Terms of Reference

KRA eTIMS Integration with Microsoft Dynamics 365 Business Central (On-Premises)

Echo Network Africa Foundation (ENAF) | Ref: ENAF/ICT/TOR/2026/007 | Date: 30th October 2026

1. Background

Echo Network Africa Foundation (ENAF) is a Pan-African philanthropic institution working to empower, position and advocate for girls and women in Africa. ENAF utilizes Microsoft Dynamics 365 Business Central On-Premise as its core Enterprise Resource Planning (ERP) system for managing finance, procurement, inventory, projects, and organizational operations. ENAF intends to comply with the Kenya Revenue Authority (KRA) Electronic Tax Invoice Management System (eTIMS) requirements through a direct integration between Business Central and KRA eTIMS.

The integration is expected to automate transmission of tax-relevant transactions to KRA, eliminate manual uploads and duplicate data entry, ensure regulatory compliance, improve transaction traceability, and streamline reconciliation and tax reporting processes. The solution shall support a secure, scalable, and auditable architecture that aligns with KRA OSCU/VSCU requirements and Microsoft Dynamics 365 Business Central best practices.

This Terms of Reference (TOR) outlines key integration requirements so that vendors can submit comparable technical and financial proposals.

2. Purpose and Objectives

The overall objective is to implement a fully integrated KRA eTIMS solution within Microsoft Dynamics 365 Business Central On-Premise.

Specific objectives include:

- Automate fiscalization of invoices and credit notes through KRA eTIMS.
- Enable direct communication between Business Central and KRA systems.
- Eliminate duplicate transaction processing and manual intervention (ETR)
- Maintain complete audit trails of fiscalized transactions.
- Update ERP documents with fiscal references returned by KRA.
- Improve reconciliation between ERP records and KRA data.
- Support KRA certification and production deployment.
- Train ENAF users and administrators on operation and support of the solution.
- Provide post-implementation support and knowledge transfer.

3. Scope of Work

The selected vendor shall provide all services necessary for successful implementation, testing, certification, deployment, and support of the KRA eTIMS integration.

3.1 Requirements Assessment and Solution Design

The selected vendor shall provide all services necessary for successful implementation, testing, certification, deployment, and support of the KRA eTIMS integration.

The vendor shall:

- Conduct project inception and requirements gathering sessions.
- Analyze current Business Central business processes.
- Assess existing master data and transaction workflows.
- Review infrastructure readiness.
- Define integration architecture.
- Document functional and technical requirements.
- Prepare a detailed implementation methodology and integration plan.

Deliverable

- Requirements Analysis Report
- Solution Architecture Document
- Implementation Plan

3.2 KRA eTIMS Onboarding and Registration

The vendor shall:

- Support onboarding to KRA eTIMS.
- Configure taxpayer details.
- Configure branch structures.
- Recommend and justify OSCU or VSCU for ENAF, and coordinate OSCU/VSCU initialization.
- Assist with KRA registration requirements.
- Configure sandbox and production environments.

Deliverable

- Operational KRA Sandbox Environment
- Configured OSCU/VSCU Registration

3.3 Integration Services in scope

3.3.1. Item master integration

- Extract and cleanse the Business Central item master for KRA submission.
- Map each item to KRA item classification codes, packaging units and quantity (unit of measure) codes.
- Map Business Central VAT posting groups to the KRA tax types.
- Bulk-register items on eTIMS and store the KRA item code against each ERP item.
- Register new items created after go-live automatically, with a validation check that stops incomplete items from being submitted.

3.3.2. Transaction integration

- Sales invoices, credit notes, purchases, imports and stock movements or adjustments, as applicable to ENAF's processes.
- Validate customer, item, quantity, price and tax data before submission, and show a clear message to the user if something is missing.

- Treat posting in Business Central and fiscal acceptance as separate events. A document is considered fiscalised only when KRA's confirmation is received, not merely when a network response is returned.
- Link each credit note to its original invoice and validate the original fiscal reference, quantities, values and tax before submission. The credit note must carry its own fiscal details and the original record must remain unchanged. Credit notes must follow KRA's applicable conditions and timelines.
- Provide a controlled queue with automatic retry for connectivity or service interruptions, so documents are not lost.
- Where a request may have been received by KRA but the response was lost, reconcile before resubmitting so that duplicate fiscal invoices are not created.
- Handle customer and supplier PINs and the tax rules that apply to ENAF's transactions, including exempt and zero-rated items.

3.3.3. Business Central configuration and write-back

- Develop and deploy the required API pages or web services for items, customers, vendors, sales documents and purchase documents. If ENAF's current Business Central partner or the ICT team can provide these, the vendor must say so and price accordingly (see Section 12).
- Write the KRA response fields back to the posted document: control unit invoice number, signature, receipt date and time, and QR code or verification link.
- Update the printed or PDF layouts of invoices and credit notes to show the KRA-mandated details and QR code.
- Use a per-tenant AL extension that does not modify the Microsoft base application, so ENAF's Business Central updates and upgrades are not blocked.

3.3.4. Monitoring, exception handling and reporting

- A transaction log with request and response history, timestamps and fiscal references.
- An error dashboard that shows accepted, pending, rejected and failed documents, with the KRA error code and a plain-language explanation.
- Role-based access to configuration, retry and recovery actions, with an audit trail of who did what.
- A period-end reconciliation report comparing Business Central totals with accepted fiscal records, to support the VAT return review.

3.3.5. Testing and KRA certification

- Sandbox development and end-to-end testing against KRA's OSCU/VSCU specifications.
- Preparation of the Technology Architecture document and eTIMS Bio Data submission.
- Support through KRA vetting and issue of the eTIMS integration certificate (interim approval), then production cut-over.

3.3.6. Training, documentation and handover

- Training for Finance, Procurement and other users on normal processing and exception handling, and technical training for ICT.
- User guide, administrator guide, architecture and interface documentation, and a runbook for common errors.

3.3.7. Post go-live support

- Hypercare and troubleshooting for at least six (6) months after go-live, including failed or rejected transmissions and KRA error codes.
- Changes required by KRA specification changes during the support period, at no extra cost.

4. Timeline and Deliverables

The timeline below is indicative. Vendors may propose changes with reasons. It excludes KRA processing time, which is outside the vendor's control, and the vendor must state its assumptions about KRA turnaround.

Duration	Activity	Deliverable
30 days	Project Initiation & Requirements Analysis	Requirements Analysis Report and solution design
	Item Mapping & eTIMS Onboarding	Item Mapping Workbook
	API Development & Integration Setup	Business Central Extension, API documentation
	Transaction Integration & Configuration	Documents Layouts (invoice, credit note)
	Testing & UAT	Test script, user manual, test report, UAT sign-off
	KRA Certification Support	eTIMS certificate
	Production Go-Live	Go-Live Report
	Support	Support plan

5. Security, Data Protection and Confidentiality

- The vendor will act as a data processor under the Kenya Data Protection Act, 2019. A data processing agreement and a non-disclosure agreement must be signed before access is given.
- Only the data needed for eTIMS submission may be processed. The vendor must not copy, retain or use ENAF data for any other purpose.
- The vendor must state the location of any stored data, its sub-processors, retention periods, and how data is deleted when the contract ends.
- Vendor staff access to ENAF systems must be named, approved, logged and removed when the work ends. Remote access must go through ENAF-approved methods with multi-factor authentication.
- Credentials, API keys and KRA secrets must not appear in source code, emails or shared documents.

6. Vendor Qualifications

Proposals will be considered from vendors that can show:

- A registered business in Kenya with a valid tax compliance certificate and business permit.
- Proven experience delivering KRA eTIMS integrations for Dynamics 365 Business Central, including on-premises installations, with at least [three] comparable references that ENAF may contact.
- Evidence of KRA-issued eTIMS integration certificates for previous clients.
- Qualified Business Central developers (AL) and consultants, with CVs for the proposed team.
- Experience with data protection and security requirements for finance systems.
- A local support presence in Kenya.

7. Proposal Content and Pricing

Proposals must include a **technical proposal** and a **financial proposal**.

Technical proposal:

1. Understanding of the assignment and proposed approach.
2. Proposed architecture for ENAF's on-premises environment, addressing Section 3.1.
3. Project plan, team, and ENAF responsibilities and assumptions.
4. Test, certification and cut-over approach.
5. Support model, service levels, security and data protection measures.
6. Company profile, references, certificates and CVs.

Financial proposal: prices in Kenya Shillings, itemised, stating amounts exclusive and inclusive of VAT. Vendors must:

- Price each work package separately (onboarding, item integration, transaction integration, hosting, ERP API configuration, testing and certification, support).
- Price ERP-side API development and extension installation as an optional item, to be charged only if ENAF's Business Central partner or ICT team cannot provide it.
- State what is included in any hosting and support fees, the renewal price after the first period, and any cost for adding entities, branches or users.
- Confirm that proposals are valid for at least [30] days.

8. Evaluation Criteria

Criterion	Weight
Relevant experience, certificates and references	20
Technical approach and on-premises architecture	30
Security and data protection	10
Project plan, team and timeline	10
Support and service levels	10
Financial proposal	20
Total	**100**

ENAF may request clarifications, demonstrations or reference calls, and may negotiate scope and price. ENAF is not obliged to accept the lowest or any proposal.

9. Submission Instructions

- Submit proposals to procurement@enafrica.org by 6th November 2026, quoting reference ENAF/ICT/TOR/2026/007.
- Late or incomplete proposals may be rejected. Proposals must be signed and stamped by an authorised signatory.