

NATIONAL HOSPITAL INSURANCE FUND



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NHIF/032/2020-2021

PRE-QUALIFICATION FOR PROVISION OF CO-INSURANCE AND FACULTATIVE REINSURANCE SERVICES TO NHIF, FOR GROUP PERSONAL ACCIDENT & WORK INJURY BENEFIT ACT INSURANCE COVER

ISSUING DATE: 18/02/2021

CLOSING DATE: 26/02/2021

FEBRUARY 2021

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SECTION I- INVITATION TO TENDER

18<sup>TH</sup> /JANUARY/2021

NHIF/32/2020-2021

**TENDER NAME: PREQUALIFICATION FOR PROVISION OF CO-INSURANCE AND FACULTATIVE REINSURANCE SERVICES TO NHIF, FOR GROUP PERSONAL ACCIDENT & WORK INJURY BENEFIT ACT INSURANCE COVER**

- 1.1 The Fund *invites* OPEN tenders from eligible Insurance Underwriters for prequalification for the provision Co-Insurance and Facultative Reinsurance services to NHIF for Group Personal Accident and Work Injury Benefit Act Insurance covers.
- 1.2 Interested eligible candidates may obtain further information from and inspect the tender documents at **NHIF Building, 7<sup>th</sup> Floor Room 739, and P.O. Box 30443-00100 Nairobi, Ragati Road, and Opp. National Library** during normal office working hours.
  
- 2 **Due to Covid '19 restrictions Bidders are strongly advised to visit our website on [WWW.nhif.or.ke/Tenders](http://www.nhif.or.ke/Tenders) for clarifications.**
  
- 2.1 Tender documents are accessed and obtained from the NHIF Website [www.nhif.or.ke](http://www.nhif.or.ke) and from the National Treasury IFMIS Website <http://suppliers.treasury.go.ke> **free of charge**. Bidders can download the tender documents and give us their details for recording and provision of any additional information in case of clarifications on email: [tenders@nhif.or.ke](mailto:tenders@nhif.or.ke).
- 2.2 Completed tender documents are to be enclosed in plain sealed envelopes marked with tender reference number and be deposited in the Tender Box at NHIF Building 7<sup>th</sup> Floor or be addresses to The Chief Executive Officers, NHIF P.O. Box 30443 NAIROBI so as to be received on or before Wednesday **\*\*/01/2021** at 10 am.
- 2.3 Tenders will be opened immediately thereafter in the presence of the Candidates or their representatives who choose to attend at NHIF Building Auditorium 2<sup>nd</sup> floor on Wednesday **\*\*/01/2021** at 10.00 am.

**CHIEF EXECUTIVE OFFICER**

**NATIONAL HOSPITAL INSURANCE  
FUND P.O.BOX 30443-00100**

**NAIROBI**

**E-mail Add: [tenders@nhif.or.ke](mailto:tenders@nhif.or.ke)**

## SECTION II - INSTRUCTIONS TO TENDERERS

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## **SECTION II - INSTRUCTIONS TO TENDERERS**

### **2.1 Eligible Tenderers**

2.1.1 This Invitation for: **Prequalification for Provision of Co-Insurance and Facultative Reinsurance services to NHIF for the Group Personal Accident, and Work Injury Benefit Act- NHIF/32/2020-2021**

2.1.2 The tender is open to all tenderers eligible as described in the Invitation to Tender. 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)

2.1.3 The Fund employees, committee members, board members and their relative (spouse and children) are not eligible to participate in this tender.

2.1.4 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 the Fund to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the goods under this Invitation for tenders.

2.1.5 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 Fund, 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 Fund 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 document comprise the documents listed below:

- (i) Instructions to tenderers
- (ii) General Conditions of Contract
- (iii) Special Conditions of Contract

(iv) Schedule of requirements

- (v) Contract Form
- (vi) Confidential Business Questionnaire Form
- (vii) Performance Security Form
- (viii) Declaration Form
- (ix) Request for review Form

2.3.2 The Tenderer is expected to examine all instructions, forms, terms and specifications 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 prospective tenderer requiring any clarification of the tender document may notify the Fund in writing or by post at the Fund address indicated in the Invitation to Tender. The Fund 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 the Fund. Written copies of the Fund response (including an explanation of the query but without identifying the source of the inquiry) will be sent to all prospective tenderers that have received the tender document.

2.4.2 The Fund shall reply to any clarifications sought by the tenderer within 3 days 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 Fund, 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.

2.5.2 All prospective candidates that have received the tender documents will be notified of the amendment in writing or by post and 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 Fund, at its discretion, may extend the deadline for the submission of tenders.

## **2.6 Language of Tender**

- 2.6.1 The tender document prepared by the tenderer, as well as all correspondence and documents related to the tender exchange by the tenderer and the Fund, shall be written in English language, provided that 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 passage in which case, for purposes of interpretation of the tender, the English translation shall govern.

## **2.7 Documents Comprising of Tender**

2.7.1 The tender prepared by the tenderers 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
- (d) Declaration form

## **2.8 Form of Tender**

2.8.1 The tender does not require a price Schedule.

2.9.1 Tender Does Not require a price schedule.

## **2.10 Tender Currencies**

2.10.1 This will not apply to this Tender

## **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 its tender is accepted.

2.11.2 The documentary evidence of the tenderers eligibility to tender shall establish to the Fund'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 the tenderers. The Tender security shall be in the form of Unconditional Bank guarantee.

2.12.2 The tenderer shall furnish, as part of its tender, a tender security of Kshs 500,000/-, valid 30 days beyond tender validity period.

2.12.3 The tender Security is required to protect the Fund 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 in Kenya Shillings or in another freely convertible currency, and shall be in the form:

- a) Cash
- b) A Bank guarantee

2.12.5 Any tender not secured in accordance with paragraph 2.12.1 and 2.12.3 shall be rejected by the Fund as non-responsive, pursuant to paragraph 2.20.5

2.12.6 Unsuccessful Tenderer's tender security will be discharged or returned as promptly as possible as but not later than thirty (30) days after the expiration of the period of tender validity prescribed by the Fund.

2.12.7 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

2.12.8 The tender security may be forfeited:

(a) If 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 Tenders shall remain valid for 120 days after the date of tender opening pursuant to paragraph 2.18. A tender valid for a shorter period shall be rejected by the Fund as non-responsive.

2.13.2 In exceptional circumstances, the Fund may solicit the Tenderer's consent to an extension of the period of validity. The request and responses thereto shall be made in writing. The tender security provided under paragraph 2.18 shall also be suitably extended. A tenderer may refuse the request without forfeiting its tender security. A tenderer granting the request will not be required nor permitted to modify its tender.

## **2.14 Format and Signing of Tender**

2.14.1 The Tenderer shall prepare two copies of the tender, 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 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. The latter authorization shall be indicated by written power- of - attorney accompanying the tender. All pages of the tender, except for unlamented printed literature, shall be initialed by the person or persons signing the tender.

2.14.3 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 each copy of the tender in separate envelopes, dully marking the envelopes as "**ORIGINAL**" and "**COPY**". The envelopes shall be sealed in an outer envelope.

2.15.2 The inner and outer envelopes shall:  
a) Be addressed to the;

**CHIEF EXECUTIVE OFFICER  
NATIONALHOSPITAL INSURANCE  
FUND P.O.BOX 30443-00100  
NAIROBI**

2.4 Bear, tender number and name in the Invitation for Tenders and the words, "**DO NOT OPEN BEFORE, Friday 26/02/ 2021 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 envelopes is not sealed and marked as required by paragraph 2.15.2, the Fund will assume no responsibility for the tender's misplacement or premature opening.

## **2.16 Deadline for Submission of Tenders**

2.16.1 Tenders must be received by the Fund at the addressed specified under paragraph 2.15.2 no later than Friday 26/01/2021 at 10.am

2.16.2 The Fund 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 Fund and candidates previously subject to the deadline will therefore be subject to the deadline as extended.

2.16.3 Bulky tenders which will not fit the tender box shall be received by the Fund 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 tender, is received by the Fund prior to the deadline prescribed for the 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 cable, 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 specified by the tenderer on the Tender Form. Withdrawal of a tender during this interval may result in the Tenderer's forfeiture of its tender security, pursuant to paragraph 2.12.7.

2.17.5 The Fund may at any time terminate procurement proceedings before contract award and shall not be liable to any person for the termination.

## **2.18 Opening of Tenders**

2.18.1 The Fund will open all tenders in the presence of tenderers' representatives who choose to attend, on Friday 26/02/2021.

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

- 2.18.2 The tenderers' names, tender modifications or withdrawals, tender prices, discounts, and the presence or absence of requisite tender security and such other details as the Fund, at its discretion, may consider appropriate, will be announced at the opening.

2.18.3 The Fund will prepare minutes of the tender opening

## **2.19 Clarification of tenders**

2.19.1 To assist in the examination, evaluation and comparison of tenders the Fund 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 shall be sought, offered, or permitted.

2.19.2 Any effort by the tenderer to influence the Fund in its tender evaluation, tender comparison or contract award decisions may result in the rejection of the tenderer's tender.

## **2.20 Preliminary Examination and Responsiveness**

2.20.1 The Fund will examine the tenders to determine whether they are complete, whether any errors have been made, whether required securities have been furnished whether the documents have been properly signed, and whether the tenders are generally in order.

2.20.2 The Fund may waive any minor informality or nonconformity 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 23, the Fund 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 Fund 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 Fund and may not subsequently be made responsive by the tenderer by correction of the nonconformity.

## **2.21 Conversion to a single currency**

2.21.1 Where the tender requires a financial quotation and currencies are used, the Fund 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 Evaluation and comparison of tenders.**

2.22.1 The Fund will evaluate and compare the tenders which have been determined to be substantially responsive, pursuant to paragraph 2.20

2.22.2 The Fund's evaluation of a tender will take into account the following factors, in the manner and to the extent indicated in paragraph 2.22.3

a) Reinsurance - Operational structure.

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

c) Reinsurance - Structure

- i. The Fund requires that the services under the invitation for tenders shall be performed at the specified in the schedule of requirement. Tenders offering to perform longer than the Fund's require delivery time will be treated as non-responsive and rejected.

2.22.4 The tender evaluation committee shall evaluate the tender within 30 - days from the date of opening the tender and in compliance to the Covid '19 guidelines.

## **2.23. Contacting the Fund**

2.23.1 Subject to paragraph 2.19 no tenderer shall contact the Fund 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 Fund 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 Fund will verify and determine to its satisfaction whether the tenderer that is selected as having submitted most technically evaluated responsive tender is qualified to perform the contract satisfactorily.

2.24.2 The determination will take into account the tenderer's 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 Fund 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 Fund will proceed to the next technically 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 Fund will award the contract to the successful tenderers whose tender have been determined to be substantially responsive and have been determined to be the most technically responsive evaluated tenders, provided further that the tender 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. The Fund's right to vary quantities**

2.26.1 The Fund reserves the right at the time of co-insurance/Facultative contract award to vary percentage of the sharing the risk between the co-Insurance and facultative reinsurance.

## **2.27 Fund's Right to accept or Reject any or All Tenders**

2.27.1 The Fund will consult the Insurance Regulatory Authority in determining the Co-Insurers and Facultative Reinsurers Financial Capacity and suitability to offer Co-Insurance and Facultative reinsurance services and reserves the right to reject a Co-Insurer/Facultative reinsurer on the ground of information provided by the Insurance Regulatory Authority.

2.27.2 The Fund reserves the right to accept or reject any tender, and to annual the

tendering process and reject all tenders at any time prior to contract award, without thereby incurring any liability to the affected tenderers or tenders of the grounds for the Fund action. If the Fund determines that none of the tenders is responsive, the Fund shall notify each tenderer who submitted a tender

2.27.3 The Fund 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

2.27.4 A tenderer who gives false information in the tender document 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

## **2.28 Notification of award**

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

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

2.28.3 Upon the successful Tenderer's furnishing of the performance security pursuant to paragraph 2.29 the Fund will promptly notify each unsuccessful Tenderer and will discharge its tender security, pursuant to paragraph 2.12.

## **2.29 Signing of Contract**

2.29.1 At the same time as the Fund notifies the successful tenderer that its tender has been accepted, the Fund will simultaneously inform the other tenderers that their tenders have not been successful.

2.29.1 Within fourteen (14) days of receipt of the contract form, the successful tenderer shall sign and date the contract and return it to the Fund.

2.29.2 The contract will be definitive upon signing by the two parties.

2.29.3 The parties to the contract shall have it signed within thirty days from the date of notification of contract award unless there is administrative review request.

## **2.30 Performance Security**

2.30.1 The successful tenderer shall furnish the performance security in accordance with the Conditions of Contract, in the Performance Security Form provided in the tender documents, or in another form acceptable to the Fund.

2.30.2 Failure of 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 Fund may make the award to the next lowest evaluated or call for new tenders.

### **2.31 Corrupt or Fraudulent Practices**

2.31.1 The Fund 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;

2.31.2 The Fund 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;

2.31.3 Further, a tenderer who is found to have indulged in corrupt or fraudulent practices risks being debarred from participating in public procurement in Kenya.

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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 Co-Insurance or Facultative Reinsurance agreement entered into between the Fund and the tenderer and signed by the tendering parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- b) “The Co-Insurance/Facultative Share” means the share of risk & premium payable to the tenderer under the Contract for the full and proper performance of its Co-Insurance or Facultative Reinsurance 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 Fund under the contract
- d) “The Fund” means the Lead organization in the Co-Insurance arrangements sourcing for the co-Insurance and Facultative Reinsurance under this Contract.
- e) “The Tenderers” means the Insurance Underwriter duly registered by the Insurance Regulatory authority to provide insurance and reinsurance services 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 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 tenderer shall not, without the Fund prior written consent, disclose the Contract, or any provision therefore, or any specification, plan, drawing, pattern, sample or information furnished by or on behalf of the Fund in connection therewith to any person other than a person employed by the tenderers in the performance of the Contract.
- 3.4.2 The Tenderer shall not, without the Fund prior written consent, make use of any document or information enumerated in paragraph 3.5.1 above.

3.4.3 Any document, other than the Contract itself, enumerated in paragraph 3.5.1 shall remain the property of the Fund and shall be returned (all copies) to the Fund on completion of the Tenderer's performance under the Contract if so required by the Fund.

### **3.5 Patent Rights**

3.5.1 The contractor shall indemnify the Fund 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 in the Fund.

### **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 Fund the performance security where applicable in the amount specified in Special Conditions of Contract.

3.6.2 The proceeds of the performance security shall be payable to the Fund 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 Fund and shall be in the form of cash, A bank guarantee or an irrevocable letter of credit issued by a reputable bank located in Kenya or abroad accepted to the Fund, in the form provided in tender documents.:

3.6.4 The performance security will be discharged by the Fund and returned to the candidate not later than thirty (30) days following the date of completion of the tenderer's performance of obligations under the contract, including any warranty obligations under the contract.

### **3.7. Delivery and Documents**

3.7.1 Delivery of services shall be made by the tenderers in accordance with the terms specified by Fund in its 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 tenderer under this Contract shall be specified in Special Conditions Contract.

3.8.2 Payments shall be made promptly by the Fund as specified in contract

### **3.9 Prices**

3.9.1 The Tender do not require any price quotation.

### **3.10 Assignment**

3.10.1 The Co-Insurer shall not assign its obligations to perform under this contract, except with the Fund prior written consent from a joint application by all Co-Insurers. Assignments specifically means subcontracting of obligations relating to occupational Injuries, Illness, critical disease assessments, doctors and use of other WIBA claims service professional.

### **3.11 Termination for Default**

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

- (a) If the Contractor 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 Fund.
- (b) If the Contractor fails to perform any other obligation(s) under the Contract
- (c) If the Contract in the judgment of the Fund has engaged in corrupt or fraudulent practices in competing for or in executing the contract

3.11.2 In the event the Fund 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 un-delivered and the Contractor shall be liable to the Fund for any excess costs for such similar services. However, the contractor shall continue performance of the contract to extent not terminated.

### **3.12 Termination for Insolvency**

3.12.2 The Fund may at any time terminate the contract by giving written notice to the contractor if the contractor becomes bankrupt or otherwise insolvent. In the event, termination will be without compensation to the contractor, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the Fund.

### **3.13 Termination of Convenience**

3.13.1 The Fund by written notice sent to the contractor, 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 Fund convenience, the extent to which performance of the contractor 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 Fund may elect to cancel the services and pay to the contractor an agreed amount for partially completed services.

### **3.14 Resolution of Disputes**

3.14.1 The fund and the tenderers shall make every effort to resolve amicably by direct informal negotiation and disagreement or dispute 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 adjudication in an agreed national or international forum, and/ or international arbitration.

### **3.15 Governing Language**

3.15.1 The contract shall be written in 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 tenderer 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 in the result of an event of Force Majeure.

### **3.18 Notices**

3.18.1 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 SCC.

3.18.2 A notice shall be effective when delivered or on the notices effective date, whichever is later

**SECTION 1V:  
SPECIFICATIONS FOR PROVISION CO-INSURANCE AND FACULTATIVE REINSURANCE  
SERVICES TO NHIF, FOR GROUP PERSONAL ACCIDENT & WORK INJURY BENEFIT  
ACT INSURANCE COVER.**

**INSTRUCTIONS TO TENDERS.**

1. Only IRA APPROVED Insurance Underwriters are allowed to tender.

**SCOPE OF CO-INSURANCE & FACULTATIVE REINSURANCE SERVICES**

The Scope of services will be detailed in the Co-Insurance Contract to be signed between the NHIF and Co-Insurance and Facultative Reinsurers who will be who will be prequalified to provide the services.

**EVALUATION**

**(II) CRITERIA OF EVALUATION**

**2. MANDATORY REQUIREMENTS**

<b>NO.</b>	<b>REQUIREMENTS</b>	<b>MUST BE MET</b>
<b>A.</b>	Submission of two Tender documents securely bound (Spiral or book) and clearly marked ( <b>original and copy</b> ) by the tenderer. No loose documents will be accepted	YES/NO
<b>B.</b>	Tender Security - Original Bid bond from a reputable bank or insurance company approved by PPRA, of at least Ksh. 500,000.00 valid for a period of 150 days from date tender opening.	YES/NO
<b>C.</b>	Registration with Regulator: Insurance Regulatory Authority	YES/NO
<b>D.</b>	Registration as a member of the Association of Kenya Insurers (AKI), for the last three years	YES/NO
<b>E.</b>	Submit copies of Valid Tax Compliance Certificate from KRA (TCC confirmation shall be done)	YES/NO
<b>F.</b>	Provide Copies of Valid NSSF Compliance Certificate	YES/NO
<b>G.</b>	Provide Copies of Valid NHIF Compliance Certificate	YES/NO

H.	Current Trading/ Business License under City/ County Government Trading License	YES/NO
I.	Submit Copies of Certificate of Incorporation/Registration	YES/NO
J.	Copy of CR12	YES/NO
K.	Completed/ fully filled, signed and stamped Confidential Business Questionnaire Form	YES/NO
L.	Submission of claim settlement declaration statement signed by the CEO/ Principal officer	YES/NO
M.	Must provide evidence of reinsurance treaties in place for the year 2020 for the Underwriter/ Insurance company (Approved by IRA for Year 2020). (to Confirm from IRA)	YES/NO
N.	Submitted bid documents MUST be <u>sequentially</u> serialized (paginated) by the Tenderer on every page	YES/NO

**NOTE**

At this stage, the tenderer's submission will either be responsive or non-responsive. The non-responsive submissions in any of the above mandatory requirements will be eliminated from the entire evaluation process and will not be considered further.

### 3. TECHNICAL REQUIREMENTS

NO.	REQUIREMENTS	Maximum score
a)	Have been in business for not less than five (5) years (provide certified copies for all the Underwriters/ Insurance Companies). Registration by IRA for the last five years.	10
b)	<p>Evidence of having handled clients with a premium of Over -Kshs 10M in the last three years 2017, 2018 &amp; 2019.</p> <ul style="list-style-type: none"> <li>i. 10 Clients with 10M and 5 of them at 50M - 15 Marks</li> <li>ii. 10 Clients with 10M and any client at 50M - 10 Marks (one mark for any client at 50M)</li> <li>iii. 10 Clients with premium at 10M - 10 Marks</li> <li>iv. 10 Clients with premium above 5M and below 10M - 7 Marks</li> </ul> <p>Attach copies of award letters from the listed clients. Letters must indicate the premiums and period/year of Cover.</p>	15
c)	Submit Audited books of accounts for the previous three (3) years (2017, 2018 & 2019).	10
d)	<p>Financial Strength of the Co-Insurer &amp; Facultative Reinsurer Provide a Summary of 2017, 2018 &amp; 2019 GWP. Attach accounts Extracts to support the summary. (to be confirmed from IRA Reports)</p> <p>General insurance cumulative gross premium for the last three (3) years (2019,2018,2017)</p> <ul style="list-style-type: none"> <li>i. Premium Above 17.5 Billion - 30 Marks</li> <li>ii. Premium Above 15.5 Billion - 15 Marks</li> <li>iii. Premium Above 13.5 Billion - 5 Marks</li> <li>iv. Premium below 10.0 Billion - 2 Marks</li> </ul>	30
e)	Provided detailed proposal or methodology on claim settlement, structure of meetings, how to submit and format of reports, how to deal with ex-gratia cases	3
f)	List at least six (6) key professional staff to be tasked on this project by the Underwriter/ Insurance company and their qualifications contacts and emails.	6

<b>g)</b>	Propose claim turnaround period (the shortest will get the maximum score while the others will be prorated) 5 days 5 marks; 10 days 4 marks; 15 days 3 marks; 20 days 2 marks ;over one month 1 mark	5
<b>h)</b>	Propose claim reporting period (the longest will get the maximum score while the others will be prorated) over 1 year 5 marks; 6 months 4 marks; 3 months 3 marks; 1 month 2 marks below 1 month 1mark	5
<b>i)</b>	Underwriter must provide evidence of the least period used to settle previous claims upon presentation of all requirements. (the shortest will get the maximum score while the others will be prorated) Below 5 days 3 marks, 10-15 days 2 marks; above 16 days 1 mark, over 30 days 0	3
<b>k)</b>	Give a detailed write up on how the cover is going to be administered. The cover should have no exclusions, and you may provide any other information deemed relevant.	3
<b>l)</b>	Detailed proposal on dissemination of information and sensitization process on insurance cover placed and any other additional works/activity/ means necessary for aiding in dissemination of information regarding benefit payments	5
<b>m)</b>	Evidence of each underwriter branch network At least have a presence of Three (3) - branches in any of the county in Kenya	5
	NOTE: i. For one to qualify for co-insurer they MUST score 86 points and above ii. For one to qualify for facultative Reinsurance they MUST score 46 points and above.	100 Marks

#### NOTE

- i. Bidder Must meet all conditions listed under Preliminary evaluation to qualify for Mandatory Evaluation
- ii. Bidders must meet all the mandatory requirements to qualify for technical evaluation.
  - a) For one to qualify as a Co-insurer they MUST score ABOVE 86 points.
  - b) For one to qualify for facultative Reinsurance they MUST score ABOVE 46points.
- iii. The successfully evaluated bidders will form the list of prequalified Reinsurance Service providers for Co-Insurance and facultative services for a period of **TWO**-years subject to section iv 3.9 of Special conditions.

## SECTION V - SCHEDULE OF COVER.

Details of the cover and applicable premiums are as per annexures provided or to be provided by NHIF.

## SECTION IV- SPECIAL CONDITIONS OF CONTRACT

Special Conditions of Contract as relates to the General Conditions of Contract

Reference of general conditions of contract	Special condition of contract
3.6 Performance security	Performance security of 10% of the contract price will be provided before the signing of the contract by Co - insurers
3.7 Delivery of Services	As provided in the schedule of requirements.
3.8 Payment	Payment shall be made as stipulated in the contract.
3.9 Co-Insurers and Facultative Reinsurers	The top Five Evaluated General underwriters will become the Co-insurers for General Insurance GPA & WIBA. The rest successfully evaluated General underwriters will become Facultative reinsurers. A minimum of two (2) facultative will support one (1) co-Insurer. Subject to section 2.26
3.16 Applicable law	Laws of Kenya
3.18 Notices	P.O. Box 30443-00100Nairobi

## SECTION VI - STANDARD FORMS

### Notes on the standard Forms

1. **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 on the original contract.
2. **Confidential Business Questionnaire Form** - This form must be completed by the tenderer and submitted with the tender documents.
3. **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 Fund.
4. **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 Fund.

## Contract Form

THIS AGREEMENT made the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_ between [name of Fund] of \_\_\_\_\_ [country of Procurement entity] (hereinafter called "the Fund") of the one part and [name of tenderer] of \_\_\_\_\_ [city and country of tenderer] (hereinafter called "the tenderer") of the other part:

WHEREAS the Fund invited tenders for the Insurance covers and has accepted a tender by the tenderer for the supply of the services in the sum of (% share of Risk) \_\_\_\_\_ [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 Schedule of Requirements
  - (b) the Details of cover
  - (c) the General Conditions of Contract
  - (d) the Special Conditions of Contract; and
  - (e) the Fund's Notification of Award
3. In consideration of the risk share premium payments to be made by the Fund to the tenderer as hereinafter mentioned, the tenderer hereby covenants with the Fund to provide the Insurance cover and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Fund hereby covenants to pay the tenderer in consideration of the provision of the services and the remedying of defects therein, the Contract Price (% OF Risk Share) 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 Fund)

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



**CONFIDENTIAL BUSINESS QUESTIONNAIRE FORM**

You are requested to give the particulars indicated in Part 1 and either Part 2(a), 2(b) or 2 (c) (Whichever applied to your type of business) and part 3(a) & 3(b) that is mandatory. You are advised that it is a serious offence to give false information on this form

**Mandatory**

**Part 1 - General:**

Business Name .....

Location of business premises. ....

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

Postal Address ..... Tel No. .... company Mobile ..... E mail address..... Contact Person .....Mobile.....

Nature of Business.....

Registration Certificate No. ....

Maximum value of business which you can handle at any one time - Kshs. ....

Name of your bankers ..... Branch. ....

**Complete part 2(a), 2(b) or 2(c)**

**Part 2 (a) - Sole Proprietor**

Your name in full ..... Age .....

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

- Citizenship details  
.....

**Part 2 (b) Partnership**

Given 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 company: Nominal Kshs. ....  
 Issued Kshs. ....

Given details of all directors as follows

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

**Mandatory**

Part 3 (a) - Pursuant to section 59(1)(a), (2) and (3) of the Public Procurement Assets and Disposal Act related Regulations. This **MUST** be signed by **all Directors/ Partner (s) /Sole Proprietor of the Company** (or any other applicable legislation in the Country of registration) 1 /we the Director(s) of Company/Firm .....hereby declare that I /we are not a board member , employee or even a relative to any employee of National Hospital Insurance Fund.

Given details of partners /Directors /Sole proprietor as follows:

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

**Mandatory**

Part 3(b) Public Procurement & Assets Disposal Act 2015 and related regulations or any other applicable legislation in the Country of registration).

Pursuant to section 41 of the Public Procurement and Assets Disposal Act 2015, I/ we the Directors/Partners/Sole Proprietor of this Company/Firm .....confirm that we have not been debarred in Kenya not to Participate in any Tender/Bidding in Kenya. **All Directors/ Partners /Sole Proprietor of the company MUST sign**

Name	Nationality	Citizenship Details	Signature
1.....			
2.....			
3.....			

	4. ....
	5. ....

NB: If a Kenya Citizen, indicate under “Citizenship Details” whether by Birth, Naturalization or Registration.

Sign .....Date .....Stamp.....

## 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 [*name of the Fund*] (hereinafter called <the Fund> in the sum of Kshs 200,000/- (Two Hundred Thousand Shillings Only) for which payment well and truly to be made to the said Fund, 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 Fund on the Form; or
2. If the Tenderer refuses to accept the correction of errors in his tender; or
3. If the tender, having been notified of the acceptance of its tender by the Fund 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 Fund up to the above amount upon receipt of its first written demand, without the Fund having to substantiate its demand, provided that in its demand the Fund 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]

**PERFORMANCE SECURITY FORM**

To: .....

*[Name of the Fund]*

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*  
*t*  
*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]*

**LETTER OF NOTIFICATION OF AWARD**

Address of the Fund

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

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  
.....APPLIC  
ANT AND  
.....RESPONDENT (*The Fund*)

Request for review of the decision of the..... (Name of the Fund) 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 an order/orders that: - 1.

- 2.
- etc

SIGNED..... (Applicant)

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

---

**FOR OFFICIAL USE ONLY**

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

SIGNED  
Board Secretary



Annexure attaching to and forming part of this tender section V

**Annexure No .1**

ANNEXXURE ATTACHING TO AND FORMING PART OF THIS TENDER SECTION V		
JOB GROUP	GPA	WIBA + COVID -19
A	8 years Gross Salary	8 years Gross Salary
B	8 years Gross Salary	8 years Gross Salary
C	8 years Gross Salary	8 years Gross Salary
D	8 years Gross Salary	8 years Gross Salary
E	8 years Gross Salary	8 years Gross Salary
F	8 years Gross Salary	8 years Gross Salary
G	8 years Gross Salary	8 years Gross Salary
H	8 years Gross Salary	8 years Gross Salary
J	8 years Gross Salary	8 years Gross Salary
K	8 years Gross Salary	8 years Gross Salary
L	8 years Gross Salary	8 years Gross Salary
M	8 years Gross Salary	8 years Gross Salary
N	8 years Gross Salary	8 years Gross Salary
P	8 years Gross Salary	8 years Gross Salary
Q	8 years Gross Salary	8 years Gross Salary
R	8 years Gross Salary	8 years Gross Salary
S	8 years Gross Salary	8 years Gross Salary
T	8 years Gross Salary	8 years Gross Salary
U	8 years Gross Salary	8 years Gross Salary
<b>Premium (KSHS)</b>	<b>Kshs 1,182,098,868</b>	<b>Kshs 1,329,861,227</b>