

# Terms of reference (ToR) for the procurement of services below the EU threshold

PUBLIC

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| <b>Real-Time Online Tracking System for Cash Declarations at Borders and Airports</b> | <b>Project number/<br/>cost centre:<br/>G-018140-001</b><br><b>Tender number<br/>10017590</b> |
|---------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|

|    |                                                              |    |
|----|--------------------------------------------------------------|----|
| 0. | List of abbreviations .....                                  | 2  |
| 1. | Context.....                                                 | 4  |
| 2. | Tasks to be performed by the contractor .....                | 4  |
| 3. | Concept.....                                                 | 7  |
|    | Technical-methodological concept .....                       | 7  |
|    | Project management of the contractor (1.6) .....             | 8  |
| 4. | Costing requirements .....                                   | 8  |
|    | Sustainability aspects for travel .....                      | 8  |
|    | Workshops, events and trainings.....                         | 10 |
| 5. | Requirements on the format of the tender .....               | 10 |
|    | Requirements on the format of the tender for the option..... | 11 |
| 6. | Annexes .....                                                | 11 |

## 0. List of abbreviations

|         |                                                                          |
|---------|--------------------------------------------------------------------------|
| AG      | Commissioning party                                                      |
| AN      | Contractor                                                               |
| AVB     | General Terms and Conditions of Contract for supplying services and work |
| FK      | Expert                                                                   |
| FKT     | Expert days                                                              |
| KZFK    | Short-term expert                                                        |
| ToRs    | Terms of reference                                                       |
| AML     | Anti-Money Laundering                                                    |
| ASYCUDA | Automated System for Customs Data                                        |
| BO      | Beneficial Ownership                                                     |
| CBI     | Central Bank of Iraq                                                     |
| FIU     | Financial Intelligence Unit                                              |
| CD      | Capacity Development                                                     |
| CDD     | Customer Due Diligence                                                   |
| IFF     | Illicit Financial Flow                                                   |
| CFT     | Countering the Financing of Terrorism                                    |
| CPF     | Counter Proliferation Financing                                          |
| DNFBP   | Designated Non-Financial Business and Professions                        |
| DMR     | Domestic Resources Mobilisation                                          |
| FATF    | Financial Action Task Force                                              |
| FBSA    | Federal Board of Supreme Audit                                           |
| FSRB    | FATF Style Regional Bodies                                               |
| GDPR    | General Data Protection Regulation                                       |
| KYC     | Know Your Customer                                                       |
| FCoI    | Federal Commission of Integrity                                          |
| ECDD    | Enhance Customer Due Diligence                                           |

|          |                                                                                 |
|----------|---------------------------------------------------------------------------------|
| MENA     | Middle East and North Africa                                                    |
| MENAFATF | Regional subsidiary of FATF in the MENA region                                  |
| METAC    | Middle East Regional Technical Assistance Center                                |
| MVTS     | Money and Value Transfer Services                                               |
| NPO      | Non-profit Organization                                                         |
| NRA      | National Risk Assessment                                                        |
| PEFA     | Public Expenditure and Financial Accountability Assessment                      |
| PFM      | Public Financial Management                                                     |
| PMO      | Prime Minister's Office                                                         |
| RBM      | Results Based Monitoring                                                        |
| RMO      | Risk Management Office (of GIZ)                                                 |
| SAI      | Supreme Audit Institutions                                                      |
| STE      | Short Term Experts                                                              |
| FI       | Federal Iraq                                                                    |
| KRI      | Kurdistan Region of Iraq                                                        |
| STR      | Suspicious Transaction Reports                                                  |
| SWOT     | Strength, Weaknesses, Opportunities and Threats (a tool for strategic planning) |
| TADAT    | tax Administration Diagnostic Assessment Tool                                   |
| TF       | Terrorism Financing                                                             |
| TIN      | Taxpayer Identification Number                                                  |
| UNCAC    | United Nations Convention Against Corruption                                    |
| UNCTAD   | United Nations Conference on Trade and Development                              |
| UNDP     | United Nations Development Programme                                            |
| WB       | World Bank                                                                      |

## **1. Context**

Nevertheless, Iraq has an opportunity to advance towards a resilient and transparent economic system grounded in accountable governance and strengthened public institutions. In response to ongoing fiscal and governance challenges, the Government of Iraq developed the October 2020 White Paper for Economic Reforms, which outlines sixty-four reform initiatives to enhance economic stability, fiscal sustainability, and institutional integrity.

The Strengthening Public Finances and Financial Markets Project, co-financed by the German Federal Ministry for Economic Cooperation and Development (BMZ) and the European Union (EU), supports the implementation of key reform priorities under the White Paper. The Project also contributes to the national implementation plan of Iraq's 2030 Agenda (The Future We Want, 2019 – 2030), particularly the objectives related to good governance, transparency, and accountability.

From the perspective of combating illicit financial flows (IFFs), the Project seeks to reinforce the integrity and efficiency of Iraq's public sector in both Federal Iraq and the Kurdistan Region of Iraq by strengthening financial governance, public financial management, and oversight mechanisms. Key areas of intervention include improving the IFF and AML/CFT (Anti-Money Laundering and Countering the Financing of Terrorism) framework, enhancing non-oil revenue collection, promoting fiscal transparency, and reinforcing financial sector stability. These efforts collectively aim to reduce vulnerabilities to corruption, money laundering, and other forms of illicit financial flows, thereby contributing to greater economic resilience and public trust.

Capacity development is pursued at individual, organizational, and systemic levels in line with GIZ's approach. By enhancing institutional coordination, fiscal credibility, and regulatory integrity, the initiative contributes to improved budget reliability, transparent public investment, stronger financial sector governance, and expanded access to international finance. Together, these measures support Iraq's transition toward a rules-based economy that is less dependent on oil and more resistant to risks associated with illicit financial flows.

The primary beneficiaries include the Ministry of Finance of the Republic of Iraq, including tax and customs administrations, the Central Bank of Iraq, the Iraqi Financial Intelligence Unit, and financial intermediaries. The Prime Minister's Office benefits from overarching support to coordinate and monitor progress under the White Paper reforms. Activities are implemented in close coordination with relevant authorities at both the federal and regional levels to ensure cohesive and inclusive reform implementation across Iraq.

In compliance with FATF requirements, Iraq currently collects asset and cash declarations manually at borders and airports but manually. And this manual system has resulted in significant challenges, including illegible handwriting, inaccuracies, and intentional misreporting. All of this creates challenges to data tracking by the FIU about the individuals.

FIU consulted with the Customs Department of Iraq regarding the potential integration of this system into ASYCUDA and the goAML in IQFIU. However, ASYCUDA is limited to processing goods and products and does not support in cash declarations. Therefore, this system will support not only the IQFIU but also the customs authorities, and it will be integrated with the goAML system in IQFIU.

## **2. Tasks to be performed by the contractor**

To support the prevention and detection of Illicit Financial Flows and to enhance compliance with FATF requirements, the contractor shall provide technical, operational and advisory services for the design, development, deployment and operationalization of a real-time digital cash declaration tracking system at airports and land border crossings in Federal Iraq and the Kurdistan Region of Iraq.

In close coordination with GIZ, the Iraq Financial Intelligence Unit (IQFIU), Customs Authorities and other relevant stakeholders, the contractor shall perform the following tasks:

- The Service Provider shall supply, install, configure, and support onsite kiosk units to be deployed at airports, seaports, and land border crossings for traveler declaration submission purposes. Each kiosk unit shall include a compact, low-maintenance All-in-One Touch PC with a screen size between 21.5" and 23.8" Full HD touchscreen display, powered by a minimum Intel Core i5 processor (12th Generation or higher), with at least 8GB RAM, 256GB SSD storage, and Windows 11 Pro operating system. The kiosk shall be integrated with an ICAO-compliant passport scanner capable of OCR reading and supporting MRZ, RFID, and barcode scanning functionalities, such as DESKO PENTA or ARH Combo Scan, or equivalent. The solution shall also include an 80mm thermal permit printer, such as Epson TM-T20III or equivalent, capable of printing traveler declarations with QR codes. Necessary peripherals, including a surge-protected power strip and powered USB hub, shall be provided to ensure stable and reliable operations. The Service Provider shall further provide a minimum one-year manufacturer warranty and technical support services for all supplied hardware components, considering the mission-critical nature of the deployment.
- Requirements analysis and system design: Conduct a comprehensive needs and gap assessment with IQFIU, Customs Authorities and border management agencies to define operational requirements, user roles, workflows and data flows; design a functional and technical system architecture aligned with FATF standards, national legal requirements and institutional mandates; define detailed system specifications covering data capture, validation, risk indicators, reporting, audit trails and automated alerts.
- System development and integration: Design and develop a secure, user-friendly digital cash declaration platform/system for use at airports and land border points; ensure real-time data transmission to the IQFIU and full interoperability with the goAML system and tax authority's system/s; develop interfaces to allow interoperability with existing customs systems where technically feasible while operating independently from ASYCUDA; implement role-based access controls, logging, cybersecurity safeguards and data protection measures in line with international best practices.
- Hardware deployment and infrastructure setup: Assess hardware and infrastructure requirements at each designated airport and border crossing, including workstations, scanners, servers, networking equipment, power supply and backup systems; procure, configure and deploy the required hardware in coordination with relevant authorities; ensure system connectivity, secure data transmission, redundancy and data backup mechanisms to guarantee system continuity.
- Testing, piloting and rollout: Conduct comprehensive system testing, including functionality, security, performance and stress testing; implement a pilot phase at selected border points and airports to validate operational effectiveness; collect user feedback and apply necessary refinements; support a phased rollout across all designated locations in Federal Iraq and the Kurdistan Region of Iraq.
- Capacity building, support and sustainability: Deliver hands-on training for customs officers, border officials and IQFIU analysts on system operation, data interpretation and reporting; develop user manuals, operational guidelines and technical documentation in English and Arabic; provide on-site and remote technical support during deployment and stabilization phases; support structured knowledge transfer to

designated national IT and operational teams to ensure long-term sustainability and national ownership.

- Coordination, compliance and reporting: Ensure continuous coordination with GIZ, IQFIU and relevant authorities to maintain alignment with national IFF strategies, regulatory frameworks and FATF requirements; ensure compliance with national data protection laws and institutional mandates; provide regular progress updates, technical briefings and implementation reports to the Project team and stakeholders.
- Inception Report
- Contributions to reports to GIZ
- Brief weekly or biweekly for the performance, tasks and milestones

Certain milestones, as laid out in the table below, are to be achieved during the contract term:

| <b>Milestones/process steps/partial services</b>                                                                                                                                                                            | <b>Deadline/place/person responsible</b>                                                                                                      | <b>Criteria for acceptance</b>                                                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Initiation & Requirements Finalization:<br>Conduct kick-off meetings, validate business and technical requirements, finalize implementation scope, workplan, and governance arrangements.                           | Week 1:<br>After signing the contract with the GIZ.                                                                                           | Approved project plan and signed-off requirements documentation.                                                                                                                     |
| Requirements Validation and System Design:<br>Review, validation, and finalization of functional, technical, security, infrastructure, and integration requirements, including implementation plan and system architecture. | Week 2:<br>After having meeting with counterparts and GIZ (FFM project).<br>Contractors in coordination with GIZ, IQFIU, Customs Authorities. | Approved requirements, implementation plan, and technical design documentation.                                                                                                      |
| Solution Design & Hardware Procurement:<br><br>Prepare system architecture and technical design; procure and supply all required kiosk hardware, scanners, printers, and related equipment for deployment sites             | Month 1 - 2:<br>Deployment Sites / Vendor Procurement & Technical Team.                                                                       | All required equipment and system components delivered in accordance with approved specifications and quantities.<br>Specification will be check/ approved by the GIZ IT department. |
| System Development & Configuration:<br><br>Develop and configure mobile application, kiosk application, backend APIs, dashboard, database, QR functionality, reporting tools, and goAML integration services.               | Month 2 - 3:<br>Vendor Premises / Vendor Development Team.                                                                                    | Functional system completed and configured according to agreed specifications.                                                                                                       |
| Testing, Security Validation & Pilot Deployment:<br><br>Conduct functional testing, security testing, integration validation with goAML, and pilot deployment at Baghdad International Airport.                             | Month 4:<br>AML-CFT Infrastructure & Deployment Sites / Vendor Technical Team.                                                                | Successful pilot operation and signed testing results.                                                                                                                               |

|                                                                                                                                                                                                                                                      |                                                                               |                                                                                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Full Rollout, Installation & Training:<br><br>Install and configure hardware and software at all designated exit points; provide operational training and user manuals to AML/CFT personnel.                                                         | Month 5:<br>All Exit Points in Iraq /<br>Vendor Deployment &<br>Training Team | Successful deployment completion and delivery of training and operational documentation. Participation list and training materials. |
| Go-Live Support, Project Closure & Support:<br><br>Provide post-go-live support, resolve operational issues, and submit final technical, deployment, and handover documentation. Also need to give technical support after go-live when it's needed. | Month 5:<br>AML/CFT office and<br>FFM project (GIZ)<br>confirmation.          | Final acceptance and formal project sign-off by AML/CFT or IQFIU and GIZ.                                                           |

Period of assignment: from 12.07.2026 until 31.05.2027.

### 3. Concept

In the tender, the tenderer is required to show *how* the objectives defined in Chapter 2 (Tasks to be performed) are to be achieved, if applicable under consideration of further method-related requirements (technical-methodological concept). In addition, the tenderer must describe the project management system for service provision.

Note: The numbers in parentheses correspond to the lines of the technical assessment grid.

#### Technical-methodological concept

**Strategy (1.1):** The tenderer is required to consider the tasks to be performed with reference to the objectives of the services put out to tender (see Chapter 1 Context) (1.1.1). Following this, the tenderer presents and justifies the explicit strategy with which it intends to provide the services for which it is responsible (see Chapter 2 Tasks to be performed) (1.1.2).

The tenderer is required to present the actors relevant for the services for which it is responsible and describe the **cooperation (1.2)** with them.

The tenderer is required to present and explain its approach to **steering** the measures with the project partners (1.3.1) and its contribution to the **results-based monitoring system** (1.3.2).

The tenderer is required to describe the key **processes** for the services for which it is responsible and create an **operational plan** or schedule (1.4.1) that describes how the services according to Chapter 2 (Tasks to be performed by the contractor) are to be provided. In particular, the tenderer is required to describe the necessary work steps and, if applicable, take account of the milestones and **contributions** of other actors (partner contributions) in accordance with Chapter 2 (Tasks to be performed) (1.4.2).

The tenderer is required to describe its contribution to knowledge management for the partner (1.5.1) and GIZ and to promote scaling-up effects (1.5.2) under **learning and innovation**.

## Project management of the contractor (1.6)

The tenderer is required to explain its approach for coordination with the GIZ project. In particular, the project management requirements specified in Chapter 2 (Tasks to be performed by the contractor) must be explained in detail.

The tenderer is required to draw up a **personnel assignment plan** with explanatory notes that lists all the experts proposed in the tender; the plan includes information on assignment dates (duration and expert days) and locations of the individual members of the team complete with the allocation of work steps as set out in the schedule.

## 4. Costing requirements

Accommodation allowances are reimbursed as detailed in the specification of inputs below.

With special justification, additional Accommodation costs up to a reasonable amount can be reimbursed against evidence.

All business travel must be agreed in advance by the officer responsible for the project

## Sustainability aspects for travel

GIZ has undertaken an obligation to reduce greenhouse gas emissions (CO<sub>2</sub> emissions) caused by travel. When preparing your tender, please incorporate options for reducing emissions, such as selecting the lowest-emission booking class (economy) and using means of transport, airlines and flight routes with a higher CO<sub>2</sub> efficiency. For short distances, travel by train (second class) or e-mobility should be the preferred option.

CO<sub>2</sub> emissions caused by air travel must be offset. GIZ specifies a budget for this, through which the carbon offsets can be settled against evidence.

There are many different providers in the market for emissions certificates, and they have different climate impact ambitions. The [Development and Climate Alliance \(German only\)](#) has published a [list of standards \(German only\)](#). GIZ recommends using the standards specified there.

| Milestones/partial works                                                                                                                                                                          | Estimated expert days for orientation | Deadline/place/person responsible                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------------------------------------------------------------|
| Project Initiation & Requirements Finalization:<br>Conduct kick-off meetings, validate business and technical requirements, finalize implementation scope, workplan, and governance arrangements. | Up to 4 days                          | Week 1:<br>After signing the contract with the GIZ.                      |
| Requirements Validation and System Design:<br>Review, validation, and finalization of functional, technical, security, infrastructure, and integration                                            | Up to 8 days                          | Week 2:<br>After having meeting with counterparts and GIZ (FFM project). |

|                                                                                                                                                                                                                                                                        |               |                                                                                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------------|
| requirements, including implementation plan and system architecture.                                                                                                                                                                                                   |               | Contractors in coordination with GIZ, IQFIU, Customs Authorities.              |
| <p><b>Solution Design &amp; Hardware Procurement:</b></p> <p>Prepare system architecture and technical design; procure and supply all required kiosk hardware, scanners, printers, and related equipment for deployment sites</p>                                      | Up to 12 days | Month 1 - 2:<br>Deployment Sites / Vendor Procurement & Technical Team.        |
| <p><b>System Development &amp; Configuration:</b></p> <p>Develop and configure mobile application, kiosk application, backend APIs, dashboard, database, QR functionality, reporting tools, and goAML integration services.</p>                                        | Up to 26 days | Month 2 - 3:<br>Vendor Premises / Vendor Development Team.                     |
| <p><b>Testing, Security Validation &amp; Pilot Deployment:</b></p> <p>Conduct functional testing, security testing, integration validation with goAML, and pilot deployment at Baghdad International Airport.</p>                                                      | Up to 10 days | Month 4:<br>AML-CFT Infrastructure & Deployment Sites / Vendor Technical Team. |
| <p><b>Full Rollout, Installation &amp; Training:</b></p> <p>Install and configure hardware and software at all designated exit points; provide operational training and user manuals to AML/CFT personnel.</p>                                                         | Up to 12 days | Month 5:<br>All Exit Points in Iraq / Vendor Deployment & Training Team        |
| <p><b>Go-Live Support, Project Closure &amp; Support:</b></p> <p>Provide post-go-live support, resolve operational issues, and submit final technical, deployment, and handover documentation. Also need to give technical support after go-live when it's needed.</p> | Up to 8 days  | Month 5:<br>AML/CFT office and FFM project (GIZ) confirmation.                 |

| Travel expenses                                     | Quantity | Number per expert | ToStal | Comments                                                                         |
|-----------------------------------------------------|----------|-------------------|--------|----------------------------------------------------------------------------------|
| <b>Overnight allowance in country of assignment</b> | Lumpsum  | -                 | -      | Accommodation for experts in locations where it is required.                     |
| <b><i>Domestic flights</i></b>                      | Lumpsum  | -                 | -      | Number of domestic flights depend on the experts' assignments and flight needed. |

### Workshops, events and trainings

The contractor implements the following workshops/study trips/training courses:

To ensure effective, consistent and sustainable use of the real-time digital cash declaration tracking system at borders and airports, the tenderer shall design and deliver targeted training and capacity development activities for all relevant end users and supervisory entities.

The contractor implements the following workshops and training courses:

- System operational user training workshops for customs officers is to be a part of the contract, border officials and airport personnel on system usage, digital cash declaration processing, data entry, validation procedures and escalation of high-risk cases.
- Analytical and supervisory training sessions for IQFIU analysts and designated supervisory staff on data access, risk indicators, real-time alerts, reporting functionalities and interpretation of system generated information.
- Technical administrator training for designated national IT staff on system administration, user management, basic troubleshooting, maintenance procedures and coordination with software support teams.
- Refresher and handover workshops during the final phase of deployment to reinforce operational readiness and ensure long-term sustainability of system use.
- The service provider/contractor must provide complete details of the officers trained, including full name, position, organization, contact information (email and phone number), and signature.

Training shall be delivered through a combination of on-site sessions at selected border crossings and airports and centralized workshops, supported by practical exercises, system simulations and user manuals in Arabic and in Kurdish.

### 5. Requirements on the format of the tender

The structure of the tender must correspond to the structure of the ToR. In particular, the detailed structure of the concept (Chapter 3) should be organized in accordance with the

positively weighted criteria in the assessment grid (not with zero). The tender must be legible (font size 11 or larger) and clearly formulated. It must be drawn up in English (language).

The complete tender must not exceed 10 pages (excluding CVs). If one of the maximum page lengths is exceeded, the content appearing after the cut-off point will not be included in the assessment. External content (e.g. links to websites) will also not be considered.

The CVs of the personnel proposed in accordance with Chapter 4 of the ToRs must be submitted using the format specified in the terms and conditions for application. The CVs shall not exceed 4 pages each. They must clearly show the position and job the proposed person held in the reference project and for how long. The CVs can also be submitted in English (language).

Please calculate your financial tender based exactly on the parameters specified in Chapter 5 Quantitative requirements. The contractor is not contractually entitled to use up the days, trips, workshops or budgets in full. The number of days, trips and workshops and the budgets will be contractually agreed as maximum limits. The specifications for pricing are defined in the price schedule.

### **Requirements on the format of the tender for the option**

Please complete spreadsheets in the price schedule, i.e. one for the main service and one for the optional service.

## **6. Annexes**

The tender shall submit the following annexes as part of the technical and financial proposal. The documents listed below are required or optional, as indicated, and must be uploaded via the Procurement Portal in accordance with the tender instructions.

- Curriculum vitae (CVs) of all proposed key experts and members of the short-term expert pool, in the prescribed GIZ format.
- Statements of availability signed by all proposed key experts.
- Organizational profile of the tenderer, including relevant experience in comparable IT system development and deployment projects.
- Technical proposal, including methodological approach and work plan.
- Financial proposal, including a detailed cost breakdown in the prescribed format.