

AMENDMENT NUMBER 1

Request for Information

Issue Date:	June 12, 2020
Responses Due:	July 2, 2020

Subject: Request for Information (RFI) for a politically exposed person (PEP) and sanctions screening solution to support Moldovan institutions—including the Financial Intelligence Unit (SPCML) of Moldova, the National Bank of Moldova (NBM), and the National Commission on Financial Markets (NCFM)—in fulfilling anti-money laundering (AML) responsibilities

To All Prospective Offerors:

International Development Group Advisory Services, LLC (“International Development Group LLC” or “IDG”), an international development group located in the Washington D.C. area, is the implementer of the USAID Moldova Financial Sector Transparency Activity (FSTA). Our company has been contracted by the United States Agency for International Development (USAID) to assist the Government of Moldova in procuring a politically exposed person (PEP) and sanctions screening solution, which will support Moldovan stakeholders, including the financial intelligence unit (SPCML), the National Bank of Moldova (NBM), and the National Commission for Financial Markets in fulfilling their anti-money laundering (AML) obligations.

This is a request for information (RFI) that is intended to receive comments and/or suggestions from interested vendors on the draft terms of reference and the list of questions listed at the end of the RFI. **Please note that this is a distinct RFI and is not related to any other RFIs or Requests for Proposals (RFP) issued previously by IDG.** Responses should be submitted in a Microsoft Word or PDF document. IDG is also requesting that firms submit an initial projected cost. Please submit estimated costs with a brief accompanying narrative describing each budget line item. The information collected through this RFI will assist in refining the procurement document and identifying budget allocations.

This is an RFI and not an RFP. Please do not prepare a proposal in response to this RFI as the terms of reference are not finalized. Responses will strictly be held confidential. Not responding to this RFI does **not** preclude participation in any future RFP, if issued in the future.

In **July 2020**, IDG intends to issue an RFP which will require a formal technical and cost proposal submission. This procurement will be conducted through a full and open competition process under which any type of organization is eligible to compete.

RFI responses must be submitted no later than **5pm EDT on July 2, 2020**. These submissions must be made by email only to procurement@internationaldevelopmentgroup.com. In the subject line, please reference: RFI – NBM PEP and Sanctions Screening Solution.

Issuance of this RFI and the submission of a response do not constitute a commitment on the part of IDG to make an award; neither does it constitute an obligation for any costs incurred in the preparation and submission of a response.

Thank you for your interest in working with IDG, the Government of Moldova, and USAID.

Sincerely,

IDG Procurement Team

A. INTRODUCTION AND BACKGROUND

1. *General information about the Service for Prevention and Fight of Money Laundering (SPCML), the financial intelligence unit (FIU) of Moldova*

1.1. The Service for Prevention and Fight of Money Laundering (SPCML) is the financial intelligence unit (FIU) of the Republic of Moldova. The SPCML became an autonomous public body per Law no. 308/2017 on preventing and combating money laundering and terrorism financing.¹ Prior to this new anti-money laundering and countering the financing of terrorism (AML/CFT) legislation, which was passed in 2017, the SPCML was a specialized independent division within the Center for Combating Economic Crime and Corruption (now known as the National Anticorruption Center).

2. *Functions of the SPCML*

2.1. Per the 2017 law, the SPCML is the national coordinator of AML/CFT matters in Moldova.

2.2. As an FIU, the SPCML receives, gathers, analyzes, and disseminates financial intelligence to relevant authorities for investigation and/or prosecution. The SPCML conducts its analysis based on the suspicious transaction reports (STRs), cash transaction reports (CTRs), and customs declarations submitted by reporting entities as well as financial information shared by competent authorities.

2.3. The SPCML is also responsible for communicating without delay information on targeted financial sanctions (TFS) pursuant to United Nations Security Council Resolutions to reporting entities in Moldova.

3. *General information about National Bank of Moldova (NBM)*

3.1. The National Bank of Moldova (NBM) is the central bank of the Republic of Moldova, regulated by Law no. 548-XIII on the National Bank of Moldova which was adopted by the Parliament of the Republic of Moldova on July 21, 1995. The NBM is an autonomous public legal entity and is responsible to the Parliament of the Republic of Moldova.

4. *The functions of the NBM*

4.1. As a central bank, the NBM performs various activities similar to most central banks. These activities include but are not limited to:

¹ MONEYVAL, "[AML and CTF measures: Republic of Moldova 5th Round Mutual Evaluation Report](#)," July 2019, p. 9

- a. To establish and implement the state monetary and foreign exchange policy;
- b. To act as banker and agent of the state;
- c. To conduct economic and monetary analysis and, to submit proposals to the Government and to publish the results of such analysis;
- d. To license, supervise and regulate the activity of financial institutions and branches of foreign banks;
- e. To regulate and supervise the AML/CFT activities of financial institutions; and
- f. To license, regulate and supervise the activity of providing payment services and the issuance of electronic currency.

4.2. In addition to the aforementioned responsibilities, the NBM also checks banks' compliance with TFS as part of its supervisory role.

5. *General information about Moldova's National Commission for Financial Markets (NCFM)*

5.1. Moldova's National Commission for Financial Markets (NCFM) is responsible for "enhancing the stability, transparency, security, and efficiency of the non-banking financial sector in Moldova, by adoption of an adequate regulatory and supervisory framework of the participants on the financial market."² It is regulated by Law no. 192-XIV on the National Commission of Financial Market, which was adopted by the Parliament of the Republic of Moldova on November 12, 1998. The NCFM is an autonomous public authority and is responsible to the Parliament of the Republic of Moldova.

6. *The functions of the NCFM*

6.1. As a regulatory and supervisory body, the NCFM is responsible for regulating and supervising non-banking financial institutions, specifically entities in the securities sector (investment firms and register societies), the insurance sector (insurance companies and intermediaries), and the microfinance sector (savings and credit associations, microfinance organizations, credit history bureaus, and non-state pension funds).³ Since October 2018, the NCFM has also been the supervisor of leasing companies.

6.2. Per Moldovan legislation, the NCFM has anti-money laundering and countering the financing of terrorism (AML/CFT) supervisory responsibilities. Moldovan Law no. 308/2017 extended the NCFM's powers in this regard to "collect beneficial ownership data on investment firms' founders, as well as customers and their beneficial ownerships."⁴

² Republic of Moldova, "[National Commission for Financial Market](#)"

³ MONEYVAL, p. 30

⁴ *Ibid.*, p. 142

7. *Project overview*

- 7.1. In 2016, the International Monetary Fund highlighted “the opaque ultimate beneficial ownership of banks” as one of the main problems in the Moldovan banking sector.⁵ Moldova’s 2017 national risk assessment (NRA) of money laundering and terrorism financing similarly identifies “the lack of a clear mechanism for collecting and keeping the information about the beneficial owners by the registration authorities” as a higher risk issue.⁶ In addition to identification of beneficial owners, politically exposed persons (PEPs) present a money laundering risk given that the NRA identifies corruption as “one of the most stringent problems in Moldova.”⁷
- 7.2. Moldovan authorities implement TFS pursuant to United Nations Security Council Resolutions. However, apart from banks which monitor their clients against UN sanction lists, other reporting entities in Moldova “lack a full understanding of obligations under the sanctions regime.”⁸
- 7.3. The Financial Action Task Force (FATF), which is considered the international standard-setting body on AML and CFT, rates countries on implementation of its recommendations for combating money laundering and the financing of terrorism and proliferation. In Moldova’s 2019 Mutual Evaluation, it was rated “partially compliant” with the FATF Recommendation on PEPs, “partially compliant” with FATF Recommendations on beneficial ownership, and “partially compliant” with the FATF Recommendation on implementation of TFS.⁹
- 7.4. An evaluation conducted by MONEYVAL – a permanent monitoring body of the Council of Europe which assesses compliance with AML/CFT standards and effectiveness of implementation – notes that major banks in Moldova use commercial databases to conduct AML screening of clients.¹⁰ The NBM and SPCML seek a similar database solution that will support them in adopting international standards and practices.
- 7.5. The purpose of this RFI is to gather information about database solutions that will enable the NBM and the SPCML to screen for UN-sanctioned persons and entities, domestic and foreign PEPs, and effective beneficiaries. Enhancing the NBM and SPCML’s abilities to fulfill their AML-related mandates will contribute to improving financial sector transparency, stability, and soundness in Moldova.

⁵ IMF, “[A Selection of Questions from Journalists \(to the IMF in Moldova\)](#),” May 16, 2016

⁶ MONEYVAL, p. 19

⁷ *Ibid.*, p. 8

⁸ *Ibid.*, p. 6

⁹ See FATF Recommendations 12 (PEPs); 24 and 25 (beneficial ownership); and 6 (TFS). Available at: <https://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF%20Recommendations%202012.pdf>.

¹⁰ MONEYVAL, p. 124

8. Key requirements of the PEP and sanctions screening solution

- 8.1. The database solution is intended to allow Moldovan institutions, including the SPCML, NBM, and NCFM, to conduct PEP and sanctions screening in fulfillment of their AML obligations. It should have the capabilities to search against various watch lists, including UN sanctioned persons and entities. Additionally, it should screen for domestic and foreign PEPs, as well as identify and verify effective beneficiaries.
- 8.2. Obtaining and operationalizing such a database solution may also ease the workload of the staff of Moldovan institutions including the SPCML, NBM, and NCFM, allowing them to allocate more resources to performing supervisory and analytical roles.
- 8.3. Specifically, it is expected that the database solution will have, at a minimum, the following capabilities:
 - 8.3.1. Automated screening against global watch lists, including domestic and international sanctions lists;
 - 8.3.2. Automated screening of domestic and foreign PEPs, their associates, and family members;
 - 8.3.3. Beneficial ownership data management; and
 - 8.3.4. Adverse media screening.

9. Question List for Vendors

IDG requests that interested vendors please answer the following questions and topics in their responses to the RFI. Please note that this is a distinct RFI and is not related to any other RFIs or RFPs issued previously by IDG.

Table 1: Questions for Vendors

Topics	Questions
Vendor background	<ol style="list-style-type: none">1. Please describe your company profile, experience, and project portfolio.2. Please provide and describe some reference projects similar to this implementation area.3. Please describe the background and qualifications of your consultants and experts including experience, certifications, and training.
PEP and sanctions screening solution	<ol style="list-style-type: none">1. Please provide an overview of the proposed database solution including a short description of all the functional features.2. Please provide an explanation of how this database could be integrated with other software systems being used by Moldovan government stakeholders.

	<ol style="list-style-type: none"> 3. Please describe the flexibility and maintainability features of the database solution. 4. Please provide specific information on how these models can be shared among institutions/agencies (single vs. shared models).
Project cost factors	<ol style="list-style-type: none"> 1. What would be a high-level time and cost estimate for an implementation of such kind of a database solution? Please submit estimated costs with a brief accompanying narrative describing each budget line item. 2. Will there be a one-time fee, or are there any recurring fees affiliated with this type of screening solution (please see “Maintenance, Subscriptions, and Support” section as well)? 3. Please describe the variables that affect the time and costs associated with implementation. 4. What are the typical consultant daily rates for such projects?
Licensing	<ol style="list-style-type: none"> 1. Please describe the applicable licensing models for the database solution. Please provide a breakdown of the proposed licensing model and cost for each model. The models should include use by a single agency/institution as well a shared model used by multiple agencies/institutions. 2. If applicable, please provide additional information about the complementary licenses needed to run the database solution.
Maintenance, Subscriptions, and Support	<ol style="list-style-type: none"> 1. Please provide an overview of the maintenance and support agreement and applicable conditions for both single and shared models. 2. Please provide specific details about any associated subscription requirements, including fees and frequency of renewal. Please also indicate if there are any applicable discounts or fee waivers for government users. 3. Please describe the typical SLAs applicable for the maintenance and support services.
Project implementation approach	<ol style="list-style-type: none"> 1. Please describe characteristics that are common in successful implementation of similar projects. 2. Please describe your approach for project risk management in similar projects. 3. Please describe your implementation methodology. Please separate the methodology into phases, identifying and explaining all major elements or tasks of each phase. Provide the typical elapsed

	<p>time for each element or phase. Please also discuss the outcomes or deliverables for each phase.</p> <ol style="list-style-type: none">4. How and when is end-user training performed? Please describe in detail.5. How many consultants do you anticipate working on the implementation of this solution? What will be their specific roles?
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