAPSA staff should be trained to train others. The duration can be proposed by the bidder based on the content of the training subject to discussion with NAPSA (i.e. with the successful bidder)
89	The supplier MUST specify and document all the required pieces of hardware, software and any other utilities required to run all the components of the system. All the software and hardware and associated utilities installed MUST be well documented "Please confirm if NAPSA has any existing licenses of Software and available Hardware which can be utilized? We understand NAPSA will be responsible for providing networking, connectivity and GPRS/3G for POS within this whole project programme."	Yes, NAPSA has some existing licences and available hardware, and will provide the network aspect of this implementation. The details will be discussed with the successful bidder.
90	Please confirm payment terms	Bidder to specify their payment terms for NAPSA's consideration

91	Please confirm the warranty and post warranty period	Bidder to specify for NAPSA's consideration. Otherwise, refer to REQ_ID 24 on page 173 of the RFP document
92	Please confirm bill of material with detailed specifications	Refer to RQ_ID 32 on page 175 of the RFP document.
93	Please confirm the Project schedule	Refer to point 66 above.
94	Please confirm the time frame, start and end date for enrolment of the members. How many enrolments per day the Authority is targeting? Based on this we will decide on Deduplication Performance and HW Sizing for the AFIS backend.	Enrolled is expected to start as soon as the enrolment Kits are fully delivered. NAPSA prefers that this starts this year. Enrolments pay day at the start are expected to be high as all our existing pensions will start enrolling so estimates can't be determined at this stage. The bidder can however, indicate the maximum that their proposed solution can handle. In addition, enrolment is not expected to end as we'll continue enrolling new pension as and when they qualify but the numbers per day are expected to drop on an on-going basis.
95	Please confirm Projected Transaction volume - Year On Year. We will size our HW and Solution based on this.	NAPSA currently has about 16,000 pensioners (i.e. receiving pension and lumpsums) on our database and this is estimated to continue growing at an average of about 19% each year. Overall, these are the numbers that will eventually be expected to go through this system on an on-going basis.
96	ATM Software - Confirm that we need to supply ATM software only, and that no hardware supply or integration of biometric scanners is required?	No ATM software and Hardware should be supplied in this delivery. The e-wallet enabled smart card being provided must simply be ATM software compatible (i.e. ordinary ATMs and those with biometric capabilities).

97	What existing ATM hardware & O/S do we need to provide the software for?	Refer to point 96 above.
98	Can we assume that the customer will handle level 1 support, and the vendor handles level 2 and 3?	Refer to REQ_ID 31 on page 175. NAPSA staff should be trained and involved in handling both first and second level support.
99	We have been waiting the written clarifications for the issues raised in the pre-bid meeting held on 13th October 2016, which was to be made available to all bidders by 19th October 2016. In view of the delay and keeping in mind the complexity of the solution, we would appreciate if you could extend the deadline by at least two (2) weeks for us to evaluate the clarifications and help provide a complete turnkey solution to NAPSA	Yes, a two (2) weeks extension has been given to push the closing date to 24th November, 2016.