

**ROMANIA**  
**NATIONAL AGENCY FOR FISCAL ADMINISTRATION**  
**REVENUE ADMINISTRATION MODERNIZATION PROJECT**

*Procurement of an Integrated Revenue Management System (RMS)*

**IFB: RAMP/5**

**MINUTES OF SITE VISIT DISCUSSIONS – Revenue Solutions Inc.**  
Bucharest; February 25<sup>th</sup>, 2016

**Background**

According to the provisions of Clause 8 of Section I. *Instructions to Bidders* in the Bidding Documents dated November 18<sup>th</sup>, 2015, prospective bidders may request a site visit that would help in obtaining information necessary for the preparation of bids.

Such requests were received from several prospective bidders and the Purchaser (NAFA) invited representatives of those bidders to attend meetings with the relevant parties responsible with specific business functions described in the bidding documents.

**Proceedings**

The meeting started at 10.00 hours on February 25<sup>th</sup>, 2016 in the presence of representatives of NAFA (central and Regional General Directorate of Public Finance Bucharest) and Revenue Solutions, Inc. (RSI) as per the attached Register of Attendance, on the premises of NAFA Regional Directorate Bucharest.

**Questions and Answers:**

1. Regarding Payments Processing – How are the checks and other payment documents processed? Which are the technical requirements for an imaging interface in the Document Management System?

**Answer:**

The payments for the taxes and contributions are made either in cash over the counter (of the State Treasury, also operated by ANAF) or via electronic transfers via banks.

There are no requirements for a massive imaging system to process checks and other payment documents on paper.

The technical requirements for imaging processing for the Document Management are minimal:

- scan and convert documents to digital images, and
- simple image/page display, page navigation, rotate view, size/resize, contrast improvement, area select, cut and paste, and zoom.

The quality of the scanned images is limited to administrative documents quality.

Access to the documents created from scanned images should be simple and intuitive, like point-and-click type. See also the answer to the clarification question no. 141.

The Bidder should propose its best technical solution to create digital documents from scanned images, including the image processing implemented in the document management system, or implemented with an add-on piece of software.

2. The work will need to be organized in one building? Will there be access to key decision makers in various departments?

**Answer:**

ANAF Head Quarter has offices in several nearby located buildings, downtown Bucharest. The General Directorate for ITC is located nearby, in the Primary Data Center. All ANAF's facilities are interconnected via high speed secured Virtual Private Network. Access from remote locations is also available via secured VPN Channels. Video conference facilities are available in the Head Quarter, the Primary Data Center and all the regional and district offices of ANAF.

Access to the key decision makers is easy, facilitated by ANAF's project team.

3. How is the roll-out process from one module/structure envisaged?

**Answer:**

The Bidder should propose its best solution for the roll-out of the RMS system. There is no restriction on the bidder on the implementation approach (single national roll-out, deployment per region, or per tax etc.)

4. How much flexibility is in the payment schedule?

**Answer:**

According to ITB 40.6, deviations in implementation schedule are allowed up to 26 weeks, with the appropriate adjustment indicated in Bid Data Sheet.

Deviations in payment schedule are not permitted.

5. Which are the Governing bodies of the project?

**Answer:**

The Project Implementation Committee (PIC) is the steering committee for the RAMP project (with all its components and projects), fully functional since the beginning of the RAMP program and has the proven authority and experience to address all the problems

in the project. Almost all the business units are represented in the PIC, at the level of General Director or Director.

For more information on the organizational aspects of the RAMP project please consult the Project Appraisal Document, available at the following link:

<http://documents.worldbank.org/curated/en/2013/03/17559611/romania-revenue-administration-modernization-project>

6. How many people are employed by the Bucharest Regional Directorate?

**Answer:**

There are around 2,600 ANAF employees in the Bucharest Regional General Directorate.

The Informative Annex 1 - The Purchaser's Organization – starting in page 288 in the bidding documents, describes the structure of the organization.

7. Are there other ongoing IT projects? Are there other competing priorities that may not be aligned with this project?

**Answer:**

There is no other major ongoing IT project in ANAF, except for maintenance and upgrades of obsolete technologies.

At the central level there are a few ongoing IT projects – network infrastructure. Also ANAF is currently implementing another business-IT consolidation project – SIAC (data consolidation for the administration of fiscal obligations). ANAF expects SIAC project to be completed by the start date of the RAMP/5 implementation.

RAMP/5 (RMS COTS) is the largest and the top priority project for ANAF.

8. Will there be full time staff dedicated to the project, or only part time staff?

**Answer:**

Bidder should present its technical proposal the necessary counterpart staff to ensure proper implementation of the RAMP/5 project.

ANAF expert staff are currently engaged in substantive operational and managerial tasks. Nevertheless, ANAF will make its best efforts to ensure the proper human resources and skilled staff for the successful implementation of the RAMP/5 project.

9. Will there be access to the buildings even outside working hours?

**Answer:**

Yes,

Also, the IT departments are organized to work in shifts, so access may be organized around the clock, with 24/7 presence.

10. How are the tax returns processed today?

**Answer:**

Around 10% of tax returns are submitted on paper over the counter. Most tax returns (for medium and large taxpayers) are uploaded electronically through the portal.

The ones submitted over the counter are marked graphically (PDF417), scanned and uploaded in the system. The PDF417 is a stacked linear barcode symbol format used in a variety of applications that holds more information than the regular bar code.

The PDF417 coding is present on the documents distributed via the NAFA WebSpace and are all handled properly by the Banks for payments etc.

11. What is the tentative schedule for the invitation for clarifications/invitation to Second Stage bidding?

**Answer:**

The tentative schedule of the main milestones are indicated in the Project Procurement Plan, which is published on RAMP section on NAFA website ([https://www.anaf.ro/anaf/internet/ANAF/info\\_anaf/relatii\\_internationale/banca\\_mondiala/ramp](https://www.anaf.ro/anaf/internet/ANAF/info_anaf/relatii_internationale/banca_mondiala/ramp)). Currently – contingent on the number and quality of the first stage bids – it is anticipated that the evaluation report of the first stage bids would be submitted to the World Bank for review in June.

The first part of the meeting was adjourned at 12.00 hours.

The second part of the meeting started at 14.00 hours on February 25<sup>th</sup>, 2016 in the presence of representatives of NAFA (central and General Directorate for Information System) and Revenue Solutions, Inc. (RSI) as per the attached Register of Attendance, on the premises of NAFA Headquarter.

**Questions and Answers:**

12. Please tell us more about the databases in scope for the data migration.

**Answer:**

The ANAF has central databases covering all the business aspects. The technologies used are Oracle RDBMS 10g, Oracle RDBMS 11i, IBM DB/2, Microsoft SQL Server and IBM Lotus Notes/Domino. Some legacy applications (with a smaller business foot print) still use Oracle 8.0.5 RDBS, Forms and Reports technology, with local databases distributed on local office premises. A synchronization mechanism is centralizing the data from the respective local databases in a central database, using Oracle .DMP file transfers and overnight processing.

More information about the databases in scope for the migration is presented in Annex 6. Databases for migration and in Amendment no. 13 to the RAMP/5 Bidding Documents regarding the DECIMP database.

13. Please tell us more about the existing applications and the technologies in use.

**Answer:**

The application architecture used by ANAF DGITC over the past decade was a 3-tier architecture using thin client technology, mainly Java, with IBM WebSphere application server and Oracle RDBMS (including PL/SQL code). There are about 65 major applications using this approach, all deployed in all the ANAF offices.

Around 11 applications, including the Electronic Archive and the ANAF Portals are built around Java (thin client), IBM WebSphere Portal, IBM WebSphere Application Server, IBM WebSphere Process Server and IBM DB/2.

The document management system and the related applications (around 48 applications/databases) – built on top of the DMS – are integrated with the electronic messaging, workflow processing on top of IBM Lotus Notes/Domino.

Please see Informational Annex 4. Legacy Systems for Integration and Annex 6. Data bases for migration, for more details.

14. Which are the categories of taxes managed in these applications and how?

**Answer:**

The applications are modular per functions (collection, taxpayer registration, payments processing, data warehouse, MIS, revenue enforcement, etc.). The taxes and the contributions managed are: all the taxes for the state budget, the social contributions for health, pensions and unemployment, and other payments.

The detailed list of all the taxes, levies, social insurance contributions, deductions and other payments (excluding customs duties and excise taxes) – are described in the Tax Nomenclature (see page 327).

All the codes and categories used in ANAF are consolidated around the NOMEN databases, together with the applications to maintain these codes and categories, in use by almost all the other applications.

The fiscal obligations of each registered taxpayer, including coded category and code schedule, etc. are consolidated in the database VECTOR (“vector fiscal”), together with the applications to maintain these codes and categories.

The taxes on properties, like real estate and automotive – are local taxes are out of scope for the System, being managed by municipalities, city halls and local councils. ANAF is not processing any of these taxes / payment / dues / etc.

The information on the patrimony of the taxpayers, like on properties – real estate, automotive and other assets (like industrial assets), etc. are centralized in the database PATRIM/application PATRIMVEN, by electronic data exchange with the municipalities, city halls, local councils, land register, mortgage registers, etc. to be used by the central tax body for control and enforcement purposes.

15. How are the tax returns processed? Are the taxpayers segmented per categories?

**Answer:**

The tax returns are processed centrally, regardless if these have been handed over the counter (paper or electronic format) in the local offices or uploaded in electronic format via ANAF taxpayer portal (WebSpace).

Taxpayers are segmented based on their size, into:

- Large taxpayers – all the activities related to the large taxpayers are administrated by a dedicated office: the General Directorate for Large Taxpayers Management (Directia Generala de Administrare a Marilor Contribuabili - DGAMC)
- Medium size taxpayers – are managed in the regional offices for medium size taxpayers, each taxpayer being assigned to the nearest by ANAF regional office
- Small taxpayers – are managed in the local offices, each taxpayer being assigned to the ANAF local office of its domicile.

16. How is the tax payer registration managed?

**Answer:**

All the new business taxpayers, including independent individuals with commercial activity, private practitioners, etc. must register with the National Office Register of Commerce, which is doing all the document verifications and is preparing the registration, including the electronic query to ANAF for the taxpayer unique code (numeric), etc. All the information between the Register of Commerce and the Taxpayer Register (at ANAF) is handled automatically via the existing IT interface (SOA web service/ https/ secured with digital certificates, etc.).

The individuals with revenue only from salaries and pensions are registered for social contributions and personal income tax by the respective employers, using tax returns with all the identification data / amounts / etc. for all the employees. For this category of taxpayers the withholding regime applies, and they do not have any filing/payment obligations.

For the individuals with revenue from independent activities – like individuals with liberal professions, private practitioners, with revenues from copyrights, agency contracts, renting up to 5 apartments and self-employed, ANAF is doing the registration over the counter in the local offices. After the registration, the individual taxpayer may get access to the taxpayer portal (WebSpace, in the section for individuals) and continue the interaction with ANAF via the Internet.

Changes in the registration information are handled in the same way as above, per categories of taxpayers.

17. How is collection monitored? Which Key Performance Indicators (KPI) do you use?

**Answer:**

Collection is monitored using individual revenue collection objectives and KPI's targets set per each tax office.

Consolidated collection reporting is done on daily basis, centrally, using data from the central databases, from the Data Warehouse, predefined business forms, and ad-hoc reports.

KPIs are defined by types of taxpayers, activity types, NACE codes, types of taxes/contributions, status, processing method (online, front desk, etc.), error type, liabilities, type of budget, geographic location and level (local/county/regional/national), etc.

The reports highlight values of KPIs at least at the beginning of the year, monthly, quarterly, at the end of the year, etc.

18. How do you update your existing applications?

**Answer:**

The centralized applications are centrally maintained and administered, by specialized teams working in the Primary Data Center, in Bucharest.

The legacy applications with distributed deployment are updated using installation, upgrade or updated kits in format of executable archives, distributed via e-mail. The changes or updates in the distributed applications are installed, maintained and administered either by the local IT administrators, or remotely by the team of central administrators.

19. How much of the historical data must be migrated in the new system? How much of the existing data are centralized?

**Answer:**

The historical data to be migrated in the new system depends of the retention period per data category:

- Electronic Archive stores data and tax returns in electronic format for about a decade in centralized database; older electronic records (tax returns) are archived on magnetic or optical media in the local tax offices
- In the operational data bases - data about the inactive taxpayers is archived after 5 (five) years, in case there is no sign of activity
- Data for multi-annual plans like the audit plans – must be retained in full

The present situation of the data bases for migration is described in the Informational Annex 6. Data bases for migration. Please look to the change no. 13 in the Amendment nos. 1-5 updated to the Bidding Documents for Procurement of an Integrated Revenue Management System (RAMP/5) – for the correction made in the documentation regarding the DECIMP - database to manage the tax returns from companies and other categories

of tax payers which needs further data consolidation from the local databases (around 250 instances of DECIMP db-schema, running on Oracle 8.0.5). A part of the information is centralized end-of-day in the data warehouse (Oracle 11i, 1 TB, centralized).

The second part of the meeting was adjourned at 15.00 hours.

## **Register of Attendance**

### **1. Meeting with business directorate - Regional General Directorate of Public Finance Bucharest (between 10:00-12:00 hours, February 25th, 2016)**

#### **Participants from NAFA:**

Ligia Urs - DGRFP Bucharest  
Loredana Ilie - DGRFP Bucharest  
Angela Stănică - DGRFP Bucharest  
Alexandru Mohora - DGRFP Bucharest  
Elena Timofte - DGSRI PMU  
Leonard Teiușanu - DGSRI PMU  
Victor Voicu - Consultant PMU  
Theodor STĂNESCU - Consultant PMU

#### **Participants from Revenue Solutions, Inc.:**

Mark Havens, RSI  
Paul Panariello, RSI

### **2. Meeting with business directorate - General Directorate for Information System (between 14:00-15:00 hours, February 25th, 2016)**

#### **Participants from NAFA:**

Laura Alecu - DGTI  
Laurențiu Bucur - DGTI  
Marilena Boboc - DGTI  
Bogdan Florea - DGTI  
Elena Timofte - DGSRI PMU  
Leonard Teiușanu - DGSRI PMU  
Theodor STĂNESCU - Consultant PMU

#### **Participants from Revenue Solutions, Inc.:**

Mark Havens, RSI  
Paul Panariello, RSI