

**REPUBLIC OF KENYA**



**MINISTRY OF AGRICULTURE, LIVESTOCK, FISHERIES & IRRIGATION**

**STATE DEPARTMENT FOR LIVESTOCK**

**KENYA LIVESTOCK INSURANCE PROGRAMME (KLIP)**

**TENDER NO. MOALF&I/SDL/KLIP/02/2018-19 FOR PROVISION OF LIVESTOCK  
INSURANCE SERVICES FOR THE KENYA LIVESTOCK INSURANCE PROGRAM**

**CLOSING DATE: Tuesday 9<sup>th</sup> October 2018 10.00 A.M**

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SECTION I - INVITATION FOR TENDERS

Date: 25<sup>th</sup> September 2018

**TENDER No. MOALF&l/SDL/KLIP/02/2018-19 FOR PROVISION OF LIVESTOCK INSURANCE SERVICES FOR THE KENYA LIVESTOCK INSURANCE PROGRAM**

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- 1.1 The State Department of Livestock invites sealed tenders from eligible underwriters for the Provision of Livestock Insurance Services for the Kenya Livestock Insurance Program for a period of 12 months' renewable for a maximum of 36 months.
- 1.2 Eligible Insurance Underwriters may obtain further information and inspect the bidding documents from Supply Chain Office situated at **Hill Plaza 7<sup>th</sup> Floor, Procurement Office, Room 718** during working hours from 8.00 am to 5.00 pm.
- 1.3 A complete set of bidding documents may be purchased by interested bidders upon payment of a non-refundable fee of Kenya Shillings 1,000/= (One Thousand Shillings Only) in form of a bankers cheque payable to the Principal Secretary, State Department of Livestock.
- 1.4 The document may also be downloaded from the IFMIS suppliers' portal: [supplier.treasury.go.ke](http://supplier.treasury.go.ke) and/ or the State Department of Livestock's website: [www.kilimo.go.ke](http://www.kilimo.go.ke) free of charge. Bidders who download the tender document must arrange to register with the Procurement Office the company name, postal, physical, email and telephone address for the purposes of receiving any further tender clarifications and/or addendums if need be.
- 1.5 Prices quoted should be net inclusive of all taxes, and delivery costs, must be in Kenya Shillings and shall remain valid for (120) days from the closing date of the tender.
- 1.6 A Bid Security of Two (2) Million Kenya Shillings shall be enclosed in the Technical Proposal Envelope.
- 1.7 The completed and sealed tenders enclosed in plain sealed envelope and clearly marked **TENDER NO. MOALF&l/SDL/KLIP/02/2018-19** For Provision of Livestock Insurance Services for the Kenya Livestock Insurance Program must be addressed to:-  
**The Principal Secretary,**  
**State Department for Livestock**  
**Ministry of Agriculture, Livestock, Fisheries & Irrigation**

**Address: P. O. Box 34188-00100 Nairobi, Kenya**

- 1.8 The document must be deposited in the Tender Box clearly marked 'State Department for Livestock' provided at Kilimo House located on Cathedral Road, Main reception on Ground floor to be received on or before **9th October, 2018 at 10.00 am** (East African Time), Cathedral Road. Tenders will be opened immediately thereafter in the presence of the candidates representatives who choose to attend at **Kilimo House, 6<sup>th</sup> Floor Boardroom, Cathedral Road, Nairobi at 10.00 a.m East African Time.**
  
- 1.9 The Government of the Republic of Kenya reserves the right to accept or reject any tender without assigning reasons for its decision thereof.

Head; Supply Chain Management Services

**For: PRINCIPAL SECRETARY  
STATE DEPARTMENT OF LIVESTOCK**

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## SECTION II - INSTRUCTIONS TO TENDERERS

### 2.1. Eligible Tenderers

- 2.1.1 This Invitation for Tenders is open to all tenderers eligible as described in the Appendix to Instructions to Tenderers. Successful tenderers shall provide the services for the stipulated duration from the date of commencement (hereinafter referred to as the term) specified in the tender documents.
- 2.1.2 The Procuring Entity's employees, committee members, board members and their relatives (spouse and children) are not eligible to participate in the tender unless where specially allowed under section 131 of the Act.
- 2.1.3 Tenderers shall provide the qualification information statement that the tenderer (including all members of a joint venture and subservice providers) 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 the Procuring Entity 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 for tenders.
- 2.1.4 Tenderers involved in the corrupt or fraudulent practices or debarred from participating in public procurement shall not be eligible.

### 2.2 Cost of Tendering

- 2.2.1 The Tenderer shall bear all costs associated with the preparation and submission of its tender, and The Procuring Entity, will in no case be responsible or liable for those costs. Regardless of the conduct or outcome of the tendering process
- 2.2.2 The price to be charged for the tender document shall not exceed Kshs.1,000/=
- 2.2.3 The Procuring Entity shall allow the tenderer to review the tender document free of charge before purchase.

### 2.3 Contents of Tender Document

- 2.3.1 The tender documents comprise the documents listed below and addenda issued in accordance with clause 2.5 of these instructions to tenderers.
- (i) Instructions to Tenderers
  - (ii) General Conditions of Contract
  - (iii) Special Conditions of Contract
  - (iv) Schedule of Requirements
  - (v) Details of Insurance Cover
  - (vi) Form of Tender
  - (vii) Price Schedules
  - (viii) Contract Form

- (ix) Confidential Business Questionnaire Form
- (x) Tender security Form
- (xi) Performance security Form
- (xii) Insurance Company's Authorization Form
- (xiii) Declaration Form
- (xiv) Request for Review Form

2.3.2 The Tenderer is expected to examine all instructions, forms, terms and specification in the tender documents. Failure to furnish all information required by the tender documents or to submit a tender not substantially responsive to the tender documents in every respect will be at the tenderers risk and may result in the rejection of its tender.

## **2.4 Clarification of Tender Documents**

2.4.1 A Candidate making inquiries of the tender documents may notify The Procuring Entity by post or by email at The Procuring Entity's address indicated in the Invitation for tenders. The Procuring Entity will respond in writing to any request for clarification of the tender documents, which it receives not later than three (3) days prior to the deadline for the submission of the tenders, prescribed by the Procuring Entity. Written copies of the Procuring entities response (including an explanation of the query but without identifying the source of inquiry) will be sent to all candidates who have received the tender documents.

2.4.2 The Procuring Entity shall reply to any clarifications sought by the tenderer within 1 day of receiving the request to enable the tenderer to make timely submission of its tender.

2.4.3 Preference where allowed in the evaluation of tenders shall not exceed 15%

## **2.5 Amendment of Tender Documents**

2.5.1 At any time prior to the deadline for submission of tenders, THE PROCURING ENTITY, 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 issuing an addendum.

2.5.2 All prospective tenderers who have obtained the tender documents will be notified of the amendment by post, fax or email and such amendment will be binding on them.

2.5.3 In order to allow prospective tenderers reasonable time in which to take the amendment into account in preparing their tenders, THE PROCURING ENTITY, at its discretion, may extend the deadline for the submission of tenders.

## **2.6 Language of Tenders**

2.6.1 The tender prepared by the tenderer, as well as all correspondence and documents relating to the tender exchanged by the tenderer and THE PROCURING ENTITY, shall be written in English language. Any printed literature furnished by the tenderer may be written in another language provided 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.

## **2.7. Documents Comprising the Tender**



- 2.7.1 The tender prepared by the tenderer shall comprise the following components:
- (a) A Tender Form and a Price Schedule completed in accordance with paragraph 2.8, 2.9 and 2.10 below
  - (b) Documentary evidence established in accordance with paragraph 2.1.2 that the tenderer is eligible to tender and is qualified to perform the contract if its tender is accepted;
  - (c) Tender security furnished in accordance with paragraph 2.12 (if applicable)
  - (d) Declaration Form.

## **2.8. Form of Tender**

- 2.8.1 The tenderer shall complete the Tender Form and the Price Schedule furnished in the tender documents, indicating the services to be provided.

## **2.9. Tender Prices**

- 2.9.1 The tenderer shall indicate on the form of tender and the appropriate Price Schedule the unit prices and total tender price of the services it proposes to provide under the contract.
- 2.9.2 Prices indicated on the Price Schedule shall be the cost of the services quoted including all **customs duties** and **VAT** and other **taxes payable**.
- 2.9.3 Prices quoted by the tenderer shall remain fixed during the Term of the contract unless otherwise agreed by the parties. A tender submitted with an adjustable price quotation will be treated as non-responsive and will be rejected, pursuant to paragraph 2.20.5

## **2.10. Tender Currencies**

- 2.10.1 Prices shall be quoted in Kenya Shillings

## **2.11. Tenderers Eligibility and Qualifications**

- 2.11.1 Pursuant to paragraph 2.1 the tenderer shall furnish, as part of its tender, documents establishing the tenderers eligibility to tender and its qualifications to perform the contract if it's tender is accepted.
- 2.11.2 The documentary evidence of the tenderer's qualifications to perform the contract if its tender is accepted shall establish to the procuring entity's satisfaction that the tenderer has the financial and technical capability necessary to perform the contract.

## **2.12. Tender Security**

- 2.12.1 The tenderer shall furnish, as part of its tender, a tender security for the amount and form specified in the Appendix to Instructions to Tenderers.
- 2.12.2 The tender security shall not exceed 2 per cent of the tender price.
- 2.12.3 The tender security is required to protect the Procuring Entity against the risk of Tenderer's conduct which would warrant the security's forfeiture, pursuant to paragraph 2.12.7

- 2.12.4 The tender security shall be denominated in Kenya Shillings or in another freely convertible currency, and shall be in the form
- a) Cash.
  - b) A bank guarantee.
  - c) Such insurance guarantee approved by the Authority.
  - d) Letter of credit.
- 2.12.4.1 Any tender not secured in accordance with paragraph 2.12.1. and 2.12.3 shall be rejected by the procuring entity as non-responsive, pursuant to paragraph 2.20.5
- 2.12.4.2 Unsuccessful Tenderer's tender security will be discharged or returned as promptly as possible but not later than thirty (30) days after the expiration of the period of tender validity
- 2.12.4.3 The successful Tenderer's tender security will be discharged upon the tenderer signing the contract, pursuant to paragraph 2.29, and furnishing the performance security, pursuant to paragraph 2.30
- 2.12.5 The tender security may be forfeited:
- (a) If a tenderer withdraws its tender during the period of tender validity.
  - (b) in the case of a successful tenderer, if the tenderer fails:
    - (i) to sign the contract in accordance with paragraph 2.29 or
    - (ii) to furnish performance security in accordance with paragraph 2.30.
  - (c) If the tenderer reject correction of an arithmetic error in the tender.

### 2.13. Validity of Tenders

- 2.13.1.1 Tenders shall remain valid for 60 days after date of tender opening pursuant to paragraph 2.18. A tender valid for a shorter period shall be rejected by the procuring entity as non-responsive.
- 2.13.1.2 In exceptional circumstances, the procuring entity may solicit the Tenderer's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. The tender security provided under paragraph 2.12 shall also be suitably extended. A tenderer granting the request will not be required nor permitted to modify its tender.

### 2.14. Format and Signing of Tenders

- 2.14.1 The tenderer shall prepare one (1) original and one (1) copy of the tender, each comprising of a Technical Proposal and Financial Proposal which should be submitted in one envelope containing two separate envelopes with complete technical and financial proposals, clearly marking each **"ORIGINAL TENDER"** and **"COPY OF TENDER,"** as appropriate. In the event of any discrepancy between them, the original shall govern.
- 2.14.2 The tenderer shall submit an original technical proposal clearly labeled **"ORIGINAL TECHNICAL PROPOSAL"** and one (1) hard copy of technical proposal, clearly labeled **"TECHNICAL PROPOSAL COPY"**. **The bid Security must be included in the Technical Proposal envelope.** The Technical Proposal should be sealed in an envelope, which should bear the

name of the tenderer and must be clearly marked **TENDER NO. MOALF&I/SDL/KLIP/02/2018-19 FOR PROVISION OF LIVESTOCK INSURANCE SERVICES FOR THE KENYA LIVESTOCK INSURANCE PROGRAM.**

- 2.14.3 The tenderer shall submit an original Financial proposal clearly labeled “**ORIGINAL FINANCIAL PROPOSAL**” and one (1) hard copy of financial proposal, clearly labeled “**FINANCIAL PROPOSAL COPY**”. The **Form of Tender and Price Schedule** duly filled, signed and stamped shall be included in **the Financial Proposal Only**. The Financial Proposal should be sealed in a separate envelope, which should bear the name of the tenderer and must be clearly marked **TENDER NO. MOALF&I/SDL/KLIP/02/2018-19 FOR PROVISION OF LIVESTOCK INSURANCE SERVICES FOR THE KENYA LIVESTOCK INSURANCE PROGRAM.**
- 2.14.4 Both the separately sealed technical and financial proposals shall be sealed in an outer envelope which should be clearly marked “**TENDER NO. MOALF&I/SDL/KLIP/02/2018-19 FOR PROVISION OF LIVESTOCK INSURANCE SERVICES FOR THE KENYA LIVESTOCK INSURANCE PROGRAM**”. This outer envelope shall be delivered to the following address on or before **9<sup>th</sup> October 2018 at 10.00 a.m** local time on the tender closing date.
- 2.14.5 The original and all copies of the tender shall be typed or written in indelible ink and shall be signed by the tenderer or a person or persons duly authorized to bind the tenderer to the contract. All pages of the tender, except for un-amended printed literature, shall be initialed by the person or persons signing the tender.
- 2.14.6 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.

## 2.15 Sealing and Marking of Tenders

- 2.15.1 The tenderer shall seal the original and the copy of the tender in separate envelopes, duly marking the envelopes as “ORIGINAL TENDER” and “COPY OF TENDER”. The envelopes shall then be sealed in an outer envelope.
- 2.15.2 The inner and outer envelopes shall:
- (a) Be addressed to the procuring entity at the address given in the Invitation to Tender.  
Bear tender number and name in the invitation to tender and the words, “DO NOT OPEN BEFORE **Tuesday 9<sup>th</sup> October 2018 at 10.00AM**”
- 2.15.3 The inner envelopes shall also indicate the name and address of the tenderer to enable the tender to be returned unopened in case it is declared “late”.
- 2.15.4 If the outer envelope is not sealed and marked as required by paragraph 2.15.2, the procuring entity will assume no responsibility for the tender’s misplacement or premature opening.

## 2.16. Deadline for Submission of Tenders

Tenders must be received by the procuring entity at the address specified under paragraph 2.15.2 not later than **Tuesday 9<sup>th</sup> October 2018 at 10.00AM**

- 2.16.1 The procuring entity may, at its discretion, extend this deadline for the submission of tenders by amending the tender documents in accordance with paragraph 2.5.3 in which case all rights and obligations of the procuring entity and candidates previously subject to the deadline will thereafter be subject to the deadline as extended.

2.16.2 Bulky tenders which will not fit the tender box shall be received by the procuring entity as provided for in the appendix.

## **2.17. Modification and Withdrawal of Tenders**

2.17.1 The tenderer may modify or withdraw its tender after the tender's submission, provided that written notice of the modification, including substitution or withdrawal of the tenders, is received by the procuring entity prior to the deadline prescribed for submission of tenders.

2.17.2 The tenderer's modification or withdrawal notice shall be prepared, sealed, marked and dispatched in accordance with the provisions of paragraph 2.15. a withdrawal notice may also be sent by fax or email but followed by a signed confirmation copy, postmarked not later than the deadline for submission of tenders.

2.17.3 No tender may be modified after the deadline for submission of tenders.

2.17.4 No tender may be withdrawn in the interval between the deadline for submission of tenders and the expiration of the period of tender validity. Withdrawal of a tender during this interval may result in the Tenderer's forfeiture of its tender security, pursuant to paragraph 2.12.7.

## **2.18. Opening of Tenders**

2.18.1 The Procuring Entity shall, in accordance with the sub-paragraphs below adopt a two tender opening system for this tender.

2.18.2 At first opening, the Procuring Entity shall open all tenders promptly after the closing date and time, in the presence of Tenderers' representatives who choose to attend at **Kilimo House Board Room 6th Floor, on Tuesday 9<sup>th</sup> October 2018 at 10.00AM** or in the location specified in the invitation for tenders.

2.18.3 The tenderers' names, tender modifications or withdrawals, the presence or absence of requisite tender security, the number of sets for both Technical and Financial Proposals duly received and such other details as the Procuring Entity, at its discretion, may consider appropriate, will be announced at the first opening. Tenderers who qualify after preliminary and Technically evaluations will be promptly invited for the second opening i.e. of their detailed Financial Proposal, and in any event not more than one (1) working day after completion of the evaluation of the mandatory and technical stages.

2.18.4 The Procuring Entity shall seal in one envelope, all the sealed financial proposals from Tenderers and keep them unopened until the technical evaluation is concluded.

2.18.5 At the opening of the Financial Proposals, tender prices, discounts and such other details as the Procuring Entity, at its discretion, may consider appropriate, will be announced at this opening.

2.18.6 The tenderers' representatives who are present shall sign a register evidencing their attendance

2.18.7 The procuring entity will prepare minutes of the tender opening, which will be submitted to tenderers that signed the tender opening register and will have made the request

2.18.8 Tenders not opened and read out at first tender opening shall not be considered further for evaluation, award or otherwise irrespective of the circumstances.

## **2.19 Clarification of Tenders**

- 2.19.1 To assist in the examination, evaluation and comparison of tenders the procuring entity 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 the prices or substance of the tender shall be sought, offered, or permitted.
- 2.19.2 Any effort by the tenderer to influence the procuring entity in the procuring entity's tender evaluation, tender comparison or contract award decisions may result in the rejection of the tenderers' tender.

## **2.20 Preliminary Examination and Responsiveness**

- 2.20.1 The Procuring Entity will examine the tenders to determine whether they are complete, whether the documents have been properly signed, and whether the tenders are generally in order.
- 2.20.2 The Procuring Entity may waive any minor informality or non-conformity or irregularity in a tender which does not constitute a material deviation provided such waiver does not prejudice or affect the relative ranking of any tenderer.
- 2.20.3 Prior to the detailed evaluation, pursuant to paragraph 2.20, the procuring entity will determine the substantial responsiveness of each tender to the tender documents. For purposes of these paragraphs, a substantially responsive tender is one which conforms to all the terms and conditions of the tender documents without material deviations the procuring entity's determination of a tender's responsiveness is to be based on the contents of the tender itself without recourse to extrinsic evidence.
- 2.20.4 If a tender is not substantially responsive, it will be rejected by the procuring entity and may not subsequently be made responsive by the tenderer by correction of the nonconformity.

## **2.21. Conversion to single currency**

- 2.21.1 Where other currencies are used, the procuring entity will convert those currencies to Kenya Shillings using the selling exchange rate on the date of tender closing provided by the Central Bank of Kenya.

## **2.22. Technical Evaluation, Financial Evaluation and Comparison of Tenders**

- 2.22.1 The Procuring Entity will evaluate and compare the tenders which have been determined to be substantially responsive, pursuant to paragraph 2.20
- 2.22.2 The Procuring Entity's evaluation of a tender will take into account, in addition to the tender price, the following factors, in the manner and to the extent indicated in paragraph 2.22.3.

(a) Operational plan proposed in the tender;

(b) Deviations in payment schedule from that specified in the Special Conditions of Contract

2.22.3 Pursuant to paragraph 2.22.2 the following evaluation methods will be applied.

(a) Operational Plan

(i) The Procuring Entity requires that the services under the Invitation for Tenders shall be performed at the time specified in the Schedule of Requirements. Tenderers offering to perform longer than The Procuring Entity have required delivery time will be treated as non-responsive and rejected.

(b) Deviation in payment schedule

(i) Tenderers shall state their tender price for the payment on schedule outlined in the special conditions of contract.

Tenders will be evaluated on the basis of this base price.

Tenderers are, however, permitted to state an alternative payment schedule and indicate the reduction in tender price they wish to offer for such alternative payment schedule. The Procuring Entity may consider the alternative payment schedule offered by the selected tenderer.

2.22.4 The tender evaluation committee shall evaluate the tender within 30 days from the date of opening the tender.

2.22.5 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail, and the total price shall be corrected. If the candidate does not accept the correction of the errors, its tender will be rejected, and its tender security forfeited. If there is a discrepancy between words and figures, the amount in words will prevail.

## **2.23. Contacting the Procuring Entity**

2.23.1 Subject to paragraph 2.19 no tenderer shall contact the procuring entity on any matter relating to its tender, from the time of the tender opening to the time the contract is awarded.

2.23.2 Any effort by a tenderer to influence the procuring entity in its decisions on tender evaluation, tender comparison, or contract award may result in the rejection of the Tenderers' tender.

## **2.24 Post-qualification**

2.24.1 The Procuring entity will verify and determine to its satisfaction whether the tenderer that is selected as having submitted the lowest evaluated responsive tender is qualified to perform the contract satisfactorily.

2.24.2 The determination will take into account the tenderer financial and technical capabilities. It will be based upon an examination of the documentary evidence of the tenderers qualifications submitted by the tenderer, pursuant to paragraph 2.11.2, as well as such other information as the procuring entity deems necessary and appropriate

2.24.3 An affirmative determination will be a prerequisite for award of the contract to the tenderer. A negative determination will result in rejection of the Tenderer's tender, in which event the procuring entity will proceed to the next lowest evaluated tender to make a similar determination of that Tenderer's capabilities to perform satisfactorily.

## **2.25 Award Criteria**

2.25.1 Subject to paragraph 2.29 the Procuring Entity will award the contract to the successful tenderer whose tender has been determined to be substantially responsive and has been determined to be the lowest evaluated tender, provided further that the tenderer is determined to be qualified to perform the contract satisfactorily.

2.25.2 To qualify for contract awards, the tenderer shall have the following:-

- (a) Necessary qualifications, capability experience, services, equipment and facilities to provide what is being procured.
- (b) Legal capacity to enter into a contract for procurement
- (c) Shall not be insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing.
- (d) Shall not be debarred from participating in public procurement.

## **2.26. Procuring entity's Right to accept or Reject any or all Tenders**

2.26.1 The Procuring Entity reserves the right to accept or reject any tender, and to annul the tendering process and reject all tenders at any time prior to contract award, without thereby incurring any liability to the affected tenderer or tenderers or any obligation to inform the affected tenderer or tenderers of the grounds for The Procuring Entity's action. If the procuring entity determines that none of the tenders is responsive, the procuring entity shall notify each tenderer who submitted a tender.

2.26.2 The Procuring Entity shall give prompt notice of the termination to the tenderers and on request give its reasons for termination within 14 days of receiving the request from any tenderer.

2.26.3 A tenderer who gives false information in the tender document about is 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.

## **2.27 Notification of Award**

2.27.1 Prior to the expiration of the period of tender validity, the procuring entity will notify the successful tenderer in writing that its tender has been accepted.

2.27.2 The notification of award will signify the formation of the contract subject to the signing of the contract between the tenderer and the procuring entity pursuant to clause 2.9. Simultaneously the other tenderers shall be notified that their tenders were not successful.

2.27.3 Upon the successful Tenderer's furnishing of the performance security pursuant to paragraph 2.29 the procuring entity will promptly notify each unsuccessful tenderer and will discharge its tender security, pursuant to paragraph 2.12

## **2.28 Signing of Contract**

- 2.28.1 At the same time as the procuring entity notifies the successful tenderer that its tender has been accepted, the procuring entity will simultaneously inform the other tenderers that their tenders have not been successful.
- 2.28.2 Within fourteen (14) days of receipt of the Contract Form, the successful tenderer shall sign and date the contract and return it to the procuring entity.
- 2.28.3 The contract will be definitive upon its signature by the two parties.
- 2.28.4 The parties to the contract shall have it signed within 30 days from the date of notification of contract award unless there is an administrative review request.

#### **2.29 Performance Security**

- 2.29.1 The successful tenderer shall furnish the performance security in accordance with the Conditions of Contract, in a form acceptable to the procuring entity.
- 2.29.2 Failure by the successful tenderer to comply with the requirement of paragraph 2.29 or paragraph 2.30.1 shall constitute sufficient grounds for the annulment of the award and forfeiture of the tender security, in which event the procuring entity may make the award to the next lowest evaluated tender or call for new tenders.

#### **2.30 Corrupt or Fraudulent Practices**

- 2.30.1 The Procuring Entity requires that tenderers observe the highest standard of ethics during the procurement process and execution of contracts. A tenderer shall sign a declaration that he has not and will not be involved in corrupt or fraudulent practices.
- 2.30.2 The Procuring Entity will reject a proposal for award if it determines that the tenderer recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question
- 2.30.3 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 for the procurement of insurance services shall complement, supplement, or amend, the provisions on the instructions to tenderers. Wherever there is a conflict between the provisions of the instructions to tenderers and the provisions of the appendix, the provisions of the appendix herein shall prevail over those of the instructions to tenderers.

### (I) Provisions of Appendix to instructions to Tenderers

Instruction to tender reference	Particulars of Appendix to instructions to tenderers
2.1 Eligible Tenderers	Registered Insurance Underwriters only.
2.12 Tender Security	Tender security required- KShs. 2,000,000/= in the form of Unconditional Bank/Insurance Guarantee. Tenderers providing Tender securities obtained from Insurance companies must do so from firms approved by the PPRA.
2.14.1 Number of Tender Copies Required	One original and one copy properly bound of technical and financial proposal which <b>MUST be sequentially numbered/ paginated and initialed on all pages including attachments</b>
2.15.2 (b) State day, date and time of tender closing	<b>Tuesday 9<sup>th</sup> October, 2018 at 10.00AM</b>
2.16.1 State day, date and time of tender closing	<i>As 2.15.2 (b) above</i>
2.18.1	<i>As 2.15.2 (b) above</i>
2.22. The evaluation criteria	See (II) below

## CRITERIA OF EVALUATION

### **STAGE ONE: PRELIMINARY EXAMINATION (MANDATORY)**

Each Insurance Company shall be expected to submit alongside their bid an appointed Insurance Broker who will be mandated to liaise with the Procuring Entity in the management of the Policy. The Insurance Broker shall be evaluated as per the criteria provided.

	<b>MANDATORY REQUIREMENTS FOR UNDER WRITER</b>	<b>(YES/NO)</b>
a)	Copy of Certificate of Incorporation/Registration	
b)	Duly filled signed and stamped Confidential Business Questionnaire	
c)	Copy of Valid Tax Compliance Certificate from KRA	
d)	Proof of registration as a member of AKI for the current year 2018	
e)	Copy of registration certificate from IRA for 2018	
f)	Submit copies of audited accounts for the latest three (3) financial years (2015, 2016 & 2017)	
g)	Must have done annual gross premiums in previous year of Kshs.500,000,000.	
h)	Must have paid up capital of at least Kshs.450,000,000.	
i)	Must have been in existence for the last eight (8) years providing Insurance Services ( <i>Attach a copy of the certificate of incorporation or equivalent</i> )	
j)	Must indicate that they will provide a Cut-through Agreement from their re-insurers undertaking to indemnify the insured in the event of default by the insurer. This instrument must be provided before entering into contract.	
k)	Original and copy of Tender document <b>MUST</b> be paginated/ serialized/ Numbered sequentially and initialed on all pages including attachments	
l)	Submit a tender security of Kshs. 2,000,000.00 in form of a bank/insurance guarantee from either commercial banks or insurance companies approved by PPRA valid for 150 days from date of tender opening. The bid security must be included in the Technical Proposal Envelope( <b>Note: No self-guarantee, to use tender security from an Insurance company, you have to provide from a different company</b> )	
m)	A copy of a professional Indemnity Insurance Policy with a minimum limit of Kshs. 100 million.	
n)	Attach recommendation letters in clients' letterhead duly signed and	

	stamped from 5 major clients . (The recommendation letters must be issued in the years 2017- 2018) (Due diligence will be carried out to confirm this)	
	<b>MANDATORY REQUIREMENTS FOR INSURANCE BROKER</b>	<b>(YES/NO)</b>
a)	Copy of Firm's registration Certificate	
b)	Copy of Valid Tax Compliance Certificate from KRA	
c)	Submit copies of audited accounts for the latest three (3) financial years (2015, 2016 & 2017)	
d)	Copy of current membership certificate of the Association of Insurance Brokers of Kenya (AIB)	
e)	Copy of valid certificate of Registration with Insurance Regulatory Authority as an insurance broker. The broker must have been in existence as an insurance broker for at least five (5) years.	
f)	Evidence of valid professional indemnity policy for at least Kshs.10 Million with a reputable underwriter.	

**Failure to meet any one of the above requirements shall lead to automatic disqualification.**

Bidders who meet the Mandatory Requirements shall proceed to the technical evaluation.

## STAGE TWO: TECHNICAL EVALUATION- INSURANCE COMPANY-80 MARKS

Criteria	Details	Maximum Score
Experience related to the provision of general Insurance cover	Shall have executed at least three (3) types of general insurance cover within the last five (5) years for approximately One Billion (1, 000,000,000.00) <b>(5 Marks for three contracts, No marks for less than 3 contracts) Attach copy of LSO/ Contract document to be provided</b>	5
	Must give a list of 5 (five) reputable clients and the total clients premiums for the previous year for at least Five Hundred Million (Kshs 500,000,000.00) <b>(1 Mark per client)</b>	5
Specific experience related to the provision of index based insurance cover	Shall have executed at least Ten Thousand (10,000) index based livestock insurance contracts within the last four (4) years) <b>(5 Marks for meeting requirement, No marks for not meeting the requirement)</b>	5
Adequacy of the proposed work plan and methodology in responding to the terms of reference	The firm must submit a detailed methodology and procedures for the execution of the stipulated tasks. The firm must submit a detailed work plan with clear timelines for the execution of the stipulated tasks. <b>(2.5 Marks for a detailed methodology and 2.5 Marks detailed work plan)</b>	5
Financial Capability	Liquidity ratio; <ul style="list-style-type: none"> <li>• 2:1 ratio for each of the three years <b>(5 Marks)</b></li> <li>• 1: 1 ratio (for each of the three years <b>(2.5 Marks)</b>)</li> <li>• Less – <b>No marks</b></li> </ul>	5
Qualifications and competences of the key staff for the assignment	The team Leader must possess ACII/AIHK certification, Relevant degree and 10 years’ experience in the Insurance Industry <b>(5 Marks for fully meeting this criterion. 2.5 Marks for ACII/AIHK certification only and 2.5 marks for Relevant degree and 10 years’ experience)</b>	5
	The team must have undertaken at least eight (8) assignments related to index based livestock insurance in the last 5 years <b>(1.5 Mark per assignment)</b>	12
Important Requirements from the bidder	Demonstrate experience in the working Counties covered under KLIP <b>(8 Marks for working in all counties, 1 mark for working in each of the counties)</b>	8

	Must demonstrate successful implementation of the commercial index based Livestock Insurance (Indicate the members' insured under this scheme). <b>15 Marks for 15,000 members, 5 marks for 10,000 members and no marks for less than 10,000 members)</b>	15
	Must demonstrate efficiency in settlement of claims under similar programs (optimal payout period – 2weeks after results announcement). <b>(15 Marks for meeting requirement, 5 marks for periods upto one month)</b>	15
	Must provide evidence of the presence of field infrastructure (personnel and offices) in the working Counties covered under KLIP <b>(5 marks for infrastructure in all counties; 0.5 mark per county presence)</b>	5
	Experience in pastoralist training on index based livestock insurance products <b>(5 Marks per evidence meeting this requirement. 1 mark for each evidence provided)</b>	5

**Tenderers who attain a Technical score of 80% marks and above shall proceed for Financial Evaluation.**

The weights given to the Technical and Financial Proposals are:

Technical Proposal (T) =80%

Financial Proposal (P) =20%

**STAGE THREE: FINANCIAL EVALUATION- 20 MARKS.**

The weights given to the Technical and Financial Proposals are:

Technical Proposal (T) =80%

Financial Proposal (P) =20%

The formulae for determining the Financial Score (Sf) shall, be as follows: -

$Sf = 100 \times Fm/F$  where Sf is the financial score; Fm is the lowest priced financial proposal and F is the price of the proposal under consideration. Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T=the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; T + p = 1) indicated in the Appendix. The combined technical and financial score, S, is calculated as follows: -  $S =$

St x T % + Sf x P %. The firm achieving the highest combined technical and financial score will be awarded.

### SECTION III - GENERAL CONDITIONS OF CONTRACT

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## **SECTION III      GENERAL CONDITIONS OF CONTRACT**

### **3.1.      Definitions**

3.1.1      In this Contract, the following terms shall be interpreted as indicated:

- (a)      “The Contract” means the agreement entered into between the Procuring Entity and the tenderer, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b)      “The Contract Price” means the price payable to the tenderer under the Contract for the full and proper performance of its contractual obligations
- (c)      “The Services” means services to be provided by the tenderer including any documents, which the tenderer is required to provide to the Procuring Entity under the Contract.
- (d)      “The Procuring Entity” means the organization procuring the services under this Contract
- (e)      “The Service provider” means the organization or firm providing the services under this Contract.
- (f)      “GCC” means the General Conditions of Contract contained in this section.
- (g)      “SCC” means the Special Conditions of Contract
- (h)      “Day” means calendar day

### **3.2.      Application**

3.2.1      These General Conditions shall apply to the extent that they are not superseded by provisions of other part of the contract

### **3.3.      Standards**

3.3.1      The services provided under this Contract shall conform to the standards mentioned in the schedule of requirements.

### **3.4. Use of Contract Documents and Information**

- 3.4.1 The Service provider shall not, without the procuring entity's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the procuring entity in connection therewith, to any person other than a person employed by the service provider in the performance of the Contract.
- 3.4.2 The Service provider shall not, without the procuring entity's prior written consent, make use of any document or information enumerated in paragraph 2.4.1 above.
- 3.4.3 Any document, other than the contract itself, enumerated in paragraph 2.4.1 shall remain the property of the procuring entity and shall be returned (all copies) to the procuring entity on completion of the contract's or performance under the contract if so required by the procuring entity.

### **3.5. Patent Rights**

- 3.5.1 The Service provider shall indemnify the Procuring Entity against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the services under the contract or any part thereof.

### **3.6 Performance Security**

- 3.6.1 Within twenty eight (28) days of receipt of the notification of Contract award, the successful tenderer shall furnish to the Procuring Entity the performance security where applicable in the amount specified in SCC
- 3.6.2 The proceeds of the performance security shall be payable to the Procuring Entity as compensation for any loss resulting from the Tenderer's failure to complete its obligations under the Contract.
- 3.6.3 The performance security shall be denominated in the currency of the Contract, or in a freely convertible currency acceptable to the Procuring Entity and shall be in the form of:
- a) Cash.
  - b) A bank guarantee.
  - c) Such insurance guarantee approved by the Authority.
  - d) Letter of credit.
- 3.6.4 The performance security will be discharged by the Procuring Entity and returned to the Candidate not later than thirty (30) days following the date of completion of the Service provider's performance of obligations under the Contract, including any warranty obligations, under the Contract.

### **3.7. Delivery of services and Documents**

- 3.7.1 Delivery of the services shall be made by the Service provider in accordance with the terms specified by the Procuring Entity in the schedule of requirements and the special conditions of contract

### **3.8. Payment**

- 3.8.1 The method and conditions of payment to be made to the service provider under this Contract shall be specified in SCC



3.82. Payment shall be made promptly by the Procuring Entity, but in no case later than sixty (60) days after submission of an invoice or claim by the service provider

### **3.9. Prices**

3.9.1 Prices charges by the service provider for Services performed under the Contract shall not, with the exception of any price adjustments authorized in SCC vary from the prices quoted by the tenderer in its tender or in the Procuring Entity's request for tender validity extension the case may be. No variation in or modification to the terms of the contract shall be made except by written amendments signed by the parties.

3.9.2 Contract price variations shall not be allowed for contracts not exceeding one year (12 months)

3.9.3 Where contract price variation is allowed the variation shall not exceed 10% of the original contract price

3.9.4 Price variation requests shall be processed by the Procuring Entity within 30 days of receiving the request.

### **3.10. Assignment**

3.10.1 The Service provider shall not assign, in whole or in part, its obligations to perform under this Contract, except with the Procuring Entity's prior written consent.

### **3.11. Termination for Default**

3.11.1 The Procuring Entity may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Service provider terminate this Contract in whole or in part:

- (a) If the Service provider fails to provide any or all of the services within the period(s) specified in the Contract, or within any extension thereof granted by the Procuring Entity.
- (b) If the Service provider fails to perform any other obligation(s) under the Contract
- (c) if the contract in the judgment of the procuring entity has engaged in corrupt or fraudulent practices in competing for or in executing the contract

3.11.2 in the event the procuring entity terminates the contract in whole or in part, it may procure, upon such terms and in such manner as it deems appropriate, services similar to those undelivered, and the Service provider shall be liable to the Procuring Entity for any excess costs for such similar services. However the service provider shall continue performance of the contract to extent not terminated.

### **3.12. Termination for Insolvency**

3.12.1 The Procuring Entity may at any time terminate the contract by giving written notice to the Service provider if the service provider becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the service provider, provided that such

termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the Procuring Entity.

### **3.13. Termination for Convenience**

- 3.13.1 The Procuring Entity by written notice sent to the service provider, may terminate the contract in whole or in part, at any time for its convenience. The notice of termination shall specify that the termination is for the procuring entities convenience, the extent to which performance of the service provider of the contract is terminated and the date on which such termination becomes effective.
- 3.13.2 For the remaining part of the contract after termination the Procuring Entity may elect to cancel the services and pay to the service provider an agreed amount for partially completed services.

### **3.14 Resolution of Disputes**

- 3.14.1 The Procuring Entity and the service provider shall make every effort to resolve amicably by direct informal negotiations and disagreement or disputes arising between them under or in connection with the contract
- 3.14.2 If after thirty (30) days from the commencement of such informal negotiations both parties have been unable to resolve amicably a contract dispute either party may require that the dispute be referred for resolution to the formal mechanisms specified in the SCC.

### **3.15. Governing Language**

- 3.15.1 The contract shall be written in the English language. All correspondence and other documents pertaining to the contract, which are exchanged by the parties, shall be written in the same language.

### **3.16. Applicable Law**

- 3.16.1 The contract shall be interpreted in accordance with the laws of Kenya unless otherwise expressly specified in the SCC.

### **3.17 Force Majeure**

- 3.17.1 The Service provider shall not be liable for forfeiture of its performance security, or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

### **3.18 Notices**

- 3.1.1 Any notices given by one party to the other pursuant to this contract shall be sent to the other party by post or by Fax or Email and confirmed in writing to the other party's address specified in the SCC.
- 3.1.2 A notice shall be effective when delivered or on the notices effective date, whichever is later.

**SECTION IV – SPECIAL CONDITIONS OF CONTRACT**

Reference of general conditions of contract	Special condition of contract	
3.6 Performance Security	The Insurers must provide a Cut-through Agreement with their Re-Insurer(s) for the same amount committing to reimburse the full amounts paid out as premiums and all monies accruing as benefits to the insured in the event of default by the Insurers.	
3.6.3	Unconditional bank/insurance guarantee	
3.7 Delivery of Services	<b>Service</b>	<b>Dates by which should be completed</b>
	Compiling full list of beneficiaries with proper details on mode of payment	By December, 2018
	Pay-out	21 days after a trigger is established
	Establish communication structures at county level	By 30 <sup>th</sup> November, 2018
	Awareness creation and capacity building	Continuous from 1 <sup>st</sup> October, 2018.
<b>The Contract is for a period of 12 months but renewable up to 36 months subject to satisfactory performance</b>		
3.8 Payment	Settlement of claims must be effected within Three (3) weeks after trigger has been recorded.	
3.14 Resolution of Disputes	In case of a dispute between the service provider and the employer, the same shall be resolved amicably between the parties in the first instance failure to which the dispute shall be referred for arbitration as per provisions of the Arbitration Act of 1995 before a single arbitrator to be agreed on by the parties and in failure of such an agreement by the Chairperson for the time being of the chartered institute of Arbitrators Kenya branch and any award given shall be final	
3.16 Applicable law	The Laws of Kenya/ The Insurance Act Cap 487	
3.18 Notices	All correspondence should be done through  The Principal Secretary, State Department of Livestock Ministry of Agriculture, Livestock, Fisheries & Irrigation Address: P. O. Box 34188-00100 Nairobi, Kenya	

## **SECTION V - SCHEDULE OF REQUIREMENTS**

### **Background**

Pastoralists in Kenya remain vulnerable to natural disasters. These present significant social and economic challenges to inhabitants living in the arid and semi-arid areas (ASAL) where drought is occurs with great frequency and is severe. Occurrence of a drought event in Northern Kenya is approximately every three to five years and causes huge losses. For example, during the severe droughts between 2008 and 2011, the Kenyan economy lost an estimated Kshs 968.6 billion, 72 percent of that loss, was incurred in the livestock sector which left almost 9 percent of livestock dead. Insurance can provide much-needed protection to keep livestock keepers out of extreme poverty, by smoothing income during shocks and enabling them to protect their livelihoods.

In order to cushion pastoralists against losses of their livestock as a result of drought, the Ministry of Agriculture, Livestock, Fisheries and Irrigation, has designed the Kenya Livestock Insurance Program (KLIP) that will use satellite generated data on forage availability for purposes of developing insurance tools and products that are suitable for livestock keepers in the ASAL's of the country.

### **Objectives of Kenya Livestock Insurance Program**

The overall objective of Kenya Livestock Insurance Program is to minimize risks emanating from drought-related disasters and build resilience of pastoralists for enhanced and sustainable food security. This livelihood support program is intended to enhance the capacity of pastoral communities to minimize weather related risks through provision of index based livestock insurance. KLIP also aims at achieving the following specific objectives:

1. To build capacities of the pastoral communities and stakeholders on the use of insurance for the reduction of weather related risks and rebuilding of livelihood support systems;
2. To develop and apply index based insurance products in the provision of livestock insurance services to the vulnerable pastoralists;
3. To increase the participation of the private sector in the provision of index based livestock insurance to the vulnerable pastoralists whose livelihoods are dependent on livestock; and
4. To improve coordination of pastoral livelihood support programs through creation of linkages and overall coordination.

### **Scope of the Program**

Starting 2014/2015 financial year, the program was implemented in in Wajir and Turkana Counties and it is has now been rolled out to other ASAL counties including Turkana, Wajir, Marsabit, Mandera, Garissa, Tana River, Samburu and Isiolo.

### **Design of the Insurance Program**

The program will use insurance as a tool to contribute to resilience building of pastoral communities against shocks from drought. Implementation of the activities of KLIP will result in an increase in the number of fodder markets in the arid and semi-arid areas and promotion insurance service provision in these areas. The key features in KLIP include the following:

- The use of satellite data on forage availability to develop the insurance tool to determine pay out trigger;
- The SDL purchases premiums on behalf of vulnerable pastoralists to cover 5 tropical livestock units (TLU) per household. One TLU is equivalent to one mature cow, or 10 shoats, while 0.7 of a camel is equated to one TLU;

- Ksh 14,000 has been determined as the value of fodder to keep a TLU at maintenance level during the two drought stress periods in a year;
- The cover is designed to commence before the beginning of the short rains (1<sup>st</sup> of October) and before the onset of the long rains (1<sup>st</sup> of March);
- The cover is an asset protection to provide pay outs to pastoralists for purchase of fodder to keep their livestock alive;
- The contracted insurance company shall be required to arrange for voluntary cover to the KLIP beneficiaries and other pastoralists; and
- In the event of a trigger, pay outs shall be transferred to the bank accounts or mobile payment systems of the registered beneficiaries.

### **Kenya Livestock Insurance Design Tool**

KLIP will use index-based insurance tools that use satellite data generated over a number of years to determine forage availability. With the support of the World Bank Agricultural Development Program and the International Livestock Research Institute, MALF has developed a livestock insurance tool that uses Normalized Difference Vegetation Index (NDVI) data to aid in the development of livestock insurance products.

### **Calculation Agent for purposes of NDVI data management**

In order to establish whether a trigger has been achieved or not, the SDL shall enter into arrangements with one or more institutions which will provide independent confirmation of NDVI status and communicate to the Insurer and SDL. The two parties shall have full access to the NDVI calculation tool deployed by the Calculation Agent.

### **Contract Parameters**

After a series of consultations with county government officials in the counties, other county level stakeholders and national stakeholders, and based on the experience of the Index-Based Livestock Insurance (IBLI ) pilot project of the International Livestock Research Institute (ILRI), the following parameters have been found suitable for the development of the KLIP product:

- Annual sum assured based on fodder requirement= Kshs 14,000
- Number of TLU per household= 5
- Minimum payment on trigger=5%
- Return period=5
- Exit trigger=100
- Payment distribution in the contract period= 58% in the event of trigger on failure of March-May rains and 42% if the October-November rains fail.
- NDVI data processing for the KLIP tool shall be based on *e-modis* (enhanced moderate imaging spectroradiometer).

With regard to insurance units, the County was demarcated at the level of former administrative divisions or as agreed by county stakeholders. The insurance units represent, as much as possible, areas that are homogenous with regard to vegetation, administrative and political boundaries. The insurance units naming and location is available on the KLIP design tool.

### **Particulars of Beneficiaries**

Beneficiaries will be required to provide the following information:

- Name of beneficiary
- ID number, Mobile number
- Bank details (Bank, Branch, Account number)
- Composition of livestock Units

- Ward and village
- Next of kin with ID number and relationship

Information on beneficiaries' details regarding the identification number, bank account numbers, mobile numbers and next of kin particulars will be provided to the contracted company after signing the contract. Where the beneficiary shall be lacking bank account details, the SDL and the contractor shall liaise with institutions including County Governments, Hunger Safety Net Program and relevant banking institutions for the details.

### Geographical Location of Beneficiaries

The table below shows the number of beneficiaries selected in Specific Insurance Units in the Counties.

County	Unit of Insurance Name	No. of beneficiaries	No. of TLUs per beneficiary	Total No. of TLUs	Total TLUs per County
Turkana	Kibish	357	5	1785	
Turkana	Turkana North	358	5	1790	
Turkana	Nanaam	52	5	260	
Turkana	Turkana West	254	5	1270	
Turkana	Letea	51	5	255	
Turkana	Loima	265	5	1325	
Turkana	Turkel	92	5	460	
Turkana	Turkana Central	357	5	1785	
Turkana	Kalapat Plains	406	5	2030	
Turkana	Katilu	71	5	355	
Turkana	Lokori	121	5	605	
Turkana	Kapedo	118	5	590	12510
Wajir	Buna	180	5	900	
Wajir	Central Wajir	194	5	970	
Wajir	Bute	96	5	480	
Wajir	wajir-Bor	228	5	1140	
Wajir	Diff	179	5	895	
Wajir	Eldas	414	5	2070	
Wajir	Griftu	198	5	990	
Wajir	Gurar	140	5	700	
Wajir	Tarbaj	315	5	1575	
Wajir	Habaswein	166	5	830	
Wajir	Kutulo	102	5	510	
Wajir	Sebule	79	5	395	
Wajir	Hadado	219	5	1095	12550
Mandera	Ashabito	220	5	1100	
Mandera	Banisa	228	5	1140	
Mandera	Central Mandera	12	5	60	

Mandera	Elwak	126	5	630	
Mandera	Fino	111	5	555	
Mandera	Rhamu	50	5	250	
Mandera	Libehia	69	5	345	
Mandera	Malkamari	165	5	825	
Mandera	Dandu	190	5	950	
Mandera	Wargadud	92	5	460	
Mandera	Warankara	70	5	350	
Mandera	Kutulo (Mandera)	91	5	455	
Mandera	Shimbir Fatuma	100	5	500	
Mandera	Rhamu Dimtu	50	5	250	
Mandera	Lafey	110	5	550	
Mandera	Khalalio	110	5	550	
Mandera	Takaba	206	5	1030	10000
Marsabit	Central Moyale	142	5	710	
Marsabit	Golbo	145	5	725	
Marsabit	Uran	126	5	630	
Marsabit	Obbu	157	5	785	
Marsabit	Central Marsabit	241	5	1205	
Marsabit	Gadomoji	155	5	775	
Marsabit	Laisamis	424	5	2120	
Marsabit	Loiyangalani	65	5	325	
Marsabit	Mt. Kulal	96	5	480	
Marsabit	Kargi	145	5	725	
Marsabit	Maikona	230	5	1150	
Marsabit	Turbi	131	5	655	
Marsabit	Dukana	261	5	1305	
Marsabit	North Horr	182	5	910	12500
Isiolo	Central Isiolo	454	5	2270	
Isiolo	Garba Tulla	150	5	750	
Isiolo	Kinna	199	5	995	
Isiolo	Merti	600	5	3000	
Isiolo	Sericho	300	5	1500	
Isiolo	Oldonyiro	297	5	1485	10000
Tana River	Bangahiri	824	5	4120	
Tana River	Chewani	35	5	175	
Tana River	Galole West	809	5	4045	
Tana River	Garsen N	532	5	2660	
Tana River	Masache	300	5	1500	12500
Garissa	Garissa Central	232	5	1160	
Garissa	Balambala	161	5	805	
Garissa	Danyere	25	5	125	
Garissa	Sankuri	203	5	1015	
Garissa	Banane	48	5	240	

Garissa	Modagashe	102	5	510	
Garissa	Shanta Abaq	135	5	675	
Garissa	Daadab	285	5	1425	
Garissa	Bura	116	5	580	
Garissa	Hulugho	14	5	70	
Garissa	Ijara	164	5	820	
Garissa	Jarajila	80	5	400	
Garissa	Masalani	127	5	635	
Garissa	Sangailu	220	5	1100	
Garissa	Lioboi	88	5	440	10000
Samburu	Angaba	279	5	1395	
Samburu	Elbana	272	5	1360	
Samburu	Ndoto	190	5	950	
Samburu	Nyiro	248	5	1240	
Samburu	Wamba West	460	5	2300	
Samburu	Wamba	341	5	1705	
Samburu	Waso	210	5	1050	10000
<b>TOTAL</b>		<b>18012</b>		<b>90060</b>	<b>90060</b>

Each beneficiary will be covered for 5 TLU.



## (DETAILS OF INSURANCE COVERS)

No.	Particulars of Insurance	Total Number of TLUs	Risks to be covered
1.	Turkana	12510	The cost of feeds to keep one TLU over the drought period in one year
2.	Wajir	12550	The cost of feeds to keep one TLU over the drought period in one year
3.	Marsabit	12500	The cost of feeds to keep one TLU over the drought period in one year
4.	Isiolo	10000	The cost of feeds to keep one TLU over the drought period in one year
5.	Mandera	10000	The cost of feeds to keep one TLU over the drought period in one year
6.	Tana River	12500	The cost of feeds to keep one TLU over the drought period in one year
7.	Garissa	10000	The cost of feeds to keep one TLU over the drought period in one year
8.	Samburu	10000	The cost of feeds to keep one TLU over the drought period in one year

## DATA AND SERVICES PROVIDED BY THE CLIENT

1. The Client will provide the list of beneficiaries who shall be paid when the trigger is established.
2. The Client will make arrangements for the Insurer to engage extension staff in the counties for purposes of awareness creation and communicating information on the livestock insurance.

## Price Schedule Form

ITEM NO.	County	Total TLUs to be covered	Premium per TLU	Total premium
1.	Turkana	12510		
2.	Wajir	12550		
3.	Marsabit	12500		
4.	Isiolo	10000		
5.	Mandera	10000		
6.	Tana River	12500		
7.	Garissa	10000		
8.	Samburu	10000		
<b>TOTAL</b>				

## SECTION VI - STANDARD FORMS

### Notes on the standard Forms

1. **Form of TENDER** - The form of Tender must be completed by the tenderer and submitted with the tender documents. It must also be duly signed and stamped by an authorized representative of the tenderer.
2. **Price Schedule Form** - The price schedule form must similarly be completed and submitted with the tender.
3. **Contract Form** - The contract form shall not be completed by the tenderer at the time of submitting the tender. The contract form shall be completed after contract award and should incorporate the accepted contract price.
4. **Confidential Business Questionnaire Form** - This form must be completed by the tenderer and submitted with the tender documents.
5. **Tender Security Form** - When required by the tender document the tenderer shall provide the tender security either in the form included hereinafter or in another format acceptable to the Procuring Entity.
6. **Performance security Form** - The performance security form should not be completed by the tenderer at the time of tender preparation. Only the successful tenderer will be required to provide performance security in the form provided herein or in another form acceptable to the Procuring Entity.

## **FORM OF TENDER**

To:

Date .....

Tender No.

Tender Name;

Gentlemen and/or Ladies:-

1. Having examined the Tender documents including Addenda No. (Insert numbers) ..... the receipt of which is hereby duly acknowledged, we the undersigned, offer to provide:

under this tender in conformity with the said Tender document for the sum of .....  
..... [Total Tender amount in words and figures]

or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Tender.

2. We undertake, if our Tender is accepted, to provide the Insurance Cover Services in accordance with the conditions of the tender.

3. We agree to abide by this Tender for a period of .....[number] days from the date fixed for Tender opening of the Instructions to Tenderers, 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 award, shall constitute a Contract between us subject to the signing of the contract by both parties.

5. We understand that you are not bound to accept the lowest or any tender you may receive.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2018

\_\_\_\_\_  
[Signature]

\_\_\_\_\_  
[In the capacity of]

**Duly authorized to sign tender for and on behalf of**

## CONTRACT FORM

THIS AGREEMENT made the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_ between \_\_\_\_\_ National Construction Authority of \_\_\_\_\_ [country of Procurement entity] (hereinafter called THE PROCURING ENTITY) of the one part and \_\_\_\_\_ [name of tenderer] of \_\_\_\_\_ [city and country of tenderer] (hereinafter called “the tenderer”) of the other part:

WHEREAS THE PROCURING ENTITY invited tenders for the medical insurance cover and has accepted a tender by the tenderer for the supply of the services in the sum of \_\_\_\_\_ [contract price in words in figures] (hereinafter called “the Contract Price”).

### NOW THIS AGREEMENT WITNESSTH AS FOLLOWS:-

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz:
  - (a) the Tender Form and the Price Schedule submitted by the tenderer;
  - (b) the Schedule of Requirements
  - (c) the Details of cover
  - (d) the General Conditions of Contract
  - (e) the Special Conditions of Contract; and
  - (f) THE PROCURING ENTITY’s Notification of Award
3. In consideration of the payments to be made by THE PROCURING ENTITY to the tenderer as hereinafter mentioned, the tenderer hereby covenants with THE PROCURING ENTITY to provide the GPA cover and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. THE PROCURING ENTITY hereby covenants to pay the tenderer in consideration of the provision of the services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the times and in the manner prescribed by the contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with their respective laws the day and year first above written

Signed, sealed, delivered by \_\_\_\_\_ the \_\_\_\_\_ (for THE PROCURING ENTITY)

Signed, sealed, delivered by \_\_\_\_\_ the \_\_\_\_\_ (for the tenderer) in the presence of \_\_\_\_\_

## **CONFIDENTIAL BUSINESS QUESTIONNAIRE**

You are requested to give the particular 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 \_\_\_\_\_ General:

Business Name.....  
Location of business premises .....  
Plot No. .... Street/Road.....  
Postal Address ..... Tel. No. ....Fax ..... Email .....  
Nature of business .....  
Registration Certificate No. ....  
Maximum value of business which you can handle at any one time Kshs.....  
Name of your bankers ..... Branch .....

### **Part 2(a) – Sole Proprietor:**

Your name in full ..... Age .....  
Nationality ..... Country of origin .....  
Citizenship details.....

### **Party 2(b) – Partnership**

Give details of partners as follows

	Name	Nationality	Citizenship Details	Shares
1.	.....	.....	.....	.....
2.	.....	.....	.....	.....
3.	.....	.....	.....	.....
4.	.....	.....	.....	.....
5.	.....	.....	.....	.....

### **Part 2(c) Registered Company: Private or public .....**

State the nominal and issued capital of the company –

Nominal Kshs.. .....

Issued Kshs.....

Give details of all directors as follows

	Name	Nationality	Citizenship Details	Shares
1.	.....	.....	.....	.....
2.	.....	.....	.....	.....
3.	.....	.....	.....	.....
4.	.....	.....	.....	.....
5.	.....	.....	.....	.....

Date..... Signature of Tenderer .....

If a citizen, indicate under “Citizenship Details” whether by Birth, Naturalization or Registration

## TENDER SECURITY FORM

Whereas [*name of Bidder*] (hereinafter called <the tenderer> has submitted its bid dated [*date of submission of bid*] for the provision of insurance services (hereinafter called <the tender>

KNOW ALL PEOPLE by these presents that WE [*name of bank*] of [*name of country*], having our registered office at (hereinafter called <THE PROCURING ENTITY> in the sum of [*state the amount*] for which payment well and truly to be made to the said procuring entity, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common Seal of the said Bank this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

THE CONDITIONS of this obligation are:-

1. If the tenderer withdraws its tender during the period of tender validity specified by THE PROCURING ENTITY on the Form; or
2. If the tender, having been notified of the acceptance of its tender by THE PROCURING ENTITY during the period of tender validity
  - (a) fails or refuses to execute the Contract Form, if required; or
  - (b) Fails or refuses to furnish the performance security, in accordance with the Instructions to tenders.

We undertake to pay to the Procuring Entity up to the above amount upon receipt of its first written demand, without the Procuring Entity having to substantiate its demand, provided that in its demand the Procuring Entity will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the conditions, specifying the occurred condition(s)

This tender guarantee will remain in force up to and including thirty (30) days after the period of tender validity, and any demand in respect thereof should reach the Bank not later than the above stated date.

[Authorized Signatories and official stamp of the Bank]

(Amend accordingly if provided by Insurance Company)

**PERFORMANCE SECURITY FORM**

To: .....  
[Name of procuring entity]

WHEREAS ..... [Name of tenderer]  
(Hereinafter called “the tenderer”) has undertaken, in pursuance of Contract No. \_\_\_\_\_  
[Reference number of the contract] dated \_\_\_\_\_ 20 \_\_\_\_\_ to supply  
.....  
[Description of insurance services] (Hereinafter called “the Contract”)

AND WHEREAS it has been stipulated by you in the said Contract that the tenderer shall furnish you with a bank guarantee by a reputable bank for a sum specified therein as security for compliance with the Tenderer’s performance obligations in accordance with the Contract

AND WHEREAS we have agreed to give the tenderer a guarantee:

THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the tenderer, up to a total of .....  
[amount of the guarantee in words and figures], and we undertake to pay you, upon your first written demand declaring the tenderer to be in default under the Contract and without cavil or argument, any sum of money within the limits of ..... [Amount of guarantee] as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid until the \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_

**Signature and seal of the Guarantors**

\_\_\_\_\_  
[Name of bank of financial institution]

\_\_\_\_\_  
[Address]

\_\_\_\_\_  
[Date]

(Amend accordingly if provided by Insurance Company)



**LETTER OF NOTIFICATION OF AWARD**

Address of Procuring Entity

\_\_\_\_\_  
\_\_\_\_\_

To: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

RE: Tender No. \_\_\_\_\_

Tender Name \_\_\_\_\_

This is to notify that the contract/s stated below under the above mentioned tender have been awarded to you.

\_\_\_\_\_  
\_\_\_\_\_

1. Please acknowledge receipt of this letter of notification signifying your acceptance.
2. The contract/contracts shall be signed by the parties within 30 days of the date of this letter but not earlier than 14 days from the date of the letter.
3. You may contact the officer(s) whose particulars appear below on the subject matter of this letter of notification of award.

(FULL PARTICULARS) \_\_\_\_\_  
\_\_\_\_\_

SIGNED FOR ACCOUNTING OFFICER

**FORM RB 1**  
**REPUBLIC OF KENYA**  
**PUBLIC PROCUREMENT ADMINISTRATIVE REVIEW BOARD**

APPLICATION NO.....OF.....20.....

BETWEEN

.....APPLICANT

AND

.....RESPONDENT (*Procuring Entity*)

Request for review of the decision of the National Construction Authority of .....dated the... day of .....20.....in the matter of Tender No..... of ....20...

**REQUEST FOR REVIEW**

I/We.....,the above named Applicant(s), of address: Physical address.....Fax No.....Tel. No.....Email ....., hereby request the Public Procurement Administrative Review Board to review the whole/part of the above mentioned decision on the following grounds , namely:-

- 1.
- 2.
- etc.

By this memorandum, the Applicant requests the Board for order/orders that: -

- 1.
- 2.
- etc

SIGNED ..... (Applicant)

Dated on.....day of ...../... 20...

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**FOR OFFICIAL USE ONLY**

Lodged with the Secretary Public Procurement Administrative Review Board on ..... day of .....20.....

SIGNED  
Board Secretary