



## Cash Dealers Monitoring System

**The Bank of Mauritius held a pre-bid meeting on 28 October 2011 in respect of the invitation for bids for the development, testing and implementation of a Cash Dealers Monitoring System (CDMS). The responses provided by the Bank to the queries raised are reproduced below.**

1. There are currently 15 Cash Dealers licensed by the Bank of Mauritius (9 Money Changers and 6 Foreign Exchange Dealers). The list of Cash Dealers can be downloaded from the Bank's website.
2. The CDMS shall capture all transactions carried out by individual Cash Dealers in a sequential order, including information on KYC profiles of customers in accordance with the thresholds established by the *Guidance Notes on Anti-Money Laundering and Combating the Financing of Terrorism for Financial Institutions* (a copy of which can be downloaded on the Bank's website). In addition, the system shall upload a blacklist against which it can identify suspicious transaction. The CDMS must also cater for rule-based monitoring methods – that is, the option to define rules must to be integrated into the system in order to help flag suspicious transactions for instance. These requirements are within the remit of the Anti-Money Laundering (AML) module.
3. With a view to monitoring compliance with regulatory and prudential requirements, the CDMS has to generate, from the list of transactions conducted by each Cash Dealer, analytical reports for each institution as well as for the sector. This shall include, among others, periodic reports (such as on turnover, purchases, inward and outward remittances), financial reports and other exceptional reports to identify suspicious and split transactions over predetermined thresholds. The system shall compute the daily foreign exchange exposure of the Cash Dealers and of the sector. It must also identify blacklisted customers. The reporting and analytical modules form an integral part of the CDMS.
4. Since all exposures must be translated in Rupee equivalent amounts, the system must be able to make the conversion.
5. Although there is no restriction on the IT platform that can be used for the CDMS, the Oracle platform is preferred. Alternatively, bidders have to develop their own software or adapt existing software to meet all requirements of the CDMS. The system requirements of the CDMS are detailed in the Request for Proposal (RFP) document accessible on the Bank's website. It is the responsibility of bidders to secure relevant licences for the project, should they be required. Since the CDMS is a new system, data migration issues do not arise.

6. There is no requirement to integrate an alert system in the CDMS, such as e-mail or SMS, for every suspicious transaction since each Cash Dealers' system must identify those transactions upfront.
7. The Front End Trading System (FETS) refers to the system used by the Cash Dealers to record their transactions. The FETS does not fall in the scope of the RFP. The Security Reporting Module (SRM) pulls data from the FETS at regular intervals and transmits them to the Central Repository of Transactions (CRT). The SRM must be able to pull data from the FETS and store them temporarily if communication between the SRM and the CRT is disrupted. The data must be passed over to the CRT when the link is up again. The SRM and the CRT must be connected through the Wide Area Network (WAN). However, as there is presently no network infrastructure between the Bank and individual Cash Dealers, bidders have to set up the WAN for which they may use the services of local telecommunication companies.
8. It is the responsibility of bidders to develop the module that will interact with the FETS, the SRM and the CRT. The SRM and the CRT are an integral part of the CDMS. The CDMS shall contain all the modules that are necessary for the system to function efficiently as per the RFP. Bidders may propose alternative solutions to the system architecture as envisaged by the Bank in the RFP.
9. The CDMS will be housed at the Bank and must be able to consolidate all data captured from the FETS into a single platform.
10. The CDMS shall monitor all transactions details taken from the FETS, the latter being the principal source of data. The CRT, the SRM, the AML are modules within the CDMS.
11. The RFP states that "The system should ensure that the data sent to the Bank by Cash Dealers are genuine and have not been tampered with. It should also provide for the capture of transactions put through by Cash Dealers without a time lag, e.g. not more than 30 minutes or on a suitably pre-set interval". Therefore, the SRM shall import all transactions as recorded by the Cash Dealers in their FETS within a time lag of not more than 30 minutes or shorter predetermined intervals.
12. In general, Cash Dealers are required to set up their own FETS. Section 10 of the *Terms and condition for the authorisation to carry on the business of money-changer* and section 12 of the *Terms and conditions for the authorisation to carry on the business of foreign-exchange dealer* require them to submit, as and when required, on-line data to the Bank in a format specified by it.
13. In general, all transactions carried out at branches of Cash Dealers are centralised at the Head-Office, where most reports are prepared and consolidated before being submitted to the Bank. Since the individual systems of Cash Dealers are not generic, bidders will

be given the opportunity to visit Cash Dealers to glean relevant information on the systems in use and the reports they submit to the Bank. The CDMS will collect information directly from the Head Office, but the system must be able to identify the branches where the transactions have been conducted.

14. The following hardware and network infrastructure are implemented at the Bank: HP Blade Server/HP EVA SAN; VMWARE VIRTUALISATION LAYER; WIN2008R2 OS; ORACLE Database 11G; Network - Nortel Switches and Firewall. The system will be used by around 5 to 10 concurrent users.
15. The facilities on housekeeping and backup should be provided in the CDMS. Bidders may refer to section 4.4.2 and 4.4.3 of the RFP.
16. The project is expected to be implemented within six months of contract allocation except if an alternative agreement is reached between the successful bidder and the Bank.

**Bank of Mauritius**

**14 November 2011**