SOUTH AFRICAN

CIVIL AVIATION AUTHORITY

REQUEST FOR QUOTES

FOR THE PROVISION OF SHORT-TERM INSURANCE BROKER ASSESSOR SERVICES

RFQ NUMBER: RFQ/ZD/INSURANCEBROKERASSESSOR/RISK/605/2024-2025

DUE DATE FOR SUBMISSION: FRIDAY, 01 NOVEMBER 2024, 11H00

1. Introduction

The South African Civil Aviation Authority (SACAA) is an agency of the Department of Transport (DoT), established in terms of the Civil Aviation Act, 2009 (Act No.13 of 2009), which came into effect on 31 March 2010. The Civil Aviation Act provides for the establishment of a stand-alone authority, mandated with controlling, promoting, regulating, supporting, developing, enforcing, and continuously improving levels of safety and security throughout the civil aviation industry.

The SACAA's mandate is to administer civil aviation safety and security oversight in the republic of South Africa, in line with Civil Aviation Authority Act (the Act), and in accordance with the standards and recommended practices (SARP's) prescribed by the ICAO.

The above is achieved by complying with the Standards and Recommended Practices (SARPs) of the International Civil Aviation Organisation (ICAO), whilst considering the local context.

The SACAA, as prescribed by the Civil Aviation Act as well as the Public Finance Management Act (PFMA), 1999 (Act No.1 of 1999) is a Schedule 3A public entity.

2. Background

The South African Civil Aviation Authority (SACAA) currently holds a contract with an insurance broker providing short-term brokerage services. However, the SACAA seeks to determine whether its existing insurance coverage is adequate to address the numerous risks it faces in the normal course of operations. These risks, which are diverse and complex, pose potential threats to the SACAA's assets, personnel, operations, and reputation, including liability concerns, business interruptions, and cyber threats. To manage these risks effectively and prepare for any eventualities, the SACAA utilises short-term insurance as part of its broader risk mitigation strategy.

In light of this, the SACAA requires the services of a reputable and experienced service provider to conduct a risk assessment on SACAA's current insurance covers. The service provider is expected to identify gaps and make recommendations to the organisation.

3. Purpose

The purpose of this request for quotation is to appoint a qualified service provider with expertise in short-term insurance brokerage assessment. The service provider will assess SACAA's current and potential risk exposures, review existing insurance coverage, and offer advice on the optimal insurance cover required. This will ensure that SACAA's insurance portfolio is comprehensive and aligns with the organisation's risk profile.

4. Duration of Contract

The contract would be for a period of two (2) months.

5. Scope of Work

The appointed service provider will be responsible for delivering comprehensive risk assessment report on SACAA's short-term insurance coverage. The scope of work includes, but is not limited to, the following:

5.1. Initial Risk Assessment and Insurance Review

a) Conduct an in-depth risk assessment of SACAA's operations, assets, personnel, and liabilities to identify potential risk exposures.
b) Review SACAA's existing insurance policies, including:
   - All Assets Risk Insurance;
   - Directors and Officers Liability Insurance;
   - Public Liability;
   - Motor Fleet;
   - Cyber Liability Insurance; and
   - Professional Indemnity Insurance.
c) Identify coverage gaps, overlaps, and areas where additional cover may be necessary.
d) Analyse the adequacy of current insurance limits, exclusions, and conditions in relation to SACAA's risk profile.

5.2. Recommendation of Insurance Solutions

a) Provide expert advice and recommendations on the appropriate type and level of insurance coverage for SACAA, ensuring that it aligns with the organisation's risk appetite and legal or regulatory requirements.
b) Recommend enhancements or adjustments to existing policies, including updated coverage limits, additional protections, or new insurance products as needed.
c) Advise on cost-effective insurance options and assist in structuring the insurance portfolio to optimise coverage while minimising costs.

5.3. Presentations to SACAA Management

a) Prepare and present comprehensive reports and recommendations to SACAA's management team and Audit and Risk Committee, including:
   - Detailed findings from the risk assessment and insurance review.
   - Proposed adjustments to the insurance coverage.
   - Comparative analysis of policy options from different insurers.
   - Ongoing developments in claims management and risk exposure.

b) Ensure that SACAA's management is fully informed of insurance-related decisions and their potential impact.

c) Participate in meetings with SACAA management to discuss the insurance strategy, address any questions, and provide expert insights into risk mitigation.

6. Deliverables

The appointed service provider will be expected to deliver the following services:

6.1. Risk Assessment and Insurance Review Report

a) A comprehensive report detailing the findings from the in-depth risk assessment of SACAA's operations, assets, personnel, and liabilities.

b) Review and evaluation of SACAA's existing insurance policies, including analysis of coverage gaps, overlaps, and areas requiring additional insurance.

c) An analysis of the adequacy of current insurance limits, exclusions, and conditions based on SACAA's risk profile.

6.2. Insurance Solutions Recommendations

a) Expert recommendations on the appropriate type and level of insurance coverage, aligned with SACAA's risk appetite and regulatory requirements.

b) A proposal for enhancements or adjustments to current policies, including coverage limits and additional protections.

c) Cost-effective insurance options and an optimised insurance portfolio structure aimed at balancing comprehensive coverage and minimised costs.

6.3. Presentations to SACAA Management and Audit and Risk Committee

a) Presentation of detailed findings from the risk assessment and insurance review to SACAA's management team and Audit and Risk Committee of the Board.
b) Comparative analysis of insurance policy options from various insurers, with recommendations for policy adjustments.
c) Active participation in meetings with SACAA management to discuss insurance strategies and provide expert insights into risk mitigation.

7. Evaluation Criteria

Bidders will be evaluated in accordance with the Supply Chain Management Policies as well as the Procurement Policy Framework, 2000 (Act No. 5 of 2000) and the Preferential Procurement Regulations of 2022. The evaluation criteria will consist of the following three (3) phases:

7.1. Phase 1: Supply Chain Management (SCM) Administrative Mandatory Compliance Requirements

Bids received will be verified for completeness and correctness. The SACAA reserves the right to accept or reject a bid based on the completeness and correctness of the documentation and information provided. The set of bid documents must be completed and submitted. (SACAA reserve the right to request information/additional documents if there are any missing from the bidder(s) submission).

Bidders are to ensure that they submit the following documentation with their bid.

Document	Comments	Compulsory requirement
Proof of registration on the Central Supplier Database (CSD) of National Treasury	Prospective bidders must be registered on the Central Supplier Database (CSD) prior to submitting bids. **Please indicate / supply the supplier number**.	Yes
SBD 4 (Bidders Disclosure)	Completed and signed	Yes
Submit copy of valid proof of registration with Financial Sector Conduct Authority (FSCA).	Valid Proof must be provided	Yes

7.2. Phase 2: Functionality/ Technical Evaluation

No.	Description	Proof / Evidence	Min	Max
1.	Company Experience	The company's experience in delivering short-term insurance brokerage. The proof must indicate the number of years the company has been actively providing these services, along with relevant aviation or State-Owned Enterprise (SOE) experience. • More than twenty (20) years' experience = 20 points • Ten (10) to nineteen (19) years' experience = 15 points • Less than nine (9) years' experience = 0 points	15	20
2.	Relevant experience of key personnel assigned to all services.	Provide the resumé of the key account manager assigned to SACAA's account. The resumé must include the individual's relevant experience, as well as details on the portfolio(s) they have managed, including the total value of these portfolios. • More than ten (10) years' experience = 20 points • Ten (10) years' experience = 15 points • Less than ten (10) years' experience = 0 points	15	20
3.	Relevant and contactable references where the bidder was rendering similar services to Sate Owned Entity (SOE).	Each reference letter should be in a letterhead (state the value of the profile, be signed, be dated and have contact person) of the SOE department where the bidder has rendered similar services • Five (5) or more letters of references, in the last three (3) years = 20 points • Three (3) or four (4) letters of reference, in the last three (3) years = 15 points • One (1) or two (2) letters of reference, in the last three (3) years = 0 points	15	20
4.	Project methodology of the brokerage insurance firm	Provide a detailed process map for conducting an in-depth risk assessment and reviewing SACAA's insurance policies, including timelines and methods to identify risks and gaps in current coverage. • Clear, detailed process map that covers all risk assessment phases, insurance policy review, and analysis of coverage gaps, with strong alignment to SACAA's needs and timelines = 10 points • Partial or somewhat general process map with moderate detail and some relevance to SACAA's needs = 5 points • No or insufficient process map submission with minimal relevance or vague timelines = 0 points	5	10

		Define the expected turnaround time for completing the risk assessment report and insurance review for SACAA. This includes the time needed to assess current insurance policies, identify coverage gaps, and provide recommendations. • Quick turnaround with risk assessment report and insurance review completed in less than 2 weeks = 10 points • Moderate turnaround with risk assessment report and insurance review completed between two (2) to four (4) weeks = 5 points • Extended or unreasonably long turnaround with risk assessment report and insurance review completed in more than four (4) weeks = 0 points	5	10
		Demonstrate the methodology for providing tailored insurance recommendations, focusing on optimising coverage and ensuring alignment with SACAA's risk profile and regulatory requirements. • A clear and in-depth approach to making expert recommendations on insurance solutions, and optimising coverage = 10 points • General or moderately clear approach with some gaps in detail = 5 points • No clear methodology for recommendations or poor quality in addressing SACAA's needs = 0 points	5	10
		Detail the process for preparing and presenting findings to SACAA's management team and Audit and Risk Committee. This includes clarity in report presentations and ability to engage with management on insurance strategy and risk mitigation. • Thorough plan for preparing reports and presentations with clear stakeholder engagement strategy = 10 points • Adequate plan with room for improvement in clarity or stakeholder engagement = 5 points • Lack of clarity in report preparation or engagement process = 0 points	5	10
TOTAL POINTS			**65**	**100**

Any bidder scoring less than 65 points will not be considered for further evaluation and will be disqualified from the process. The evaluation team **may** call the shortlisted bidder (s) for presentation, should they need further clarification on the bidder's proposals.

7.3. Additional Information to Bidders

SACAA reserves the right to clarify any information with any prospective bidder regarding their response to this RFQ at SACAA's discretion within a reasonable period.

7.4. Phase 3 - Price and Specific Goal Evaluation

Bidders who comply with the requirements of this bid will be evaluated according to the preference point scoring system as determined in the Preferential Procurement Regulations, 2022 pertaining to the Preferential Procurement Policy Framework Act, (Act No 5 of 2000). For this bid 80 points will be allocated for Price and 20 points for Specific Goal.

This tender will be evaluated using the 80/20 preferential point system. The following PPPFA formula will be used to evaluate price:

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Ps = Points scored for price of the bid under consideration.

Pt = Rand value of bid under consideration.

Pmin = Rand value of lowest acceptable bid.

Only bidders that have achieved the minimum qualifying points on functionality will be evaluated further in accordance with the 80/20 preference point system as follows:

Points for this bid must be awarded for:

(a) Price; and
(b) Specific Goal.

The maximum points for this RFQ are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOAL	20
Total points for Price and SPECIFIC GOAL	**100**

POINTS AWARDED FOR A SPECIFIC GOAL

In terms of the Preferential Procurement Regulations 2022, points will be awarded for specific goal in accordance with the table below:

SPECIFIC GOALS	Number of points
100% Black ownership	20
51% Black ownership	10
50 - 30% Black ownership	5
0% Black ownership	0

7.4.1. The price for this RFQ should be quoted in South African Rands and submitted as per below:

Description	Cost
Assessor Brokerage Service Fee	
VAT @15%	
Total Assessor Broker Fee incl VAT	

7.5. Non-Compulsory Briefing Session

There will be no briefing session and any service provider that may seek further clarity can send their queries to Ms Zodwa Duma at duman@caa.co.za to seek any clarity on the bid document. All requests must be submitted by email.

7.6. Submission of Proposal

All bid documents to be submitted PHYSICALLY to SACAA Offices, Tender Box, Building 16, Treur Close, Waterfall Office Park, Bekker Street, Midrand by Friday, 01 November 2024,11h00.