

REQUEST FOR PROPOSALS

RFP No: KCIC/2024/171

Provision of Insurance Underwriting Services for KCIC

Client: Kenya Climate Innovation Center

Country: Kenya

Issued on: 11th April 2024

Terms of Reference

Provision of Insurance Services to KCIC – Underwriters Only

1. Introduction

The Kenya Climate Innovation Center (KCIC) is a social impact organization operating in the climate space, committed to supporting micro and small enterprises and driven by innovation. KCIC provides incubation, capacity building services and financing to Kenyan entrepreneurs and new ventures that are developing innovative solutions in renewable energy and energy efficiency, water management, agribusiness, waste management, and commercial forestry in a bid to address climate change challenges.

Currently, KCIC is executing various programs, including AgriBiz, a five-year initiative backed by the European Union (EU) and DANIDA, GreenBiz Program supported by DANIDA, Productive Use of Solar Energy (PUSE) supported by the Charles Stewart MOTT Foundation, and Sustainable Waste Innovation for a Future in Transition (SWIFT) program supported by the IKEA Foundation.

KCIC is currently operating from the following locations:

- a. Nairobi
- b. Kiambu
- c. Isiolo
- d. Meru
- e. Machakos
- f. Bungoma
- g. Uasin Gishu
- h. Kisii
- i. Kilifi

2. Objective

KCIC is seeking to procure Insurance Services for the following classes of Insurance:

- a.** Medical Insurance
- b.** Group Life
- c.** WIBA Plus (GPA)
- d.** Employers Liability

- e. Public Liability
- f. Directors Liability
- g. Motor Vehicle Insurance
- h. All Risks
- i. Fire and Perils
- j. Political Violence and Terrorism
- k. Electronic Equipment
- l. Burglary

NOTE: The bidders should submit a separate set of proposal/ bid for each class of Insurance.

3. Duration of Contract

The contract shall be for one year. Renewal for the second year shall be subject to satisfactory performance.

4. Specific Requirements

The specific requirements for the various classes of insurance are as follows:

A. Medical Insurance

KCIC currently has a staff complement of 68 full time employees. The medical cover is intended to cover staff for Inpatient, Outpatient, delivery, dental optical and any other medical attention a staff may require.

Below are the basic limits for the insurance cover that KCIC is looking for;

Sub Benefit Under Inpatient	Cover Limit – Managers Category A	Cover Limit – Technical and Administrative Staff Category B	Common Benefits Across categories
Inpatient cover	7,000,000	4,000,000	
Bed occupancy	Private wing/ Pavilion	Private room	
Post hospitalization			
Lodger fees			

(Age limit)			
Outpatient cover	230,000	230,000	
Dental cover	30,000 per person covered	30,000 per person covered	
Optical cover	30,000 per person covered	30,000 per person covered	
Annual Medical check ups	50,000 per family for principal and spouse only	40,000 per family for principal and spouse only	
Maternity Cover			<ul style="list-style-type: none"> • Emergency & Elective Caesarean • Normal Delivery
Maternity related Complications			
Congenital cover			
Vaccines			
Pre-existing Conditions			
Psychiatric Conditions			
Last expense			
Overseas treatment			
Emergency Road and Air Evacuation			
Day Surgeries and Procedures			
Covid – 19 Cover			
Excess Limit Pool Cover	Kshs.10 million		

NB: For all blank spaces the Insurance company is to propose the most value adding cover benefit and any other benefits they deem fit over and above what KCIC has.

Excess limit Cover - This is a pool fund of 10 million shillings and will only be utilized for inpatient in the event that a staff exceeds their inpatient cover during treatment. KCIC will authorize utilization of this fund.

Re-imburement - Out of panel providers

Reimbursement at 100% refund for Outpatient cases and 100% for Inpatient cases (subject to policy terms and customary rates).

Members to be covered

The population to be covered is as summarized below:

CATEGORY A				
FAMILY SIZE	NUMBER OF FAMILIES	TOTAL POPULATION	INPATIENT LIMIT	OUTPATIENT LIMIT
M+5	0	0	7,000,000.00	230,000.00
M+4	3	15	7,000,000.00	230,000.00
M+3	3	12	7,000,000.00	230,000.00
M+2	5	15	7,000,000.00	230,000.00
M+1	2	4	7,000,000.00	230,000.00
M+0	0	0	7,000,000.00	230,000.00
TOTAL	13	46		

CATEGORY B				
FAMILY SIZE	NUMBERS	TOTAL POPULATION	INPATIENT LIMIT	OUTPATIENT LIMIT
M+5	2	12	4,000,000.00	230,000.00
M+4	4	20	4,000,000.00	230,000.00
M+3	11	44	4,000,000.00	230,000.00
M+2	7	21	4,000,000.00	230,000.00
M+1	10	20	4,000,000.00	230,000.00
M+0	21	21	4,000,000.00	230,000.00
TOTAL	55	138		
GRAND TOTAL	68	184		

B. Group Life Cover

KCIC currently has a staff complement of 68 employees. The Group Life cover is intended to cover staff in case of death in service, permanent disability, Critical illness or temporary disability.

Below is the population data and annual cumulative salary of the staff members:

DESCRIPTION	No./ AMOUNT
Number of staffs	68
Cumulative annual salaries	Kshs.138,792,378
Occupation	Office staff and Drivers

Limits on Insurance

GROUP LIFE COVER	
Sub Benefit	Limit
Death benefit	While in service: 3 times annual pay
Permanent Total Disability	
Temporary Total Disability	
Critical illness	
Last respect benefit	
Free Cover Limit	

NB: For all blank spaces the Insurance is to propose the most value adding cover benefit.

C. WIBA PLUS (GPA)

The estimated number of staff for the organization is 68 employees. The cover is meant to provide Indemnity to the employer against legal liability under the Work Injuries Benefit Act (WIBA 2007) and group Personal Accident cover for death, bodily injury by accident or disease arising from and in the course of employment of an employee.

OCCUPATIONAL WIBA	LIMIT	NON-OCCUPATIONAL GPA	LIMIT
Death benefit	Up to 8 years earnings	Death benefit	Up to 5 years earnings
Permanent Total Disability	Up to 8 years earnings	Permanent Total Disability	Up to 5 years earnings
Temporary Total Disability		Temporary Total Disability	
Medical Expenses		Medical Expenses	
Funeral Expenses		Funeral expenses	
Accidental Injuries			

COMMON CLAUSES WIBA AND GPA			
Accumulation limit	<input type="checkbox"/>		<input type="checkbox"/>
Maximum amount compensation for an individual	<input type="checkbox"/>		<input type="checkbox"/>
Terrorism	<input type="checkbox"/>		<input type="checkbox"/>
Age-limit	<input type="checkbox"/>		<input type="checkbox"/>
Airfare for treatment	<input type="checkbox"/>		<input type="checkbox"/>
Cancellation notice	<input type="checkbox"/>		<input type="checkbox"/>
Disappearance clause	<input type="checkbox"/>		<input type="checkbox"/>
Hijack clause	<input type="checkbox"/>		<input type="checkbox"/>
Re-patriation Clause	<input type="checkbox"/>		<input type="checkbox"/>
Excess	<input type="checkbox"/>		<input type="checkbox"/>

The table below has a summarized representation of KCIC employees including the estimated salaries to guide in provision of the quotation for GPA/WIBA:

DESCRIPTION /DETAILS OF EMPLOYMENT	ESTIMATED NO. OF EMPLOYEES	ESTIMATED ANNUAL SALARIES & OTHER EMOLUMENTS
Management	13	67,772,442.00
Technical staff and Administrative Staff	55	71,091,936.00
Total	68	138,792,378.00

D. Employer's Liability

The details are as per WIBA above.

WORKMENS / EMPLOYERS LIABILITY	
Any one person	
Any one occurrence	
Any one year	
Excess clause	
Political risks	
Terrorism	

E. Public Liability

KCIC has an extensive interaction with different stakeholders in its daily activities and therefore the Public Liability cover will provide protection to the Organization against claims of personal injury or property damage that a third party suffers (or claims to have suffered) as a result of KCIC business activities.

PUBLIC LIABILITY	
General Liability	
a) General liability – any one claim/ event	20,000,000.00
b) General liability – any period of insurance	100,000,000.00
Food and Drinks	
a) Any one claim/ event	2,000,000.00
b) Any one period of insurance	5,000,000.00
CLAUSES	
Guest effects any one claim	50,000.00
Employee effects	50,000.00

F. Directors Liability

KCIC is a company limited by guarantee and has a board of director in place to help govern the organization. Currently KCIC has 9 members seating in its board that bring different experiences to aid in the strategic growth of the company. As part of their role, they are required to make decisions that are implemented in the organization hence KCIC is procuring for a directors' liability cover. The objective of the cover is to protect the directors for losses that may arise out of claims made against them for which they have not been indemnified by the corporation their serving. In addition, this policy protects the directors from personal losses if they are sued as a result of serving as a board member in KCIC. Thus, KCIC is procuring for a director Liability cover as per the table below:

DIRECTORS LIABILITY	
Directors' and officers' liability – Annual limit	20,000,000.00
Any one period	20,000,000.00

G. Motor Vehicle Insurance

The motor vehicle details are summarized in the table below: -

Motor Vehicle Make	Motor Vehicle Model	Registration	Year of Manufacture	Value of the Vehicle	Premiums per year
Toyota Prado	Prado	KDA 521B	2020	8,600,000	
Toyota Hilux	Double Cab	KDD 147J	2021	5,700,000	
Toyota Hilux	Double Cab	KDD 149J	2021	5,700,000	
Toyota Hilux	Double Cab	KDD 152J	2021	5,630,000	
Toyota Hiace	Van	KDA 081A	2019	3,580,000	

H. Asset Insurance

KCIC has assets with the following value for the classes of insurance indicated below:

	Class	Value/ Sum Insured	Remarks
1.	All Risks	4,299,101.47	Mobile phones to be covered worldwide. The rest of the items to be covered in Kenya only
2.	Electronic Equipment	3,781,974.00	Laptops and tablets to be covered worldwide. The rest of the items to be covered in Kenya only

3.	Fire and Perils	7,305,355.66	Include political violence and terrorism
4.	Political Violence and Terrorism	15,386,431.10	Various KCIC office locations
5.	Burglary	7,305,355.66	-
7.	Fixtures and Fittings	47,085,606.00	This covers fixtures and fittings in all KCIC offices.

NOTE: The detailed asset schedule will be provided to the winning bidder.

5. Qualifications of Insurance Firm

- Must have Company Registration
- Must have KRA Tax Clearance Certificate
- Must have Two years audited accounts
- Must have valid Business Permit
- Must have proof of professional indemnity insurance cover
- Must be registered with the Insurance Regulatory Authority (IRA) for the current year and a copy of the current practice license be submitted.;
- Must be a current member of the Association of Kenya Insurers (AKI);
- Must give a reference list of 5 (five) current reputable clients and submit reference letters of the same;

6. Technical Proposal

Interested firms should provide a technical proposal detailing the following:

A. Medical Insurance

- Brief background about the firm and relevant experiences;
- Detailed coverage on the insurance cover;
- Detailed indication of all Inclusions and exclusions
- Detailed explanations on treatment outside Kenya
- Attach panel of providers
- Schedule of activities to be undertaken including estimated timelines for each.
- Must attach original quotations from the proposed underwriters clearly stating the rates used to calculate the premiums for all policies.
- Demonstrate experience in Group Life insurance administration with a good standing in claim payments;
- Demonstration of Value adding services offered by the firm;
- Demonstrate the value-added benefits for KCIC staff;
- Demonstration of value for money on Insurance covers quoted;

Note: Details of the employees will only be shared with the winning bidder.

B. Group Life

- Brief back background about the firm and relevant experiences;
- Detailed coverage of the insurance cover;
- Detailed indication of all Inclusions and exclusions
- Schedule of activities to be undertaken including Claim procedures and documentation.
- Demonstrate experience in Group Life insurance administration with a good standing in claim payments;
- Demonstration of Value adding services offered by the company;
- Demonstrate the value-added benefits for KCIC staff;
- Demonstration of value for money on Insurance covers quoted;
- Must attach original quotations from the proposed underwriters clearly stating the rates used to calculate the premiums for all policies.

Note: Details of the employees will only be shared with the winning bidder.

C. WIBA Plus, Employer's Liability, Public Liability, Directors Liability

- Brief background about the firm and relevant experiences;
- Detailed coverage on the insurance cover;
- Detailed indication of all Inclusions and exclusions;
- Schedule of activities to be undertaken including claim procedures and documentation;
- Demonstrate experience in administration of the applicable classes of insurance with a good standing claim payment;
- Demonstration of value-added services offered by the firm;
- Value added benefits for KCIC staff;
- Demonstration of value for money on Insurance covers quoted;

NOTE: Details of the employees will only be shared with the winning bidder.

D. Motor Vehicle Insurance

- Brief back background about the firm and relevant experiences;
- Detailed coverage on the insurance cover;
- Detailed indication of all Inclusions and exclusions;
- Detailed explanations on cover outside Kenya;
- Schedule of activities to be undertaken including claim procedures and documentation;
- Demonstrate experience in Motor Vehicle insurance administration with a good standing claim payment;
- Demonstration of value-added services offered by the firm;
- Demonstration of value for money on Insurance covers quoted;

NOTE: Submit a separate proposal for each class of Insurance

7. Evaluation Criteria

ITEM	EVALUATION CRITERIA	WEIGHT
A.	PRELIMINARY REQUIREMENTS – MANDATORY DOCUMENTS	
	<ul style="list-style-type: none"> i) Certificate of Registration/Incorporation under the companies Act (CAP 486) ii) Copy of valid registration with the Association of Kenya Insurers (AKI) iii) Professional Indemnity Insurance Cover iv) Valid KRA Tax Compliance Certificate v) Audited Accounts for the last two years 	Any bidder who fails to submit any of these documents will be deemed non-responsive and will not proceed to the technical and financial evaluation.
B.	TECHNICAL EVALUTION CRITERIA	
	<ul style="list-style-type: none"> a) Specific experience of the bidder related to the assignment (Class of insurance) indicating the Clients served and Accounts Value for the contracts with evidence. Include a copy of valid Registration with the Insurance Regulatory Authority for the proposed underwriter per class – 20 Points b) Qualification of proposed staff including the CVs of the key personnel who will manage the scheme– 15 Points c) Suitability of the proposed scheme, including extensiveness of the cover, flexibility and convenience – 40 Points d) Case Management – 15 Points e) Claims turnaround Standard and time – 10 Points 	70
C.	FINANCIAL EVALUTION CRITERIA	
	Premium per class of Insurance	30
	GRAND TOTAL	100

8. Proposal submission details

The Technical and Financial proposal must be submitted as separate documents in English, in MS Word or PDF format. The Technical and Financial Proposals should be sent electronically to procurement@kenyacic.org, applicable premium in Kenya Shillings and VAT in Kenya. A financial proposal in excel format should be provided detailing the premium per insured and total proposed costs.

The subject should clearly read **“Proposal for KCIC for (class of insurance)”** and should reach the mentioned email by **Thursday 2nd May 2024 at 5.00pm local time**. The proposal must remain valid for 90 days after the submission date. KCIC will do its best to complete negotiations within this period.

If KCIC wishes to extend the validity period of the proposals, your organization shall be consulted to agree on the extension. All inquiries relating to the TOR shall be communicated in written form to; procurement@kenyacic.org