



CENTRAL DEPOSITORY &
SETTLEMENT CORPORATION
Invested in Progress

EXPRESSION OF INTEREST

PROJECT : SUPPLY, INSTALLATION, COMMISSIONING, AND SUPPORT FOR AN AUTOMATED CENTRAL DEPOSITORY, AND SETTLEMENT (CDS) SYSTEM

REF: EOI01/SEPT2024/CDS

Release Date: 4th September 2024

Last date of submission of responses: 5th October 2024

1. Background

The Central Depository & Settlement Corporation Limited (CDSC) is a limited liability Company approved by the Capital Markets Authority under Section 5 of the Central Depositories Act, 2000 to establish and operate a system for the central handling of delivery and settlement of securities in the Capital Markets in Kenya.

The Central Depository System provides a centralized system for the registration and transfer of securities in electronic format without the necessity of physical certificates and provides other facilities and services incidental thereto.

2. Purpose and Scope of this Expression of Interest

The Central Depository and Settlement Corporation (CDSC) Ltd invites Expressions of Interest (EOI) from prospective CDS system providers for the supply, installation, commissioning, and support for an automated Central Depository, and Settlement (CDS) system.

The scope of the work entails the supply, delivery, installation, integration, testing, commissioning, post-implementation support, and maintenance.

The potential providers shall be required to provide adequate technical information on the proposed solution to meet the business requirements. CDS system providers meeting the following criteria are eligible to submit an Expression of Interest:

- The System Provider must provide a packaged software and system integration solution for Central depositories, clearing houses, and/or Central counterparty Financial Market Infrastructure;
- The software for Central depositories should preferably utilize secure open-source software modules with a strong preference for non-Oracle databases. Microsoft-based solutions are also acceptable.
- The system's architecture should be optimized for cloud hosting through the use of design techniques such as microservices;
- The system's architecture must be web-based and without the need for client-side installations;
- The System Provider should be able to deliver the solution as per CDSC's business requirements within 18 months;
- The system's architecture should support the sending and receiving of standard SWIFT messages for defined business processes as per ISO 15022 and 20022 and using localized message queues;
- The system's architecture should support secure and robust open APIs for all critical business processes;
- The System Provider should be agreeable to the option of revenue-share as a mode of payment for the solution;
- The System Provider must have been in operation as an established business for more than five (5) years as of 31st December 2024. The annual turnover for the system provider should be at least

USD1 million for the last five (5) years and should have reported a positive operating cash flow in at least any of the three financial years including the last financial year;

- The System Provider must have at least five (5) years of experience in the implementation of a similar nature of work for commercial-oriented CSDs.
- All products and services to be supplied under the EoI must be eligible for export to Kenya, under the existing regulations of the country(s) of origin.
- The system Provider must have three (3) relevant and comparable reference sites for the proposed solution.
- System Providers with alternative approaches or models are also encouraged to submit their EoI.

Interested System Providers meeting the above criteria should submit an official Expression of Interest in soft copy to the following address on or before **1700Hrs EAT on 5th October 2024**:

The Chief Executive,

Central Depository & Settlement Corporation Ltd,

10th Floor Europa Towers - Lantana Road, Off Rapta Road, Westlands

P.O. Box 3464 – 00100

Nairobi - Kenya.

Tel: +254 020 2912000

E-Mail: rfp@cdskenya.com

Website: www.cdskenya.com

Any submission failing to furnish complete information as per this EoI may not be progressed to the next stage.

3. Terms and conditions of EOI

- a) This EoI is not an offer and is issued with no commitment. CDSC reserves the right to withdraw the EoI and change or vary any part thereof at any stage. CDSC also reserves the right to disqualify any bidder, should it be so necessary at any stage.
- b) Short-listed bidders would be issued formal tender/Request for Proposal inviting their technical and commercial bids at a later date.
- c) The timing and sequence of events resulting from this EoI shall ultimately be determined by CDSC.
- d) No oral conversations or agreements with any official, agent, or employee of CDSC shall affect or modify any terms of this EoI and any alleged oral agreement or arrangement made by a System Provider with any department, agency, official, or employee of CDSC shall be superseded by the definitive agreement that results from this EoI process. Oral communications by CDSC to bidders shall not be considered binding on CDSC, nor shall any written materials provided by any person other than CDSC.
- e) Neither the System Provider nor any of their representatives shall have any claims whatsoever against CDSC or any of their respective officials, agents, or employees arising out of, or relating to this EoI.
- f) System Providers who are found to canvass, influence or attempt to influence in any manner the qualification or selection process, including without limitation, by offering bribes or other illegal gratification, shall be disqualified from the process at any stage.
- g) Each System Provider shall submit only one Pre-qualification requirements proposal.

4. Availability of the EoI Documents

This EoI can be downloaded from the CDSC website under the Tenders tab. The bidders are expected to examine all instructions, forms, terms, project requirements and other details in the EoI documents. Failure to furnish complete information as mentioned in the EoI documents or submission of a proposal not substantially responsive to the EoI documents in every respect will be at the bidder's risk and may result in the rejection of the proposal.

5. Language of the EoI

This EoI as well as all correspondence and documents relating to the EoI to be submitted by the applicant will be written in the English language. Supporting documents and printed literature furnished by applicants may be in another language, provided they are accompanied by an accurate certified translation of the relevant passages in English, in which case for purposes of interpretation of the application, the translation shall govern. Information supplied in another language without the proper translation shall be rejected.

6. Code of Ethics

Employees, directors, and agents of CDSC are not allowed to solicit, accept, or agree to accept any fee, gratuity, favor, or any form of financial or material consideration for any matter in connection with or in the course of their work or service, from a person having dealings with the CDSC.

Potential System Providers must observe the highest standard of ethics during the procurement and execution of contracts and are required to refrain from offering, directly or indirectly, any gratuity, gifts, favors, or entertainment to employees of CDSC who may be in a position to influence the procurement decision.

By submitting their EoI and participating in the procurement process, the System Provider represents that it is the owner of the intellectual property rights in the software or that it has proper authorization and/or license to offer the from the owner of such rights.

Potential Service Providers should declare relationships, if any, that could be termed as conflict of interest.

CDSC will disqualify any service provider if it determines that the provider directly or indirectly engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the contract.

7. No Liability

CDSC shall not be liable to any applicant, person, or entity for any losses, expenses, costs, claims, or damages of any kind arising out of, by reason of, or attributable to, the applicant responding to this EoI; or as a result of the use of any information, error, or omission contained in this EoI document or provided during the Procurement process.