Republic of North Macedonia

Ministry of Transport and Communications

Western Balkans Trade and Transport Facilitation Project

Ref. No.: **WBTTFP-8929-MK-412B-RFQ - PAS Application for PIU**

REQUEST FOR QUOTATIONS (RFQ)

Project Title: **Western Balkans Trade and Transport Facilitation Project**

 **IBRD Loan No. 8929-MK**

Source of Funding: International Bank for Reconstruction and Development

Contract Ref. No.: WBTTFP-8929-MK-412B-RFQ - PAS Application for PIU

Contract Title: Project Accounting Software Application -

 Supply, Installation, Configuration and Testing of

 PAS Application for PIU

Purchaser: **Ministry of Transport and Communications**

**Dear Supplier,**

1. You are invited to submit your price quotation(s) for the supply of the following items:

Project Accounting Software Application -

Supply, Installation, Configuration and Testing of PAS Application for PIU

 Information on technical specifications and required functionalities are attached.

2. The Republic of North Macedonia has received a Loan from the International Bank for Reconstruction and Development (IBRD) for financing from the World Bank toward the cost of the Western Balkans Trade and Transport Facilitation Project and intends to apply the proceeds of this Loan to eligible payments under the contracts for which this request for quotation is issued.

Procurement will be conducted through Request for Quotations (RFQ) method as specified in the World Bank’s “Procurement Regulations for IPF Borrowers” dated July 2016, revised November 2017 and August 2018 (“Procurement Regulations”).

**In accordance to the “WB Guidance for procurement packages during the Corona Virus situation” the procedure for submission of quotations is strictly as stated in Paragraph 4 below**.

3. Your quotation shall consist of:

* Invitation to Quote
* Terms and Condition of Supply - **filled in and signed**
* Technical Specification - **filled in and signed**
* Form of Quotation - **filled in and signed**
* Copy of Company Registration
* Adequate technical documentation and other pertinent information for each item quoted

4. **For submission of Quotation, the Supplier will send an email to a specified email addresses in the Paragraph 9 of this RFQ with password protected document (Quotation) as an attachment. The Supplier shall use readable PDF format and submit one PDF document which will comprise all required documents from Paragraph 4 above (with Content on the beginning of the document).**

**Maximum size of the submitted PDF document shall be below 10 MB. In case that the document exceeds size of 10 MB, only the “Adequate technical documentation and other pertinent information for each item quoted” may be submitted in additional (separate) e-mail to a specified e-mail addresses. The additional PDF document shall bear same password as Quotation PDF document.**

**Within one hour after the Quotation submission deadline bidders must send the password of their password protected Quotation to the email addresses specified in the bidding documents.**

**Clients/Purchaser will confirm receipt of each Quotation as well as receipt of the password.**

**Original documents may be requested as part of the evaluation process and will be verified by the client/purchaser before the signing of the contract.**

5. Your quotation in English language, should be accompanied by adequate technical documentation and catalogue(s) and other printed material or pertinent information (in English or Macedonian language) for each item quoted. Suppliers must submit copy of the company registration.

6. The deadline for receipt of your quotation by the Purchaser at the **e-mail addresses** indicated in Paragraph **9** is: **May 27, 2020, 12:00 PM** local time.

7. Your quotation(s) should be submitted as per the following instructions and in accordance with the attached Contract. The attached Terms and Conditions of Supply is an integral part of the Contract.

(i) PRICES: The price should be quoted **in Macedonian Denars (MKD)** for the Total Cost of offered PAS Application at final destination **MoTC - PIU Office**, **which includes** VAT, all taxes and duties and any other fee. Price quoted shall correspond to 100 % of the items specified and 100% of the quantities specified. Payment to suppliers will be made in **MKD**.

The end user’s address - place of final destination for delivery is:

**Ministry of Transport and Communications (MoTC)**

**Western Balkans Trade and Transport Facilitation Project (WBTTFP)**

**Project Implementation Unit (PIU)**

**Address: Street “Dame Gruev”, Nr. 6, 1000 Skopje, Republic of North Macedonia**

(ii) EVALUATION OF QUOTATION: Offers/quotations must be substantially responsive to the technical specifications and requested functionalities. Deviations of the quotation is not permitted/allowed. In case of deviations the quotation will be rejected. In the evaluation process of the evaluating of the quotation, the Purchaser will determine the evaluated price by making any correction for any arithmetical errors as follows:

(a) where there is a discrepancy between amounts in figures and in words, the amount in words will govern;

(b) where is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern;

(c) if a Supplier refuses to accept the correction, his quotation will be rejected.

In addition to the quoted price, the evaluated price shall include Value Added Tax (VAT) in Republic of North Macedonia.

(iii) AWARD OF PURCHASE ORDER: The Purchaser shall award the contract to the Bidder offering the Most Advantageous Bid, in accordance with the applicable selection method. The Most Advantageous Bid is the Bid of the Bidder that meets the qualification criteria and whose Bid has been determined to be:

a. substantially responsive to the request for bids document; and

b. the lowest evaluated cost.

The Supplier will sign a Contract as per attached form of contract and terms and conditions of supply.

- Standstill Period

The Contract shall not be awarded earlier than the expiry of the Standstill Period. The Standstill Period shall be ten (10) Business Days. The Standstill Period commences the day after the date the Purchaser has transmitted to each Bidder the Notification of Intention to Award the Contract.

- Notification of the Intention to Award

The Purchaser shall send to each Bidder the Notification of Intention to Award the Contract to the successful Bidder. On receipt of the Purchaser’s Notification of Intention to Award, an unsuccessful Bidder has three (3) Business Days to make a written request to the Purchaser for a debriefing. The Purchaser shall provide a debriefing to all unsuccessful Bidders whose request is received within this deadline. Debriefings of unsuccessful Bidders may be done in writing. **The communication will be only through e-mail at the e-mail addresses indicated in Paragraph 9.**

- Notification of Award

Prior to the expiration of the Bid Validity Period and upon expiry of the Standstill Period and upon satisfactorily addressing any complaint that has been filed within the Standstill Period, the Purchaser shall notify the successful Bidder, in writing, that its Bid has been accepted. **The communication will be only through e-mail at the e-mail addresses indicated in Paragraph 9.**

(iv) VALIDITY OF THE OFFER: Your quotation(s) should be valid for a period of ninety **(90**) days from the deadline for receipt of quotation indicated in Paragraph **6.**

8. Inspections and Audits

8.1 The Supplier shall carry out all instructions of the Purchaser which comply with the applicable laws where the destination is located.

8.2 The Supplier shall permit, and shall cause its subcontractors and consultants to permit, the Bank and/or persons appointed by the Bank to inspect the Supplier’s offices and all accounts and records relating to the performance of the Contract and the submission of the bid, and to have such accounts and records audited by auditors appointed by the Bank if requested by the Bank. The Supplier’s and its Subcontractors and consultants’ attention is drawn to Clause 5 Fraud and Corruption of the Form of Contract, which provides, inter alia, that acts intended to materially impede the exercise of the Bank’s inspection and audit rights constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility pursuant to the Bank’s prevailing sanctions procedures).

9. Further information can be obtained from:

**Ministry of Transport and Communications**

**Western Balkans Trade and Transport Facilitation Project**

**Project Implementation Unit**

**Attention: Mr. Slavko Micevski and/or Ms. Vlasta Ruzinovska**

**Address: Street “Dame Gruev”, Nr. 6, 1000 Skopje, Republic of North Macedonia**

**e-mail:** **harita.pandovska@mtc.gov.mk****;**

**slavko.micevski.piu@mtc.gov.mk****;** **vlasta.ruzinovska.piu@mtc.gov.mk****;**

**The Suppliers are obliged to submitt all comunication to all e-mail adresses stated above.**

10. Please confirm by e-mail the receipt of this invitation and whether or not you will submit the price quotation.

 Sincerely,

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Harita Pandovska**

Project Director

**FORM OF QUOTATION**

 \_\_\_\_\_\_\_\_\_*(Date)*

To: **Ministry of Transport and Communications**

Western Balkans Trade and Transport Facilitation Project

 **Street “Dame Gruev”, Nr. 6, 1000 Skopje, Republic of North Macedonia**

We offer to execute the “**Project Accounting Software Application - Supply, Installation, Configuration and Testing of PAS Application for PIU”, Contract No. WBTTF-8929-MK-412B-RFQ - PAS Application for PIU,** in accordance with the Conditions of Contract accompanying this Quotation for the **Contract Price of** **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** (*amount in words and numbers*) (**\_\_\_\_\_\_\_\_\_\_\_\_**) Macedonian Denars (MKD). We propose to complete the delivery of Goods described in the Contract within a period of \_\_\_\_\_\_\_\_\_\_ days from the Date of Signing of the Contract.

This Quotation and your written acceptance will constitute a binding Contract between us. We understand that you are not bound to accept the lowest or any Quotation you receive.

We hereby confirm that this Quotation complies with the Validity of the Quotation required by the proposal documents.

Authorized Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name and Title of Signatory \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name of Supplier: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Phone Number \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Fax Number, if any \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

e-mail address \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

  **FORM OF CONTRACT**

Project Accounting Software Application - Supply, Installation,

Configuration and Testing of PAS Application for PIU

WBTTF-8929-MK-412B-RFQ - PAS Application for PIU

THIS AGREEMENT number WBTTF-8929-MK-DS-412B - PAS Application for PIU made on \_\_\_\_\_\_\_\_, \_\_, 2020, between the Ministry of Transport and Communications of the Republic of North Macedonia (hereinafter called “the Purchaser”) on the one part and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter called “the Supplier”) on the other part.

WHEREAS the Purchaser has invited quotation for “**Project Accounting Software Application - Supply, Installation, Configuration and Testing of PAS Application for PIU”** (description of goods) to be supplied by Supplier, viz. Contract **WBTTF-8929-MK-412B-RFQ - PAS Application for PIU**, (hereinafter called “Contract”) and has accepted the Bid by the Supplier for the supply of goods under Contract at the sum of \_\_\_\_\_\_\_\_\_\_ (\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_) hereinafter called “the Contract Price”.

NOW THIS AGREEMENT witnessethes as follows:

1. The following documents shall be deemed to form and be read and construed as part of this agreement, viz:
2. Invitation to Quote; Term and Conditions of Supply, Technical Specification;
3. Addendum (if applicable);
4. Taking into account payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby concludes an Agreement with the Purchaser to execute and complete the supply of Contract and remedy any defects therein in conformity with the provisions of Contract.
5. The Purchaser hereby covenants to pay in consideration of the goods supply and acceptance of Contract and remedying of defects therein, the Contract Price in accordance with Payment Conditions prescribed by Contract.
6. **Termination**

4.1 Termination for Default

### The Purchaser, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Supplier, may terminate the Contract in whole or in part:

#### if the Supplier fails to deliver any or all of the Goods within the period specified in the Contract, or within any extension thereof granted.

#### if the Supplier fails to perform any other obligation under the Contract; or

#### if the Supplier, in the judgment of the Purchaser has engaged in fraud and corruption, as defined in Clause 5 below, in competing for or in executing the Contract.

(b) In the event the Purchaser terminates the Contract in whole or in part, the Purchaser may procure, upon such terms and in such manner as it deems appropriate, Goods or Related Services similar to those undelivered or not performed and the Supplier shall be liable to the Purchaser for any additional costs for such similar Goods or Related Services. However, the Supplier shall continue performance of the Contract to the extent not terminated.

4.2 Termination for Insolvency.

### The Purchaser may at any time terminate the Contract by giving notice to the Supplier if the Supplier becomes bankrupt or otherwise insolvent. In such event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy that has accrued or will accrue thereafter to the Purchaser.

4.3 Termination for Convenience.

### The Purchaser, by notice sent to the Supplier, may terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the Purchaser’s convenience, the extent to which performance of the Supplier under the Contract is terminated, and the date upon which such termination becomes effective.

### The Goods that are complete and ready for shipment within twenty-eight (28) days after the Supplier’s receipt of notice of termination shall be accepted by the Purchaser at the Contract terms and prices. For the remaining Goods, the Purchaser may elect:

#### to have any portion completed and delivered at the Contract terms and prices; and/or

* + - 1. to cancel the remainder and pay to the Supplier an agreed amount for partially completed Goods and Related Services and for materials and parts previously procured by the Supplier
1. **Fraud and Corruption**

If the Purchaser determines that the Supplier and/or any of its personnel, or its agents, or its Subcontractors, consultants, service providers, suppliers and/or their employees has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices (as defined in the prevailing Bank’s sanctions procedures), in competing for or in executing the Contract, then the Purchaser may, after giving 14 days’ notice to the Supplier, terminate the Supplier's employment under the Contract and cancel the contract, and the provisions of Clause 4 shall apply as if such expulsion had been made under Sub-Clause 4.1.

1. **Inspections and Audits**

6.1 The Supplier shall carry out all instructions of the Purchaser which comply with the applicable laws where the destination is located.

The Supplier shall permit, and shall cause its Subcontractors and consultants to permit, the Bank and/or persons appointed by the Bank to inspect the Supplier’s offices and all accounts and records relating to the performance of the Contract and the submission of the bid, and to have such accounts and records audited by auditors appointed by the Bank if requested by the Bank. The Supplier’s and its Subcontractors and consultants’ attention is drawn to Clause 5 Fraud and Corruption, which provides, inter alia, that acts intended to materially impede the exercise of the Bank’s inspection and audit rights constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility pursuant to the Bank’s prevailing sanctions procedures).

|  |  |
| --- | --- |
| **Signature and seal of the Purchaser:**FOR AND ON BEHALF OF THE* + 1. **Ministry of Transport and Communications**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name of Authorized Representative | **Signature and seal of the Supplier:**FOR AND ON BEHALF OF\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Name of Authorized Representative |

**Terms and Conditions of Supply**

Project Title: **Western Balkans Trade and Transport Facilitation Project - IBRD Loan No. 8929-MK**

Purchaser: **Ministry of Transport and Communications**

Consignee: Ministry of Transport and Communications - WBTTFP

Contract Ref. No.: WBTTF-8929-MK-RFQ-412B - PAS Application for PIU

Contract Title: Project Accounting Software Application - Supply, Installation, Configuration and Testing of PAS Application for PIU

1. Prices and Schedules for Supply

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Item No.** | **Description of Goods** | **Quantity** | **Unit Price****(MKD)** | **Price****at final destination** (includes all taxes and duties and any other fee) | **Delivery Date****(days)** |
| **1.** | **Project Accounting Software Application - Supply, Installation, Configuration and Testing of PAS Application for PIU**(as per specifications offered in the Technical Specifications below) | **1 (one)** |  |  |  |
| **VAT:** |  |
| **TOTAL:** |  |

**Note: In case of discrepancy between unit price and total derived from unit price, the unit price shall prevail.**

**Maintenance Requirements: The supplier shall provide on-site service and help desk**

**during the warranty period.**

1. Fixed Price: The prices indicated above are firm and fixed and not subject to any adjustment during contract performance.
2. Delivery Schedule: The Goods should be delivered, installed, configured and tested at the Ministry of Transport and Communications – WBTTF Project, **within 60 days**, following the date of the notification of award.
3. Insurance:The Goods supplied under the Contract shall be fully insured in a freely convertible currency against loss of damage incidental to manufacture or acquisition, transportation, storage and delivery. The insurance shall be in an amount equal to 110 percent of the CIP/EXW value of the Goods from «Warehouse» to «Warehouse» on «All risks» basis, including «War Risks».
4. Applicable Law:The Contract shall be interpreted in accordance with the laws of the Republic of North Macedonia.
5. Resolution of Disputes: The Purchaser and the Supplier shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute between them under or in connection with the Contract. In the case of a dispute between the Purchaser and the Supplier, the dispute shall be settled in accordance with the laws of the Republic of North Macedonia.
6. Payment for your invoice will be made 100% **against delivery and issuance of Acceptance Certificate by the Purchaser**, in **30** days at latest through bank account according to the invoice payment instruction. Payment will be made in MKD.
7. Warranty: Goods offered should be covered by Supplier’s warranty of **60 (sixty) months** from the date of issuance of Acceptance Certificate by the Purchaser. The Warranty Period of Goods shall formally commence at the date of the issuance of the Acceptance Certificate. Please specify warranty period and terms in details.
8. Packaging and Marking Instructions: The Supplier shall provide standard packing of the Goods as required preventing their damage or deterioration during transit to their final destination, as indicated in the Contract.
9. Defects:All defects will be corrected by the Supplier without any cost to the Purchaser within **2 (two) days** from the date of notice by Purchaser.

Name and address of the Purchaser, at which the defects are to be corrected by the supplier **onsite,** within the warranty period:

**Ministry of Transport and Communications**

**Western Balkans Trade and Transport Facilitation Project**

**Address: Street “Dame Gruev”, Nr. 6, 1000 Skopje, Republic of North Macedonia**

Name and address of supplier service facility through which the defects are to be corrected within the warranty period ***(please fill in)***:

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

1. Force-Majeure:The supplier shall not be liable for penalties or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force-Majeure.

For purposes of this clause, “Force-Majeure” means an events beyond the control of the Supplier and not involving the Supplier’s fault or negligence and not foreseeable. Such events may include, but not restricted to, act of Purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

If a Force-Majeure situation arises, the Supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by Force-Majeure event.

1. Required Technical Specifications

 (i) General Description

 (ii) Specific details and technical standards

 (iii) Performance Parameters

**Supplier confirms compliance with above specifications.**

In case of deviations supplier to list all such deviations.

1. Failure to Perform: The Purchaser **may cancel the Agreement** if the Supplier fails to deliver the Goods, in accordance with the above terms and conditions, in spite of a **21-day** notice given by the Purchaser, without incurring any liability to the Supplier.

 NAME OF SUPPLIER \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Address of the Supplier \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Authorized Signature and Stamp \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Place:

 Date:

**TECHNICAL SPECIFICATION**

**Project Title:** Western Balkans Trade and Transport Facilitation Project

 IBRD Loan No. 8929-MK

Title of Procurement: Project Accounting Software Application -

 Supply, Installation, Configuration and Testing of

 PAS Application for PIU

**Ref.No.:** WBTTF-8929-MK-412B-RFQ - PAS Application for PIU

**Quantity:** 1 (one) Application

### INTRODUCTION

 The Republic of North Macedonia and the International Bank for Reconstruction and Development signed Loan Agreements for implementation of Western Balkans Trade and Transport Facilitation Project and Local Roads Connectivity Project.

Projects will be implemented by Ministry of Transport and Communications through Project Implementation Unit (PIU). PIU will manage two Loans for following Projects:

* Western Balkans Trade and Transport Facilitation Project, IBRD Loan No. 8929-MK

(The Project implementation period is from November 26 2019 to December 15 2025) and

* Local Roads Connectivity Project, IBRD Loan No. 9034-MK.

(The Project implementation period is from February 24 2020 to December 31 2024)

Project Accounting Software (PAS) Application should enable complete management of the received Loans from the World Bank.

Part of proceeds of this Loans will be applied to eligible payments under this contract for procurement and establishment of the PAS Application - Financial Management System at the Project Implementation Unit (PIU) of the Project.

The software delivered and installed would be property of the Purchaser – Ministry of Transport and Communications (MoTC).

The software Supplier would be required to install the original computer software, and provide back-up set of the software.

The Supplier will provide software maintenance services, on-site service and help desk during the warranty period of 60 months (lifetime of the project).

The Project Accounting Software (PAS) Application for PIU in further text of this Technical Specifications is defined as: Financial & Accounting Management System (Software) with abbreviation FMS Software.

The Supplier is obliged to response on each of the required functionalities listed below in the technical description of the offered software submitted in his quotation.

# REQUIRED FUNCTIONALITIES for PAS Application – FMS Software:

### SCOPE OF SERVICES

The goal of the FMS Software is to provide a framework for development and implementation of the Financial & Accounting Management System (Software) according the customer needs.

During the implementation of the Projects, the scope of this accounting system is to (a) supply and install accounting software for the financial management system at the PIU, (b) to provide initial training and hand-holding support to the PIU financial and procurement staff on the operation of the accounting software and (c) to maintain the upgraded accounting software during the lifetime of the Project. The upgraded accounting system will be installed at the PIU premises. The selected accounting system should be web base software and it will be developed for the needs of PIU. The system will have facility to produce various accounting books and records, financial reports and reports for the whole Project. The function of the FMS is documented in the FM System Operational Manual. The System shall comply with International Accounting Standards, based on principles of double entry bookkeeping. The system will fulfill all the legal and regulatory requirements of the Republic of North Macedonia.

Generating automatic Reporting and Output Documents the software product includes the following tools for writing reports:

* Standard Reports - The software product contains actual data analysis, comparison of planned and actual data, comparison of actual data for different periods, etc. To generate standard reports a possibility to use report parameters input forms is provided that allows to specify data selection periods, to set the details level for reporting data, etc. *These reports are in accordance with* *Attachment A and B.*
* Analytical Reports - This module is included into Finances module and allows setting up new reports for financial and budget data analysis by analytical characteristics. The use of this tool enables the reports to be generated by various analytical characteristics, to determine data selection screens, reports columns composition, their contents, etc. Moreover, the system provides the possibility to generate the reports with an option to view the initial documents serving as basis for calculation of total figure in the report.

### DESIGN OF ACCOUNTING MANAGEMENT SYSTEM – SPECIFICATIONS

* 1. Important consideration:
* The need for the software to accommodate the chart of accounts – the software should have enough fields and reporting capacity, given the need for flexibility as the project develops;
* The ability to work in the domestic currency (MKD) and in the currency of the Designated Account (EUR);
* The capacity of the FM software to provide reliable information needed for Project decision making and reporting;
* The ability to provide data for periodic reporting (monthly, quarterly, annual) by: activity, contract, treasury statements, funding source and expenditure categories, actual, budget and forecast for the period and accumulated to date, show variance between actual and budget/plan for the period, and accumulated for the year;
* The ability of the FM software to provide internal controls, security systems and audit trails;
* The ability to produce payment list, payment orders/slips and reports in electronic version in the format prescribe and required by Government officials.
	1. General Specifications *–* The system will be designed to comply with the reporting requirements defined in the quarterly consolidated Interim un-audited Financial Reports (IFRs) –Given (Attachment A) and necessary data for preparation of Withdrawal Applications (Attachment B). The system shall generate reports in accordance with Macedonian legal statutory financial reporting requirements as well. It will include records, procedures and supporting internal controls to cover all activities in connection with accomplishment of the objectives of the project. It should be web based application for accounting software to be acquired by the project. The software should incorporate the following specifications:
* multi-currency accounting,
* single input of data,
* alpha-numeric and case-discriminatory coding systems,
* report-writing facilities,
* analytical facilities,
* capable of producing Interim un-audited Financial Reports (IFRs),
* capable of producing Annual financial reports in accordance to Macedonian law,
* capable to produce a payment list and reports in electronic version in the format required by Government officials,
* capable to produce Statements for expenditures for the period. (SOE) for disbursement purposes in the format required by World Bank,
* user-friendliness (window driven)
	1. Specific Specifications - The accounting system should cover the entire project as describe in the Project Appraisal Document (PAD), Project Paper (PP), Loan agreements and Project Operational Manual (POM), taking into consideration the requirements of the client, World Bank, Donor and other interested parties. The system will confirm to the relevant polices of the Government of the Republic of North Macedonia and the World Bank. The accounting system shall be based on principles of double-entry bookkeeping and in compliance to International Accounting Standards as issued by the IFAC.

The design and installation of the accounting system would, inter alia, include the following aspects:

* ***Flow of Funds*** - The supplier will review procedures and arrangements for receipt of funds from various sources to the Project (e.g. Government of the Republic of Macedonia, the World Bank, etc.) and as necessary design improvement to ensure (i) smooth flow of funds; and (ii) adequate internal control arrangements for proper utilization, management and accounting of funds by entities involved, accounts and items;
	+ ***Chart of Accounts* -** A Chart of Accounts provides a logical structure according to which accounting transaction will be stored. Hence, a Chart of Account specific to the project will be developed to enable project expenditures to be classified and reported in a way that is meaningful to the management of the project. Minimum requirement for the Project is to report by major WB disbursement category: works, goods, consultant’s services and operating costs, training, non-consulting services. Project costs need to be classified and reported in a way that allows them to be directly related to specific work activities and outputs of the project. The structure of the Chart of Accounts should conform closely to the project cost tables to enable comparison of actual project costs during implementation to those estimated in the Project procurement plan.

The design framework includes, inter alia, the ability to track and report on the following project elements:

* Cash Receipts – by funding source,
* Cash Disbursements – by Loan agreement category, project components and sub-component, funding source, type of expenditure and etc.,
* Statement of Expenditure (SOE) withdrawals,
* Designated Account (DA)- payments, replenishments, bank account reconciliation,
* Actual expenditures vs. budget,
* Contract expenditures and procurement management,
* Fixed Asset module consisting of: registering the FA, automatic depreciation calculation and bringing forward to new period. Reports for each fixed asset and for physical count,
* Material Accounting,
* Patty cash
* ***Formats of Books and Records* -** Formats of the various accounting books, records and statements e.g., cash and bank books, journals, various ledgers, trial balance, voucher formats, and all books officially required by the government officials etc. should be designed in accordance with the World Bank and Macedonian standards/procedures.
* ***Identification and Establishment of Linkages between Project Expenditure and Physical Activities*** - Important items on which physical data which would be captured and which would be included in the financial reports should be identified. Methods of capturing the physical data, and linkages with financial reports should be identified.
* ***Budgeting System* -** The budgeting system should be integrated with the accounting system to enable comparison of actual performance with budgets/targets (quarterly, annual and cumulative for the project).
* ***Procurement and contract administration monitoring system* -** This system is needed for monitoring procurement processing of major contracts and for recording commitments, expenditure and performance of these contracts under the project. This system should be linked to the financial accounting system wherever needed (e.g., for recording expenditure on major contracts).
* ***Financial Reporting* -** Formats of the various periodic financial reports which would be generated should be available. The financial reports should be substantially generated from the financial management system. Therefore, there should be clear linkages between the information in these reports and the Chart of Accounts. The financial reports should provide quality and timely information to project management, and various stakeholders on project performance. The financial reports should *inter alia* include automatic generation of: (i) Withdrawal Applications to be submitted to the World Bank for reimbursement of expenditure (including Statements of Expenditure); (ii) annual financial reports in accordance to Macedonian law; and (iii) quarterly consolidated Interim un-audited Financial Reports (IFRs) to be used by project management to monitor project performance. These reports include financial statements (e.g., sources and application of funds; expenditure classified by project components, disbursement categories, expenditure types, and comparison with budgets; short-term forecasts of expenditure; unit costs for key items and comparison with budgets; etc.). Formats of consolidated Interim Financial Reports are enclosed.
* ***Analysis* -** The Analysis activity provides information necessary to support analysis of the Funds Management function. It provides information on funds availability at the levels defined and compares data in the Funds Management function to data in other functions to ensure consistency. Mandatory Requirements to support the Analysis activity, the financial system must provide the capability to:
* Maintain current information on commitments and obligations according to the required accounting classification elements (Date, Loan Agreement, Contract No., Invoice etc.)
* Produce detailed listings and summary reports of commitments, obligations and expenditures by the elements of the defined accounting classifications. The system must also allow any combinations of the above to be searched (crosstabs for contract - invoice, contract-invoice-date of payment, contract-invoice-day of payments).
* ***Searching transactions Description*** - The system must provide the functionality for searching for previous transactions. Requirements: The system must allow the user to search according to: (i) invoice (ii) Contract (iii) date and/or date of payment (iv) Activity/component (v) Bank Statement.
	1. Implementation - Design and installation of accounting software for financial management system would include the following steps:
* Identification of hardware platforms for operation of the system
* Identification of database/language (software) which would be used for the system
* Development and installation of the software
* Testing of the software
* Preparation of Accounting System Operational Manual
* Training and hands-on implementation assistance
	1. Details on maintenance and support details on maintenance - The Developer shall provide comprehensive maintenance for all components proposed. The Developer shall provide Maintenance and Support Services that include the following:
* The Financial System Management function consists of all the processes necessary to maintain the financial system in a manner that is consistent with established financial management practice of World Bank and the Government of the Republic of Macedonia, regulations and policy.
* The Payment Management function should provide appropriate control over all payments made to: vendors in accordance with contracts, purchase orders and other obligating documents.
* Ensure and support the smooth running of the entire System.
* Provide corrective maintenance, troubleshoot and isolate software defects, including diagnosis and correction of all latent errors in the Application Software.
* Provide interim solutions in the event while awaiting the corrective measures to correct any errors in the System.
* Investigate and correct defects in the application system as reported by users within the service levels. The resolving effort includes resolving errors through developing, testing and implementing changes to the System.
* Fine-tune and improve the performance of the software.
* Manage, support and implement, at the PIU staff Service Requests during trial period of 3 months.
* The Supplier will provide software maintenance services, on-site service and help desk during the warranty period of 60 months (lifetime of the projects).
* Recover lost data, restore and repair damaged data and correct erroneous data to the extent possible.
* Provide file backup and recovery capabilities to restore damaged files.
* Ensure that all modifications to the Application software are properly integrated with the necessary components (hardware, software, firmware, etc.) and that the system performance is not degraded.
* Provide solutions for problems encountered in the installation of all the software or both server and clients for the System to function properly.
* Implement and operate a problem tracking system to log and track the progress of problem resolution.
* Implement, at the request of PIU staff, software change requests, for the purpose of operational enhancements.
* Make modifications to the Application when requested and to perform system tests to ensure system integrity after modifications.
* Ensure that all program source codes and executable codes are properly maintained (especially the versioning) and backed up.
* Implement and enhance operational procedures as and when needed.
* Maintain all standards and procedures applicable to the System (e.g. generic modules or reusable component, etc.).
* Maintain historical data on all commitment, obligation, payment and collection transactions. Maintain open documents to show the status of commitments, obligations, accruals, and disbursements by document line item.
* Schedule and ensure successful completion of ad hoc, daily, weekly, monthly and other batch processing jobs in the System.
	1. Backup and recovery - The Developer shall in his proposal submit a backup and recovery strategy and methodology for the System. The methodology shall include hardware and software used, types of backup, frequencies of backup, as well as procedures for performing the backup and recovery. The Developer shall add and quote for any additional backup software licenses required for future expansion of the proposed servers for the System. The Developer shall note that the System recovery shall be on disposal when situations arise e.g system failure. “Data” is of utmost importance and there shall be “no loss” of data at any instance. The Developer shall work out a data backup plan (including backup and restoration procedures) for all software used in the System and test it to ensure data recoverability before the commissioning of the System. The data backup plan shall ensure that the backup and recovery process recover all transactions and data up to latest data backup transaction before the system failure occurred. The transaction and database logs at the point of failure shall be backed up. The Developer shall ensure that the System continues to operate during the period when back-up activities are running.

# 4.OUTPUTS

**4.1. Financial Management System**: The major output will be design of integrated accounting system for the PIU. The software would be the property of the PIU. The software supplier would be required to install the original software, and provide back-up set of the software. The software supplier would also be required to provide an Accounting Software Operational Manual documenting the operation of the computerized system.

Outputs to be produced by the software will include, *but not be limited to*, the following:

1. Financial accounting:
* *monthly:* monthly operating statements, trial balances, bank reconciliation, government reports as required
* *quarterly:* operating statements, government reports as required
* *annually:* financial statements
* comparing actual monthly and cumulative performance with comparable previous periods, budget and appraisal estimates
* *quarterly:* Interim un-audited Financial Reports(IFRs) in the format given in **Attachment A**
* *annually:* Interim un-audited Financial Reports (IFRs) reconciled with the annual financial statements submitted for audit
* *annually:* Financial statement according to Macedonian law including but not limited to Balance Sheet, Income Statement, DB Statement, Statement of personal income tax etc.,
* Produce ad-hoc reports-statements when requested in format given in **Attachment B.**

All needed financial and procurement reports should be generated from the data entered in the FMS. The reports should be printed in foreign and domestic currency for a certain periods like month, quarter, half year, annual etc.

These reports must be eligible in to the different formats (excel, word, RTF, PDF, html, file etc.)

FMS should have generated and print Reports into several different formats: (excel – xls, xlsx, word – doc, docx, RTF, PDF, HTML;

1. Loan counterpart funding: Accounts will be maintained in accordance with the World Bank regulations as necessary. Counterpart funding and expenditures will be distinguished from other sources of funding.

**4.2. Implementation Support and Training**: The software supplier would also provide initial hand-holding support and training to the finance and procurement staff both on the operation of the financial management system itself, and on operation of the computerized system. The supplier will provide after the initial installation and training period additional problem solving and troubleshooting services as needed, as well as additional training based on the questions and requests of the PIU in the first 3 months of operation.

**The software supplier would also be required to provide an Operational Manual for the installed PAS Application software.**

**4.3. Outputs of the Software:**

### ATTACHMENT A: - IFRs forms









### ATTACHMENT B:





**NAME OF SUPPLIER \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Address of the Supplier \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Authorized Signature and Stamp \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Place:**

**Date:**