Q AND A PACK

RAF/2026/00061: APPOINTMENT OF AN ACTUARIAL SERVICE PROVIDER TO CONDUCT INDEPENDENT QUALITY ASSURANCE REVIEW OF ACTUARIAL METHODOLOGY AND MODELS FOR A PERIOD OF THREE (3) YEARS.

EMPLOYER:	The Road Accident Fund ("RAF")
RFP NUMBER:	RAF/2026/00061
DESCRIPTION:	Appointment Of an actuarial service provider to conduct independent quality assurance review of actuarial methodology and models for a period of three (3) years.
DATE OF BID PUBLICATION:	11 September 2026
BID VALIDITY PERIOD:	90 days
BID CLOSING DATE:	14 October 2026
BID CLOSING TIME:	11:00 am Telkom Time
TENDERS MUST BE HAND DELIVERED OR COURIERED TO:	The Road Accident Fund (RAF) 420 Witch Hazel Avenue Eco Glades 2 Office Park, Block F (at reception) Attention: RAF's Representative mentioned below
RAF'S REPRESENTATIVE	Ilish Seema: e-mail ilishs@raf.co.za.

No.	RFP Page No.	Clarification Query	RAF Response
1.	NA	**1. Can a bidder bid for two/three categories, or only one category or all categories?**	Yes. Bidders may bid for one, multiple, or all categories. The specification states that bidders are required to indicate the category for which they are bidding and submit a separate bid for each category, including all required supporting documentation for that category. In addition, under the Functionality Evaluation (Phase 3) section, the specification expressly states that bidders may bid for one or more categories, and that each bid will be evaluated separately. The specification further notes that RAF reserves the right to appoint a bidder for more than one category. **Reference:** Bidders are Required to Bid for One or All of the Following Categories; Functionality Evaluation (Phase 3); Pricing Schedule.
2.		**2. How many claims will be independently re-quantified per annual cycle for LOE and LOS separately?**	The specification does not prescribe a fixed number of Loss of Earnings (LOE) or Loss of Support (LOS) claims to be independently re-quantified. The annual review cycle commences with a kick-off phase, during which the parties will agree on the scope, data requirements, and data cut applicable to the review. Accordingly, the final number of LOE and LOS claims to be independently reviewed and quantified will be agreed during the kick-off phase and documented as part of the

			Kick-off Meeting Outcomes Report. At this stage, no predetermined volume is specified in the bid documentation. **Reference:** Reporting – Kick-off Meeting Outcomes Report.
3		**3. At what point is RAF's calculated quantum for each claim released to the service provider? Will this amount stay consistent for Years 2 and 3?**	The specification requires the service provider to initially apply a blind parallel modelling approach whereby RAF provides the required data but not the underlying models, in order to maintain independence of the review. The specification further requires a comparative analysis between the independently developed model outputs and RAF's model outputs This indicates that RAF model outputs and related results will become available after the independent modelling exercise has been completed to facilitate comparison and variance analysis. However, the exact timing of the release of RAF's calculated quantum is not specified in the bid documentation. With respect to Years 2 and 3, the specification only states that the same set of annual deliverables will be repeated during each annual cycle of the contract term. No commitment is made that RAF's calculated quantum or claim outcomes will remain unchanged across years. **Reference:** Scope of Requirements; Blind Parallel Modelling Reports; Subsequent Annual Cycle.
4		**4. What is the intended use of and reliance on the LOE and LOS quality assurance outputs?**	The purpose of the quality assurance review is to provide assurance that actuarial models are robust, efficient, aligned to industry best practice, and capable of producing credible and defensible results.

			The review is also intended to validate methodologies, assumptions and model outputs, identify areas for improvement, and provide recommendations to strengthen actuarial governance, automation and efficiency. The resulting QA reports are intended to support RAF governance structures and provide assurance to stakeholders. The service provider will be required to present the independent QA reports to the RAF Executive Committee, Audit & Risk Committee, and Board regarding the soundness and robustness of RAF's actuarial methodologies and models. **Reference:** Background of the Bid; Scope of Requirements.
5		**5. What software is currently being used for the respective models?**	The actuarial methodologies and models currently utilise a combination of Microsoft Excel, Power Apps, Power Automate, VBA and Python, depending on the specific business process and model requirements. The review is not limited to actuarial calculations alone. The specification requires the service provider to assess model efficiency, automation maturity, controls, reporting performance, documentation and audit trail. The specification also requires recommendations for enhancement, including automation and AI-enabled tools, and allows recommendations regarding suitable technology stacks and tools for RAF's consideration. Accordingly, the current technology environment includes Excel, Power Apps, Power Automate, VBA and Python, and bidders may provide recommendations

			regarding alternative or complementary technologies where appropriate. **Reference:** Scope of Requirements.
6		**6. Does the review cover only the calculation engine, or also the upstream assumption-setting basis?**	The review covers both the actuarial models and the underlying assumption-setting framework. The specification requires the service provider to validate methodologies, assumptions and model outputs. It further requires a gap analysis covering methodologies, key assumptions, data inputs, model governance and controls, documentation and reporting outputs. In addition, the Quality Assurance Reports must include validation of key assumptions, data inputs, processes and outputs. Accordingly, the review extends beyond the calculation engine and includes the assumptions underpinning the models and methodologies. **Reference:** Background of the Bid Scope of Requirements; Quality Assurance Reports.
7		**7. For the Outstanding Claims Liability components, can RAF share more information about the reserving methodology and reserve granularity?**	The specification confirms that the Outstanding Claims Liability Valuation Methodology and Model forms part of the scope of the review. The specification also notes that the number of records used for modelling exceeds five million rows for Outstanding Claims Liability Valuations. However, the specification does not describe the current reserving methodology, reserving process, segmentation approach, or the level of reserve granularity. These details will not be provided at this stage.

			Reference: Scope of Requirements; Pricing Schedule.
8		**8. Will additional information about the models, assumptions, data structures and supporting documentation be provided during the project?**	Yes. The specification provides for a structured kick-off phase during which scope, methodology, data requirements, agreed data cut, governance arrangements, reporting requirements, roles and responsibilities, risks and dependencies will be agreed and documented. In terms of the blind parallel modelling approach, RAF will initially provide the required data while withholding the models to ensure an independent review. Thereafter, comparative analysis between RAF outputs and independently developed outputs will be performed. Accordingly, relevant information required to execute the review will be shared during project initiation and the subsequent project phases, subject to the agreed project approach and governance procedures. **Reference:** Scope of Requirements; Kick-off Meeting Outcomes Report; Blind Parallel Modelling Reports.
9		**9. Please could you provide further clarification on the blind parallel modelling requirement and specifically whether any guidance will be provided around existing methodologies or whether it is entirely at the discretion of the bidder, if not provided will they be provided from the subsequent cycles?**	The specification requires the service provider to initially apply a blind parallel modelling approach whereby RAF will provide the required data, but not the models, to ensure independence of the review. The specification further requires a comparative analysis of independently developed model outputs against RAF model outputs. Accordingly, bidders are expected to develop and apply their own independent methodologies, assumptions and approaches to validate RAF's methodologies, assumptions and outputs. RAF's existing methodologies and model outputs will be made available at the

			comparison stage of the review to facilitate variance analysis and validation. The same approach will apply during subsequent annual review cycles. **Reference:** Scope of Requirements – Blind Parallel Modelling Approach Blind Parallel Modelling Reports
10		**10. Will pricing be evaluated separately for each category, hence should bidders complete only the pricing schedules applicable to the categories for which they are submitting bids?**	Yes. Each category bid will be evaluated separately. The specification states that bidders may bid for one or more categories and that each bid will be evaluated separately. Bidders are therefore required to indicate the category for which they are bidding and submit a separate bid for each category, including the applicable pricing schedule and supporting documentation relevant to that category. **Reference:** Bidders are Required to Bid for One or All of the Following Categories Functionality Evaluation (Phase 3)
11		**11. May a single client reference be used to demonstrate experience across multiple categories, provided that the relevant scope areas are explicitly covered in the reference?**	Yes. A single client reference letter may be used across multiple categories, provided that the reference clearly demonstrates the bidder's experience relevant to each category being claimed and contains sufficient detail to enable RAF to assess compliance with both the mandatory and functionality requirements. RAF will assess the substance and relevance of the experience evidenced in the reference letter against the requirements of the applicable category. **Reference:** Section 8.1.3 – Mandatory Requirements: Company Experience Section 8.2.1 – Functionality Evaluation: Company Experience

12		**12. For the Outstanding Claims Liability review, please could you provide an indication of the length of historical data period that will be supplied?**	The specification does not prescribe a fixed historical data period for the Outstanding Claims Liability review. The Outstanding Claims Liability dataset comprises **more than five million records**, as indicated in the Pricing Schedule. The required data, including the historical period, data fields, data requirements and agreed data cut, will be agreed during the kick-off phase and documented in the Kick-off Meeting Outcomes Report. RAF will provide the data required to perform the independent review and blind parallel modelling exercise. The underlying data is maintained within a **SQL database environment** and will be provided in an agreed format suitable for the review. **Reference:** Kick-off Meeting Outcomes Report – Data Requirements and Agreed Data Cut, Scope of Requirements – Blind Parallel Modelling Approach; Pricing Schedule Note: "More than 5 million records for Outstanding Claims Liability Valuations".