

# REQUEST FOR INFORMATION: REINSURANCE BROKER SERVICES

Terms of Reference

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**REQUEST FOR INFORMATION (RFI)**

**RFI: ECIC08I-2021/22**

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**PROVISION OF REINSURANCE BROKER SERVICES**

**CLOSING DATE: 18 November 2021**

**TIME: 15H00 (SAST, OBTAINABLE BY DIALING TELKOM ON 1026)**

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YOUR EXPORT **RISK** PARTNER

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### A. INTRODUCTION

#### 1. Introduction

- 1.1 The Export Credit Insurance Corporation of South Africa (SOC) Limited (ECIC or Corporation)<sup>1</sup> is a self-sustained state-owned entity listed under Schedule 3B of the Public Finance Management Act 1 of 1999 (as amended) and established in terms of the Export Credit and Foreign Investments Insurance Act 78 of 1957 (as amended).
- 1.2 The mandate of ECIC is to facilitate and encourage South African export trade, by underwriting export credit loans and investments outside the country, to enable South African contractors to win capital goods and services contracts in countries outside South Africa. ECIC is a registered Financial Service Provider and is regulated by the Financial Sector Conduct Authority and Prudential Authority (FSP No: 30656). Currently exempted in terms of FAIS Notice 78 of 2019.
- 1.3 ECIC operates from offices at Block C7 Eco Origins Office Park, 349 Witch Hazel Avenue, Highveld Ext 79, Centurion, 0157, South Africa.

#### 2. Purpose

- 2.1 ECIC requires information from providers offering reinsurance broker services. This information will provide ECIC with market research, including key characteristics that can be considered in identifying appropriate actuarial consulting firms
- 2.2 The purpose of this Request for Information is an information gathering and market-testing exercise, intended only to inform and assist the ECIC for further deliberation, budgeting and development of an optimal procurement strategy.
- 2.3 Potential suppliers who do not respond to this RFI **will not** be precluded from bidding in future open bid(s) issued by ECIC. Information provided in this RFI is for industry research only and will not be used to any respondent's advantage or disadvantage in future open tenders.

#### 3. Enquiries

- 3.1 All enquiries regarding this RFI must be sent in writing to the Head of Procurement on/or before **12 November 2021** to the following email address:  
[procurement@ecic.co.za](mailto:procurement@ecic.co.za)
- 3.2 All questions must reference specific paragraph numbers, where applicable.

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<sup>1</sup> Further information on the ECIC can be found at [www.ecic.co.za](http://www.ecic.co.za)

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3.3 ECIC will not entertain any enquiries regarding this bid sent to any other email address or received through any other means, except as instructed in paragraph 3.1.

3.4 All enquiries received by ECIC will consolidated and responded in one response, which will be published on the website of ECIC ([www.ecic.co.za](http://www.ecic.co.za)), next to the respective bid within three working days from the last day of enquiries.

### 4. Submission of the proposals

4.1 Responses must be clearly marked for ease of reference.

4.2 All responses must be submitted on PDF format on/or before the closing date and time to the following email address:

[procurement@ecic.co.za](mailto:procurement@ecic.co.za)

### 5. Right of cancellation

5.1 ECIC reserves the right to discontinue the tender procedure at any stage and not continue with a Request for Proposal (RFP), Request for Bid (RFB) or Request for Quotation (RFQ). Responding to this RFI does not mean that the vendor will be requested to submit a formal RFP or RFB or RFQ.

### 6. Confidentiality

6.1 Any information relating to the submissions, through the process or otherwise shall be treated in strict confidence. In submitting a response, the responder agrees that it shall not be entitled to any information disclosed by another respondent to ECIC, which ECIC has determined to be of a confidential nature. The content and details of the evaluation of submissions will remain confidential to ECIC.

### 7. Protection of personal information

7.1 ECIC recognises that when the Bidder submit its proposal in response to this Request for Quotations, it will provide personal information, which ECIC will process for the sole purpose of evaluating the Bidder's proposal. By submitting its proposal in responding to this Request for Quotations, the Bidder hereby provide its consent to the processing of its Personal Information by ECIC.

7.2 The following terms shall have the meaning ascribed to them:

7.2.1 **"Personal Information"** shall bear the same meaning as ascribed to it under POPI;

7.2.2 **"POPI"** means Protection of Personal Information Act, No. 4 of 2013;

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- 7.2.3 “**Responsible Party**” shall bear the same meaning as ascribed to it under POPI; and
- 7.2.4 “**bid**” means this Request for Quotations.
- 7.3 ECIC as the Responsible Party undertakes to:
  - 7.3.1 comply with the provisions of POPI as well as all applicable legislation as amended or substituted from time to time;
  - 7.3.2 treat all Personal Information strictly as defined within the parameters of POPI;
  - 7.3.3 process Personal Information only in accordance with the consent it was obtained for, for the purpose agreed, as permitted by law;
  - 7.3.4 secure the integrity and confidentiality of any Personal Information in its possession or under its control by taking appropriate, reasonable technical and organisational measures to prevent loss, damage, unauthorised destruction, access, use, disclosure or any other unlawful processing of Personal Information;
  - 7.3.5 not transfer any Personal Information to any third party in a foreign country unless such transfer complies with the relevant provisions of POPI regarding transborder information flows; and
  - 7.3.6 not retain any Personal Information for longer than is necessary for achieving the purpose in terms of bid or in fulfilment of any other lawful requirement.
- 7.4 ECIC will ensure that all reasonable measures are taken to:
  - 7.4.1 identify reasonably foreseeable internal and external risks to the Personal Information in its possession or under its control;
  - 7.4.2 establish and maintain appropriate security safeguards against the identified risks;
  - 7.4.3 regularly verify that the security safeguards are effectively implemented;
  - 7.4.4 ensure that the security safeguards are continually updated in response to new risks or deficiencies in previously implemented safeguards;
  - 7.4.5 provide immediate notification to the Bidder if a breach in information security or any other applicable security safeguard occurs; provide immediate notification to the Bidder where there are reasonable grounds to believe that the Personal Information has been accessed or acquired by any unauthorised person;

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- 7.4.6 remedy any breach of a security safeguard in the shortest reasonable time and provide the Bidder with the details of the breach and, if applicable, the reasonable measures implemented to address the security safeguard breach;
  - 7.4.7 provide immediate notification to the Bidder where the Bidder has, or reasonably suspects that, Personal Information has been processed outside of the purpose agreed to or consented to;
  - 7.4.8 provide the Bidder, upon request, with all information of any nature whatsoever relating to the processing of the Personal Information for the purpose of the bid and any applicable law; and
  - 7.4.9 notify the Bidder, if lawful, of receipt of any request for access to Personal Information, in its possession and relating to the Bidder.
- 7.5 The Bidder has the right to inspect the Personal Information processing operations, as well as the technical and organisational information security measures employed by the ECIC to ensure compliance with the provisions of this paragraph 7.

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### **B. BID RULES**

#### **8. Completeness**

8.1 Bidders must check number of pages submitted and ensure that there are no missing pages or information. ECIC shall not accept any liability for any missing pages or information.

#### **9. Costs**

9.1 ECIC shall in no manner be responsible for any costs incurred by the bidder in preparation and submission of response in relation to this bid.

#### **10. Ownership of Proposals**

10.1 All proposals in response to this bid, whether successful or unsuccessful, will become the property of ECIC.

#### **11. Change in Scope**

11.1 ECIC reserves the right to change the scope and extent of supply of the goods and/or services requested in this bid and invite the re-submission of such tender on or before the closing date, without necessitating a new tender.

#### **12. Form of tender**

12.1 Tender documents must be completed by the tenderer in non-erasable, legible and <sup>2</sup>visible ink.

12.2 Where the space provided in the bid document is insufficient, separate schedules may be drawn up in accordance with the prescribed formats. These schedules must be bound with a suitable contents page and submitted with the tender documents.

#### **13. Signing of tender**

13.1 The tender must be signed by a person who is duly authorised to do so.

#### **14. Jurisdiction**

14.1 This bid and subsequent contract or order is governed by the laws of the Republic of South Africa.

#### **15. Language**

15.1 The tender documents are drafted in English and any contract, which originates from the acceptance of the tender, will be interpreted and construed in English.

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<sup>2</sup> Visible to human eye.

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15.2 All proposals must be submitted in English language.

### **16. Gender**

16.1 Any word implying any gender shall be interpreted to imply all other genders.

### **17. Headings**

17.1 Headings are incorporated into this proposal and submitted in response thereto, for ease of reference only and shall not form part thereof for any purpose of interpretation or for any other purpose.

### **18. Confidentiality**

18.1 Any information relating to the submissions, through the process or otherwise shall be treated in strict confidence. In submitting a response, a Service provider agrees that it shall not be entitled to any information disclosed by another respondent to ECIC, which ECIC has determined to be of a confidential nature. The content and details of the evaluation of submissions will remain confidential to ECIC.

### **19. Other matters**

19.1 If the ECIC does not accept any proposal, it will declare this bid process closed and may then elect to:

19.1.1 Proceed on a completely different basis; and/or

19.1.2 Not to appoint any respondent (in the event it deems all or any of the proposals not appropriate).

19.1.3 The ECIC reserves the right to engage in any processes required to validate all claims made in the proposal.

### **20. Disclaimer**

20.1 The ECIC has produced this bid in good faith. However, the ECIC, its agents and its employees and associates, do not warrant its accuracy or completeness. The ECIC will not be liable for any claim whatsoever and howsoever arising (including, without limitation, any claim in contract, negligence or otherwise) for any incorrect or misleading information contained in this bid due to any misinterpretation of this bid

20.2 This bid is a Request for Information only and not an offer document; answers to it must not be construed as acceptance of an offer or imply the existence of a contract between the ECIC and the bidder.

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### **C. Request for Information**

#### **21. Background information**

- 21.1 Reinsurance, as a risk management tool is widely applied in the insurance industry, both in the private insurance market as well as government owned export credit agencies around the world.
- 21.2 ECIC utilises reinsurance on new projects to enable it to underwrite deals that would otherwise have resulted in a breach of minimum regulatory capital requirements or risk appetite metrics. In doing so, ECIC will be able to support more exports from South Africa with less than pro-rata impact on government's contingent liability.

#### **22. Statement of need**

- 22.1 ECIC requires information on availability of the service and the costs to provide required service, that must meet the following:
  - 22.1.1 Assist in structuring reinsurance and give recommendations as to appropriate structure including the scope of cover.
  - 22.1.2 Analyse the reinsurance market and give recommendations regarding the opportunities for reinsurance.
  - 22.1.3 Approach the markets, negotiate rates, terms and conditions and place risks between the respective reinsurer(s) and ECIC.
  - 22.1.4 Administer the selection or replacement of reinsurance counterparties.
  - 22.1.5 Drafting, advising on and issuing all necessary reinsurance contractual documentation.
  - 22.1.6 Verify that issued reinsurance agreements, including any amendments thereto are in accordance with the agreed reinsurance cover.
  - 22.1.7 Assist ECIC in premium, loss, and recovery calculations, and facilitate the timely payment of all such amounts, prepare bordereaux.
  - 22.1.8 Act as intermediary between ECIC and the reinsurer(s) and provide active assistance to ECIC under the reinsurance agreements.
  - 22.1.9 Assist in the arrangements of meetings between the reinsurer(s) and ECIC.

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- 22.1.10 Continuously monitoring the financial viability and credit standing of reinsurance counterparties. Inform ECIC of any changes in this regard and advise on the appropriate action.
- 22.1.11 Perform all such other tasks agreed under the reinsurance broker agreement as required by ECIC.
- 22.1.12 Promote ECIC's presence in the reinsurance market.

### **23. Pricing**

- 23.1 Respondents must indicate how they will be remunerated in percentage terms and what portion will be passed back to ECIC.