



**KENYA AGRICULTURAL AND LIVESTOCK
RESEARCH ORGANIZATION**

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TENDER NO KALRO/HQTS/09/2015-16

FOR

**PROVISION OF STAFF MEDICAL INSURANCE
COVER**

(UNDERWRITERS ONLY)

CLOSING DATE: September 14, 2015 at 10.00AM

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SECTION I - INVITATION FOR TENDERS

Date _____

TENDER NAME; Tender for Provision of Staff Medical Insurance Services

TENDER CODE NO; KALRO/HQTS/09/2015-16

- 1.1 Kenya Agriculture & Livestock Research Organization (KALRO) invites sealed tenders from eligible Insurance Underwriters for Staff Medical Insurance.
- 1.2 Interested eligible candidates may obtain further information from and inspect the tender documents at **KALRO Headquarters, Kaptagat road, Loresho. P O Box 57811-00200, Nairobi off Kangemi fly over** during normal office working hours.
- 1.3 A complete tender document may be obtained by interested candidates upon payment of a non- refundable fee of KES 1,000 in cash or bankers cheque payable to Director General, KALRO. The document can also be obtained free of charge from KALRO website www.kalro.org or Treasury portal suppliers@treasury.go.ke. Those who download the tender document and intend to submit a bid are required to register their details with the Ag Supply Chain Manager's office so as to be able to receive clarifications and addenda
- 1.4 Prices quoted should be net inclusive of all taxes, and delivery costs, must be in Kenya Shillings and shall remain valid for (90) days from the closing date of the tender.
- 1.5 Tenderer will be required to submit Bid security of 1.5% of the value of the premium.
- 1.6 Completed tender documents are to be enclosed in plain sealed envelopes, marked with the tender number and name and be deposited in the Tender Box at the reception area, KALRO Headquarters, Nairobi or be addressed to;
**Director General,
Kenya Agriculture & Livestock Research Organization
P O Box 57811-00200,
Nairobi,**
Att; Ag Supply Chain Manager
so as to be received on or before **September 14, 2015, at 10.00am**
- 1.7 Tenders will be opened immediately thereafter in the presence of the candidates representatives who choose to attend at KALRO Conference room.

Ag Supply Chain Manager
For; **Ag Director General**

SECTION II - INSTRUCTIONS TO TENDERERS

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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 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 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.5,000/=
- 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, fax 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 seven (7) 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 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 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.
- 2.12.5 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
- 2.12.6 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
- 2.12.7 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 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 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.

2.13.2 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 an original and a copy 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. All pages of the tender, except for un-amended 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 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.
- (b) bear tender number and name in the invitation to tender and the words, "DO NOT OPEN BEFORE (*day, date and time of closing*)

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

2.16.1 Tenders must be received by the Procuring entity at the address specified under paragraph 2.15.2 not later than (*day, date and time of closing*).

2.16.2 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.

2.16.3 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 will open all tenders in the presence of tenderers' representatives who choose to attend, at (*time, day and date of closing*) and in the location specified in the invitation for tenders. 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 Procuring entity, at its discretion, may consider appropriate, will be announced at the opening.
- 2.18.3 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.

2.19 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 any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the tenders are generally in order.
- 2.20.2 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

- 2.20.3 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.
- 2.20.4 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.
- 2.20.5 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. 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. Tenders offering to perform longer than the procuring entity's 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.

2.23. 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 non 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.

2.1 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.

2.1 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 Medical Insurance Services shall compliment, supplement, or amend, the provisions on the instructions to tenderers. Wherever there is a conflict between the provision 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

ITT REF	PARTICULARS OF APPENDIX TO INSTRUCTIONS TO TENDERS
2.1.1	<p>MANDATORY REQUIREMENT; Tender must submit copy of;</p> <ol style="list-style-type: none"> 1. Current registration certificate by Insurance Regulatory Authority, to operate 2. Registration certificate with the Commissioner of Insurance. 3. Evidence of annual gross premium of Ksh 500million in year 2014 4. Evidence of paid up capital of at least Kshs.100Million. 5. Reference letters from at least five (5) reputable clients and the total clients premiums for the previous year 6. Audited accounts for the last three years 7. Company profile 8. Valid PIN certificate 9. Valid Tax Compliance Certificate 10. Certificate of Registration/Incorporation 11. Membership of the Association of Kenya Insurance (AKI) 12. Relevant AGPO certificate for Youth, Women and People Living with Disability 13. Duly filled in and signed Tender Security declaration form for the Youth, Women and People Living with Disability 14. A letter duly signed by a person authorized by your organization indicating that the firm is not debarred from participating in Public Procurement process <p>NB; AGPO qualified tenderers will not be required to submit bid bond</p>

2.2	A complete tender document may be obtained upon payment of a non-refundable fee of KES 1,000 in cash or bankers cheque payable to Director General, KALRO. The document can also be obtained free of charge from KALRO website www.kalro.org or Treasury portal suppliers@treasury.go.ke .
2.4.3	Preferential treatment of 15% will be allowed to qualified Youth during evaluation
2.12	Tenderer shall submit bid bond of 1.5% of the premium in for of Bank Guarantee
1.13	Tenders shall be valid for (ninety) 90 days from the date of close of tender
2.16	Tender shall close on September 14, 2015 at 10am and shall be opened immediately thereafter in the presence of tenderer representatives who choose to attend
2.19	Clarifications on tender may be made in writing to; <p style="text-align: center;">Director General Kenya Agriculture & Livestock Research Organization P O Box 57811-00200 Nairobi</p> Email; directorgeneral@kalro.org . or stevens.musewe@kalro.org

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 any 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 Tenderer” means the firm providing the services under this Contract.

3.2 Application

3.2.1 These General Conditions shall apply in all Contracts made by the Procuring entity for the procurement installation and commissioning of equipment

3.3 Standards

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

3.4 Use of Contract Documents and Information

3.4.1 The tenderer shall not, without the Procuring entity’s prior written consent, disclose the Contract, or any or information provision therefore,

furnished by or on behalf of the Procuring entity in connection therewith, to any person other than a person employed by the tenderer in the performance of the Contract.

3.4.2 The tenderer shall not, without the Procuring entity's prior written consent, make use of any document or information enumerated in this tender document

3.4.3 Any document, other than the Contract itself, enumerated in shall remain the property of the Procuring entity and shall be returned (all copies) to the Procuring entity on completion of the Contract if so required by the Procuring entity

3.5 Patent Rights

3.5.1 The tenderer 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 or any part thereof in the Procuring entity's country

3.6 Payment

3.6.1 The method and conditions of payment to be made to the tenderer under this Contract shall be specified in Special Conditions of Contract

3.6.2 Payments shall be made promptly by the Procuring entity as specified in the contract

3.7 Prices

3.7.1 Prices charged by the tenderer for services performed under the Contract shall not, with the exception of any price adjustments authorized in Special Conditions of Contract, vary from the prices by the tenderer in its tender.

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

3.7.3 Where contract price variation is allowed, the variation shall not exceed 10% of the original contract price.

3.7.4 Price variation request shall be processed by the procuring entity within 30 days of receiving the request.

3.8 Assignment

3.8.1 The tenderer shall not assign, in whole or in part, its obligations to perform under this Contract, except with the Procuring entity's prior written consent

3.9 Termination for default

3.9.1 The Procuring entity may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the tenderer, terminate this Contract in whole or in part

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

3.9.2 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, equipment similar to those undelivered, and the tenderer shall be liable to the Procuring entity for any excess costs for such similar services.

3.10 Resolution of Disputes

3.10.1 The procuring entity and the tenderer 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

3.10.2 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.

3.11 Language and Law

3.11.1 The language of the contract and the law governing the contract shall be English language and the Laws of Kenya respectively unless otherwise stated.

3.12 Force Majeure

3.12.1 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 is the result of an event of Force Majeure.

SECTION IV - SPECIAL CONDITIONS OF CONTRACT

4.1. Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, between the GCC and the SCC, the provisions of the SCC herein shall prevail over these in the GCC.

4.2. Tendering Notes

- The duration of the contract shall be two years renewable annually on due date and subject to performance of the services and provision of a revised list of beneficiaries by the procuring entity. The Procuring entity also retains the right to terminate the contract at any stage on the basis of poor performance on the part of the Insurance Provider
- The tender is open only to the bidders who participated in the prequalification of suppliers exercise and were accordingly shortlisted.
- The submissions under terms of reference and applicable evaluation criteria shall form the basis of selection of the medical insurance service provider.

EVALUATION PROCESS

STAGE 1 – Mandatory requirement

1. Current registration certificate by Insurance Regulatory Authority, to operate
2. Registration certificate with the Commissioner of Insurance.
3. Evidence of annual gross premium of Ksh 500million in year 2014
4. Evidence of paid up capital of at least Kshs.100Million.
5. Reference letters from at least five (5) reputable clients and the total clients premiums for the previous year
6. Audited accounts for the last three years
7. Company profile
8. Valid PIN certificate
9. Valid Tax Compliance Certificate
10. Certificate of Registration/Incorporation
11. Membership of the Association of Kenya Insurance (AKI)
12. A letter duly signed by a person authorized by your organization indicating that the firm is not debarred from participating in Public Procurement process

STAGE 2-Technical Evaluation

A) Key personnel qualification and Experience (30 points)

- Provide Five Key professional staff with specific portfolio /task each with the following minimal qualification and experience:
 - ✓ Principal Officer-Degree in Insurance or Actuarial Science plus an Associate of the Chartered Insurance Institute(attach copies of qualification certificates)
 - ✓ Three senior officers who must have a minimum of a Diploma of the Chartered Insurance Institute with at least five years experience in the insurance industry handling medical insurance(attach copies of qualification certificates)
 - ✓ One qualified medical personnel(attach copies of qualification certificates)

B) Company's Past Experience (20 points)

- The company must have offered Medical Insurance cover (out-patient and In-Patient) to at least five (5) large clients with a minimum of 2,000 employees each and have serviced them for at least two consecutive years. Provide details of clients as below:

- ✓ Full name of client
 - ✓ Address
 - ✓ Contact Person (landline and mobile no.)
 - ✓ Client employee numbers
 - ✓ Annual Premium charged
 - ✓ Evidence of letters of engagement, contract award from the said three clients
- **KALRO reserves the right to carry independent confirmation from their own sources. Tenderers found to have given false information shall have their tender rejected.**

C) Scope of Medical Insurance (30 points)

Tenderer shall furnish quotation indicating the premium quoted and any extensive clauses which enhance the utility of the insurance cover and not a **standard policy cover**. Provide an enhanced family cover to one principal member, a spouse and four (4) children.

(PROVISION OF MULTIPLE COVER OPTIONS AND PREMIUMS WILL NOT BE ALLOWED.

ALL FIRMS MUST PRESENT ONE OVERALL PREMIUM COST AS THEIR BEST AND FINAL OFFER)

- ✓ Indicate in detail on how the cover will be administered
- ✓ Full details of what the cover excludes
- ✓ Dependants eligibility
- ✓ Provide a detailed Transitional arrangement on how to cover pre-existing conditions
- ✓ Outpatient cover content with the applicable premium
- ✓ Inpatient cover content with the applicable premium
- ✓ Dental cover content
- ✓ Optical cover content
- ✓ Maternity cover content
- ✓ Any other applicable premiums payable
- ✓ Evacuation (Ambulances/Air)
- ✓ Free Cover Limits
- ✓ Ward Charges
- ✓ Indicate all costs on cover including administrative costs(if applicable)
- ✓ Provide Chronic Disease List(CDL) indicating diseases not covered
- ✓ Full details of medical cover for members while on duty outside Kenya and exclusions that are applicable

- ✓ Admission of new and exit of members into the cover
- ✓ Procedures to be followed to cover maternity cases
- ✓ Give details of the claims settlement turnaround time
- ✓ All limits of Liability must be clearly indicated
- ✓ Demonstrate the current geographical service distribution network by giving the full details of appointed Hospitals, Clinics, Doctors and specialists across the country who will be able to be accessed by the employees and their dependants.(N/B-The provider **MUST** have an extensive and reputable network of hospitals, clinics, pharmacies and laboratories within easy reach of KALRO staff and their dependents countrywide) (**KALRO reserves the right to verify this information**)
- ✓ Other Additional benefits under the cover

NB; KALRO may choose to opt out of Dental and/ or Optical medical cover before signing of contract with successful tenderer

D) Business Support

- Highest business volumes handled in the last three years related to Medical Insurance Cover(**10 points**)
 - ✓ Kshs. 50 million and above
 - ✓ Kshs. 40-49 million
 - ✓ Kshs.30-39 million
 - ✓ Below 30 million
- Full details of tenderers appointed bankers -**3.0points**
- Tenderers authority to seek references-**3.5 points**(authority must be in writing and duly signed)
- Presentation of tender document – **3.5 points**

NOTE

- Only Tenderers scoring a minimum of 75% of the technical score shall proceed to stage three.

STAGE 3

- The shortlisted bidders who score above 75% shall be invited for a detailed 10 minute PowerPoint presentation at KALRO Q&A session.
- The Medical Insurance Company that presents the best **TERMS** shall be recommended for award as appropriate.

WORKING DATA

1. MEDICAL COVER

PERIOD: 1 year: 1st October, 2015 to 31st September, 2016

	INSURANCE	JG	No of employees	Value to be insured (Ksh)	Scope of risk cover
1.1	In - Patient	A - G	767	750,000	In –Patient medical expenses for Principle, Spouse and 4 children of age 22yrs old and below
		H - N	1,876	800,000	
		U - N	375	1,000,000	
2.1	Out-Patient				
		A - G	767	75,000	Out – Patient medical expenses for Principle, Spouse and 4 children of age 22 years and below
			1,876	80,000	
			375	100,000	

	DESCRIPTION OF INSURANCE COVER	TOTAL PREMIUM (KSHS.)																
1.	Medical Insurance Cover for 3018 KALRO members of staff;																	
1.1	<p style="text-align: center;">In-patient cover for M+</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>FAMILY SIZE</th> <th>NUMBER</th> </tr> </thead> <tbody> <tr> <td>M+0</td> <td>227</td> </tr> <tr> <td>M+1</td> <td>384</td> </tr> <tr> <td>M+2</td> <td>488</td> </tr> <tr> <td>M+3</td> <td>692</td> </tr> <tr> <td>M+4</td> <td>589</td> </tr> <tr> <td>M+5</td> <td>638</td> </tr> <tr> <td>Grand Total</td> <td>3018</td> </tr> </tbody> </table>	FAMILY SIZE	NUMBER	M+0	227	M+1	384	M+2	488	M+3	692	M+4	589	M+5	638	Grand Total	3018	
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	Outpatient, KES	In patient , KES
Psychiatric conditions		
Pre-existing conditions		
Chronic condition		
HIV/AIDS condition		
Congenital condition		
Pre-term babies		
Maternity normal delivery		
Maternity caesarian cases		
Dental care		
Optical care		
Post hospitalization benefits		
Overseas emergency in-patient cover		
Road ambulance rescue		

Vaccination (KES).....

Life Cover for principal (KES).....

Any additional cases covered (please indicate).....

NOTE: Use ONLY microchip cards

PRICE SCHEDULE FORMAT (MANDATORY)

Prospective bidders **MUST** use the price schedule format herein to append their unit rates and applicable total premiums. The Total Premiums per year must be inclusive of all applicable taxes.

IN-PATIENT MEDICAL COVER

Proposed limits per Principal, Spouse and 4 dependents per year (Ksh)	Expected total No. of Population	Unit Rate of Premium per year(Kshs.)	Total Premium per year inclusive of all applicable taxes
750,000	767		
800,000	1,876		
1,000,000	375		
TOTALS	3,018		

OUT-PATIENT MEDICAL COVER

Proposed limits per Principal, Spouse and 4 dependents per year (Ksh)	Expected total No. of Population	Unit Rate of Premium per year(Kshs.)	Total Premium per year inclusive of all applicable taxes
75,000	767		
80,000	1,876		
100,000	375		
TOTALS	3,018		

1. TERMS OF PAYMENT

KALRO will enter into a contract with the successful firm and payment will be paid based on a schedule of payment to be agreed upon at the contractual stage.

2. TERMS OF SERVICE

The successful firm will initially be contracted to carry out the service for a period of one year. However KALRO is at discretion to vary the term to a two year contract based on satisfactory performance of the contract. The contract may be extended for a further period upon expiry of the initial term.

REFERENCE GCC	OF	SPECIAL CONDITIONS OF CONTRACT
3.7.1		Performance security shall be in form of Professional Insurance Indemnity
3.12.1	Payment	Upon commencement of cover and upon renewal of cover. Payment in Installments to be negotiated
3.18.1	Applicable law	Shall be the laws of Kenya

SECTION VIII - STANDARD FORMS

Notes on the sample 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 by duly authorized representatives of the tenderer.
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 documents the tender shall provide the tender security either in the form included herein or in another format acceptable to the procuring entity.
4. 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.
5. Performance Security Form - The performance security form should not be completed by the tenderers 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.
6. Manufacturers Authorization Form - When required by the tender documents this form must be completed and submitted with the tender documents. This form will be completed by the manufacturer of the Services where the tenderer is an agent.

8.1 **FORM OF TENDER**

Date _____
Tender No. _____

To.....

1. Having examined the tender documents including Addenda Nos.the receipt of which is hereby duly acknowledged, we, the undersigned, offer to provide Insurance Services under this tender in conformity with the said tender document for the sum of (*total tender amount in words and figures inclusive of all applicable taxes*) 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 Medical Insurance in accordance with the conditions of the tender.

3. If our Tender is accepted, we will obtain the guarantee of a bank in a sum of equivalent to _____ percent of the Contract Price for the due performance of the Contract , in the form prescribed by(*Procuring entity*).

4. We agree to abide by this Tender for a period of 90 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.

5. This Tender, together with your written acceptance thereof and your notification of award, shall constitute a Contract, between us. Subject to signing of the Contract by the parties.

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

Dated this _____ day of _____ 20 _____

[signature]

[In the capacity of]

8.2 TENDER SECURITY FORM

Whereas [name of the tenderer] (hereinafter called “the tenderer”) has submitted its tender dated [date of submission of tender] for provision of comprehensive staff medical insurance cover [name and/or description of the equipment] (hereinafter called “the Tender”) KNOW ALL PEOPLE by these presents that WE of having our registered office at (hereinafter called “the Bank”), are bound unto [name of Procuring entity] (hereinafter called “the Procuring entity”) in the sum of 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 tenderer on the Tender Form; or
2. If the tenderer, 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 tenderers;

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 two conditions, specifying the occurred condition or conditions.

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 date.

[signature of the bank] _____
(Amend accordingly if provided by Insurance Company)

8.3 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 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 the
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 figure*] 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 or sums within the
limits of [*amount of guarantee*] as aforesaid, without
you 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 _____

Signed and seal of the Guarantors

[*name of bank or financial institution*]

[*address*]

[*date*]

8.4 **INSURANCE COMPANY AUTHORIZATION FORM**

To

WHEREAS.....
..... who are established and reputable underwriters of Medical
Insurance having offices at
..... do hereby
authorize [to submit a tender, and subsequently
negotiate and sign the Contract with you against tender No.
..... *for* the Medical Insurance Cover provided by us.

We hereby extend our full guarantee as per the General Conditions of
Contract for the services offered for supply by the above firm against this
Invitation for Tenders.

[signature for and on behalf of manufacturer]

Note: This letter of authority should be on the letterhead of the Insurance
Company and should be signed by a person competent.