

27th September 2024

CLARIFICATION/ADDENDUM “SET 1”

KRA/HQS/NCB-004/2024-2025: PROVISION OF INSURANCE BROKERAGE SERVICES FOR KRA STAFF AND ASSETS FOR A PERIOD OF TWO (2) YEARS

Kenya Revenue Authority wishes to inform prospective bidders of the amendments detailed below for the above tender.

No	Clarification	KRA Response
1.	<p>Vendor Evaluation for Insurance Brokerage Firms No.2:</p> <p>Tenderers to provide detailed CVs of three (3) technical staff who have professional qualifications in insurance (ACII/COP/Dip in insurance/CII/FCII and valid membership with professional insurance body (Insurance Institute of Kenya or its equivalent).</p> <p>Attach certified copies of professional certificates and valid membership to the relevant insurance related professional bodies</p> <p>We request a clarification on who should certify the professional certificates and membership certificates.</p>	<p>Bidders are advised that this criterion has been amended to read,</p> <p>Tenderers to provide detailed CVs of three (3) technical staff who have professional qualifications in insurance (ACII/COP/Dip in insurance/CII/FCII and valid membership with professional insurance body (Insurance Institute of Kenya or its equivalent).</p> <p>Attach copies of professional certificates and valid membership to the relevant insurance related professional bodies</p> <p>NB: Bidders are advised that certification of professional and membership certificates is not a requirement.</p>



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2.	<p>Vendor Evaluation for Insurance Brokerage Firms No.4: Provide a list of five (5) previous/current clients (<i>as per Table 2</i>) indicating annual premiums underwritten, evidenced by LSO's and contracts for each client. The premium underwritten per client in general insurance excluding medical and group life should be a minimum of Kshs. 50,000,000 per annum over the last three (3) years</p> <p>We request to allow bidders to use contracts or LSOs as not all Clients issue LSOs.</p>	<p>Bidders are advised that the criterion has been amended to read,</p> <p>"Provide a list of five (5) previous/current clients (<i>as per Table 2</i>) indicating annual premiums underwritten, evidenced by LSO's OR contracts for each client. The premium underwritten per client in general insurance excluding medical and group life should be a minimum of Kshs. 50,000,000 per annum over the last three (3) years"</p>
3.	<p>Vendor Evaluation for Insurance Brokerage firms No.4: Provide a list of five (5) previous/current clients (<i>as per Table 2</i>) indicating annual premiums underwritten, evidenced by LSO's and contracts for each client. The premium underwritten per client in general insurance excluding medical and group life should be a minimum of Kshs. 50,000,000 per annum over the last three (3) years</p> <p>We request to reduce the minimum premium underwritten from Kshs.50,000,000 to Kshs.20,000,000.</p>	<p>Bidders are advised that this criterion remain unchanged.</p>

<p>4.</p>	<p>Mandatory Requirement for Insurance Brokerage Firms No.23: A confirmation letter from the proposed underwriters' reinsurer supporting the quoted premium rates for the two year period.</p> <p>We request KRA to provide a format for the Reinsurance comfort letter.</p>	<p>Bidders are advised that Reinsurers are at liberty to use whichever format they wish to confirm that they will support the quoted premium rates and that the insurance policies will be placed as awarded to their respective underwriters.</p>
<p>5.</p>	<p>Vendor Evaluation for Insurance Brokerage Firms No.5: Provide a list of 10 general insurance claims settled within the last 2 years of at least Kshs.20 Million each, indicating claims turnaround time. (excluding medical and group life claims) Provide evidence i.e. DVs together with remittance advices. (excluding KRA claims). Provide list of claims as per table 3 NB. Discharge Vouchers and Remittance advices certified as a true copy, stamped and signed by the Claimant.</p> <p>i. We request that you allow claims settled in the year 2024 so as to give a more updated position on the claims settlement experience and to increase the period of claims up to a period of 5 years and/ or reduce the minimum claims amount</p> <p>ii. We request that you allow underwriters or commissioner of oaths to certify the DVs in place of the Claimants.</p>	<p>Bidders are advised that the criteria have been amended to read,</p> <p>i. Provide a list of 10 general insurance claims of at least Kshs.20 Million each settled from 2022 to 2024. For each claim, indicate the turnaround time for each claim. The mentioned claims should exclude medical and group life claims. Provide evidence i.e. Discharge Vouchers together with remittance advices (excluding KRA claims). Provide list of claims as per table 3.</p> <p>NB. The requirement of Kshs. 20 million per claim still remains unchanged. The period has been amended to include claims settled in Year 2022 to 2024.</p> <p>ii. Discharge Vouchers and Remittance advices certified as a true copy, stamped and signed by either issuing Underwriter OR Claimant.</p>



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6.	<p>Vendor Evaluation for Insurance Brokerage Firms No.9:</p> <p>Provide details on how the Bidder is meant to exceed Kenya Revenue Authority's customer service expectations along;</p> <ul style="list-style-type: none">i) Complaints managementii) Doctor referralsiii) DV processingiv) 24/7 service availabilityv) Training of insurance team <p>We wish to seek clarification on what is required as Discharge Vouchers processing or change it to a clearer criteria</p>	<p>Bidders are advised to provide details/turnaround times with regards to issuance of Discharge Vouchers from time of full claim documentation (considering the different policies) and also turnaround times for processing of remittance after execution of the DV.</p>
7.	<p>Mandatory Requirements for Underwriters No.12:</p> <p>The underwriter should not have unresolved case(s)/ claim(s) in its performance obligations reported to IRA, outstanding for more than one year from any client. This should be evidenced by a confirmation letter from the Insurance Regulatory Authority and the annual Publications from IRA.</p> <p>We wish to seek clarification on whether KRA requires the Underwriter to not have unresolved cases(s)/ claim(s) in its performance obligations reported to IRA from KRA only or from any Client.</p>	<p>Bidders are advised that KRA requires the Underwriter to have no unresolved cases(s)/ claim(s) in its performance obligations reported to IRA from any Client that are outstanding for more than one year.</p>
8.	<p>Mandatory Requirements For Brokers No.12:</p> <p>Must have done average annual gross premiums of at least Kshs. Seven hundred million (700,000,000.00) in each of the last three years (2021, 2022 and 2023)</p> <p>Provide certified extracts from books of accounts certified by the auditor.</p>	<p>Bidders are advised that the criterion has been amended to read,</p> <p>“Must have done average annual gross premiums of at least Kshs. Seven hundred million (700,000,000.00) over the last three years (2021, 2022 and 2023)”</p>



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<p>Please Clarify if the requirement requires average gross premium of 700M for the last three years, or 700M in each of the last three years. Noting the underwriters requirement read-“ Must have done average annual gross premium of at least 3Billion for general insurance over the last three years”</p>	<p>Provide certified audited books of accounts. The audited accounts should be signed and certified by the auditor/auditing firm.</p>
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The clarification form part of the bidding document and is binding to the bidder. All other terms and conditions of the tender remain the same. You are therefore required to immediately acknowledge the receipt of this addendum.

Regards,

Rhodah Nzovila

FOR: DEPUTY COMMISSIONER - SUPPLY CHAIN MANAGEMENT

