



Kenya Airports Authority

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KAA/OT/FIN/0042/2023-2024

29th September, 2023

To: BIDDERS,

**RE: PROVISION OF INSURANCE BROKERAGE SERVICES FOR
AIRPORT OPERATIONS LIABILITY POLICY FOR KENYA
AIRPORTS AUTHORITY**

KAA/OT/FIN/0042/2023-2024

CLARIFICATION NO. I.

The following responses emanated from a letter dated 25th September 2023 Ref: **KAA/OT/FIN/0042/2023-2024** in regard to the above procurement.

The Authority has reviewed the clarifications on the mandatory requirements **B6**(page 28/126), **M6** (page 30/126) and requirement **C** (page 31/126) and would like to respond as follows: -

- a) This tender is inviting sealed tenders from eligible and competent insurance brokers for the Provision of Insurance Brokerage Services for Airport Operations Liability Policy. This is a local tender and not international tender as alluded in your letter. This is in compliance with Articles 10, 27, 227 of the Constitution, and Section 155(3) of Public Procurement and Asset Disposal Act, 2015. The eligible Insurance Broker who will participate in the tender are Kenyan/ Local. We draw your attention to Broker Mandatory Criteria, B1, B2, B3, B12, B15, B16, B17 showing that the Insurance Brokers must be Kenyan, registered with relevant bodies and in compliance with applicable Kenyan law.

Further, the mandatory requirements of **Nominated Local Fronting Insurance Underwriter** specifically M1, M2, M3, M4, M5, M6, M7, M8, M9 demonstrates that this is a local tender.

- b) The procurement method used in tender **KAA/OT/FIN/0042/2023-2024** is open tender. This is the preferred method of procurement that promotes competition, fairness, equity, transparency amongst bidders and ensures that KAA gets value for money as provided for in Article 201 of the Constitution.

Section 80(3) of Public procurement and Asset Disposal act 2015, provides that the evaluation criteria shall be objective and quantifiable taking into consideration price,

quality, time and service for purpose of evaluation. Regulation 68(4) of Public Procurement Regulation 2020 provides that evaluation criteria to be applied shall be quantifiable, measurable and objective in line with the provisions of the Act.

The criteria and the requirements in the tender document are deemed necessary by KAA based on the international nature of the contingent liabilities, policy requirements, industry risks and complexity and previous claims. The criteria and requirements are meant to attract insurance brokers and underwriters with the required technical expertise and financial capacity to handle the liability in the tender and handling the resultant local and international claims. The evaluation criteria is not aimed at discriminating or locking out local bidders as alleged in your letter.

- c) The referenced criteria **B6 (page 28/126)**, **M6 (page 30/126)** and requirement **C (page 31/126)** were designed based on the KAA business requirements alongside risks and claims which could be pursued locally or internationally
- d) . These criteria requirements substantially have been part of the tender requirements for many years and therefore they cannot be lowered or “tailor made “to suit a specific local insurance broker or underwriter. It is open to bidders who meet the requirements for eligibility.

Therefore, this is the end of the Kenya Airports Authority’s response.

The closing/ opening date remains on **4th October, 2023 at 11:00 a.m.**

Kindly amend your tender accordingly and ensure the tender is valid for a period of **126 days** and your tender security is valid for a period of **156 days** from the closing/opening date of **4th October, 2023 at 11.00 a.m.**

This clarification forms part of the bidding document and is binding on all bidders. All other conditions remain the same.


Lilian Okidi

Ag. GM (PROCUREMENT AND LOGISTICS)
For: MANAGING DIRECTOR/CEO