



# Kenya Power

## **TENDER NO. KP1/9AA-2/PT/07-CA&CS/15-16 FOR PREQUALIFICATION OF INSURANCE BROKERAGE FIRMS**

DATE OF TENDER DOCUMENT: AUGUST 2015

(E-PROCUREMENT TENDER OPENING SYSTEM)

**(ENSURE TO READ THE APPENDIX TO INSTRUCTIONS  
TO TENDERERS)**

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## **SECTION A: INTRODUCTION**

Dear Prospective Bidder,

### **1. Description of The Kenya Power & Lighting Co. Ltd. and our Core Business**

- 1.1 The Kenya Power & Lighting Company Limited (KPLC) is a limited liability Company registered under the Companies Act, Chapter 486 of the Laws of Kenya. It was incorporated in 1922 as the East African Power & Lighting Company Limited. KPLC was listed on the Nairobi Securities Exchange (NSE) in 1954. The Company changed to its present name in 1983.
- 1.2 Our shareholders include the Government of Kenya (GoK), institutional and individual shareholders. KPLC is a public company with GoK holding the majority block of shares. We are subject to the State Corporations Act, Chapter 442 of the laws of Kenya and the laws governing procurement by public bodies, mainly the Public Procurement and Disposal Act, 2005 and the Public Procurement and Disposal Regulations 2006 made there-under.
- 1.3 Our Vision is “To provide world class power that delights our customers”
- 1.4 Our Mission is “Powering People for Better Lives.”
- 1.5 Our Core Business is to transmit, supply, distribute and retail electrical energy and related customer services throughout Kenya.
- 1.6 Our Core Values were developed to support the Company’s Mission. These Values are Customer First; One Team; Passion; Integrity and Excellence.
- 1.7 KPLC is structured into 10 Divisions,9 Regions and 46 County Business Units with Central Office being the headquarters. Amongst the 10 Divisions is the Corporate Affairs & Company Secretary’s headed by the General Manager, under which are several departments, amongst them being the Risk Management & Integrity Department.
- 1.8 KPLC’s operations are geographically split in nine regions as follows Nairobi South with the main office at Nairobi South Depot in Donholm, Nairobi West with the main office at Dagoretti Depot, Nairobi North with the main office at Ruaraka Complex, Central Rift with the main office at Electricity House in Nakuru, North Rift with the main office at KVDA Plaza in Eldoret, West Kenya

with the main office at Electricity House in Kisumu, Coast Region with the main office at Electricity House in Mombasa, North-Eastern with the main office in Thika Town and Mount Kenya Region with the main office in Stima House Nyeri. The County Business Units are each headed by a County Business Manager.

- 1.9 To attain higher penetration and decentralization, KPLC has about 60 Branch Business Units throughout the 9 Regions and 46 County Business Units. These are headed by Branch Business Heads and County Business Managers respectively. They are responsible for and are the link persons for all affairs of the Company within their respective spheres of operation.
- 1.10 As part of our growth and transformation strategy, from 2009 the Company has engaged in a process of rebranding. Part of the results of this has been the change of our logo to a new one depicted as a bulb with the words “Kenya Power” at the bottom. However, the name of the Company remains the same i.e. The Kenya Power & Lighting Company Limited (abbreviated as KPLC).

## **2. Nature and Scope of the Tender for Pre-Qualification**

- 2.1 KPLC intends to procure by way of pre-qualification, the services of competent Insurance Brokerage Firms;
  - 2.1.1 to be listed on its Panel for the period 9<sup>th</sup> November, 2015 to 30<sup>th</sup> June, 2017 or as may be extended;
  - 2.1.2 to competitively tender for the provision of professional Insurance Brokerage Services for the period 9<sup>th</sup> November, 2015 to 30<sup>th</sup> June, 2017 by way of Request for Financial Proposals after pre-qualification.
- 2.2 The scope of the Services to be provided are as detailed in the **Section XI** in this Tender Document
- 2.3 Insurance Brokerage Firms are advised to note and comply with the changes impacting on the Insurance Industry as contained in the 2015/2016 National Budget.

### **3. The Risk Management & Integrity Department**

- 3.1 The Risk Management & Integrity Department (*the Department*) is situated at our headquarters at Stima Plaza 2<sup>nd</sup> Floor, Kolobot Road, Parklands, Nairobi.
- 3.2 The Department is primarily responsible for and co-ordinates all of KPLC's Enterprise Risk Management Framework and programmes there under together with Ethical Leadership, Integrity and Corporate Citizenship functions, including driving the Anti-Corruption Agenda and Initiatives.
- 3.3 As part of KPLC's transformational strategy, the Department has adopted robust, increased efficiency and timely response systems in delivery of its services.

### **4. The Objectives**

- 4.1 The promulgation of the new Constitution on 27<sup>th</sup> August 2010, the expansion of operations within KPLC and other developments within the energy sector together with the changes in legislation affecting KPLC necessitate extra vigilance and continual improvement of our processes, operations and business.
- 4.2 In particular the new Constitutional dispensation, devolved governance structure poses challenges and opportunities for KPLC.
- 4.3 The selected Insurance Brokerage Firms will be expected to offer timely solutions, up to date informed responses and recommendations to queries from the Department.
- 4.4 The Pre-Qualification and enlisting on KPLC's Panel shall not constitute a retainer and KPLC does not bind itself to request for provision of any Services.

### **5. Professionalism and Experience**

- 5.1 The pre-qualified Insurance Brokerage Firms should be adequately competent, possess substantial relevant experience and should be able to promptly offer the Services.
- 5.2 The pre-qualified Insurance Brokerage Firms shall at all times during the period of the engagement conduct themselves in a manner suited to the best interests of The Kenya Power & Lighting Company Ltd.

- 5.3 The pre-qualified Insurance Brokerage Firms should demonstrate the capability of conducting presentations and/or providing training to department staff on relevant aspects of the risk management profession.

## **6. The Evaluation and Selection Process**

- 6.1 The Evaluation and Selection Process of this tender for pre-qualification will be conducted along the following lines:-

6.1.1 Desk evaluation of all submitted bid documents;

6.1.2 Confirmatory and or Site Inspection of premises.

- 6.2 All Insurance Brokerage Firms who participate in this Tender for Pre-Qualification shall be deemed to have consented to this Process. KPLC therefore requests that participating firms grant reasonable access and facilities to the KPLC staff for these purposes.

- 6.3 Insurance Brokerage Firms are advised to note and comply with the changes impacting on the Insurance Industry as contained in the 2015/2016 National Budget.

## **7. Confirmation and Verification of Bid Documents**

- 7.1 All firms are advised to:-

7.1.1 Follow and conform to the information contained in the Pre-Qualification Tender Document in preparing and submitting their bids;

7.1.2 Ensure that they officially verify the accuracy, authenticity and validity of any and all documentation, certification or information obtained from third parties e.g. Kenya Revenue Authority (*KRA*), Insurance Regulatory Authority (*IRA*), and Client References that they intend to submit to KPLC as part of their bids.

- 7.2 The bidders are also encouraged to demonstrate high degrees of integrity, fidelity to and honesty in the information supplied to KPLC as part of their bids. The information should be as clear and concise as possible.

7.3 KPLC advises bidders that any deviations from the contents of this paragraph may lead to the automatic disqualification of such bidder.

## **SECTION I - INVITATION TO TENDER**

**DATE: August, 2015**

**TENDER REF: PREQUALIFICATION OF INSURANCE BROKERAGE FIRMS –  
Tender No. KP1/9AA-2/PT/07-CA&CS/15-16**

1.1 The Kenya Power & Lighting Company Ltd (KPLC) invites bids from eligible Tenderers for Pre-Qualification of Insurance Brokerage Firms for the period 9<sup>th</sup> November, 2015 to 30<sup>th</sup> June, 2017. Interested eligible Tenderers may obtain further information from the **General Manager, Supply Chain**, The Kenya Power & Lighting Company Ltd at Stima Plaza, 3<sup>rd</sup> Floor, Kolobot Road, P.O. Box 30099 – 00100 Nairobi, Kenya.

**1.2 Obtaining tender documents.**

1.2.1 Tender documents detailing the requirements may be viewed at KPLC E-Procurement Web Portal found on the KPLC website ([www.kplc.co.ke](http://www.kplc.co.ke)) beginning on **Thursday 13<sup>th</sup> August, 2015**.

**1.3 Submission of Tender documents**

Completed Tenders are to be **saved as PDF** documents marked **KP1/9AA-2/PT/07-CA&CS/15-16 FOR PREQUALIFICATION OF INSURANCE BROKERAGE FIRMS** and submitted in the KPLC E-Procurement Web Portal found on the KPLC website ([www.kplc.co.ke](http://www.kplc.co.ke)) so as to be received on or before **Thursday 27<sup>th</sup> August, 2015 at 10.00 a.m.**

**1.4 Opening of submitted Tenders**

Tenders will be opened electronically promptly thereafter in the presence of the Tenderer's or their representatives who choose to attend in KPLC Auditorium at Stima Plaza, Kolobot Road, Parklands, Nairobi.

**1.5** There will be a pre-bid meeting on **Thursday 20<sup>th</sup> August, 2015** at 10.00 at KPLC Auditorium at Stima Plaza, Kolobot Road, Parklands, Nairobi.



## SECTION II - TENDER SUBMISSION CHECKLIST

### **Tender Submission Format**

This order and arrangement shall be considered as the Tender Submission Format. Tenderers shall tick against each item indicating that they have provided it.

<b>No.</b>	<b>Item</b>	<b>Tick Where Provided</b>
1.	Duly Completed Tender Form	
2	Declaration Form	
3.	Confidential Business Questionnaire (CBQ)	
4	Copy of Company or Firm's Registration Certificate	
5*	Copy of PIN Certificate	
6*	Copy of Valid Tax Compliance Certificate	
7*	Certificate of Confirmation of Directors and Shareholding (C.R. 12)	
8.	Premium Turnover – List of Corporate Accounts supporting declared premium turnover of at least Shs 100 million per year for years 2013 and 2014	
9.	Bank Guarantee Deposit with Insurance Regulatory Authority/Commissioner of Insurance of Shs 3 million	
10.	List of five (5) previous customers of similar services within the last three (3) years together with full contacts and physical addresses	
11.	Audited Financial Statements for five (5) years i.e. for years 2010,2011,2012, 2013 and 2014	
12.	Professional Indemnity Cover, minimum Shs100 million	
13.	Licences of Registration as an Insurance Broker from Insurance Regulatory Authority for Year 2015and Years 2014, 2013, 2012 and 2011	
14.	Membership Certificate with Association of Insurance Brokers of Kenya, Year 2015	
15.	Curriculum Vitae of Team Proposed for Assignment	
16	Any other document or item required by the Tender Document. (The Tenderer shall specify such other documents or items it has submitted)	

**\*NOTES TO TENDERERS**

1. Valid Tax Compliance Certificate shall be one issued by the relevant tax authorities and valid for at least up to the tender closing date. All Kenyan registered Tenderers must provide a valid Tax Compliance Certificate.
2. All Kenyan registered Tenderers must provide the Personal Identification Number Certificate (PIN Certificate).

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### **SECTION III - INSTRUCTIONS TO TENDERERS (ITT)**

#### **3.1 Definitions**

In this tender, unless the context or express provision otherwise requires: -

- a) *Any reference to any Act shall include any statutory extension, amendment, modification, re-amendment or replacement of such Act and any rule, regulation or order made there-under.*
- b) *“Date of Tender Document” shall begin with the first day and end on the last day of the month appearing on the cover page of the Tender Document.*
- c) *“Day” means calendar day and “month” means calendar month.*
- d) *“KEBS” wherever appearing means the Kenya Bureau of Standards or its successor(s) and assign(s) where the context so admits.*
- e) *“PPOA” wherever appearing means The Public Procurement Oversight Authority or its successor(s) and assign(s) where the context so admits.*
- f) *Reference to “the tender” or the “Tender Document” includes its appendices and documents mentioned hereunder and any reference to this tender or to any other document includes a reference to the other document as varied supplemented and/or replaced in any manner from time to time.*
- g) *“The Procuring Entity” means The Kenya Power and Lighting Company Limited or its successor(s) and assign(s) where the context so admits (hereinafter abbreviated as KPLC).*
- h) *“The Tenderer” means the person(s) submitting its Tender for the provision of services in response to the Invitation to Tender.*
- i) *Where there are two or more persons included in the expression the “Tenderer”, any act or default or omission by the Tenderer shall be deemed to be an act, default or omission by any one or more of such persons.*
- j) *words importing the masculine gender only, include the feminine gender or (as the case may be) the neutral gender.*
- k) *words importing the singular number only include the plural number and vice-versa and where there are two or more persons included in the expression the “Tenderer” the covenants, agreements and obligations expressed to be made or performed by the Tenderer shall be deemed to be made or performed by such persons jointly and severally.*
- l) *Citizen contractors-a firm shall be qualified as a citizen contractor if its owners and shareholders are Kenyan citizens*

- m) *Local contractors- a firm shall be qualified as a local contractor if it is registered in Kenya.*

### **3.2 Eligible Tenderers**

- 3.2.1 This Invitation to Tender is open to all Tenderers eligible as described in the Appendix to Instructions to Tenderers. Successful Tenderers shall provide the Services in accordance with this tender.
- 3.2.2 Notwithstanding any other provisions of this tender, the following are not eligible to participate in the tender:-
- a) KPLC's employees, its Board or any of its committee members.
  - b) Any Cabinet Secretary or Assistant Cabinet Secretary of the Government of the Republic of Kenya (GoK)
  - c) Any public servant of GoK.
  - d) Any member of a Board or Committee or any department of GoK.
  - e) Any person appointed to any position by the President of Kenya.
  - f) Any person appointed to any position by any Cabinet Secretary of GoK.
- 3.2.3 For the purposes of this paragraph, any relative i.e. spouse(s) and child(ren) of any person mentioned in *sub-paragraph 3.2.2* is also ineligible to participate in the tender. In addition, a Cabinet Secretary shall include the President, Deputy President or the Attorney General of GoK.
- 3.2.4 Tenderers shall provide the qualification information statement that the Tenderer (*including all members of a joint venture and subcontractors*) is not associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by KPLC to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the services under this Invitation to Tender.
- 3.2.5 Tenderers shall not be under declarations of ineligibility for corrupt, fraudulent practices and are not amongst persons mentioned in *sub-paragraphs 3.2.2* and *3.2.3* above.
- 3.2.6 Tenderers who are not under these declarations shall complete the Declaration Form strictly in the form and content as prescribed at *Section VIII*.
- 3.2.7 Those that are under the Declaration for corrupt and fraudulent practices whether currently or in the past shall not complete the Form. They will submit a suitable Form giving details, the nature and present status of their circumstances.

### **3.3 Joint Venture**

3.3.1 Tenders submitted by a joint venture of two or more firms, as partners shall comply with the following requirements: -

- a) the Tender Form and in case of a successful subsequent tender, the Contract Agreement Form, shall be signed so as to be legally binding on all partners of the joint venture.
- b) one of the partners shall be nominated as being lead contractor, and this authorization shall be evidenced by submitting a Power of Attorney signed by legally authorized signatories of all the partners.
- c) The Power of Attorney which shall accompany the tender shall be granted by the authorized signatories of all the partners as follows:-
  - (i) for local bidders, before a Commissioner of Oaths or a Notary Public or Magistrate of the Kenyan Judiciary.
  - (ii) for a foreign bidder, before a Notary Public, or the equivalent of a Notary Public, and in this regard the bidder shall provide satisfactory proof of such equivalence.
- d) the lead contractor shall be authorized to incur liability and receive instructions for and on behalf of any and all the partners of the joint venture and the entire execution of the contract including payment shall be done exclusively with the lead contractor.

3.3.2 All partners of the joint venture shall be liable jointly and severally for the execution of the contract in accordance with the contract terms, and a relevant statement to this effect shall be included in the authorization mentioned in **paragraph 3.3.1 (b)** above as well as in the Form of Tender and the Contract Agreement Form (in case of the accepted subsequent tender).

3.3.3 A copy of the agreement entered into by the joint venture partners shall be submitted with the tender.

### **3.4 Cost of Tendering**

3.4.1 The Tenderer shall bear all costs associated with the preparation and submission of its Tender. KPLC will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the tendering process.

3.4.2 The price to be charged for the Tender Document shall be as indicated in the Invitation to Tender but in any case not exceeding KShs1,000/=.

### **3.5 Contents of the Tender Document**

3.5.1 The Tender Document comprises the documents listed below and Addendum (where applicable) issued in accordance with *paragraph 3.7* of these Instructions to Tenderers: -

- a) *Introduction*
- b) *Invitation to Tender*
- c) *Tender Submission Checklist*
- d) *Instructions to Tenderers*
- e) *Appendix to Instructions to Tenderers*
- f) *Evaluation Criteria*
- g) *Premium Turnover (List of Corporate Accounts)*
- h) *Tender Form*
- i) *Confidential Business Questionnaire Form*
- j) *Declaration Form*
- k) *Draft Letter of Notification of Pre-Qualification*
- l) *Draft Letter of Notification of Regret*
- m) *The Details of Service*
  - (i.) *General Requirements*
  - (ii.) *Specific Details of Services*

3.5.2 The Tenderer is expected to examine all instructions, forms, provisions, terms and specifications in the Tender Document. Failure to furnish all information required by the Tender Document or to submit a tender not substantially responsive to the Tender Document in every respect will be at the Tenderer's risk and may result in the rejection of its Tender.

3.5.3 All recipients of the documents for the proposed Contract for the purpose of submitting a tender (whether they submit a tender or not) shall treat the details of the documents as **“Private and Confidential”**.

### **3.6 Clarification of Documents**

A prospective Tenderer requiring any clarification of the Tender Document may notify the Supply Chain Manager in writing or by post at KPLC's address indicated in the Invitation to Tender. KPLC will respond in writing to any request for clarification of the Tender documents, which it receives not later than seven (7) days prior to the deadline for the submission of Tenders, prescribed by KPLC. Written copies of KPLC's response (*including an explanation of the query but without identifying the source of inquiry*) will be sent to all prospective Tenderers that have duly received the Tender Document.

### **3.7 Amendment of Documents**

- 3.7.1 At any time prior to the deadline for submission of Tenders, KPLC, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Tenderer, may modify the tender documents by amendment.
- 3.7.2 All prospective Tenderers that have received the tender documents will be notified of the amendment(s) (*hereinafter referred to or otherwise known as addendum*) in writing and will be binding on them.
- 3.7.3 In order to allow prospective Tenderers reasonable time in which to take the amendment into account in preparing their Tenders, KPLC, at its discretion, may extend the deadline for the submission of Tenders.

### **3.8 Language of Tender**

The Tender prepared by the Tenderer, as well as all correspondence and documents relating to the tender, exchanged between the Tenderer and KPLC, shall be written in English language, provided that any printed literature furnished by the Tenderer may be written in another language provided that they are accompanied by an accurate English translation of the relevant passages in which case, for purposes of interpretation of the Tender, the English translation shall govern. The English translation shall be on the Tenderer's letterhead and shall be signed by the duly authorized signatory signing the Tender and stamped with the Tenderer's stamp.

### **3.9 Documents Comprising the Tender**

The Tender prepared and submitted by the Tenderers shall include but not be limited to all the following components: -

- a) *Declaration Form and Tender Form completed in compliance with **paragraphs 3.2 and 3.10.***
- b) *Documentary evidence established in accordance with **paragraph 3.13** that the Tenderer is eligible to tender and is qualified to perform the contract if its tender is accepted.*
- c) *Documentary evidence established in accordance with **paragraph 3.14** that the services and any ancillary thereto to be provided by the Tenderer conform to the tender documents, and,*
- d) *Professional Indemnity Cover furnished in accordance with **paragraph 3.15***



- e) *A detailed list of previous customers as prescribed for similar services on tender and their contact addresses shall be submitted with the Tender for the purpose of reference, or for evaluation where the Evaluation Criteria so dictate.*

### **3.10 Tender Form**

The Tenderer shall complete and sign the Tender Form and all other documents furnished in the Tender Document, indicating the services to be performed, a brief description of the services, amongst other information required.

### **3.11 Tenderer's Eligibility and Qualifications**

3.11.1 Pursuant to *paragraph 3.2*, the Tenderer shall furnish, as part of its Tender, documents establishing the Tenderer's eligibility to tender and its qualifications to perform the contract if its Tender is accepted.

3.11.2 The documentary evidence of the Tenderer's qualifications to perform the contract if its Tender is accepted shall be established to KPLC's satisfaction –

- a) *that the Tenderer has the financial capability necessary to perform the contract. The Tenderer shall be required to provide the documents as specified in the Appendix to Instructions to Tenderers including a current Tax Compliance Certificate issued by the relevant tax authorities;*
- b) *that the Tenderer has the technical and production capability necessary to perform the contract;*
- c) *that, in the case of a Tenderer not doing business within Kenya, the Tenderer is or will be (if awarded the contract) represented by an agent in Kenya equipped, and able to carry out the Tenderer's maintenance, repair, spare parts and stocking obligations prescribed in the Conditions of Contract and or in the Details of Service;*
- d) *that the Tenderer is duly registered and is a current member of a recognized body or institution accredited and or pertaining to that service.*

3.11.3 The Tenderer will furnish KPLC with a copy of the accreditation or recognition certificate as applicable. KPLC reserves the right to subject the certificate to authentication.

3.11.4 Tenderers with a record of unsatisfactory or default in performance obligations in any contract shall not be considered for evaluation or award. For the avoidance of doubt, this shall include any Tenderer with unresolved case(s) in its obligations for more than two (2) months in any contract or documented arbitrary rejection of

claims or previous submission of a false security or bounced cheque(s), including a consideration of any complaints made to the Regulator.

### **3.12 Conformity of Services to Tender Documents**

3.12.1 The Tenderer shall furnish, as part of its tender, documents establishing the conformity to the Tender Document of all services that the Tenderer proposes to perform under the contract.

3.12.2 The documentary evidence of conformity of the services to the Tender Document may be in the form of literature, drawings, and data, and shall (where applicable) consist of: -

- a) *a detailed description of the essential technical and performance characteristics of the services whether in brochures, catalogues, drawings or otherwise,*
- b) *a list giving full particulars, including available source and current prices of spare parts, special tools and other incidental apparatus necessary for the proper and continuing performance of the services for a minimum period of two (2) years following commencement of the provision of the services to KPLC, and,*
- c) *duly completed Statement of Compliance to KPLC's Details of Service demonstrating substantial responsiveness of the service to those Details or, a statement of deviations and exceptions to the provisions of the Details of Service.*

3.12.3 For purposes of the documentary and other evidence to be furnished pursuant to **sub-paragraphs 3.12.1, 3.12.2 and paragraph 3.13**, the Tenderer shall note that standards for workmanship, material, and equipment, designated by KPLC in its Details of Service are intended to be descriptive only and not restrictive. The Tenderer may adopt higher standards in its Tender, provided that it demonstrates to KPLC's satisfaction that the substitutions ensure substantial equivalence to those designated in the Details of Service.

### **3.13 Demonstration(s), Inspection(s) and Test(s)**

3.13.1 Where required in the tender, all Tenderers shall demonstrate ability of performance of the required service in conformity with the Details of Services.

3.13.2 KPLC or its representative(s) shall have the right to inspect/ test the Tenderer's capacity, equipment, premises, and to confirm their conformity to the tender requirements. This shall include the quality management system. KPLC's representative(s) retained for these purposes shall provide appropriate

identification at the time of such inspection/ test. Tenderers shall be notified of the intended inspection/confirmation visits at least two (2) hours before the actual visit.

3.13.3 KPLC shall meet its own costs of the inspection/ test. Where conducted on the premises of the Tenderer(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to KPLC.

3.13.4 Demonstration, Inspection/ Test Report(s) shall be completed upon conclusion of the inspection/ tests. This Report will be considered at time of evaluation and or confirmation for pre-qualification.

### **3.14 Warranty**

3.14.1 Where required in the Tender, all Tenderers must also provide a Warranty that warrants that the services to be provided under the contract are new, unused and or are of the most recent or current specification and incorporate all recent improvements in design and materials unless provided otherwise in the Tender. The Warranty shall also warrant that the services in the Tenderer's bid have no defect arising from manufacture, materials or workmanship or from any act or omission of the Tenderer that may develop under normal use or application of the services under the conditions obtaining in Kenya.

3.14.2 The Warranty will remain valid for one (1) year after the services, or any part thereof as the case may be, have been used or provided or performed as indicated in the contract.

### **3.15 Professional Indemnity Cover**

3.15.1 The Bidder shall furnish, as part of its Tender, a Professional Indemnity Cover (**the PI Cover**) of at least Kshs 100 million.

3.15.2 The PI Cover is required to demonstrate the Bidder's commitment and ability to perform the Services.

3.15.3 The PI Cover shall be denominated in Kenya Shillings or in another freely convertible currency, and shall be issued by an insurance company located in Kenya.

3.15.4 The Cover, at the tender submission stage, shall be valid up to at least ninety (90) days after the closing date of the tender.

- 3.15.5 KPLC shall seek authentication of the PI Cover from the issuing insurance company. It is the responsibility of the Bidder to sensitize its issuing insurance company on the need to respond directly and expeditiously to queries from KPLC. The period for response shall not exceed five (5) days from the date of KPLC's query. Should there be no conclusive response by the insurance company within this period, such Bidder's PI Cover may be deemed as invalid and the bid rejected.
- 3.15.6 Any Tender not secured in accordance with this paragraph will be rejected by KPLC as non-responsive, pursuant to *paragraph 3.31*.

### **3.16 Validity of Tenders**

- 3.16.1 Tenders shall remain valid for ninety (90) days after the date of tender opening as specified in the Invitation to Tender or as otherwise may be prescribed by KPLC, pursuant to *paragraph 3.20*. A Tender that is valid for a shorter period shall be rejected by KPLC as non-responsive.
- 3.16.2 In exceptional circumstances, KPLC may extend the Tender validity period. The extension shall be made in writing. The Professional Indemnity Cover provided under *paragraph 3.15* shall also be extended appropriately. A Tenderer shall not be required nor permitted to modify its tender during the extended period.

### **3.17 Number of Sets of and Tender Format**

- 3.17.1 The Tenderer shall prepare three complete sets of its Tender, identifying and clearly marking the "ORIGINAL TENDER", "COPY 1 OF TENDER", and "COPY 2 OF TENDER" as appropriate. Each set shall be properly bound. The copies shall be a replica of the Original. Each copy will be deemed to contain the same information as the Original.
- 3.17.2 The Tender shall be bound and divided clearly in descending order as listed in the Tender Submission Checklist. The divisions are for clear identification and marking of the respective documents or information that are serially numbered in the Checklist.
- 3.17.3 The order and arrangement as indicated in the Tender Submission Checklist will be considered as the Tender Formats.
- 3.17.4 Any Tender not prepared and signed in accordance with this paragraph, in particular *sub-paragraphs 3.17.1, 3.17.2 and 3.17.3* shall be rejected by KPLC as non-responsive, pursuant to *paragraph 3.25*.

### **3.18 Preparation and Signing of the Tender**

- 3.18.1 The Original and all copies of the Tender shall be typed or written in indelible ink. They shall be signed by the Tenderer or a person or persons duly authorized to bind the Tenderer to the contract.
- 3.18.2 The authorization shall be indicated by a written Power of Attorney granted by the Tenderer to the authorized person before any of the following persons:-
- a) *For local Tenderers, a Commissioner of Oaths or a Notary Public or a Magistrate of the Kenyan Judiciary.*
  - b) *For foreign Tenderers, a Notary Public in the country of the Tenderer.*

In either case above, the Power of Attorney shall accompany the Tender.

- 3.18.3 All pages of the Tender, including un-amended printed literature, shall be initialed by the person or persons signing the Tender and serially numbered.
- 3.18.4 The Tender shall have no interlineations, erasures, or overwriting except as necessary to correct errors made by the Tenderer, in which case such corrections shall be initialed by the person or persons signing the Tender.
- 3.18.5 KPLC will assume no responsibility whatsoever for the Tenderer's failure to comply with or observe the entire contents of this paragraph.
- 3.18.6 Any Tender not prepared and signed in accordance with this paragraph may be rejected by KPLC as non-responsive, pursuant to *paragraph 3.25*.

### **3.19 Sealing and Outer Marking of Tenders**

- 3.19.1 The Tenderer shall seal the Original and each Copy of the Tender in separate envelopes or packages, duly marking the envelopes or packages as "**ORIGINAL**", "**COPY 1 OF TENDER**" and "**COPY 2 OF TENDER**". The envelopes or packages shall then be sealed in outer envelopes or packages.
- 3.19.2 The inner and outer envelopes or packages shall -
- a) *be addressed to KPLC at the address given in the Invitation to Tender,*
  - b) *bear the **tender number and name** as per the Invitation to Tender and the words, "**DO NOT OPEN BEFORE** .....as specified in the Invitation to Tender.*

3.19.3 All inner envelopes or packages shall also indicate the name and full physical, telephone, e-mail, facsimile and postal contacts of the Tenderer to enable the Tender to be returned unopened in circumstances necessitating such return including where Tenders are received late or procurement proceedings are terminated before tenders are opened.

3.19.4 If the envelopes or packages are not sealed and marked as required by this paragraph, KPLC will assume no responsibility whatsoever for the Tender's misplacement or premature opening. A tender opened prematurely for this cause will be rejected by KPLC and promptly returned to the Tenderer.

### **3.20 Deadline for Submission of Tenders**

3.20.1 Tenders must be received by KPLC by the time and at the place specified in the Invitation to Tender.

3.20.2 KPLC may, at its discretion, extend this deadline for submission of Tenders by amending the tender documents in accordance with *paragraph 3.7*, in which case all rights and obligations of KPLC and the Tenderer previously subject to the initial deadline, will therefore be subject to the deadline as extended.

### **3.21 Modification and Withdrawal of Tenders**

3.21.1 The Tenderer may modify or withdraw its Tender after it has submitted it, provided that written notice of the modification, including substitution or withdrawal of the Tender is received by KPLC prior to the deadline prescribed for submission of tenders.

3.21.2 The Tenderer's modification or withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of *paragraphs 3.17, 3.18 and 3.19*. A withdrawal notice may also be sent by facsimile, electronic mail, cable or telex but followed by an original signed confirmation copy, postmarked not later than the deadline for submission of Tenders.

3.21.3 No Tender may be modified after the deadline for submission of Tenders.

3.21.4 No Tender may be withdrawn in the interval between the deadline for submission of tenders and the expiration of the period during which the Tender must remain valid. Any withdrawal of a Tender during this interval shall result in disqualification of the Tenderer.

### **3.22 Opening of Tenders**

- 3.22.1 KPLC shall open all Tenders promptly after the tender closing date and time, at the location specified in the Invitation to Tender or as may otherwise be indicated.
- 3.22.2 The Tenderer's names, tender modifications or withdrawals, the number of sets of tender documents duly received and such other details as KPLC, at its discretion, may consider appropriate, will be announced at the opening.
- 3.22.3 The Tenderers or their representatives may attend the opening and those present shall sign a register evidencing their attendance.

### **3.23 Process to be Confidential**

- 3.23.1 After the opening of tenders, information relating to the examination, clarification, evaluation and comparisons of tenders and recommendations arising there-from shall not be disclosed to a Tenderer or other person(s) not officially concerned with such process until conclusion of that process.
- 3.23.2 Any effort by a Tenderer to influence KPLC or any of its staff members in the process of examination, evaluation and comparison of tenders and information or decisions concerning award of Contract may result in the rejection of the Tenderer's tender.

### **3.24 Clarification of Tenders and Contacting KPLC**

- 3.24.1 To assist in the examination, evaluation and comparison of Tenders KPLC may, at its discretion, ask the Tenderer for a clarification of its Tender. The request for clarification and the response shall be in writing, and no change in substance of the Tender shall be sought, offered, or permitted.
- 3.24.2 The Tenderer is required to provide timely clarification or substantiation of the information that is essential for effective evaluation of its qualifications. It is the responsibility of the Tenderer to provide in writing the clarification or substantiation which should reach KPLC within five (5) days from the date of KPLC's query. Such writing may include by electronic mail, facsimile or postal mail. Should there be no conclusive response within this period, it shall result in the Tenderer's disqualification.
- 3.24.3 Save as is provided in this paragraph and *paragraph 3.23* above, no Tenderer shall contact KPLC on any matter related to its Tender, from the time of the tender openings to the time of pre-qualification.

3.24.4 Any effort by a Tenderer to influence KPLC in its decisions on tender evaluation, tender comparison, tender recommendation(s) or pre-qualification may result in the rejection of the Tenderer's Tender.

### **3.25 Preliminary Evaluation and Responsiveness**

3.25.1 Prior to the detailed Technical evaluation, KPLC will determine the substantial responsiveness of each Tender. For purposes of this tender, a substantially responsive Tender is one that conforms to the requirements of Preliminary Evaluation. KPLC's determination of a Tender's responsiveness is to be based on the contents of the Tender itself without recourse to extrinsic evidence.

3.25.2 KPLC will examine the Tenders to determine whether they conform to the Preliminary Evaluation Criteria set out in *Section IV- Evaluation Criteria*.

3.25.3 Notwithstanding the contents of the foregoing sub-paragraphs, if a Tender is not substantially responsive, it will be rejected at the earliest stage of evaluation by KPLC and cannot subsequently be made responsive by the Tenderer by correction of any non-conformity.

3.25.4 Details of records of previous unsatisfactory or default in performance obligations shall be considered at this point. For the avoidance of doubt, this shall include any Tenderer with unresolved cases(s) in its obligations for more than two (2) months in any previous contract including previous submission of a false tender security or bounced cheque(s) or complaints with respect to a Tenderer to the Insurance Regulatory Authority.

### **3.26 Minor Deviations, Errors or Oversights**

3.26.1 KPLC may waive any minor deviation in a Tender that does not materially depart from the requirements of services set out in the Tender Document.

3.26.2 Such minor deviation -

*3.26.2.1 shall be quantified to the extent possible,*

*3.26.2.2 shall be taken into account in the evaluation process, and,*

*3.26.2.3 shall be applied uniformly and consistently to all qualified Tenders duly received by KPLC.*

3.26.3 KPLC may waive errors and oversights that can be corrected without affecting the substance of the Tender.



### **3.27 Technical Evaluation and Comparison of Tenders**

3.27.1 KPLC will further evaluate and compare the Tenders that have been determined to be substantially responsive, in compliance to the Details of Services set out in the Tender Document and as per the prescribed **Evaluation Criteria**.

3.27.2 The Operational Plan is a critical aspect of the Tender. KPLC requires that the Services shall be performed at the time specified in the Details of Services. KPLC's evaluation of a tender will also take into account the Operational Plan proposed in the Tender. Tenderers offering to perform longer than KPLC's required delivery time will be treated as non-responsive and rejected.

### **3.28 Preferences**

In the evaluation of tenders, exclusive preference shall be given to citizen contractors where the amount of the tender as evaluated is below KShs. 50 Million in respect of services.

For purposes of this paragraph the Tenderer shall submit with its Tender, a valid copy of Certificate of Confirmation of Directorships and Shareholding issued **and signed** by either the Registrar of Companies or Registrar of Business Names. This certificate must not be more than three (3) months old from the Date of the Tender Document. Kenya Power reserves the right to subject the certificate to authentication.

### **3.29 Tender Evaluation Period**

The evaluation of tenders shall be within fifteen (15) days from the date of opening of the Tender.

### **3.30 Debarment of a Tenderer**

A Tenderer who gives false information in the Tender about its qualification or who refuses to enter into a contract after notification of contract award shall be considered for debarment from participating in future public procurement.

### **3.31 Confirmation of Pre - Qualification**

3.31.1 KPLC may confirm to its satisfaction whether the Tenderer that is selected as having satisfied the Evaluation Criteria is qualified to perform the subsequent contract satisfactorily.

3.31.2 The confirmation will take into account the Tenderer's financial, technical, and performance capabilities. It will be based upon an examination of the documentary evidence of the Tenderer's qualifications submitted by the Tenderer,

pursuant to *paragraph 3.13* as well as confirmation of such other information as KPLC deems necessary and appropriate. This may include factory, office and other facilities inspection and audits.

- 3.31.3 An affirmative confirmation will be a prerequisite for pre-qualification of the Tenderer. A negative confirmation will result in rejection of the Tenderer's Tender.

### **3.32 Termination of Procurement Proceedings**

- 3.32.1 KPLC may at any time terminate procurement proceedings before pre-qualification and shall not be liable to any person for the termination.
- 3.32.2 KPLC shall give prompt notice of the termination to the Tenderers, and, on request from any Tenderer, give its reasons for termination within fourteen (14) days of such request.

### **3.33 Notification of Pre-Qualification**

- 3.33.1 Prior to the expiration of the period of tender validity, KPLC shall notify the successful Tenderer in writing that its Tender has been accepted.
- 3.33.2 The notification of pre-qualification shall not constitute the formation of a contract until one is finally signed by both parties.
- 3.33.3 Simultaneously, and without prejudice to the contents of **paragraph 3.24**, on issuance of Notification of Pre-Qualification to the successful Tenderer, KPLC shall notify each unsuccessful Tenderer.
- 3.33.4 A notification of the tender outcome does not reduce the validity period for any Professional Indemnity Cover whether the Tenderer is successful or not, except where such Professional Indemnity Cover is officially released to the Tenderer and such Tenderer discharged of all their obligations to KPLC prior to the expiry of the validity period.

### **3.34 Corrupt or Fraudulent Practices**

- 3.34.1 KPLC requires that Tenderers observe the highest standard of ethics during the procurement process and execution of contracts. When used in the present Regulations, the following terms are defined as follows: -

- a) *“Corrupt practice” means the offering, giving, receiving or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution;*
  - b) *“Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of KPLC, and includes collusive practice among Tenderers (prior to or after Tender submission) designed to establish tender prices at artificial non-competitive levels and to deprive KPLC of the benefits of free and open competition.*
- 3.34.2 KPLC will reject a proposal for pre-qualification if it determines that the Tenderer recommended for pre-qualification has engaged in corrupt or fraudulent practices in competing for the contract in question.
- 3.34.3 Further, a Tenderer who is found to have indulged in corrupt or fraudulent practices risks being debarred from participating in public procurement in Kenya.

## APPENDIX TO INSTRUCTIONS TO TENDERERS

The following information regarding the particulars of the tender shall complement and or amend the provisions of the Instructions to Tenderers *hereinafter abbreviated as ITT*. Wherever there is a conflict between the provisions of the ITT and the Appendix, the provisions of the Appendix herein shall prevail over those of the ITT.

No.	ITT Reference Clause	Particulars of Appendix
1.	<b>3.2.1 Eligible Tenderers</b>	<i>Insurance Brokerage Firms Registered and Operating In Kenya.</i>
2.	<b>3.9 (e) Documents Comprising the Tender – List of Previous Customers</b>	<i>The Tenderer shall submit at least five (5) names with full contact as well as physical addresses of previous customers of similar services within the last three (3) years as supported by copies of notification of award of contract and accompanied by letters from the previous customers confirming completion of the contracts on schedule.</i>
3.	<b>3.11.2 (b) Documentary evidence of financial capability</b>	<p><i>(i.) The audited financial statements required for the last five (5) financial years i.e. 2010, 2011, 2012, 2013, and 2014.</i></p> <p><i>(ii) PIN Certificate from Kenya Revenue Authority.</i></p> <p><i>(iii.) Current Tax Compliance Certificate</i></p> <p><i>(iv.) Professional Indemnity Cover from a reputable Insurance Company, minimum limit Shs100 million and valid for at least ninety (90) days after the closing date of the tender.</i></p> <p><i>(v) Premium Turnover of at least Kshs100 million per year for the last two years together with a list of corporate accounts for each year supporting the declared Premium Turnover. KPLC reserves the right to verify information provided with the Office of the Commissioner of Insurance/Insurance Regulatory Authority and the Kenya Revenue Authority.</i></p> <p><i>(vi.) Bank Guarantee of Shs 3 million deposited with the Insurance Regulatory Authority</i></p> <p><i>(vii)Tenderers are advised to take note of and comply with changes impacting on the insurance industry as contained in the National Budget 2015/2016</i></p>
4.	<b>3.11.2 (c) and (d) Documents of</b>	<i>(i)Licences of Registration as an Insurance Broker by</i>

	<b>evidence of eligibility</b>	<i>Insurance Regulatory Authority for Year 2015 and Years 2014, 2013, 2012 and 2011 (ii.) Detailed Statement of Compliance to Details of Service. (iii.) Detailed Operational Plan of the Tenderer in line with paragraph 3.27 (iv) Methodology for Assignment (v) Work Plans for Assignment</i>
5.	<b>3.11.2 (e) Tenderer's membership of a recognized or accredited institution.</b>	<i>(i.) Certificate of Membership of the Association of Insurance Brokers of Kenya (AIBK) for Year 2015</i>
6.	<b>3.16.2 Warranty – Period of</b>	<i>Not Applicable for this tender</i>
7.	<b>3.15 Professional Indemnity (PI) Cover</b>	<i>PI Cover from a reputable Insurance Company, minimum limit <b>Shs100</b> million and valid for at least ninety (90) days after the closing date of the tender.</i>
8	<b>3.17 Number of Sets of and Tender Format</b>	<i>There will be only one document submitted on the e-procurement portal of 100MB. However bidders may split the same into 2 sets of say 50MB and 50MB and then upload them.</i>
9	<b>3.18 Preparation and Signing of the Tender</b>	<i>There will be only one document submitted on the e-procurement portal. Bidders shall ensure that they upload all the required documents into the portal.</i>
10	<b>3.19 Sealing and Outer Marking of Tenders</b>	<i>For purposes of this tender, this is not applicable as the tender is being submitted electronically</i>
11	<b>3.22 Opening of Tenders</b>	<i>The tender shall be opened electronically at Stima Plaza Auditorium at 10.30 a.m. and bidders are encouraged to participate.</i>
12	<b>3.4 Cost of tendering</b>	<i>Not applicable since the tender document is available on the web portal</i>

## **SECTION IV - EVALUATION CRITERIA**

Evaluation of duly submitted tenders will be conducted along the following stages: -

**4.1 Part 1 - Preliminary Evaluation under *Paragraph 3.25 of the ITT*.** These are **MANDATORY** requirements. This shall include confirmation of the following:-

- 4.1.1 Submission of Tender Form duly completed and signed
- 4.1.2 Submission of Declaration Form(s) duly completed and signed
- 4.1.3 Submission and consideration of the Confidential Business Questionnaire:-
  - (a) Is fully filled
  - (b) That details correspond to the related information in the bid
  - (c) That the bidder is not ineligible as per *paragraph 3.2* of the ITT
- 4.1.4 Submission of Company Registration Certificate
- 4.1.5 Submission of Company PIN Certificate
- 4.1.6 Submission valid Company Tax Compliance Certificate
- 4.1.7 Submission of the Certificate of Confirmation of Directors and Shareholding (C.R.12) or equivalent
- 4.1.8 Submission of Premium Turnover – List of Corporate Accounts in support of declared Premium Turnover of at least Kshs 100 million per year for 2013 and 2014
- 4.1.9 Submission of Bank Guarantee Deposit with Insurance Regulatory Authority/Commissioner of Insurance of Shs 3 million
- 4.1.10 Submission of a list of five (5) previous customers within the last three (3) years together with full contacts and physical addresses
- 4.1.11 Submission of audited financial statements for five (5) years i.e. years 2010 to 2014
- 4.1.12 Submission of valid Professional Indemnity Cover, minimum Kshs 100 million
- 4.1.13 Submission of licenses of registration as an Insurance Broker from the Insurance Regulatory Authority for the last five (5) years i.e. Years 2011 to 2015
- 4.1.14 Submission of Membership Certificate with Association of Insurance Brokers of Kenya (AIBK) for Year 2015
- 4.1.15 Submission of Curriculum Vitae of the Team proposed for the Assignment
- 4.1.16 Submission of Statement of Compliance to the Details of Service
- 4.1.17 Submission of an Operational Plan to carry out the Assignment
- 4.1.18 Submission of Assignment Methodology
- 4.1.19 Submission of Assignment Work Plans

4.1.20 Professional Qualifications of Team proposed for assignment, minimum 2No. Staff with Diploma from the Chartered Insurance Institute, (UK) – Dip. CII or Associate of the Chartered Insurance Institute (UK) – ACII or Associate of the Insurance Institute of Kenya – AIIK

4.1.21 Indicated Messenger Name and or Contracted Courier Service

4.1.22 *Notwithstanding the above, considering any outstanding claims where applicable and the performance history of the tenderer.*

Tenders will proceed to the **Detailed Technical Evaluation** Stage only if they qualify in compliance with **Part 1** above, Preliminary Evaluation under **Paragraph 3.25**.

**4.2 Part II – Technical Evaluation and Comparison of Tenders under Paragraph 3.27 of the ITT.** These are additional tender requirements to be evaluated on point scoring criteria as tabulated below:

No.	Evaluation Criteria	Maximum Points
<b>1.</b>	<b>Team Proposed for Assignment:</b>	22
	1.1 Minimum Number, Four (4)	5
	1.2 Academic/Professional Qualifications for the four (4) either University Degree or Associateship of either the Chartered Insurance Institute (ACII) or Insurance Institute of Kenya (AIIK)	12
	1.3 Proof of active employment, minimum 3 months before tender closing date	5
<b>2.</b>	<b>Methodology, Operational Plan and Work Plans on Assignment</b>	12
	2.1 Assignment Methodology i.e. execution from pre-qualification to post contract award	4
	2.2 Assignment Operational Plan in table form detailing execution of the Details of Service	4
	2.3 Assignment Work Plans indicating the personnel, their responsibilities and timeframes for executing responsibilities under the assignment	4
<b>3.</b>	<b>Accessibility:</b>	10
	3.1 Registered Office and Physical Address Indicated	3

	3.2 Landline telephone accessibility	1
	3.3 Mobile telephone accessibility (both Airtel and Safaricom)	2
	3.4 E-mail accessibility	2
	3.5 Website accessibility	2
<b>4.</b>	<b>Premises:</b>	<b>18</b>
	4.1 Waiting/Reception Area	3
	4.2 Meeting Room	1
	4.3 Records Storage Facility	5
	4.4 Records Disposal Policy	1
	4.5 Evidence of existence of Disability Mainstreaming policies and or measures	4
	4.6 Safety and Emergency Response Capacity	2
	4.7 Adequacy of staff seating area vis a vis technical staff complement	2
<b>5.</b>	<b>Technical Capacity:</b>	<b>18</b>
	5.1 Availability of website brand domain	2
	5.2 Availability of e-mail brand domain	2
	5.3 Availability of desktop computers, minimum 4No.	4
	5.4 Availability of Laptops and or iPads, minimum 3No.	3
	5.5 Availability of Virtual Private Network	2
	5.6 Availability of Visible and Testable Insurance Software	5
<b>6.</b>	<b>Administrative Capacity:</b>	<b>7</b>
	6.1 Establishment of a Quality Management System (Certification Required)	3
	6.2 Structured Risk Management Capacity( Tenderers may outsource this capacity but must provide evidence of the agreement or contract).	4
<b>7.</b>	<b>GoK Policy Streamlining:</b>	<b>13</b>
	7.1 Shareholding by Youth (between 18 and 35 years), minimum 30%	3
	7.2 Shareholding by Female Gender, minimum 30%	3
	7.3 Shareholding by Physically Disabled, Fully Audio-Visually Impaired Persons,	



	minimum 30%	2
	7.4 100% Indigenous Shareholding	5

4.2.1 Only Tenderers who score a minimum of 75% at this stage of evaluation shall be considered for confirmation for pre-qualification.

## SECTION V: PREMIUM TURNOVER – LIST OF CORPORATE ACCOUNTS

### PART A: PREMIUM TURNOVER – LIST OF CORPORATE ACCOUNTS (YEAR 2013)

No.	Corporate Client Name	Client Contact Person(s)	Client Contact Details	Annual Premium (Kshs)
			<b>Total</b>	

### PART B: PREMIUM TURNOVER – LIST OF CORPORATE ACCOUNTS (YEAR 2014)

No.	Corporate Client Name	Client Contact Person(s)	Client Contact Details	Annual Premium (Kshs)
			<b>Total</b>	

#### \*NOTES TO TENDERERS

- 5.1 Contact details should include physical address, postal address, telephone, facsimile and e-mail address.
- 5.2 KPLC reserves the right to verify details declared with the **Listed Corporate Clients**, the **Insurance Regulatory Authority** and the **Kenya Revenue Authority**.
- 5.3 All Bidders are requested to provide documentary proof of premium turnover in the form of letters of notification of award of contract from the listed clients.
- 5.4 Provision of false information will lead to automatic disqualification of a bidder.
- 5.5 **No other format, other than as tabulated above shall be considered for evaluation purposes**

**SECTION VI - TENDER FORM**

Date:

Tender No.

**To:**

The Kenya Power & Lighting Company Limited,  
Stima Plaza,  
Kolobot Road, Parklands,  
P.O Box 30099 – 00100,  
Nairobi, Kenya.

Ladies and Gentlemen,

1. Having read, examined and understood the Tender Document including all Addenda, the receipt of which is hereby duly acknowledged, we, the undersigned Tenderer, offer to perform, deliver, install and commission (*the latter two where applicable*) ..... (*insert services description*) in accordance and conformity with the said tender document.
2. We undertake, if our Tender is accepted, to perform and provide the services in accordance with the Details of Service and Schedule of Requirements (where applicable).
3. We agree to abide by this Tender for a period of.....days(**Tenderer please indicate validity of your Tender**)from the date fixed for tender opening as per the Tender Document, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.
4. This Tender, together with your written acceptance thereof and your notification of pre-qualification, shall not constitute a contract, between us. The contract shall be formed between us when both parties duly sign the written contract.
5. We understand that you are not bound to accept any Tender you may receive.

Yours sincerely,

\_\_\_\_\_  
Name of Tenderer

\_\_\_\_\_  
Signature of duly authorised person signing the Tender

\_\_\_\_\_  
Name and Capacity of duly authorised person signing the Tender

\_\_\_\_\_  
Stamp or Seal of Tenderer

**\*NOTES:**

1. KPLC requires a validity period of at least ninety (90) days.
2. This form must be duly signed, stamped and/or sealed.

**SECTION VII - CONFIDENTIAL BUSINESS QUESTIONNAIRE FORM**

All Tenderers are requested to give the particulars indicated in **Part 1** and either **Part 2 (a), 2 (b) or 2 (c)**, whichever applies to your type of business. You are advised that it is a serious offence to give false information on this form.

**Part 1 – General**

Business Name.....

Location of business premises.....

Plot No. ....Street/ Road .....

Postal Address ..... Postal Code .....

Tel No.....

Facsimile.....

Mobile and/ or CDMA No.....

E-mail:.....

Nature of your business .....

Registration Certificate No.....

Maximum value of business which you can handle at any time KSh.....

Name of your Bankers .....Branch.....

\*Names of Tenderer’s contact person(s) .....

Designation/ capacity of the Tenderer’s contact person(s) .....

Address, Tel, Fax and E-mail of the Tenderer’s contact person(s) .....

.....

.....

**Part 2 (a) Sole Proprietor**

Your name in full .....

Nationality .....Country of origin .....

\*Citizenship details.....

**Part 2 (b) Partnership**

Give details of partners as follows: -

Names	Nationality	*Citizenship Details	Shares
-------	-------------	----------------------	--------

1.....

2.....

3.....

4.....

5.....

**Part 2 (c) Registered Company**

Private or Public .....

State the nominal and issued capital of company-

Nominal KSh.....

Issued KSh.....

Give details of all directors as follows

Name	Nationality	*Citizenship Details	Shares
------	-------------	----------------------	--------

1.....

2.....

3.....

4.....

5.....

Name of duly authorized person to sign for and on behalf of the Tenderer

.....

Capacity of the duly authorized person.....

Signature of the duly authorized person.....

**\*NOTES TO THE TENDERERS ON THE QUESTIONNAIRE**

1. *The address and contact person of the Tenderer provided above shall at all times be used for purposes of this tender.*
2. *If a Kenyan citizen, please indicate under “Citizenship Details” whether by birth, naturalization or registration.*
3. *The details on this Form are essential and compulsory for all Tenderers. **Failure to provide all the information requested shall lead to the Tenderer’s disqualification.***
4. *For foreign Tenderers please give the details of nominal and issued share capital in the currency of the country of origin of the Tenderer.*

**SECTION VIII - DECLARATION FORM**

Date \_\_\_\_\_

**To:**

The Kenya Power & Lighting Company Limited,  
P.O Box 30099 – 00100,  
Stima Plaza, Kolobot Road, Parklands,  
Nairobi,  
KENYA.

Ladies and Gentlemen,

The Tenderer i.e. (full name and complete physical and postal address) \_\_\_\_\_  
\_\_\_\_\_ declare the following: -

- a) That I/ We have not been debarred from participating in public procurement by anybody, institution or person.
- b) That I/ We have not been involved in and will not be involved in corrupt and fraudulent practices regarding public procurement anywhere.
- c) That I/We or any director of the firm or company is not a person within the meaning of *paragraph 3.2 of ITT* (Eligible Tenderers) of the Instruction to Tenderers.
- d) That I/ We are not insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing.
- e) That I/ We are **not** associated with any other Tenderer participating in this Tender.
- f) That I/We do hereby confirm that all the information given in this tender is accurate, factual and true to the best of our knowledge.

Yours sincerely,

\_\_\_\_\_

Name of Tenderer

\_\_\_\_\_

Signature of duly authorised person signing the Tender

\_\_\_\_\_

Name and Capacity of duly authorised person signing the Tender

\_\_\_\_\_

Stamp or Seal of Tenderer



**SECTION IX – DRAFT LETTER OF NOTIFICATION OF PRE-QUALIFICATION**

**To:**

*(Name and full address of the Successful Tenderer).....*

Dear Sirs/ Madams,

**RE: NOTIFICATION OF PRE-QUALIFICATION OF TENDER NO.....**

We refer to your Tender dated..... and are pleased to inform you that following evaluation, your Tender has been accepted.

This notification is a confirmation that you can participate in the subsequent Request For Financial Proposals for Provision of Insurance Brokerage Services and does not constitute a contract.

We look forward to a cordial and mutually beneficial business relationship.

Yours faithfully,

**FOR: THE KENYA POWER & LIGHTING COMPANY LIMITED**

**GENERAL MANAGER, SUPPLY CHAIN**

Enclosures

**SECTION X – DRAFT LETTER OF NOTIFICATION OF REGRET**

**To:** *(Name and full address of the Unsuccessful Tenderer)*.....

**Date:**

Dear Sirs/ Madams,

**RE: NOTIFICATION OF REGRET IN RESPECT OF TENDER NO. ....**

We refer to your Tender dated..... and regret to inform you that following evaluation, your Tender is unsuccessful. It is therefore not accepted. The brief reasons are as follows:-

1. ....
2. ....
3. .... etc...

The successful bidders were: \_\_\_\_\_.

We thank you for the interest shown in participating in this tender and wish you well in all your future endeavours.

Yours faithfully,

**FOR: THE KENYA POWER & LIGHTING COMPANY LIMITED**

**GENERAL MANAGER, SUPPLY CHAIN**

## **SECTION XI - THE DETAILS OF SERVICES**

The Details of Services describe the basic requirements for services. In addition to the information and documentation in the Tender Document regarding the technical aspects of this tender, all Tenderers shall comply with the following -

### **PART A - GENERAL REQUIREMENTS**

1. Technical documentation shall be in English language. The specific services on offer shall be marked clearly for the services they intend to provide.
2. Deviations from the basic requirements, if any, shall be explained in detail in writing with the offer, with supporting data including calculation sheets, detailed drawings and certified reports. KPLC reserves the right to reject the services if such deviations shall be found critical to the use and operation of the services.
3. The Insurance Brokerage Firm shall submit a Commentary of Compliance to the Details of Service. In submitting the Commentary the Insurance Brokerage Firm should provide cross-references to the documents submitted.
4. Commentary shall be in table form, and shall cover in detail, all clauses of the Detail(s).
5. Detailed contact information including title, e-mail, facsimile, telephone or any other form of acceptable communication of the certification or recognition and standards body used shall be provided.
6. Where Certificates and their Reports and are translated into English, all pages of the translations must be signed and stamped by the certifying authority.
7. The Insurance Brokerage Firm's Declaration of Conformity to reference standards and copies of quality management certifications including valid and current ISO certifications shall be submitted for evaluation.
7. Insurance Brokerage Firms are required to provide information on proper representative(s) including their names, telephone, facsimile, e-mail, physical and postal addresses, along with their offers.

8. The Insurance Brokerage Firm shall structure and obtain optimum policy covers from the Recommended Underwriters in accordance with the tenders submitted
10. The Insurance Brokerage Firm shall remit to the Recommended Underwriter all premiums paid by the Procuring Entity in accordance with the provisions and requirements of the **Insurance Act, Cap.481** and give the Procuring Entity written confirmation on the same within 7 days of remittance. Where premium payment is to be made in the name of the Insurance Brokerage Firm, the Insurance Brokerage Firm shall furnish the Procuring Entity with explicit authority from the Recommended Underwriter authorizing them to collect the premium on their behalf;
11. The Insurance Brokerage Firm shall analyze, review, scrutinize the Policy Document and any Endorsements there-in. Cover should be as specified in the Tender document and should not be restricted, by way of warranties or endorsements or special conditions, subsequent to award. Should this occur, KPLC shall call on the tender security.
12. If the entire policy document is found to be satisfactory, such document shall be deposited with the Company Secretary not later than fifteen (15) days of inception of cover;
13. The Insurance Brokerage Firm shall ensure preparation of monthly claims bordereaux which must be submitted to the Procuring Entity by the 15<sup>th</sup> day of the following month;
14. The Insurance Brokerage Firm shall arrange quarterly meetings to review performance of the policy by 15<sup>th</sup> day of the beginning of the following quarter;
15. The Insurance Brokerage Firm shall ensure that the sums insured under the policy will be adjustable accordingly by suitable means at the discretion of the Procuring Entity from time to time;
16. The Insurance Brokerage Firm shall negotiate with the qualified Recommended Underwriter any other pertinent aspects of the policy that may arise during the term of the policy;
17. The Insurance Brokerage Firm shall carry out loss control surveys and make viable appropriate risk improvement recommendations, where applicable.
18. The Insurance Brokerage Firm shall ensure settlement of documented claims by the Recommended Underwriter within thirty (30) days upon full documentation.
19. The Insurance Brokerage Firm shall ensure that the Service Level Agreement between the Insurance Brokerage Firm and the Recommended Underwriter is submitted to KPLC within twenty-one (21) days of commencement of coverage.

## **PART B – SPECIFIC DETAILS OF SERVICE (SDS)**

### **1. Air Travel Insurance**

The Details of Services describe the basic requirements for services. In addition to the information and documentation in the Tender Document regarding the technical aspects of this tender, all Tenderers shall comply with the following -

## **PART A - GENERAL REQUIREMENTS**

1. Technical documentation shall be in English language. The specific services on offer shall be marked clearly for the services they intend to provide.
2. Deviations from the basic requirements, if any, shall be explained in detail in writing with the offer, with supporting data including calculation sheets, detailed drawings and certified reports. KPLC reserves the right to reject the services if such deviations shall be found critical to the use and operation of the services.
3. The Insurance Brokerage Firm shall submit a Commentary of Compliance to the Details of Service. In submitting the Commentary the Insurance Brokerage Firm should provide cross-references to the documents submitted.
4. Commentary shall be in table form, and shall cover in detail, all clauses of the Detail(s).
5. Detailed contact information including title, e-mail, facsimile, telephone or any other form of acceptable communication of the certification or recognition and standards body used shall be provided.
6. Where Certificates and their Reports and are translated into English, all pages of the translations must be signed and stamped by the certifying authority.
7. The Insurance Brokerage Firm's Declaration of Conformity to reference standards and copies of quality management certifications including valid and current ISO certifications shall be submitted for evaluation.

7. Insurance Brokerage Firms are required to provide information on proper representative(s) including their names, telephone, facsimile, e-mail, physical and postal addresses, along with their offers.
8. The Insurance Brokerage Firm shall structure and obtain optimum policy covers from the Recommended Underwriters in accordance with the tenders submitted
9. The Insurance Brokerage Firm shall remit to the Recommended Underwriter all premiums paid by the Procuring Entity in accordance with the provisions and requirements of the **Insurance Act, Cap.481** and give the Procuring Entity written confirmation on the same within 7 days of remittance. Where premium payment is to be made in the name of the Insurance Brokerage Firm, the Insurance Brokerage Firm shall furnish the Procuring Entity with explicit authority from the Recommended Underwriter authorizing them to collect the premium on their behalf;
10. The Insurance Brokerage Firm shall analyze, review, scrutinize the Policy Document and any Endorsements there-in. Cover should be as specified in the Tender document and should not be restricted, by way of warranties or endorsements or special conditions, subsequent to award. Should this occur, KPLC shall call on the tender security.
11. If the entire policy document is found to be satisfactory, such document shall be deposited with the Company Secretary not later than fifteen (15) days of inception of cover;
12. The Insurance Brokerage Firm shall ensure preparation of monthly claims bordereaux which must be submitted to the Procuring Entity not later than the following month;
13. The Insurance Brokerage Firm shall arrange quarterly meetings to review performance of the policy not later than the 15<sup>th</sup> day of the beginning of the following quarter;
14. The Insurance Brokerage Firm shall ensure that the sums insured under the policy will be adjustable accordingly by suitable means at the discretion of the Procuring Entity from time to time;
15. The Insurance Brokerage Firm shall negotiate with the qualified Recommended Underwriter any other pertinent aspects of the policy that may arise during the term of the policy;
16. The Insurance Brokerage Firm shall carry out loss control surveys and make viable appropriate risk improvement recommendations, where applicable.

17. The Insurance Brokerage Firm shall ensure settlement of documented claims by the Recommended Underwriter within thirty (30) days upon full documentation.
18. The Insurance Brokerage Firm shall ensure that the Service Level Agreement between the Insurance Brokerage Firm and the Recommended Underwriter is submitted to KPLC within twenty-one (21) days of commencement of coverage

## **PART B – SPECIFIC DETAILS OF SERVICE (SDS)**

### **1. Air Travel Insurance**

- 1.1 Ensure that travel cards, cover schedules and letters where applicable are received within one (1) day of request for cover.
- 1.2 Ensure requests for cover amendments and cancellations are effected within six (6) hours of request.
- 1.3 Ensure submission of premium reconciliation statements and corresponding invoices on a quarterly basis.
- 1.4 Ensure settlement of documented claims within thirty (30) days upon full documentation

### **2. Employers' Liability Insurance (Common Law)**

- 2.1 It shall generally be understood that a claim shall attach to the policy upon receipt of either a demand letter or summonses to enter an appearance by KPLC and **NOT** on the occurrence of an occupational injury/illness as not all occupational injuries end up in litigation.
- 2.2 Ensure appointment of a defence advocate by the recommended underwriter and submit copy of letter appointing advocate to KPLC within five (5) days of notification of a claim by KPLC.
- 2.3 Ensure entering of appearance by the appointed advocate and submit memo of appearance to KPLC within fourteen (14) days of receipt of summonses from KPLC.
- 2.4 Prepare and submit to KPLC updated litigation schedule of upcoming court appointments on a quarterly basis.

- 2.5 Prepare and submit to KPLC claim status summary reports on a quarterly basis.
- 2.6 Ensure zero incidences of proclamation and attachment of KPLC property arising from litigation.

**3. Group Life Assurance (with WIBA, Last Expense and Critical Illness Riders)**

- 3.1 Partial Discharge Vouchers (DVs) on accruing accidental medical expenses shall be issued and payment processed on a quarterly basis.
- 3.2 For PTD claims with an initial disability assessment greater than 5%, the claimants shall be referred for medical re-examination (2<sup>nd</sup> opinion) by the recommended underwriter within thirty (30) days of submission of the initial assessment medical certificate by KPLC. Disability awards of 5% or less shall not be the subject of medical re-examination.
- 3.4 A copy of the medical re-examination report and a corresponding discharge voucher where applicable shall be availed to KPLC within thirty (30) days of medical re-examination of claimants by the recommended underwriter.
- 3.5 Last Expense claims shall be settled within 48 hours of notification of claim.
- 3.6 Ensure inclusion of doctors and other relevant service providers in KPLC's panel into the panel of the Recommended Underwriter.
- 3.7 The policy shall be written on a declaration basis, with deposit premium paid at commencement of cover and declaration premium paid not later than three months after expiry of term.

The declaration premium shall be subject to maximum 33 1/3% upward adjustments and maximum 50% downward adjustments i.e. additional premium shall not exceed one-third of the initial premium (including declaration premium paid in the preceding year) and refund premium shall not exceed half of the initial premium (including declaration premium paid in the preceding year).

- 3.8 All investigation reports must be submitted to the Procuring Entity in compliance with provisions of the Constitution pertaining to rights to information.



#### **4. Marine Cargo (Open Cover) Insurance**

- 4.1 Ensure that insurance certificates together with the corresponding invoices are submitted to KPLC within one (1) day of request for cover.
- 4.2 Ensure appointment of loss adjustor within twenty four (24) hours of notification of a claim by KPLC.

#### **5. Marine Hull Insurance**

- 5.1 Ensure that renewal insurance certificates are received at KPLC within 30 days before expiry of policy.
- 5.2 Ensure appointment of loss adjustor within twenty four (24) hours of notification of a claim by KPLC.

#### **6. Motor Insurances**

- 6.1 It shall be generally understood that the average repair time for own damage claims shall be two (2) weeks upon issuance of repair authority. Consequently, tenderers are to ensure that the Service Level Agreements (SLAs) between the recommended underwriter(s) and garages reflect this performance requirement.
- 6.2 Ensure appointment of assessor by the recommended underwriter(s) three (3) days of notification of a claim and submission of claim form and copy of driver's licence by KPLC.
- 6.3 Ensure submission of assessor's report to the recommended underwriter(s) within three (3) days of their (assessors) appointment.
- 6.4 Ensure issuance of repair authority letter by the recommended underwriter(s) within 48 hours of submission of the assessor's report.
- 6.5 Ensure issuance of release letter by the recommended underwriter(s) within 2 days of completion of repairs.
- 6.6 Ensure payment of incurred towing costs by the recommended underwriter(s) within thirty (30) days of issuance of release letter.

- 6.7 For non-reimbursement windscreen/window claims, ensure submission of the recommended underwriter's letter of undertaking within 24 hours of documentation of the claim.
- 6.8 For re-imbursement windscreen/window claims, ensure payment of claim within fourteen (14) days of documentation of the claim.
- 6.9 Ensure and advise appointment of a defence advocate by the recommended underwriter within seven (7) days of notification of a litigation claim by KPLC.
- 6.10 Ensure and advise entering of appearance and filing of defence within fourteen (14) days of receipt of summonses from KPLC.
- 6.11 Prepare and submit to KPLC updated litigation schedules of upcoming court appointments on a quarterly basis.
- 6.12 Prepare and submit to KPLC litigation claim status summary reports on a quarterly basis.
- 6.13 Prepare and submit to KPLC premium reconciliation statements and corresponding debit/credit notes on a monthly basis by the 5<sup>th</sup> day of every month.
- 6.14 Ensure renewal certificates are received in KPLC within thirty (30) days before expiry of policies i.e. thirty (30) days before 8<sup>th</sup> November, 2016.
- 6.15 All loss assessors' reports must be submitted to the Procuring Entity in line with provisions of the Insurance Act.

## **7. Public/Products Liability (with Consequential Loss) Insurance**

- 7.1 Ensure immediate appointment of loss adjustor upon notification of a claim. The loss adjustor shall conduct a site visit within 48 hours of appointment.
- 7.2 Ensure a copy of loss adjustors' preliminary report is submitted to KPLC within fourteen (14) days of site visit.
- 7.3 Ensure appointment of a defence advocate by the recommended underwriter and submit copy of appointment letter within seven (7) days of notification of a litigation claim by KPLC.

- 7.4 Ensure entering of appearance by the appointed advocate and submit memo to enter appearance within seven (7) days of receipt of summonses from KPLC.
- 7.5 Prepare and submit to KPLC updated litigation schedules of upcoming court appointments on a quarterly basis.
- 7.6 Prepare and submit to KPLC litigation claim status summary reports on a quarterly basis.
- 7.7 Advise amount of claims reserves for notified claims within fourteen (14) days of claim notification.
- 7.8 All loss assessors' reports must be submitted to the Procuring Entity in line with provisions of the Insurance Act.

### **8. Asset Based Insurances**

- 8.1 Ensure appointment of loss adjustor within 12 hours after notification of a claim. The loss adjustor shall conduct a site visit within 48 hours of appointment.
- 8.3 Ensure copy of loss adjustors' preliminary reports are submitted to KPLC within twenty – one (21) days after site visit.
- 8.4 All Loss Adjustors reports must be submitted to KPLC as provided for in the Insurance Act as amended.