**Ministry of Finance, Royal Government of Bhutan**

Bhutan Multi Donor Fund for Public Financial Management Reform Program

Project ID: P162196, P174501

**Request for Expression of Interest**

(Consulting Services - Firm Selections)

Assignment: **Development of an Action plan for upgrading existing Public Financial Management Information Systems and transition to Integrated Financial Management Information System (IFMIS)**

1. Bhutan continues to exhibit strong commitment to implementation of reforms for strengthening public financial management (PFM). The Public Financial Management – Multi-Donor Fund (PFM-MDF) is one of the key projects supporting the implementation of PFM reforms since 2017. Strengthening of existing PFM information systems and transition to an Integrated Financial Management Information System (IFMIS) are among the priorities of ongoing reforms.

This activity is being carried out with the financial support of multi-donor fund (MDF) contributed by the European Union (EU) and Austrian Development Agency (ADA), and administered by the World Bank (WB).

1. **Objective:** The objective of this assignment is to review all the existing PFM information systems and to develop an implementable comprehensive action plan and design the roadmap for up-gradation, expansion, development, transformation, and integration of such systems for transition to an integrated financial management information system (IFMIS) for the Royal Government of Bhutan.

The Consultant (firm) is expected to undertake the following activities (see the ToR for the details):

* Review the core PFM processes and information systems (both automated and manual) developed by the MoF and Budgetary Bodies and perform a gap analysis by taking into account possible expansion needs and transformation to IFMIS.
* Recommend and propose for improvements, optimization, and integration of current systems.
* Prepare the detailed functional and technical requirements, and a roadmap for IFMIS development and implementation.
* Recommend possible improvements for strengthening institutional capacity.

1. The Ministry of Finance now invites eligible Consultancy Firms to indicate their interest in providing these services. Interested Firms must provide information indicating that they are qualified to perform the services (brochures, description of similar assignments, experience in similar conditions, and so forth). The eligibility criteria is presented below.

**Eligibility criteria:**

1. Minimum average annual financial turnover of Ngultrum Six Million or equivalent in any 3 years within the last 5 financial years (FY2017-18 to 2021-22), duly audited by a Chartered Accountant (CA certified turn over for the FY-2021-22 shall be accepted).
2. The Consulting Firm should have at least ten (10) years of recent working experience in the field of integrated management information system design and implementation including the related ICT infrastructure and interfaces and at least one successfully completed similar project experience related to the assessment of PFM systems and the development of detailed requirements for IFMIS in the public sector (government and other public limited companies or entities).
3. The Consultant will be selected in accordance with Selection Based on Consultant's Qualifications Selection (CQS) procedure set out in the World Bank Procurement Guidelines (latest version). The Bidders have to submit *a full Expression of Interest (EoI) including their initial technical proposal* meeting the Eligibility Criteria as well as Selection criteria as per the Terms of Reference (ToR). Only the proposals which fulfil the eligibility criteria shall be evaluated using the selection criteria as per ToR. The most qualified firm on the basis of the evaluation shall be asked to submit a *combined technical and financial proposal* and if such proposal is responsive and acceptable, then the firm will be invited to negotiate the contract. Kindly note that no financial proposal shall be submitted at this stage. A firm submitting the financial proposal at this stage shall be disqualified and their proposal shall be rejected without evaluation.
4. The Consultancy duration shall be for 16 weeks from the date of signing of the consultancy agreement.

Interested consultancy firm may submit Expression of Interest (EOI) via email or in a sealed envelope clearly superscripted as Request for Expression of Interest for **“*Development of an Action plan for upgrading existing Public Financial Management Information Systems and transition to Integrated Financial Management Information System (IFMIS)*”** and may obtain further information about the services, procedures for submitting the EOI etc. from the contact address given below.

***Mr. Kinzang Norbu***

***Deputy Chief Finance Officer***

***Department of Treasury and Accounts***

***Ministry of Finance***

***Thimphu, Bhutan***

***Contact: +975 1760 8182(m)***

***Email address:*** [*kinzangn@mof.gov.bt*](mailto:kinzangn@mof.gov.bt)

The EOI must be delivered through email to the address below on or before **14:30 Hours (BST) on** **3rd March, 2023**. Late submissions shall be rejected. For further information please refer ToR available on the MoF website ([**www.mof.gov.bt**](http://www.mof.gov.bt/)).

Procurement Unit

Ministry of Finance

Tashichhoe Dzong, Thimphu

[**yesheytharchendnp@gmail.com**](mailto:yesheytharchendnp@gmail.com) **or** [**ugyenl@mof.gov.bt**](mailto:ugyenl@mof.gov.bt)

**Terms of Reference**

for Consulting Services (Firm Selections) to

**Develop an Action plan for upgrading existing Public Financial Management Information Systems and transition to Integrated Financial Management Information System (IFMIS)**

1. **Background**

Bhutan continues to exhibit strong commitment to implementation of reforms for strengthening public financial management (PFM). The Public Financial Management – Multi-Donor Fund (PFM-MDF) is one of the key projects supporting the implementation of PFM reforms since 2017. Strengthening of existing PFM information systems and transition to an Integrated Financial Management Information System (IFMIS) are among the priorities of ongoing reforms.

The Ministry of Finance (MoF) of the Royal Government of Bhutan (RGoB) was using several stand-alone systems such as the Public Expenditure Management System (PEMS), the Multi-year Rolling Budget (MYRB), the Planning and Monitoring System (PlaMS), the Revenue Administration Management Information System (RAMIS), the Commonwealth Secretariat- Debt Recording and Management System (CS-DRMS), to cover various aspects of PFM. These stand-alone and mostly web-based systems were developed at different points in time using different software development approaches/IT platforms, without preparation of detailed functional or system design requirements or other reference documents in some cases. These systems exchange minimum information (i.e., they are not sufficiently integrated). Current status of existing PFM information systems is presented in **Annexure V**.

It was imperative that the RGoB would need to strengthen some of the PFM framework and systems *including the chart of accounts, treasury single account, bank reconciliation, payroll control and implement a system of commitment contro*l. The project will support the RGoB to enhance its core PFM information systems (i.e., *e*-PEMS and MYRB) and integrate these with other PFM information systems including establishing data warehousing and mining capabilities; strengthening select PFM areas considered pre-requisites towards a future IFMIS environment; and capacity development of IFMIS core team and stakeholders.

This will require a review of all systems, functional processes, methods, rules and regulations, legislation, banking arrangements and related processes. Systems need to be understood and new procedures will have to be established.

In reference to summary Aide-Memoire (December 11 to 18, 2017) of WB mission for PFM-MDF, Hon’ble Finance Secretary approved the formation of IFMIS Core Team to lead the reform initiative of “Integrated Financial Management Information Systems (IFMIS)” funded under the PFM-MDF financed “Strengthening Public Financial Management” on 29th December 2017 (MoF Office Order F/DPA/AD-MDF/2017-18/976). The core team members consist of 10 officials from the central Departments- Department of Public Accounts (DPA), Department of National Budget (DNB) and officials from different budgetary bodies. In 2021, the core team was reformed.

Strengthening core PFM systems has been one of the priorities of the Ministry of Finance. Since the 2016 PEFA Assessment, the Ministry of Finance (MoF) has embarked on various PFM reform initiatives. The key reforms achieved include electronic Public Expenditure Management System (e-PEMS), electronic government procurement system (eGP), electronic Daily Allowance and Travel System (eDATS), electronic Vehicle Quota System (eVQS) and Government Payroll System (GPS).

These web-based systems were also developed at different points in time using different software development approaches/IT platforms, as before. These systems exchange minimum information and some of the information is required to be shared manually. Moreover, there is duplication of data entry, posing challenges in ensuring fiscal data quality.

Therefore, the Ministry of Finance is embarking on reforming the Public Financial Management System in the country by initiating the transition to a new Integrated Financial Management Information Systems (IFMIS) platform. It is aimed to achieve through the enhancement and integration of its core and peripheral PFM information systems, using a shared information and communication technology (ICT) infrastructure to enhance budget performance monitoring and reporting, as well as decision support and web publishing. This approach will take advantage of the existing information systems and investments rather than acquisition of a new system with associated high costs and development risks.

1. **Objectives**

The objective of this assignment is to review all the existing PFM information systems and to develop an implementable comprehensive action plan and design the roadmap for up-gradation, expansion, development, transformation, and integration of such systems for transition to an integrated financial management information system (IFMIS) for the Royal Government of Bhutan.

1. **Scope of the Services**

The Ministry of Finance is cognizant that the proposed assignment is a complex one and that there are numerous approaches that may be undertaken. The full scope of this assignment and the potential complications that may arise during the course of the IFMIS implementation are difficult to forecast at this point. Given the nature of this assignment, Ministry of Finance is looking for consulting service from a team of qualified and experienced professionals from a reputed Consulting Firm (hereinafter called “The Consultant”). The Consultant shall work closely with Ministry of Finance, Department of Treasury & Accounts and other concerned offices and related officials to undertake a thorough study of the PFM business processes, information systems and ICT infrastructure, and to develop an action plan for the design and implementation of new IFMIS system. Among other activities, the scope of this assignment will be focused on the following tasks:

* 1. **Review of Current Systems**

1. Review the core PFM processes and information systems (both automated and manual) developed by the MoF and Budgetary Bodies including the agencies that are allowed to retain their own revenues and maintain their own accounting system.
2. Analyse the functional and technical capabilities of all existing PFM information systems and ICT infrastructure and identify possible measures for improvements in these systems.
3. Analyse existing PFM information systems for automation of critical PFM processes, network connectivity, data centre operations (Government data center and disaster recovery center), and interfaces for data exchange as required.
4. Assess gap analysis of existing PFM information systems by taking into account possible expansion and transformation to IFMIS.
   1. **Recommend and propose for improvements, optimization, and integration of current systems**
5. Identify the requirements/measures for possible simplifications in practices and reporting requirements, decision support and monitoring needs, and service delivery improvements, as well as related information system and ICT infrastructure enhancements.
6. Identify interface requirements to link existing PFM information systems for daily data exchange and other operational/reporting needs.
7. Map current PFM processes and identify automated and manual procedures supporting these processes together with possible improvements to minimize manual involvement and maximize paperless operations focusing on budget formulation, execution, revenue collection and expenditures, treasury and cash management, commitment control, payroll payments, public procurement, asset and inventory management, debt and investment management, accounting, reporting and auditing etc…
8. Develop the systemic functional design (business process diagrams) required for the integration of current PFM system supporting future IFMIS platform (showing processes, participants, tasks, information flows, inputs, outputs and controls) to be used by the Ministry of Finance, and other government agencies, banks and potential stakeholders; and
9. Prepare detailed functional and technical requirements for the integration of existing PFM information systems, considering the trends in transition to IFMIS trends and good practices.
   1. **Preparation of detail roadmap for IFMIS development and Implementation**
10. Prepare a comparative analysis of possible PFM information system improvements (upgrade, enhance and expansion of existing information systems or the development of a new integrated system or other options) that can be used to support future IFMIS requirements (commercial off-the-shelf (COTS) packages, locally developed software (LDSW), or hybrid solutions; considering open source platforms as well), clarify the gap between the functional capabilities of existing PFM information systems and future platform (COTS and other options) to identify potential customization needs and total cost of ownership, and suggest possible improvements in PFM process flows and practices to address these gaps.
11. Although the MoF’s preference is to enhance and integrate existing PFM systems as much as possible, other alternatives will also be reviewed during this assignment to inform decisions on future IFMIS modules and technology architecture. The MoF will decide on the most feasible IFMIS development options after reviewing all possible solutions to be proposed by the Consultant.
12. Based on above assessments, develop an action plan for the design and implementation of a reliable IFMIS platform and web publishing needs in public financial management effectively.
13. Develop functional and technical specifications of the future IFMIS solution with tentative cost estimates for the development related ICT solutions. Web-based application software, central servers, data centers, field equipment, network connectivity, etc…
14. Develop the draft bidding documents for the implementation of IFMIS (using World Bank standard bidding document template for information systems).
15. IFMIS with ICT solutions should have the following features (see Annex 1 for a broader description of requirements):
    1. A centralized web-based system supporting decentralized operations by providing secure and reliable access to external and internal users through Internet.
    2. Interface with other Government information systems to facilitate Government-to- Government (G2G) transactions.
    3. Facilitation with online submission of forms by key stakeholders, i.e. Government-to-Business (G2B) and Government-to-Citizen (G2C) transactions;
    4. With G2G, G2B, and G2C capabilities, future integrated IFMIS platform is expected to be a shared platform for supporting all PFM functions.
    5. Create provisions for interfacing with external systems (using existing government service bus and application programming interfaces/APIs).
    6. Ensure full automation of core PFM functions to maximize automated processes and paperless financial management.
    7. Has additional for audit and reporting features.
    8. Provide a modular IFMIS ICT solution, with proper documentation (System Requirement Specification, Data Flow Diagram, Entity Relationship Diagram) and source code.
    9. Have High availability of backup/disaster recovery centre solutions for replication and redundancy.
    10. **Recommendation for Institutional Capacity Enhancement**
16. Develop a comprehensive PFM system modernization strategy and a time bound action plan for the development of IFMIS with ICT solutions and integration with all government systems. IFMIS platform should be developed in line with the Bhutan E-governance Master-plan with the GovTech (earlier DITT).
17. Develop a change management program for transition to IFMIS.
18. Recommend changes/enhancements to public financial management procedures and regulation, organizational structure, and other administrative processes; and
19. Propose a required training program for the capacity building of officials at DTA, DPBP, DMFDF, DPBP, DRC, GovTech and other stakeholders.
20. **Methodology**
21. **Review and concept building**

The consultant should accomplish the task in close coordination with DTA and MoF. The consultant should organize at least three consulting workshops with relevant stakeholders in the beginning, at the middle and in the final stage of the study. It should have necessary interviews, direct conversations, questionnaire, field visits, discussion, survey, email, etc. to get information about the assigned tasks. In the study and review process PPD, MoF or DTA may coordinate with other governmental agencies on request of consultants.

1. **Development of current system integration**

The consultant should develop the current PFM system integration model taking into consideration of components of future IFMIS functional modules and interfaces as mentioned below:

IFMIS Components/Functions:

* Budget Preparation (multi-year; program based)
* Fiscal Forecasting/Budget Planning
* Treasury Management (TSA operations)
* Revenue Administration (including grants)
* Cash Management/Commitment Control Module
* Purchasing Module
* Inventory/Assets Module
* General Ledger/Charts of Accounts
* Budgetary Accounting
* Accounts Payables
* Accounts Receivables
* Reporting Module like transactional data, budget reports, statutory financial reports, other reports, etc.

Interfaces with other PFM information systems:

* HR/Payroll System interface
* Debt Management system interface
* Performance Management interface
* Public Investment Management system interface
* Provident Fund Management interface

1. **Preparation of Detail Action Plan**

The consultant should develop a detail action plan with possible time frame and costing. The consultant, in due consultation with the recipient, can use any suitable/appropriate methodology for accomplishing the assigned tasks.

1. **Languages**

The consultant should be able to communicate in either in Dzongkha or in English with the Client. The reporting documents should be prepared in English language.

1. **Duration and Deliverables**
2. **Duration and Estimate of Services**

The duration of this consultancy shall be 16 weeks from the date of signing of the consultancy agreement. The assignment is expected to should commence as soon as possible, preferably in March 2023, and must be completed by the end of June 2023. The assignment is expected to entail approximately 9 person-months of total input from a team of three (3) specialists (6 person-months of input from two (2) key senior consultants/experts as well as 3 person-months of input from one (1) solution architect with required qualifications), covering in-country assistance, coordination, reporting and presentations of the analysis and recommendations to the Ministry of Finance. The composition of the Consultant’s team shall be as follows to perform the tasks as set out above: (a) an international expert (Team Leader) with expertise leading the team, business process mapping/reengineering (BPM/BPR) and IFMIS design; (b) a national/international expert (financial management and ICT specialists) with experience on the design and implementation of financial management systems; and (c) a national/international solution architect (ICT with financial management) to support the team.

The daily sustainable development fee (SDF) of USD 200 per person for foreigners visiting Bhutan may be applicable and consultants shall estimate the requirement as expenses.

1. **Deliverables**

Following deliverables shall be made to the MoF Secretariat/DTA after the commencement of this assignment:

|  |  |  |
| --- | --- | --- |
| **Major Activities** | **Major Outputs** | **Expected Completion date** |
| Draft Inception Report & Work Plan | Draft Inception report and tentative work plan must be submitted by the consultant | Within two (2) weeks from commencement |
| Inception Report and Work Plan | Brief review and confirmation of work plan; identification of issues that may affect work schedule | Within three (3) weeks after commencement |
| Interim Report | Preliminary findings (i) review of existing PFM practices and systems, and gap analysis; (ii) comparative analysis of ICT solutions to meet future requirements; and (iii) suggestions for enhancement of practices, procedures, regulations, and systems | Within eight (8) weeks from the commencement |
| Draft report of IFMIS | Draft final report of IFMIS, covering all activities listed under the scope of services, including an action plan for PFM modernization and transition to IFMIS. | Within fourteen (14) weeks from the commencement |
| Validation | Draft final report of IFMIS after incorporating comments from officials, | Within one (1) week of Draft IFMIS report submission |
| Final Report | Final report of IFMIS | Within one (1) week after getting validation. Should be finalized within sixteen (16) weeks from the commencement |
| Bi-monthly | Updates on the progress and key issues, as well as recommendations for the resolution of these issues. | Every fortnight |

1. **Payment Schedule**

* 10% on signing of the contract agreement and commencement of work.
* 20% of the total amount on approval of the Inception Report and Work Plan.
* 20% of the total amount on approval of the Interim Report.
* 50% of the total amount on approval of the Final Report.

1. **Reporting**

The Consultant shall report to the MoF Secretariat (PPD) & DTA about the progress status in advance before every bi-weekly meeting with at least three printed copies with soft copy of the report. The DTA will circulate the report to the concerned stakeholders as per requirement.

The MoF Secretariat and other key stakeholders involved in PFM reforms may provide suggestions and feedbacks for the development of IFMIS based on their requirements and on demand. The suggestion and feedback of the key stakeholders can be provided during progress review meetings or through the consultation workshops. There shall be a minimum scheduled bi-weekly progress status review meeting in DTA.

1. **Eligibility, Team Composition and Qualification Requirements of Key Experts**

The Consultant team will consist of one Team Leader (who will also work as a key IFMIS Expert), one PFM Specialist, and one System Architect to perform the activities highlighted in this ToR.

**Consulting Firm:** The eligibility criteria are presented below:

1. **Technical:** The consulting firm should have at least 10 years of recent working experience in the field of integrated management information system design and implementation including the related ICT infrastructure and interfaces and at least one successfully completed similar project experience related to the assessment of PFM systems and the development of detailed requirements for IFMIS in the public sector (government and other public limited companies or entities).
2. **Financial:** Minimum average annual financial turnover of Ngultrum Six Million or equivalent in any 3 years within the last 5 financial years (FY2017-18 to 2021-22), duly audited by a Chartered Accountant (CA certified turn over for the FY-2021-22 shall be accepted).

Full particulars of the constitution, ownership, organizational structure, and main activities of the prospective bidder should be provided, including details such as:

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Description** | **Enclosures**  **(Yes/No)** | **Annexure No.** |
| 1 | Name of the firm /Organization and its registered office |  |  |
| 2 | Address for the correspondence |  |  |
| 3 | Status/Constitution of organization |  |  |
| 4 | Registration under Companies Act |  |  |
| 5 | Project Data sheets demonstrating experience in conducting Water Supply/ infrastructure projects along with completion certificates |  |  |
| 6 | Service Tax Registration |  |  |
| 7 | Permanent Account Number (PAN) |  |  |
| 8 | Details of major assignments undertaken of a similar nature, during the last 5 (Five) years from last date of submission of EoI. |  |  |

The key experts of the Consulting Firm will have the following qualifications:

**Team Leader** (international expert)

* Master's degree in finance / economics, public administration, computer science, engineering, or related disciplines and demonstrated experience in informatics, engineering, or related fields.
* At least ten (10) years of professional experience in ICT/PFM consultancy services with at least five (5) years of consulting experience in similar assignments related to the design and implementation of IFMIS.
* At least four (4) years of project management and organizational change expertise. Proven proficiency in the preparation of study reports and ability to communicate project issues with high-ranking officials, and to resolve key issues quickly.
* Knowledge of development issues facing Bhutan or other developing countries particularly related to implementation of large-scale ICT systems.
* Expertise in managing large public sector ICT projects especially in the field of public financial management systems will be an advantage.
* Extensive experience with the working procedures and policies of the Royal Government of Bhutan or similar developing countries would be desirable.
* Possesses experiences in master planning expertise and extensive strategic comprehension of the various aspects of the approved design implementation plans.
* Extensive knowledge of market conditions and capabilities for communications technology and infrastructure in Bhutan would be desirable.
* Strong skills and knowledge of international standards and control frameworks in Public Finance will be essential.
* Fluency in English is required. Fluency in Dzongkha will be an added advantage.
* ICT Certifications will be an added advantage.

**PFM Specialist** (national or international expert)

* Master's degree in Public Finance, MBA or other related disciplines. Demonstrated experience in Public Finance or related fields.
* At least ten (10) years of professional experience in public finance with at least five (5) years of consulting experience in similar assignments related to the assessment of PFM processes and systems and the development of IFMIS requirements.
* At least three (3) years of experience in the preparation of study reports and ability to communicate project issues with high-ranking officials, and to resolve key issues quickly.
* Expertise in managing large public sector ICT projects especially in the field of public financial management systems will be an advantage.
* Experience in developing detailed functional and technical requirements and draft bidding documents (using World Bank standard bidding document templates for information systems) for IFMIS implementation.
* Extensive experience with the working procedures and policies of the Royal Government of Bhutan or similar developing countries would be desirable.
* Strong skills and knowledge of international standards and control frameworks in Public Finance will be essential.
* Fluency in Dzongkha (in case of a national expert) or in English (in case of an international expert) is required. Fluency in English will be an added advantage in case a national expert is proposed.

**System Architect** (national or international expert)

* BSc engineering, computer science, or equivalent qualification.
* At least five (5) years of professional experience in reviewing platforms, programming languages & framework, Database architecture, messaging, data sharing & optimization models etc…
* At least three (3) years of experience in business process mapping/re-engineering for the information systems in the public, financial, or banking sectors.
* Experience in the development of requirements, bidding documents/ToRs and project documentation for application software.
* Experience with the working procedures and policies of the Royal Government of Bhutan or similar developing countries would be desirable.
* Fluency in Dzongkha (in case of a national expert) or in English (in case of an international expert) is required. Fluency in English will be an added advantage in case a national expert is proposed.

1. **Work Arrangements**

The DTA will provide a limited office space with power connectivity and internet facility. For the purpose of discussion and meetings, DTA meeting hall or MoF secretariat’s office space can be provided upon request. For completion of the assignment, the consultant should have to organize meetings/workshops including participants from MoF/DTA and other concerned stakeholders on its own resources.

While conducting the assignment, consultants may use the knowledge and experience of MoF/DTA officials and staff upon official approval. The Consultant will be responsible for any other costing incurred during the assignment including transportation, accommodation, logistics and any translation services.

1. **Restrictions**

The consultants will not have any material or immaterial interest in any of the outputs of this assignment and technologies or related ICT services under consideration. Neither will the consultant be eligible to participate in future contracts for the implementation of the IFMIS solutions.

In addition to the standard conflict-of-interest restrictions specified in the consultancy contract, any tangible or intellectual output created under this contract will remain the sole property of the RGoB, who will make them available to the concerned development partner. The terms of reference and the correlated products are to be handled confidentially.

1. **Selection of the Consultant**

The consulting service will be procured through competitive bidding. The bidding process will be based on the Consultants’ Qualifications Selection (CQS) in line with the World Bank procurement guidelines. The MoF will evaluate the expressions of interests to be received based on this ToR and identify at least three qualified firms with relevant experience. Firms having the required experience and competence relevant to the assignment shall be assessed and compared, and the best qualified and experienced firm shall be selected. Only the selected firm shall be asked to submit a combined technical and financial proposal and, if such proposal is responsive and acceptable, be invited to negotiate a contract.

1. **Evaluation Criteria**

The minimum technical score required to pass is 70%.

1. **The criteria for technical proposal evaluation:**

For the technical evaluation, the criteria, sub-criteria and points systems for evaluating the technical proposal are as follows:

| **Sl** | **Criteria and Sub-Criteria** | **Score** |
| --- | --- | --- |
| 1 | Specific experience of the firm relevant to the assignment | 20 Points |
| **Specific experience of the firm relevant to the assignment (20 Points)**  IFMIS Road map developed above 2 numbers (100%)  IFMIS Road map developed 2 numbers (75%)  IFMIS Road map developed 1 number (50%) |  |
| 2 | Adequacy of the proposed methodology and work plan in responding to the Terms of Reference | 50 Points |
| **2.1 Understanding of the Assignment in responding to Terms of Reference (25 Points)**  Understanding on the Assignment with regards to thee Terms of Reference. The firm shall demonstrate clear understanding of the assignment topic, objectives and scope of the task and expected outcome, any technical requirements of this task. This should be demonstrated through a written technical proposal. (For this, there should be a detailed write-up (essay) on your understanding of the assignment) |  |
| **2.2 Technical Approach and Methodology including Work Plan in responding to Terms of Reference (20 Points)**  The expression of the technical approach, and the methodology that would be adopted for implementing the tasks to deliver the expected output(s), and the degree of detail of such output. The plan for the implementation of the main activities/tasks of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the Client), and tentative delivery dates of the reports. |  |
| **2.3 Organization and Staffing (5 Points)**  The structure and composition of the team, including the list of the Key Experts (IFMIS Expert), Non-Key Experts and relevant technical and administrative support staff. |  |
| 3 | Key Professional staff qualifications and competence for the Assignment | 30 Points |
| **Team Lead (15 Points)**  **General Qualification (40% of 15 Points)**  Minimum master’s degree in the relevant field (6 Points)  Above Master’s degree (100%)  Master’s degree (75%)  **Adequacy for the Assignment (60% of 15 Points)**  Implemented projects in IFMIS Road Map Development (14 Points)  Above 2 Projects (100%)  2 Projects (75%)  1 Project (50%)  **PFM Specialist (10)**  **General Qualification (40% of 10 Points)**  Minimum master’s degree in the relevant field (4 Points)  Above Master’s degree (100%)  Master’s degree (75%)  **Adequacy for the Assignment (60% of 10 Points)**  Implemented PFM projects (6 Points)  Above 2 Projects (100%)  2 Projects (75%)  1 Project (50%)  **Solution Architect (5)**  **General Qualification (40% of 5 Points)**  Minimum bachelor’s degree in the relevant field (2 Points)  Above Master’s degree (100%)  Master’s degree (75%)  Bachelor’s degree (50%)  **Adequacy for the Assignment (60% of 5 Points)**  Implemented PFM related projects (6 Points)  Above 2 Projects (100%)  2 Projects (75%)  1 Project (50%) |  |
|  | Total | 100 Points |

**Notes:**

1. In case key expert does not meet the minimum qualification criteria, the proposal of the firm will be declared as non-responsive.

2. Consultant's organization and experience should be submitted in the format given in the **Annexure I**.

3. Description of Approach, Methodology, Work Plan and Staffing for performing the assignment should be submitted as described in **Annexure II.**

4. Work Schedule and Planning for Deliverables should be submitted as per **Annexure III**.

5. Team Composition, Assignment and Key Expert input and CV should be submitted as per **Annexure IV**.

6. Any change of key personal (TL or Senior technical experts) after the award of consultancy will lead to termination of contract.

**Annexure - I**

**FORM**

**CONSULTANT’S ORGANIZATION AND EXPERIENCE**

Form: a brief description of the Consultant’s organization and an outline of the recent experience of the Consultant that is most relevant to the assignment. In the case of a joint venture, information on similar assignments shall be provided for each partner. For each assignment, the outline should indicate the names of the Consultant’s Key Experts and Sub- consultants who participated, the duration of the assignment, the contract amount (total and, if it was done in a form of a joint venture or a sub-consultancy, the amount paid to the Consultant), and the Consultant’s role/involvement.

**A - Consultant’s Organization**

1. Provide here a brief description of the background and organization of the company and

– in case of a joint venture – of each member for this assignment.

1. Include organizational chart, a list of Board of Directors, and beneficial ownership

**B - Consultant’s Experience**

1. List only previous similar assignments successfully completed in the last 5years from last date of submission of EoI.
2. List only those assignments for which the Consultant was legally contracted by the Client as a company or was one of the joint venture partners. Assignments completed by the Consultant’s individual experts working privately or through other consulting firms cannot be claimed as the relevant experience of the Consultant, or that of the Consultant’s partners or sub-consultants, but can be claimed by the Experts themselves in their CVs. The Consultant should be prepared to substantiate the claimed experience by presenting copies of relevant documents and references if so requested by the Client.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Duration** | **Assignment name/& brief**  **description of main**  **deliverables/outputs** | **Name of Client**  **& Country of**  **Assignment** | **Approx. Contract value**  **(in US$ equivalent) / Amount paid to the Bidder** | **Role on the**  **Assignment** | **Reference no. (Page) of work order and completion certificate** |
|  |  |  |  |  |  |
| {e.g.,  Jan.2009–  Apr.2010} | {e.g., “Improvement  quality of ”:  designed master plan for  rationalization of ;} | {e.g., Ministry of  ......, country} | {e.g., US$1  mill/US$0.5 mill} | {e.g., Lead  partner in a JV  A&B&C} |  |
|  |  |  |  |  |  |
| {e.g., Jan-  May  2008} | {e.g., “Support to sub-  national government ”:  drafted secondary level  regulations on. } | {e.g.,  municipality  of ,country} | {e.g., US$0.2  mil/US$0.2 mil} | {e.g., sole  Consultant} |  |

**Note:**

1. Work Order, ToR/ Scope of work and Completion Certificate of consultancy assignments dully signed by client are to be attached with each completed assignment.
2. On-Going consultancy assignments/ project shall not be considered for evaluation

**Annexure - II**

**FORM**

**DESCRIPTION OF APPROACH, METHODOLOGY, AND WORK PLAN FOR**

**PERFORMING THE ASSIGNMENT**

Form: a description of the approach, methodology, and work plan for performing the

assignment, including a detailed description of the proposed methodology and staffing for training, if the Terms of Reference specify training as a specific component of the assignment.

1. ***Technical Approach, Methodology, and Organization of the Consultant’s team****.*

{Please explain your understanding of the objectives of the assignment as outlined in the Terms of Reference (TOR), the technical approach, and the methodology you would adopt for implementing the tasks to deliver the expected output(s); the degree of detail of such output; and describe the structure and composition of your team. Please do not repeat/copy the TORs inhere.}

1. ***Work Plan and Staffing***.

Please outline the plan for the implementation of the main activities/tasks of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the Client), and tentative delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan and work schedule showing the assigned tasks for each expert. A list of the final documents (including reports) to be delivered as final output(s) should be included here. The work plan should be consistent with the Work Schedule Form.}

1. ***Comments (on the TOR and on counterpart staff and facilities)***

{Your suggestions should be concise and to the point, and incorporated in your Proposal. Please also include comments, if any, on counterpart staff and facilities to be provided by the Client. For example, administrative support, office space, local transportation, equipment, data, background reports, etc.}

**Annexure- III**

**FORM**

**WORK SCHEDULE AND PLANNING FOR DELIVERABLES**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **N°** | **Deliverables** 1 **(D-..)** | **Months** | | | | | | | | | | | |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **.....** | **n** | **TOTAL** |
| **D-1** | {e.g., Deliverable #1: Report A |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 1) data collection |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 2) drafting |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 3) inception report |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 4) incorporating comments |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 5) ......................................... |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 6) delivery of final report to Client} |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **D-2** | {e.g.,Deliverable#2 } |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **n** |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |

1. List the deliverables with the breakdown for activities required to produce them and other benchmarks such as the Client’s approvals. For phased assignments, indicate the activities, delivery of reports, and benchmarks separately for each phase.
2. Duration of activities shall be indicated in a form of a barchart.
3. Include a legend, if necessary, to help read the chart.

**Annexure IV**

**FORM**

**TEAM COMPOSITION, ASSIGNMENT, AND KEY EXPERTS’ INPUTS**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **N°** | **Name** | **Expert’s input (in person/month) per each Deliverable (listed in TECH-5)** | | | | | | | | | | | | | | **Total time-input**  **(in months)** | | | | | |
| **Position** |  | **D-1** |  | **D-2** |  | **D-3** | **........** |  | **D-...** | |  |  |  | **Home** | | **Field** | | **Total** | |
| **KEY EXPERTS** | | | | | | | | | | | | | | | | | | | | | | |
| K-1 | {e.g., Mr. Abbbb} | [Team Leader] | [*Home]* | [2 month] |  | [1.0] |  | [1.0] |  |  |  | |  |  |  |  | |  | |  | |
| [*Field*] | [0.5 m] | [2.5] | [0] |  | |  | |
| K-2 |  |  |  |  |  |  |  |  |  |  |  | |  |  |  |  | |  | |  | |
|  | |  | |
| K-3 |  |  |  |  |  |  |  |  |  |  |  | |  |  |  |  | |  | |  | |
|  | |  | |
|  |  |  |  |  |  |  |  |  |  |  |  | |  |  |  |  | |  | |  | |
|  | |  | |
| n |  |  |  |  |  |  |  |  |  |  |  | |  |  |  |  | |  | |  | |
|  | |  | |
|  | | | | | | | | | | | | **Subtotal** | | | | |  | |  | |  | |
| **NON-KEY EXPERTS** | | | | | | | | | | | | | | | | | | | | | | |
| N-1 |  |  | [*Home*] |  |  |  |  |  |  |  |  | |  |  |  |  | |  | |  | |
| [*Field*] |  | |  | |
| N-2 |  |  |  |  |  |  |  |  |  |  |  | |  |  |  |  | |  | |  | |
|  | |  | |
|  |  |  |  |  |  |  |  |  |  |  |  | |  |  |  |  | |  | |  | |
|  | |  | |
| n |  |  |  |  |  |  |  |  |  |  |  | |  |  |  |  | |  | |  | |
|  | |  | |
|  | | | | | | | | | | | | **Subtotal** | | | | |  | |  | |  | |
| **Total** | | | | |  | |  | |  | |

1. For Key Experts, the input should be indicated individually for the same positions as required under the Data Sheet ITC21.1.
2. Months are counted from the start of the assignment/mobilization. One (1) month equals twenty (20) working (billable) days. One working (billable) day shall be not less than eight (8) working (billable) hours.
3. “Home” means work in the office in the expert’s country of residence. “Field”work means work carried out in the Client’s country or any other country outside the expert’s country of residence.

**FORM**

**(Continued)**

**CURRICULUM VITAE (CV)**

|  |  |
| --- | --- |
| **Position Title and No.** | {e.g., K-1, TEAM LEADER} |
| **Name of Expert:** | {Insert full name} |
| **Date of Birth:** | {day/month/year} |
| **Country of Citizenship/Residence** |  |

**Education:** {List college/university or other specialized education, giving names of educational institutions, dates attended, degree(s)/diploma(s) obtained}

**Employment record relevant to the assignment:** {Starting with present position, list in reverse order. Please provide dates, name of employing organization, titles of positions held, types of activities performed and location of the assignment, and contact information of previous clients and employing organization(s) who can be contacted for references. Past employment that is not relevant to the assignment does not need to be included.}

|  |  |  |  |
| --- | --- | --- | --- |
| **Period** | **Employing organization and your title/position. Contact information and references** | **Country** | **Summary of activities performed relevant to**  **the Assignment** |
| [e.g., May 2005-  present] | [e.g., Ministry of ……, advisor/consultant to…  For references: Tel /e-  mail……; Mr. Hbbbbb, deputy minister] |  |  |
|  |  |  |  |
|  |  |  |  |

**Membership in Professional Associations and Publications:**

**Language Skills (indicate only languages in which you can work):**

**Adequacy for the Assignment:**

|  |  |
| --- | --- |
| **Detailed Tasks Assigned on Consultant’s Team of Experts:** | **Reference to Prior Work/Assignments that Best Illustrates Capability to Handle the Assigned Tasks** |
| **{List all deliverables/tasks as in Annexure – III in which the Expert will be involved)** |  |
|  |  |
|  |  |

**Expert’s contact information:** (e-mail………………….,phone………………….)

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience, and I am available to undertake the assignment in case of an award. I understand that any misstatement or misrepresentation described herein may lead to my disqualification or dismissal by the Client, and/or sanctions by the Bank.

{day/month/year}

Name of Expert Signature Date

{day/month/year}

Name of authorized Signature

Representative of the Consultant Date

(the same who signs the Proposal)

**Annexure V**

**Current Status of Existing PFM Information Systems in Bhutan**

The RGoB has initiated several important reform activities to improve and integrate selected PFM processes and information systems, as a part of ongoing efforts for transition to IFMIS. These activities are expected to address some of the key challenges identified in 2016 PEFA assessment, PEMS IT audit reports, e-PEMS Performance Audit Report and result in substantial savings and improvements in budget execution. After 2016, several PFM reforms took place including many enhancements to the existing system. The current status of the systems and reforms are summarized below:

* The name of Department of Public Accounts (DPA) has been changed to Department of Treasury and Accounts (DTA). The DTA introduced the electronic payments system “*electronic* Public Expenditure Management System (*e*-PEMS)” in July 2019 migrating the data from PEMS to e-PEMS. The e-PEMS is an enhancement to the PEMS with the introduction of electronic payment and doing away with cheque writing. e-PEMS also has the feature of repository of the vendor bank accounts which is updated by the budgetary bodies when processing payments. This project is also expected to pave the way towards centralised treasury single account (TSA) operations and automatic daily reconciliation of government bank accounts.
* The erstwhile Department of National Property (DNP) has been renamed as Department of Procurement and Properties (DPP). The DPP has initiated the implementation of Electronic Government Procurement (e-GP) project since 2017. The system is being developed in to three phases. The Phase I and II has been implemented in 2017 and 2020 respectively. The Phase III has been developed and is currently in the user acceptance test (UAT) stage. The phase III is expected to be rolled out in July 2023.
* Bhutan Immediate Payment Service (BIPS) and Payment Gateway (PG) were launched on January 27, 2017, by the Royal Monetary Authority (RMA), to provide the capability of instant inter-bank funds transfers to customers. On February 5, 2022, the existing GIFT System – a system that facilities inter-bank real time fund transfer has been changed to "Bhutan Inter-Bank Real Time (BIRT) – Fund Transfer System". BIRT -Fund Transfer System facilitates three types of payment services viz. RTGS, BITS, and BULK and these services are available at all bank branches across Bhutan. While RTGS is for large value fund transfer above Nu. 1 million, BITS is for fund transfer below Nu. 1 million, and BULK is for multiple fund transfer from single account such as salaries, pensions, loans, etc.
* Revenue Administration Management Information System (RAMIS) under the Department of Revenue and Customs will be replaced by Bhutan Integrated Revenue Management System (BIRMS) which is under development. It is expected to be completed by July 2024. The DRC is undertaking a modernization process that will result in evolving to a function based organization, incorporates risk-based evaluation of taxpayers, and integrates its tax operations to allow a “whole of client” view of a taxpayer’s tax situation. As a part of this process of modernization, the DRC has determined that it should replace some of the modules of its current Revenue Administration and Management Information System (RAMIS) that was developed in 2012 with another new solution (“Bhutan Integrated Taxation System”) that will accommodate the change in operating methods.
* The erstwhile Department of National Budget (DNB) has been renamed as Department of Planning, Budget and Performance (DPBP) with the planning functions from Gross National Happiness Commission and the Government Performance Management Division from the Office of the Prime Minister moved to the DPBP. The Multi-year Rolling Budget (MYRB) is looked after by the DPBP.
* Government Intranet was revamped to improve the redundancy of the extended Thimphu Wide Area Network (TWAN) connections for all Dzongkhag, Gewog, Dungkhag and Regional Offices. The Department of Information Technology and Telecom (DITT) has been renamed as Government Technology Agency (GovTech). The GovTech will carry out the functions related to information, communications and technology in the country including formulation of policies, adopting rules or regulations, and implementing related laws. GovTech is an autonomous agency under the governance cluster to drive digital transformation by using technology to enhance the effectiveness and efficiency of the government, transform public services to be citizen-centric, and create a safe and thriving Bhutanese digital economy.

A summary of existing PFM systems and the current status of their integration (interconnectivity) with other systems are presented in Table 1.

**Table 1:** A summary of existing PFM systems and the current status of their integration with other systems (as of January 2023).

| **Sl No** | **System** | **Functions** | **Platform** | **Year** | **Department (Owner)** | **Integration with Other Systems \*** | **Future Initiatives** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1 | e-PEMS | Accounting and Payment | .Net Framework with Microsoft SQL Server Database | 2019 | Department of Treasury and Account (DTA) | MYRB (S): Budget details  BoBL (F): Bank details for payments (Salary, bills etc)  BPC/Telecom: Utility Bill payments  RAMIS (F): Tax Payer Number (TPN), Tax Deducted at Source (TDS) payment | Integration with ZESt (Feb 2023), eDATS (June 2023) and e-GP (June 2023) |
| 2 | MYRB | Budgeting | .Net Framework with Microsoft SQL Server Database. | 2010 | Department of Planning Budget and Performance (DPBP) | e-PEMS (S): Budget details |  |
| 3 | RAMIS | Revenue Management | JAVA and Spring Boot Framework with MySQL Enterprise Edition | 2015 | Department of Revenue and Customs (DRC) | BoBL (F): Mobile/internet payment  e-PEMS (F): TDS remittance  RMA (F): Validating registered companies  G2C (F): For generating OTP for password reset | Bhutan Integrated Revenue Management System (BIRMS) under development and Bhutan Integrated Taxation System (BITS) under development. |
| 4 | CS-DRMS | External grant debt management | Microsoft SQL | 2005 | Department of Macro Fiscal and Development Finance (DMFDF) | No data exchange interface with other systems | Commonwealth Meridian will replace CS-DRMS |
| 5 | e-GP | Procurement management | Java spring Framework, MS SQL | 2017 | Department of Procurement and Properties (DPP) | MYRB (F): Budget details | Integration with ePEMS |
| 6 | PLaMS | Planning | .Net / MS SQL | 2012 | Department of Planning Budget and Procurement (DPBP) | MYRB (F): Budget Details |  |
| 7 | GPMS | Performance management | .Net / MS SQL | 2020 | Department of Planning Budget and Procurement (DPBP) | MYRB (F): Budget Details |  |
| 8 | ZESt | HR management | .Net / MS SQL | 2020 | Royal Civil Service Commission (RCSC) | No data exchange interface with other Financial systems | Integration with e-PEMS & MYRB (Feb 2023) |
| 9 | GIMS | Government asset management | Laravel - The PHP Framework  Backend: MySQL | 2021 | Department of Procurement and Properties (DPP) | NLCS 2API (F): Rural and urban land  e-PEMS (M): Employee details  RSTA (F): BG vehicles |  |
| 10 | eDATS | Travel and claim system | Laravel - The PHP Framework  Backend: MySQL | 2021 | Department of Treasury and Account (DTA) | e-PEMS (M): Employee Details | Integration with ePEMS (June 2023) |
| 11 | eVQS | Vehicle quota management | Java Spring Framework, MS SQL | 2021 | Directorate Services | ZEST: for getting civil servant details  DCRC: Census Details |  |
| 12 | BACS | Bhutan Automated Custom System | Visual Basic 6.0 with SQL Enterprise Edition DB | 2001 | Department of Revenue and Custom | No data exchange interface with other systems | BACS is a client-based stand-alone system. electronic Custom Management System (eCMS) is under development which is an online system and replace BACS. |

(\*) Integration refers to a data exchange mechanism between two systems through a government service bus (S), secure file transfer protocol (F), manually (M), or other (O) options. Type of data exchange is indicated with these abbreviations after the system name in this column.

The IFMIS core team had focused on the following critical activities:

* Formalize the establishment of the IFMIS core team through a directive clarifying the objectives, team lead & composition, activities, roles and responsibilities, and reporting needs. The IFMIS core team has been formed twice.
* Expansion of existing PFM systems (PEMS, MYRB, etc.) to improve TSA operations (transition from checks to electronic funds transfer), automation of bank reconciliations, commitment control (reliable and timely info on all government contracts), cash management, payroll controls, performance monitoring and fungible booking of RGoB activities.
* Improving existing Budget Classification (BC) and Chart of Accounts (CoA) to be able to capture budget execution performance indicators and link these to objectives for all spending units (using administrative segments to map all spending units, instead of using activity codes). In this line, an IMF is assisting to implement the Unified Chart of Accounts based on GFSM 2014 and is expected to roll out from FY 2024-25.
* Strengthening functional and technical capacity of IFMIS stakeholders to improve existing practices and systems, and benefit from new integrated platform for PFM performance monitoring and reporting.
* Improving IT governance (e.g., information security, audit trails, software version control, documentation, user management, system monitoring).
* Interactions with other countries to exchange knowledge and experiences through peer-learning platforms and communities of practice.

**Description of existing PFM information systems**

1. **Planning System (PlaMS):** The GNHC has launched the PlaMS (<http://plams.gnhc.gov.bt/>) in 2008 as a web-based application for managing programs under the five-year plans. The system database has been upgraded in 2012 (to MS SQL 2012) and is current hosted in the Government Data Center (GDC) to support the planning and periodic monitoring needs of budget officials of central and local agencies and GNHC (about 500 system users in total). Sector objectives and key performance indicators are defined for all programs, sub-programs, and activities. Most of the budget performance monitoring functions are now being supported by GPMS (linked to MYRB), and the PlaMS is not being used for periodic monitoring since 2013. GNHC has been dissolved to DPBP, DMFDF and Prime Minister’s Office. The system was being maintained by three ICT officials who are now transferred to GovTech.
2. **Multi-Year Rolling Budget (MYRB) System**: The MYRB (<http://myrb.myrbpems.bt/>) is a locally developed web-based system launched by the DPBP in 2010 together with PEMS for supporting the preparation of multi-year rolling budget and the revisions of budget allocations (about 300 users from central and local government entities). Before MYRB, the Centralized Budgeting and Accounting (CBA) System has been used for budget preparation. The MYRB is hosted in the GDC and its database platform has been recently upgraded to MS SQL 2016. It is being used mainly for line item budgeting. MYRB is integrated with PEMS and e-PEMS database, and linked to GPMS and PlaMS (web services) for monitoring sector objectives. There is plan that ICT officials from GovTech will maintain the source code and support the system. The DPBP also launched the Budget Monetary Tool with the site <https://myrb.myrbpems.bt/BMT> in October 2020 to facilitate the budgetary bodies in having proper work plan of the capital activities and keep abreast of the financial and physical progress.
3. **Integrated Financial Management Information System (IFMIS) Dashboard:** The IFMIS Dashboard (<https://myrb.myrbpems.bt/BMT/Account/Login>) was developed by the IFMIS core team. It functions as a dashboard to the executives to extract budget vs expenditure reports. It also provides as a point to the reference to the financial institutions like NPPF, RICBL to extract data on the remittance of PF and GIS. It pulls in data from MYRB for budget, e-PEMS for expenditure while other information like revenue are updated time to time.
4. **Public Expenditure Management Systems (PEMS)**: The PEMS (<http://pems.myrbpems.bt/>) is another locally developed web-based system launched by the DTA in 2010 together with MYRB for supporting budget execution functions, payroll calculations, accounting, and reporting needs. The system is being used by around 1,200 users and hosted in the GDC. The PEMS is being used to capture central budget expenditures on a daily basis. However, bank reconciliation (monthly) and payments (by check) are still manual. The system does not record multi-year commitments (contracts) and payroll module is not linked to CSIS and other systems for controls and verification of payments. PEMS is integrated with MYRB database and linked to GPMS and PlaMS (web services). The DTA worked on improvement of PEMS capabilities in response to the findings of the RAA’s 2016 PEMS audit. From July 2019, PEMS is no more used as e-PEMS has been launched in replacement of PEMS, however PEMS is still being maintained for records, database and reporting purposes.
5. ***electronic* - Public Expenditure Management Systems (*e*-PEMS)**: The e-PEMS ([http://epems.myrbpems.bt/](http://pems.myrbpems.bt/)) is a major enhancement on the PEMS locally developed web-based system. The DTA introduced the electronic payments system “*electronic* Public Expenditure Management System (*e*-PEMS)” in July 2019 migrating the data from PEMS to e-PEMS. The e-PEMS is an enhancement to the PEMS with the introduction of electronic payment and doing away with cheque writing. e-PEMS also has the feature of repository of the vendor bank accounts which is updated by the budgetary bodies when doing payment. It is integrated with RAMIS for TPN details, with BOBL and BNBL for Bank details. With e-PEMS the electronic payment is made to BOBL and all other banks through the RMA’s BIRT System currently. It has Government Payroll System (GPS), Budgetary Release Forecast (BRF), and Vendor Registration System as parts of e-PEMS. Vendor registration system is yet to be rolled out.
6. **Revenue Administration and Management Information System (RAMIS)**: The RAMIS is being developed as an integrated web-based Tax and Customs automation system built on open-source MySQL database (<http://portal.drc.gov.bt/drc/>) since 2012 (ADB funding; solution provider: TCS, India). Some of the Tax modules have been launched by the DRC in 2015 to cover 80% of the operations, and the remaining modules are expected to be operational till end of 2017. Customs module is still being developed and may be launched in July 2017. Currently, the DRC is using Bhutan Automated Customs System (BACS) for customs needs. RAMIS is linked to the new Payment Gateway for online payments in June 2017 (initially through BoB only). The system is being used by about 200 internal users located in 26 offices, as well as 30,000 external users. There are 65,525 personal income tax declarations and 196,000 registered taxpayers. RAMIS is linked to e-PEMS for data exchange on revenues, TDS remittance and vendor data exchange. Seven ICT officials are supporting RAMIS and BACs operations. There is currently under development system like the Bhutan Integrated Revenue Management System (BIRMS) and Bhutan Integrated Taxation System (BITS) which will replace the RAMIS.
7. **Government Performance Management System (GPMS):** The GPMS has been launched as a locally developed software in 2013 (<http://www.gpms.gov.bt/>). The GPMD is using the system since 2015 to monitor sector objectives. The GPMS is being used by the heads of ministries, autonomous agencies (six) and dzongkhags to sign Annual Performance Agreements (APAs) with the Prime Minister. In 2016, the system has been linked with PEMS and MYRB to capture budget expenditure details for specific activities. However, since the GPMS is extracting data from live e-PEMS database, this appears to be affecting the PEMS performance and response times. Online analytical processing needs will be separated through a reporting server (backup or replica of PEMS database) to avoid unpredictable loads on PEMS transactional database during daily operations. There is no dedicated ICT official to maintain GPMS.
8. **e-Procurement System (e-GP):** The Electronic Government Procurement (e-GP) system (<http://www.egp.gov.bt/>) implementation has been initiated by the DNP in 2016 (contract signed with Dohatec Media Ltd., Bangladesh) to develop a web based application in three phases. Phase I was designed to introduce electronic tendering including registration of bidders, tendering, debarment, annual procurement plan, and reporting. The first phase (funded by RGoB). The Phase I was launched in July 2017 and piloted in six procuring agencies after which it was rolled out across the procuring agencies in the country. The Phase II was rolled out in July 2020 and the modules were evaluation, grievance redressal, integration with systems of other agencies and registration and reporting enhancements. Currently the e-GP phase II has been developed and is in the UAT stage and is expected to be rolled out in July 2023. The modules include contract management, reporting on community contracting, procurement of non-consulting services, e- reverse auction and integration with construction management system of MOWHS and e-PEMs. The Phase II and III are being funded from the PFM-MDF project.
9. **Government Inventory Management System (GIMS)**: The DNP has initiated the development of Asset Inventory Management System in 2016 and in February 2021 enhanced the system and renamed to Government Inventory Management System (<https://www.gims.gov.bt>) as phase I. It includes registration, allocation, transfer, inspection, and maintenance as modules of the GIMS.
10. **Zhiyog Electronic System (ZESt) :** A new web-based online human resource management system for the civil service – the Zhiyog Electronic System (ZESt) was launched by the Royal Civil Service Commission (RCSC) in February 2020 (<https://zest.rcsc.gov.bt>). It replaces the Civil Service Information System (CSIS) and will provide holistic information on human resources (HR) in an organization with features like the dashboard which shows the real-time data on HR in various forms, which will facilitate efficient and effective decision making. The System also has a Self-Service portal that will provide many new digital services to the Civil Servants like view personal profile, CV, applying leave etc…
11. **Pension Management System (PMS):** The National Pension and Provident Fund (NPPF) (<http://www.nppf.org.bt/>) has developed several locally developed web-based applications and a dynamic web site to support online payments in collaboration with the BoB. These systems are not linked to PEMS or other PFM systems. The integration of NPPF system with ZESt is under development under the Integrated Citizen service project initiated by Prime Minister’s Office.
12. **Commonwealth Secretariat- Debt Recording & Management System (CS-DRMS)**: The Debt Management Division (DMD) is using the CS-DRMS (<http://www.csdrms.org/>) as a stand-alone system for recording and managing external debt since 2006. The system will be replaced with the Commonwealth Meridian system from January 2023.
13. **Audit Information Management System (AIMS):** The Audit Information Management System (<https://aims.bhutanaudit.gov.bt>) launched in April 2021 by the Royal Audit Authority which replaces the ARMS (Audit Resource Management System). The AIMS has an audit clearance system for the public servants to avail online audit clearance certificates.
14. **Bhutan Inter-Bank Real Time (BIRT) – Fund Transfer System (BIRT):** The Bhutan Inter-Bank Real Time (BIRT) (<https://www.rma.org.bt/what_news.jsp?newId=350>) was launched by the Royal Monetary Authority in February 2022. It replaces the existing Global Interchange for Financial Transaction GIFT System – a system that facilities inter-bank real time fund transfer. BIRT -Fund Transfer System facilitates three types of payment services viz. RTGS, BITS, and BULK and these services are available at all bank branches across Bhutan. While RTGS is for large value fund transfer above Nu. 1 million, BITS is for fund transfer below Nu. 1 million, and BULK is for multiple fund transfer from single account such as salaries, pensions, loans, etc. Presently, there are forty-four entities including MoF(e-PEMs) that have made institutional arrangements for efficient disbursement of interbank payments including salaries, loans, pensions, and other recurring payments electronically through their sponsor bank.
15. **Government Data Center (GDC):** The GDC has been established within the Thimphu TechPark (<http://www.thimphutechpark.com/>) in 2012. Since then, most of the web-based PFM systems have been moved to the GDC for hosting. Engineering systems of the GDC (power supply, diesel generators, UPS, fire alarm and extinguishing system, access control, etc.) are being maintained by a private company (New Age). Government systems (servers, data storage units, and network equipment) have been separated from other systems hosted in the GDC. ICT units of government entities manage their servers and storage units separately. GDC is the first world-class data centre established in Bhutan and can be expanded to accommodate all critical PFM systems.
16. **electronic Daily Allowance and Travel System (eDATS):** The electronic daily allowance and travel system (eDATS) (<https://edats.mof.gov.bt>) was launched by Ministry of Finance in February 2021. The *e*DATS is an online travel authorization and claims system of the Royal Government of Bhutan. It was rolled-out for implementation to all the Budgetary Bodies w.e.f. from 1st July 2021 (FY 2021-22). This is an important milestone towards strengthening the Public Financial Management through digitalization of daily allowance and travel payment process.
17. **Government Payment Information System (GPIS):** To address the issue of reconciliation of payments by the beneficiaries from the bank statement, the Department of Treasury and Accounts (DTA), MoF has developed the Government Payment Information System (GPIS) (<https://gpis.myrbpems.bt>) and rolled out in December 2022.
18. **Financial Documentation System (FINDoc)**: The FINDoc initiated by Department of Treasury and Accounts is under development which will replace the Google sheet for the payment information system for the cluster finance services.

**Annexure VI**

**Basic requirementS for new IFMIS platform**

Next-generation IFMIS solutions combine PFM operational systems for online transaction processing (OLTP) with powerful Data Warehouse (DW) capabilities for multidimensional online analytical processing (OLAP) to assist in effective forecasting, planning, performance monitoring and decision support. Innovative IFMIS solutions also allow more detailed analysis by providing dynamic query options through a budget portal to a large number of users, both internal (public organizations) and external (citizens, nongovernmental organisations, businesses), and they support the publication of open budget data.

The key functional modules of future IFMIS platform will support the following capabilities:

* Financial planning- It is the bridge between the preparation and execution of the annual budget.
* Budget preparation- covers the entire process of budget preparation starting with budget at each spending unit level and aggregating the budget till the ministry and government level. Ideally, IFMIS should be able to capture budget not only for each ministry and spending units under it, but also should be able to track budget for different sectors and geographies.
* Budget allocations- enables the allocation of budget at a detailed or aggregate level and release of budget funds on a periodic (monthly) basis based on the PFM policies and practices of the government.
* Commitment control and management- ensures that commitments for recurrent and capital expenditures are monitored and controlled so that funds are available as per the plan.
* Cash management- is important to ensure that the government has liquidity to execute its payments and that the costs of this liquidity are as low as possible.
* Expenditure management - ensures accounting of all expenditure (including e-Payment) and keeping their track vià-vis the budget.
* Revenue management - ensures consolidation of all tax and non-tax revenues collected by different ministries/ departments and keeping their track vis-à-vis budget.
* Debt management - ensures management of domestic borrowings and foreign loans and grants including government debt (loan from another government, loan from Funding Agencies, domestic bonds), sovereign guarantee, etc.
* Asset management - includes management of infrastructure assets, land and resources, purchase of machinery and other property and disposal of the assets.
* External Grants- from multilateral and bi-lateral development partners or countries.
* Accounting - of all transactions and their consolidation is one of the main functions of IFMIS.
* Internal Audit- enables controls and check points for internal audit operation. This includes generation of reports from the system to facilitate audit of the transactions.
* Fiscal reports- Generate required reports within the required timeframe and with correct data are important functions of IFMIS. The system should have an exhaustive report and query module to cater to the requirements of the government.
* Data Warehouse- ensures reliable access to all daily financial transactions and other sector data extracted from government systems, for generating consolidated results for budget analysis, decision support, performance monitoring and web publishing (through a budget portal).
* Data Management-ensures producing of data and reports as required by the budget division, planner, decision maker, research and studies, audit, oversight, supervision, monitoring, and evaluation purposes.