KENYA RURAL ROADS AUTHORITY

TENDER NOTICE

ADDENDUM NO. 2

TENDER FOR PROVISION OF MOTOR VEHICLE INSURANCE

TENDER NO.: KeRRA/08/38/03/2025 - 2026

Reference is made to the Tender Notice that appeared in the MyGov Edition Star Newspaper dated 8th June 2026, the Long Advert dated 8th June, 2026 and Addendum No. 1 dated 8th July, 2026.

a. Interested Bidders are requested to note the following clarifications and amendments;

Item No.	Clarification Sought	Response
1	**We seek clarification regarding the eligibility requirements.** Specifically, we would like to know whether the tender is open to insurance brokers as well, or if participation is restricted to insurance underwriters only. We noted that the tender document refers to the "Mandatory Requirements for Underwriters," and we would be grateful if you could confirm whether this indicates that only underwriters are eligible to bid.	The Tender is open to both Insurance Underwriters and Insurance Brokers. Based on the above, Stage 1 on Mandatory Evaluation Requirements is amended to include an Additional Table on Stage 1 on Mandatory Evaluation requirements for Insurance Brokers. Stage 1 on Mandatory Evaluation shall have two tables detailed as follows; a) Mandatory Requirements for Under writers (Already provided in the Tender Document), b) Mandatory Requirements for MIP Brokers (Attached herein as ***Annex I***).
2	**Stage 2: Technical Evaluation** Do the requirements under this stage apply to Insurance Brokers.	Stage 1 on Mandatory Evaluation is as detailed under item No. 1 above. Bidders who qualify for the next stage of evaluation (Insurance Underwriters and Insurance Brokers) shall be examined using the Stage 2 Technical Evaluation. It applies to both.
3	**Stage 1: Mandatory Evaluation Requirements for Under Writers, Item No. 12:** Kindly advice if the Tender Security amount is KShs. 200,000 as indicated under the Data Sheet ITT 20.1 or as indicated in Stage 1	The correct tender security amount is **KShs. 200,000** as given under Page 5 of the Tender Document and ITT 20.1. Based on the above, **Item No. 12** of Stage 1 Mandatory Evaluation Requirements for Under Writers on Tender Security **is hereby amended to read as follows;**

Item No.	Clarification Sought	Response
	Mandatory evaluation requirements for underwriters item No. 12.	" *Must Provide a Tender Security of KShs. 200,000.00 in the required format. The tender guarantee (security) will remain in force up to and including Two hundred and Ten (210) days after the date of bid submission and including Thirty (30) days beyond the tender validity period of the Tender Sub-Clause 20.1 of Instructions to Bidder.* *a) A bank guarantee;* *b) A guarantee by an insurance company registered and licensed by the insurance regulatory authority listed by the authority; or* c) *A guarantee issued by a financial institution approved and licensed by the central bank of Kenya, from a reputable source, and an eligible country."*
4	**Stage 1: Mandatory Evaluation Requirements for Under Writers, Item No. 5.** Kindly clarify on the requirement stating that bidders Must provide Certificate from Commissioner of Insurance for current year (2026) as a Motor-Vehicle Insurance provider (attach copy of license).	**Delete Item No. 5** on Stage 1 Mandatory Evaluation Requirements for Underwriters as below; "~~*Must provide Certificate from Commissioner of Insurance for current year (2026) as a Motor-Vehicle Insurance provider (attach copy of license)"*~~
5	**Stage 1: Mandatory Evaluation Requirements for Under Writers, Item No. 32.** The tender requires bidders to provide proof of valuation of the respective motor vehicles under consideration. We respectfully request that this requirement be removed, as undertaking vehicle valuations is a costly exercise that is ordinarily carried out by the successful insurance company upon award of the tender	**Delete Item No. 32** on Stage 1 Mandatory Evaluation Requirements for Underwriters as below; ~~"Provide proof of Valuation of the respective Motor Vehicles under consideration for insurance, from the respective regional offices."~~
6	Kindly provide the Special Conditions of Contract	The Special Conditions of Contract (SCC) are provided herein as ***Annex II***.
7	**ITT 23.1: Tender Submission date** Request for Extension of Submission date to accommodate the clarification responses	The submission date is hereby revised from 16th July 2026 to on or before **20th July 2026 at 11:00AM**. Bids not received at the submission venue by the closing date and time will not be accepted for opening and will be rejected and returned unopened.

b. Clarifications and amendments made through this Addendum take precedence.

c. Bulky tenders which do not fit in the Tender Box shall be delivered to the Supply Chain Management Office located on the 3rd Floor, South Wing, Barabara Plaza, Block B.
d. Interested Bidders are required to continually check the Authority's website: www.kerra.go.ke for any tender addendums or clarifications that may arise before submission date.
e. All other information pertaining to the tender remains the same.
f. Bidders with enquiries are encouraged to do so vide the email addresses given below;

The Director General,
Kenya Rural Roads Authority,
Barabara Plaza Block B, Mazao Road, Opposite KCAA building,
P. O. Box 48151 – 00100, NAIROBI, KENYA
Email Adresses : procurementhq@kerra.go.ke, dg@kerra.go.ke
Tel: +254 (020) 780600/01-05, Mobile: 0711851103

Deputy Director (Supply Chain Management)
For: DIRECTOR GENERAL

ANNEX 1

Stage 1: Mandatory Evaluation

B) MANDATORY REQUIREMENTS FOR MIP-BROKERS

No	Requirement	Yes /No
1)	Must provide a copy of certified Certificate of Incorporation/Registration	
2)	Must provide Valid Tax Compliance Certificate	
3)	Provide a letter of appointment from the under writer and provide documents of the underwriter for preliminary and technical evaluation.	
4)	Must provide a **CURRENT** and **VALID** Certificate of registration from IRA as a *Broker for Motor-Vehicle Insurance Provider (*Attach a Copy).	
5)	Must have a License of Registration from Insurance regulatory Authority and proof of conducting Motor-Vehicle Business for the last 5 years as per IRA	
7)	Must Provide a valid and current membership certificate from the Insurance Brokers Association of Kenya (AIBK) membership certificate.	
8)	Must provide Certified Current CR12 Certificate from the Registrar of Companies (dated within 6 Months before date of opening). This should be provided with Identification Documents of Directors and all individuals listed on the CR12. (ID or Passport). For Corporate Directors, CR12 or List equivalent for the corporate directors, Identification Documents for the corporate Director and its directors MUST be provided.	
9)	Must provide valid and current business license from county where business is located.	
10)	Must attach a dully signed confidential business questionnaire in the format provided	
11)	Submit a written power of attorney authorizing the signatory of the bid to commit the Bidder Duly Commissioned by a Commissioner for Oaths.	
12)	Must attach a duly signed and filled form of tender in the prescribed format and instructions in the tender document	
13)	Must Provide a Tender Security of Kshs. 200,000.00 in the required format. The tender guarantee (security) will remain in force up to and including Two hundred and Ten (210) days after the date of bid submission and including Thirty (30) days beyond the tender validity period of the Tender Sub-Clause 20.1 of Instructions to Bidder. d) A bank guarantee; e) A guarantee by an insurance company registered and licensed by the insurance regulatory authority listed by the authority; or f) A guarantee issued by a financial institution approved and licensed by the central bank of Kenya, from a reputable source, and an eligible country.	
14)	Must provide Audited financial statements for the last three years (2023, 2024, 2025)	
15)	Must attach duly filled and signed self-declaration form as provided in the tender documents	
16)	Must provide evidence of company existence by incorporation for the last 5 years From the Date of Tender Opening (attach certificate of change of name where applicable)	
17)	Provide evidence of doing Motor-Vehicle Insurance for the last 5 years (Provide IRA Licenses for Motor-Vehicle Class)	
18)	List of (3) Current Corporate Clients, each with a minimum annual motor vehicle premium of KShs. 20 million in the last three years (2022,2023 and 2024/5). Attach	

No	Requirement	Yes /No
	proof (Copy of signed contract between the client and service provider and any contract extensions thereof. (KeRRA reserves the right to confirm directly with these firms)	
19)	Attach a Letter of recommendation from each of the five (5) Clients for each attached contract in (a) above. (KeRRA reserves the right to confirm directly with these firms)	
20)	Original and copy of Bid documents must be duly serialized sequentially and stamped from page one up to the last including attachments/appendices and the document should be book bound.	
21)	Must submit a duly filled and commitment to code of ethics	
22)	Must submit duly filled certificate of independent tender determination	
23)	Must attach approval from the insurance regulatory authority confirming Motor-Vehicle re-insurance arrangement for the year 2026 and a Motor-Vehicle treaty	
24)	Provide sample policy document which contains details, including exclusions and limitations (The exclusions provided in the cover will be evaluated, The fewer the exclusions, the higher the score). If the list or the confirmation is missing then the bidder will be considered as having been nonresponsive to this requirement and therefore disqualified.	
25)	Provide letter of Credit of kshs 30 million that is unattached or equivalent bank credit balance (within 30 days of tender submission) through a bank statement for 6 months.	
26)	Provide a country wide list of approved Per Garage indicating services to be Provided. - (Business License from the respective County Government)	
27)	Must have paid up capital of at least Kshs 1 million and above	
29)	Provide confirmation of good claim settlement record for Motor-Vehicle for at least Five (5 No.) Reputable Corporate Clients. (the confirmation should be certified and issued two months before the date of tender opening).	
30)	Provide Written statement confirming that cover will allow reimbursement for areas not covered by provided network, where the garage is not in your panel.	
31)	Provide an express statement to allow empaneling of additional garages at the request of the client.	
32)	Provide a Written statement confirming client pre-approval of garage before repairs are undertaken.	
34)	KeRRA may acquire additional motor vehicles during the contract period; provide a proposal to illustrate their inclusion in the insurance cover based on a percentage depending on the class of the specific vehicle.	
35)	Disclose the percentage and minimum/Maximum amount charged on all classes of motor vehicles. In cases where the employer is to blame, the percentage should not exceed 5%.	
36)	Provide litigation history in the form of a sworn affidavit duly commissioned.	
37)	Must provide required documents for the proposed underwriter as detailed under Stage 1 mandatory evaluation requirements for underwriters. This will be provided with a consent letter from the proposed underwriter.	
37)	The bidder's proposed underwriter shall be evaluated as per the requirements of the under writer as given under Stage 1 mandatory evaluation requirements for underwriters	
8)	The Brokers	

ANNEX 2

SECTION VII - SPECIAL CONDITIONS OF CONTRACT

Number of GC Clause	Amendments of, and supplements to, clauses in General Conditions of Contract
1.1	**The parties to the contract are:** The Procurement Entity is…*Kenya Rural Roads Authority*……………….………………….……… The Insurance Provider is…*To be inputted during Contract preparation stage*….…………………… The contract name is… *Provision of Motor Vehicle Insurance Services*…………..………………..
1.4	For **notices**, the Procurement Entity's address shall be: Attention……………..*[Director General]* Postal address……………………(*P.O. Box 48151 – 00100, Nairobi.*) Physical address….*(Barabara Plaza, Block B, Mazao Road, Off Airport South Road, JKIA)* Telephone:....................................*[020-780600/01-05, 0711-851103]* Electronic mail address; ....*[dg@kerra.go.ke]*
1.6	The Authorized Representatives are: For the Procuring Entity…………………*[Director – Corporate Services, P.O. Box 48151 – 00100, Nairobi, Email – dcs@kerra.go.ke, , Telephone Number – 020-780600/01-05, 0711-851103]* For the Insurance Provider…*to be inputted during contract preparation stage*………………………. [*Name, Postal Address, Email, Telephone Number*]
2.1	The date on which this Contract shall come into effect is-*to be communicated*
2.2	The Commencement date and duration of the insurance cover shall be: Commencement date…… *to be inputted during contract preparation stage* …………………….. Completion or Expiry date…… *to be inputted during contract preparation stage* …………………. Duration of the coverage…*Twenty Four (24) Months with a provision for extension for further Twelve (12) Months subject to satisfactory performance*…………
3.2.3	After termination of this Contract, the activities are: ……………………………………………………………………………………………. …………………………………………………………………………………………….
3.6.1	The liquidated damages per day is……*0.01% of Contract Price* ………………………………….. The day by when the compensation costs should be made is……*10 days*……….. The total amount of liquidated damages shall not exceed………*5% of the final contract price*…….
6.2-6.4	Contract price is …………………………………………………………………………… ………… *to be inputted during contract preparation stage* ……………………………………… ……………………………………………………………………………………………. The price shall be made in one lumpsum on contract signature ~~or the price shall be made on monthly installments of~~ *on a yearly premium basis*
6.4	Interest shall be paid to the Insurance Provider for each day delayed payment at the rate of ………*0.5*………% per month *above the prevailing CBK lending rates*.

8.4.1	The rules of procedure for arbitration proceedings ***with a foreign Insurance Provider*** shall be as follows: *[For contracts entered into with foreign sellers, International commercial arbitration may have practical advantages over other dispute settlement methods}.* ***(i) I/the Procuring Entity chooses the UNCITRAL Arbitration Rules, the following sample*** ***clause should be inserted:*** ***Any dispute, controversy or claim arising out of or relating to this Contract, or breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force.*** ***(ii) If the Procuring Entity chooses the Rules of ICC, the following sample clause should be inserted:*** ***All disputes arising in connection with the present Contract shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with said Rules.*** ***(iii) I/the Procuring Entity chooses the Rules of Arbitration Institute of Stockholm Chamber of Commerce, the following sample clause should be inserted:*** ***Any dispute, controversy or claim arising out of or in connection with this Contract, or the breach termination or invalidity thereof, shall be settled by arbitration in accordance with the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce.*** ***(iv) If the Procuring Entity chooses the Rules of the London Court of International Arbitration, the following clause should be inserted:*** ***Any dispute arising out of or in connection with this Contract, including any question regarding its existence, validity or termination shall be referred to and finally resolved by arbitration under the Rules of the London Court of International Arbitration, which rules are deemed to be incorporatedby reference to this clause.***