BID NUMBER	ECIC09P-2024/25
NAME OF BID	PANEL OF SHORT-TERM INSURANCE BROKERAGE SERVICES (SHORT-TERM INSURANCE COMMERCIAL LINES FOR A PERIOD OF THREE YEARS
QUESTIONS AND ANSWERS	

The following questions were received by the Export Credit Insurance Corporation of South Africa (SOC) Limited (ECIC) on the abovementioned bid, and are hereby responded to as follows:

<table>
<tr><th>Number</th><th>Question</th><th>Reference</th><th>Response</th></tr>
<tr><td>1.</td><td>Good day

Hope this email find you well.

1.1. Kindly assist with claim history and assets register for us to quote fairly.

Your feedback will be highly appreciated.</td><td></td><td>There is no asset register or claim history for this bid. ECIC is not procuring an insurer or a short term insurance broker to insure its assets.

This bid is for short-term trade credit business to business (B2B) commercial lines and therefore the bidder is required to demonstrate the ability of handling claims or process to handle claims.</td></tr>
<tr><td rowspan="2">2.</td><td colspan="3">Regarding the above tender that we would like to participate in, we have been through the tender document and would like to request clarity on the following requirements:
<table>
<tr><td rowspan="5">2. Risk and compliance management, internal controls and corporate governance.</td><td rowspan="5">2.1 Demonstrate establishment and adequacy of the following:</td><td>2.1.1 Risk management and indemnity cover.</td></tr>
<tr><td>2.1.2 Compliance processes and controls.</td></tr>
<tr><td>2.1.3 Systems backup and disaster recovery plans.</td></tr>
<tr><td>2.1.4 Internal controls and procedures for placing and administrating insurance placements.</td></tr>
<tr><td>2.1.5 Provide an overview of any legal action taken against the firm, if applicable.</td></tr>
</table>
</td></tr>
<tr><td>2.1. There is very little we can disclose regarding legal action – What would the ECIC like disclosed for this section?</td><td></td><td>Bidders should disclose if they have any litigation or on going court matters.</td></tr>
</table>

Number	Question	Reference	Response
	2.2. The System and Backup Disaster plans – is this in relation to **[XXXX, name redacted by ECIC]** as a company or only the divisions responsible for servicing the ECIC account?		Systems and disaster recovery and back up plans for the bidder should be provided.
	2.3. Compliance Process in relation to who?		The compliance process in relation to the bidder or brokerage services.
3.	Good morning Lopang, Hope that you are looking forward to the long weekend – I also hope that you + yours are doing well & had a lovely previous evening as well!! Please see the below (with reference to the attached, [Refer to Annexure 1 below. Note that the other attachment provided by the potential bidder is not attached as it contains proprietary information of the potential bidder]):		
	3.1. Concerning Trade Credit Insurance, will the 50% SA Content (20% from another African country) still strictly apply?.		Yes, SA content will strictly apply.
	3.2. [XXXX, name redacted by ECIC] is licensed for the required insurance lines by the FAIS (as well as being the sole broker within the group) – would they be able to be considered for the broker panel & would the 100% owned group companies be able to facilitate projects as such (possibly as co-insureds)?		Yes, as long as [XXXX, name redacted by ECIC] is FAIS compliant for this bid.

Number	Question	Reference	Response
	3.3. Please elaborate on further detail required to meet any BBBEE & ESG requirements (as a potential broker panelist).		The are no B-BBEE or the ESG requirements for this bid.
	3.4. Does ECIC have an online portal that can be interacted with (given that the RFP mentions a lot of monitoring + review to be done by a broker)?		ECIC currently does not have online portal. It is the intention of ECIC acquire an online insurance management system during the course of the 2025/26 financial year (01 April 2025 – 31 March 2026).
4.	Good Morning Please could you assist with a question relating to the following term of reference: *5. Scope of work* *5.1.14 Monitor premium payments and follow up on outstanding premiums in accordance with the accounts and statements.* 4.1. Could you advise the approximate number of active accounts/policies this relates to? Thank you.		This will be in relation to the policies placed with the ECIC. The number will be relative to policies referred and accepted by the ECIC.

Number	Question	Reference	Response
5.	Good day, I trust you are well. We are interested in Provision of short-term Insurance brokerage Services for a period of three (3) Years, for Export Credit Insurance Corporation of South African Soc Ltd: ECICC09P-2024/25 Our company contact details are: Name of Bidder: **[XXXX, name redacted by ECIC]** Contact Person: Mr. [**XXXX, name redacted by ECIC]** (**[XXXX, email address redacted by ECIC]**) ALT Contact Person: Ms. [**XXXX, name redacted by ECIC]** (**[XXXX, email address redacted by ECIC]**) Telephone Number: **[XXXX, contact number redacted by ECIC]** 5.1. Kindly assist us with the following: 5.1.1. Asset Register 5.1.2. Claim History		There is no asset register or claim history for this bid. ECIC is not procuring an insurer or a short term insurance broker to insure its assets. This bid is for short-term trade credit business to business (B2B) commercial lines and therefore the bidder is required to demonstrate the ability of handling claims or process to handle claims.

Number	Question	Reference	Response
6.	RE: Bid no. ECIC09P-2024/25 Dear Lopang Kwape I trust you are well. Is there a briefing session for this bid? Kind regards		There will be no briefing session for this bid.
7.	Good morning Lopang, I hope that you had a good weekend – I also hope that you + yours are doing well & had a lovely previous evening as well!! 7.1. To add further clarity (as I cannot see this in the RFP), we as a brokerage **[XXXX, name redacted by ECIC]** want to network + pitch the RFP internally (within the group of companies) & I do recall that their was mention of a requirement that any exported goods/products must have a certain percentage that originates from South Africa – is this still the case?		Yes. South African content requirements still applies.

Number	Question	Reference	Response
	7.2. Please kindly assist with the above as well as on any other binding requirements that will need to be satisfied by any potential projects (as I cannot see specification to this in the RFP). Feel free to call me.		ECIC has various products offerings to exporters/lenders, and each product has its own binding requirements. This is not required for the submission of this bid but information will be made available to the appointed panelist.
8.	Good day Lopang, Hope this email finds you well. We notice that the tender has been re-issued and is now for a period of three years. Kindly confirm if the sums insured are as per the previous tender or a new annexure will be provided? Looking forward to your response.		This bid, ECIC09P-2024/25 is for appointment to the panel of short-term trade credit business to business (B2B) commercial lines and bid, ECIC074Q-2024/25 is for short-term insurance for ECIC assets. The two bids are different and mutually exclusive.
9.	Good afternoon Lopang, Hope that you + yours are doing well & had a lovely previous evening!! 9.1. With reference to the title of this email, please kindly advise – this will be to assist us in vetting prospects for any respective projects. Hoping to hear from you soonest.		The brokers will be assisting ECIC to source new business. The buyers' vetting is an internal process (ECIC internal assessment process).

Number	Question	Reference	Response
10.	Good day Hope you are well. May you please assist with asset register and claims history on an excel format so that we can quote accordingly. This is regarding the advertised tender (PANEL OF SHORT TERM INSURANCE BROKERAGE SERVICES (SHORT-TERM INSURANCE COMMERCIAL LINES) FOR A PERIOD OF THREE YEARS- ECIC09P-2024/25) Your response would be highly appreciated.		There is no asset register or claim history for this bid. ECIC is not procuring an insurer or a short term insurance broker to insure its assets. This bid is for short-term trade credit business to business (B2B) commercial lines and therefore the bidder is required to demonstrate the ability of handling claims or process to handle claims.

Annexure A

TRADE CREDIT INSURANCE

Trade credit is an agreement or an understanding between the seller ("exporter") and the buyer ("foreign buyer") engaged in business transaction that allows them to exchange goods and/or services without any immediate exchange of money.

Trade credit insurance is also known as business credit insurance. The trade credit insurance policy protects the exporter against the risk of the foreign buyer not been able to pay for the goods delivered or services rendered.

SOME KEY FEATURES OF TRADE CREDIT INSURANCE

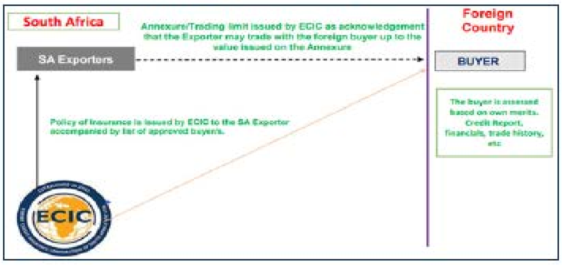
- Upon positive assessment of the foreign buyer/s, ECIC and the potential policyholder negotiate pricing. the policy is negotiated and issued/ made effective;
- The policy covers business-to-business (B2B) export trade for transactions involving consumable/non-capital goods and services;
- Credit terms covered ranges from a minimum of 7 (seven) days to a maximum of 180 (one hundred and eighty) days;
- The cover can be extended to a single buyer, selected buyers or a sovereign; and
- The policy is renewable on yearly basis.

RISK COVERED UNDER TRADE CREDIT INSURANCE

The trade credit insurance policy covers the exporter against political and commercial risks up to 100% and 80% respectively on a case-by-case basis.

TRADE CREDIT INSURANCE STRUCTURE

The parties to the transaction are the exporter, the foreign buyer and the insurer. The bank is not party to trade credit insurance transactions.



PREMIUM OPTIONS AVAILABLE

The premium relating to the trade credit insurance policy is calculated on anticipated turnover basis:

- Charged on fixed monthly basis
  - o With adjustments based on actual years turnover of the insured buyers.
- Charged upfront
  - oWith adjustments based on actual years turnover of the insured buyers.
- Charged based on an agreed rate, on the actual value declared month to month.

The premium cost relating to trade credit insurance policy, depends on the perceived political risk in the buyer's country/countries where the goods and services will be delivered; the credit risk assessment of the buyer/s as well as the terms of trade.

SOUTH AFRICAN AND AFRICAN CONTENT REQUIREMENTS:

The requirement is that at least 70% SA content must be achieved. However, for trade in the African continent, the content may consist of at least 50% South African content and the balance required to achieve 70% may consist of content from the other country in Africa.

South African and African Content consists of:

- The cost of materials and manufactured goods purchased from South African suppliers minus the value of any materials, goods or major components of manufactured goods, which have been imported from sources outside South Africa;
- Wages, salaries and other remuneration paid by the exporter in South Africa to its employees and such portions of wages, salaries and other remuneration payable to the exporter's employees who are performing work outside South Africa, and which is paid by the exporter in South Africa;
- Freight charges paid in South Africa;
- Insurance premiums paid in respect of a policy issued in South Africa;
- Fees and charges paid for any other services performed in South Africaon the exporter's behalf by a South African organisation;
- Fees and profits accruing to the exporter; and
  - o A 20% content input from any other African country is considered.

GENERAL REQUIREMENT

Both the exporter and the buyer are required to provide the following basic onboarding information but not limited to:

- A fully completed application form;
- A POPIA form;
- Anti-Money Laundering (AML) form;
- Environmental, Social and Governance (ESG) assessment form;
- Latest audited financial statements; and
  - o A further Due Diligence (DD) may be conducted when considered necessary.
  - o A further Environmental, Social and Governance (ESG) may be conducted when considered necessary.
  - o There must be an underlying agreement/contract between the exporter and the buyer.
  - o The buyer/s must satisfy ECIC's underwriting criteria.
  - o The buyer's destination should be a country where ECIC is open for cover.

YOUR EXPORT RISK PARTNER

Tel: +27 12 471 3800 | Email: info@ecic.co.za | Web: www.ecic.co.za
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