



**Addendum #1**

15 January 2021

Dear Respondents,

The following Addendum supersedes the information contained in the RFQ to the extent referenced.

This Addendum forms part of the RFQ documents and will be subject to all of the conditions set out in the contract conditions.

Addendum #1 contains six (6) pages.

**Part 1 Invitation and Submission Instructions**

**Bidder's Questions (Q) and Government's Responses (R).**

- Q1 A use case scenario: If a customer of a bank wants to make a tax payment. Is this scenario covered under this case? One side is a paying customer, other side to the government department and bank to bank, that is going to be a settlement between them. So you are expecting a solution which will allow you interoperable kind of message format API based infrastructure, which allows not only to move the funds, but also set clearing technologies in the settlement also.
- R1 Yes it would be a use case. There are some credit cards systems with the Government but are disaggregated.
- Q2 Do you have a real-time gross settlement, HCH or instant payment schemes implemented in Bermuda?
- R2 No.
- Q3 We are aware that the Government has many different systems depending on the different departments. Do you seek to implement a main common system for all departments or different systems for different departments?
- R3 The objective is over time we will have one payment based system which will interact with all of the systems where it is appropriate throughout Government.
- Q4 Are you considering only domestic transfers or also remittances from cross-border?
- R4 We receive foreign US currency, but ultimately it will be settled in Bermuda dollars.
- Q5 We assume this is the system going to be used to handle general procurements, so would that be from the UK and the US and Canada? Is that typical that the system would need to handle those currencies as well?
- R5 Yes.



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- Q6 Does the Government bank with several banks.  
R6 The Government interacts with two main banks (HSBC and Butterfield).
- Q7 Regarding the acceptance of credit cards or debit cards through the solution application, are there any limits on the size of transactions?  
R7 Various sizes are expected. Transactions over \$50k will be flagged by Global Pay, and won't be processed until certain KYC questions are answered.
- Q8 Do a vendor need to be BMA compliant or do they have a license?  
R8 No.
- Q9 Regarding the deliverables, is there a format that the Government is expecting?  
R9 The vendor is at liberty to determine the format.
- Q10 Are you looking for a completing operation by the vendor or software to be operated by internal IT team.  
R10 We would prefer that is something that is managed internally with vendor support. You provide the application lifecycle and maintain the app and or the gateway. We would have some level of autonomy over it, whereas we can plug in different departments, but also the development and future tie-ins and things of that nature would also be required monthly as well.
- Q11 Are you seeking a cloud-based system or other solutions.  
R11 We are open to solutions.
- Q12 Are you considering to put it mostly on the card payment rails or on some other rails on proprietary? Because as there is no standard for HCH, is car payments something that you would consider to become the single standard? Will it be 100% debit cards and credit cards, to begin with, and then probably next steps to see how we would introduce instant payments, and that may be the next step?  
R12 We are open to other types of future payment methodologies, such as cryptocurrency blockchain.
- Q13 And in terms of the payment scheme connectivity like Visa and MasterCard connectivity, do you expect the vendor somehow to come in cooperation a bank? Or do you already have all bank relationships? Do you just need is a software to connect to your current banks who already have Visa and MasterCard gateways. So how would you see that path? Or do you want just to connect yourself directly becoming kind of affiliated Visa or MasterCard member? How would you see that part?  
R13 We currently have existing relationships with all of our local banks and utilize their relationships, and we would have to continue our existing relationships with both banks
- Q14 In terms of the number of transactions, what is your expectation? More or less per month or per year? Any kind of indication? And in terms of payment schemes, do you consider Visa and MasterCard only or would you have like UnionPay and other schemes or Visa and MasterCard be enough to begin with?



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- R14 Details of volume are not available at this point. The two main payment schemes are Visa and Mastercard. However, other can be considered.
- Q15 Are you looking for a license model or transaction-based pricing?  
R15 The vendors can include pricing model as part of the proposed solution.
- Q16 You have indicated that the project timeline is one year away from the experience that we have for like 20 departments or something. It could take longer. It could take shorter. Can you just indicate and then there is a potential service agreement typically that that lasts longer than a year or so. Can you perhaps indicate how you expect a year of an engagement to go?  
R16 The implementation will be completed in a year. However, the contractual relationship would be for 3-5 years.
- Q17 So just to clarify, when we respond to the proposal, it may be helpful from the Accountant General if we can get an idea of the key departments that may be considered and maybe existing software or solutions that are currently in place for departments that are looking to migrate. So we can have a bit of an understanding of how we can handle that information from a proposal perspective.  
R17 Additional details will be provided to the winning vendor.
- Q18 Do you have a terminal of terminals to accept the card payments, but the what about the software that whether you enter or manage transactions, is that front-facing software or the cashier in scope for this engagement?  
R18 Yes, there should be something that can be utilized by all.
- Q19 Is it expected that Bidder holds card schemes processing and acquiring licensing or does Government or other government partner have that licenses and is planned to use them as part of this project?  
R19 The vendor is expected to provide only a technological solution.
- Q20 Is it possible to send the Information Meetings Q&A, video recordings and other shown materials?  
R20 Questions and answers from the information meeting are included in this Addendum.
- Q21 What is the expected project start and delivery time?  
R22 We expect that the project starts by April 2021 and implementation last for a year.
- Q23 Do you have a more detailed analysis of the RFP needs?  
R23 No.
- Q24 How soon the settlement process has to take place? As there is no Clearance house in Bermuda for real-time settlement.  
R24 We do not currently have a metric for the timeframe.
- Q25 What is the limitation (amount) on a single transaction?  
R25 Transactions over \$50k will be flagged by Global Pay, and won't be processed until certain KYC questions are answered.



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- Q26 How much transaction (in dollars) per day is expected?  
R26 Details of volume are not available at this point.
- Q27 Settlement needs to be done to one or two Accountant General accounts or the settlement have to made to each department account from the relevant Department application?  
R27 Settlement should be across all departmental accounts and not consolidated into 1 or 2.
- Q28 How many applications do we have to integrate the new payment gateway? And how many Departments in total?  
R28 The first question is unclear. Approximately twenty-eight (28) Departments and focus will be on the customer-facing Departments: Registry General; Youth, Sport & Recreation; Parks; Environment and Natural Resources; Land Title and Registration; Land Valuation; Planning; Social Insurance; Office of the Tax Commissioner; The Judiciary; Health Insurance; Workforce Development; Customs; Registrar of Companies; Immigration; Works and Engineering; Transport Control; and Health.
- Q29 What is the protocol that needs to be handle when they accept the payment through independent portal credit/debit card machine?  
R29 The vendor will suggest the protocol with consultation with public officers.
- Q30 You mentioned all departments, what about quangos? Will the repository be used by them? Will they have access?  
R30 No.
- Q31 Which departments require online payment platforms more urgently than others?  
R31 Customer facing Departments: Registry General; Youth, Sport & Recreation; Parks; Environment and Natural Resources; Land Title and Registration; Land Valuation; Planning; Social Insurance; Office of the Tax Commissioner; The Judiciary; Health Insurance; Workforce Development; Customs; Registrar of Companies; Immigration; Works and Engineering; Transport Control; and Health.
- Q32 Are we able to have a call to walk through our proposal shortly after the submission date?  
R32: Yes.
- Q33 Part 1.3 Type of contract deliverables (page 4) "The term of the agreement is to be for a period of 1 year, with an option in favour of the Government to extend the agreement terms and conditions acceptable to the Government and the selected proponent for an additional term of up to...." Can you please clarify?  
R33 The implementation will be completed in a year. However, the contractual relationship would be for 3-5 years.
- Q34 How soon within the 14 days can we expect to hear from you following the anticipated ranking of proponents? Can we find out how we ranked against other bidders?  
R34 We will endeavour to respond as soon as possible. At this point, an exact date cannot be stipulated. Details of how a bidder is ranked are not usually provided.



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Q35 How much has been budgeted for this engagement? Any other indications of pricing to further help us in preparing a competitive bid?

R35 Details related to the budget or other indications of pricing shall not be provided.

Q36 We recommend adding a line item for Merchant Discount Rate (MDR) for Credit, Debit, and digital currency transactions.

R36 Noted.

Q37 Is there any Bermuda Government empanelled bank? Since there is a concept of interchange to be paid by the payment gateway acquirer bank. What is the Government view on the interchange costs for the banks. Is the Government planning to absorb the cost through a merchant discount rate or would the Government prefer to charge citizens?

R37 The Government currently interacts with two main banks. The Government currently absorbs credit card fees.

Q38 What do you consider a huge transaction?

R38 Transactions over \$50k will be flagged by Global Pay, and won't be processed until certain KYC questions are answered.

Q39 For integration with the Government departments and real-time reconciliation, we need more clarity on system and technology architecture of the Bermuda Government department(s).

R39 The main system used is Enterprise One. However, there a number of other systems utilised by Government departments.

Q40 Can you provide more clarity on the number of Government departments in the scope of work (within the timeline requested, etc.)? This will help us understand the number of integration points.

R40 Approximately twenty-eight (28) Departments and focus will be on the customer-facing Departments: Registry General; Youth, Sport & Recreation; Parks; Environment and Natural Resources; Land Title and Registration; Land Valuation; Planning; Social Insurance; Office of the Tax Commissioner; The Judiciary; Health Insurance; Workforce Development; Customs; Registrar of Companies; Immigration; Works and Engineering; Transport Control; and Health. The timeline cannot be provided at this point.

Q41 Can you share the value and volume of transactions for the in-scope Government departments to be integrated on the payment gateway?

R41 Details of volume are not available at this point.

Q42 Can you provide a high-level overview on the technology used by the Government internal departments to be integrated with a payment gateway?

R42 A high-level overview will not be provided at this point.

Q43 Is there any existing payment gateway service provider operating in the Government departments? Any pain points or positives that have been experienced with the providers or the product?

R43 Disparate systems are operating within the Government.



**GOVERNMENT OF BERMUDA**  
The Premier's Office  
Department of Information and Digital Technologies

Request for Proposal: ePayment Gateway

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Q44 Will the new payment gateway player get the exclusivity through this RFP?  
R44 No.

Q45 Can the Government use the cloud for the technology set-up?  
R45 Yes.

Q46 The Bermuda Government web portal shows the payment can be done using credit/ debit cards, is there already a way Government fees can be paid i.e. PoS machine or payment gateway. Please share further details.

R46 Payment can be made using credit/debit cards, but systems are not integrated or streamlined.

END OF ADDENDUM #1

**Note: Amendment/addenda will be posted at <https://www.gov.bm/procurement-notices>. Respondents should visit the Government Portal website on a regular basis during the Procurement process.**