



CENTRAL BANK OF LESOTHO

Request for Proposal

INSURABLE RISK EXPOSURE AUDIT FOR THE CENTRAL BANK OF LESOTHO AND LEHAKOE RECREATION AND CULTURAL CENTRE

Request for Proposal No.: **CBL/fnc/TC/8/C/TC/08**

Issue date: July 30th, 2009

Contact Person: Mr. N. Molapo
Title: Secretary, Tender Committee
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1. EXECUTIVE SUMMARY.

Consultancy

The Central Bank of Lesotho was established by Lesotho Monetary Act of 1978, as the Monetary Authority in Lesotho. It was elevated to the status of a Central Bank by an Amendment Act in 1982. In the year 2000 the Central Bank of Lesotho Act No. 2 of 2000 was enacted conferring autonomous status to the Bank. The Bank is fully owned by the Government of Lesotho and managed by a Board of Directors.

The principal objective of the Bank is to achieve and maintain price stability. To attain this objective the Bank performs a number of functions in accordance with modern central banking practices. The other important function of the Bank is to formulate and execute monetary policy for Lesotho.

Other key functions of the Bank include to issue, manage and redeem the currency of Lesotho. The Bank also serves as a Banker for Lesotho Government and the commercial banks, acts as a custodian of the country's foreign reserves and supervises the financial institutions. It also acts as an advisor to the Government on financial issues.

Lehakoe Recreation and Cultural Centre (LRCC) came into operation in 2004 under a contracted management which was terminated in 2005. Since then the Bank has assumed management of the Centre. The LRCC is not a separate legal entity from the Bank.

The Centre (LRCC) was established to develop a diverse environment promoting healthy living and wellness through physical exercise and promotion of social interaction through highly developed hospitality service including the sensitization of Basotho and non-Basotho alike to the cultural heritage of Lesotho.

The Bank is embarking on an exercise to review its insurable risk exposure to ensure adequate and comprehensive cover for its operations and all the activities of Lehakoe Recreation and Cultural Centre. For this reason the Bank wishes to engage services of an experienced firm, company or consultancy to conduct a thorough insurable risk audit for the entire Bank and its operations as well as Lehakoe Recreation and Cultural Centre.

The audit should further design and develop an insurance portfolio for the Bank with suggested premiums for the cover of each identified risk.

The full requirements are detailed throughout the sections of this RFP. Section 2 provides administrative information for prospective proponents while Section 3 addresses the work to be done and the approach.

In order to ensure completeness and consistency of responses, proponents are to prepare their proposals as detailed in the RFP

2. ADMINISTRATIVE REQUIREMENTS SECTION.

The following terms will apply to this Request for Proposal (RFP) and to any subsequent Contract.

2.1 Request for Proposal Information

2.2 Terminology used in this RFP

Throughout this RFP, the terminology is used as follows:

“Bank” means the Central Bank of Lesotho;

“Contract” means the written agreement resulting from this RFP executed by the Bank and the Consultant;

“Consultant” means the successful proponent to this RFP who will enter into a written contract with the Bank;

“Desirable” means a requirement having a significant degree of importance to the objectives of the RFP;

“Executive Committee” means the Bank’s management committee composed of the Governors and Heads of Department;

“Insurable/Insurance Portfolio” means both movable and immovable properties, rights and or assets of the Central Bank of Lesotho and Lehakoe Recreation and Cultural Centre including but not limited to financial, material, non-material, intellectual, Human Capital and Liability risks;

“The Centre” means the Lehakoe Recreation and Cultural Centre of the Central Bank of Lesotho, usually referred to as Lehakoe Centre;

“Must” or “Mandatory” means a requirement that failure to meet shall result in disqualification of the proposal.

“Proponent” means an individual, corporate body or company that submits or intends to submit a proposal in response to this RFP;

“Tender Committee” means the Tender Committee constituted by the Central Bank of Lesotho to issue, receive, assess tenders and recommend selection of a successful proponent for the supply of goods and services

2.1.2 Delivery of Proposal

An original and one copy suitable for redistribution should be deposited in the Tender Box at the Reception area of the Bank.

Facsimile or e-mail copies are not acceptable. All envelopes should be sealed, showing **no identification of proponent** and clearly marked: **“Tender for the CBL Insurable Risk Exposure Audit”**.

2.1.3 Project Time-frames

Closing date and Time: All proposals must be delivered by **no later than 14h30 on Friday, August 28th, 2009.**

2.1.4 Contact Persons

Administrative and technical enquiries relating to the business requirements should be directed, in writing, to:

Technical enquiries relating to the business requirement should be directed, in writing, to;

Name: Mr. T. Ntlhakana

Title: Section Head – Corporate Governance

Tel: (+266) 22232090

Fax: (+2266) 22310051

E-mail: tntlhakana@centralbank.org.ls

Administrative inquiries arising from this RFP should be directed, in writing, to;

Mr. N. Molapo

Secretary, Tender Committee

Central Bank of Lesotho

P.O. Box 1184, MASERU 100.

Fax: (+266) 22310051

E-mail: nmolapo@centralbank.org.ls.

2.1.5 Reference Material

Any required reference materials will be provided upon request if available.

2.2 Request for Proposal Process

Any queries relating to this RFP must be addressed in writing to the relevant person designated in 2.1.4 above. Responses will be sent to the enquirer and may be posted on the Bank's website.

2.3 Eligibility

Proposals will not be evaluated if the proponent's current or past corporate or other interests may, in the opinion of the Bank, give rise to a conflict of interest in connection with this project.

2.4 Evaluation and Selection

Only proposals delivered and received as specified in 2.1.3 above will be considered. Proposals will then be assessed and scored against the desirable criteria. The Bank is not bound to accept the lowest or any bid.

2.5 Time Frame

The consultant will be expected to complete this work within a period of four weeks after the date of engagement.

2.6 Proposal preparation

2.6.1 Proposal Format

The following format and sequence should be followed in order to provide consistency in proponent response and ensure each proposal receives full consideration:

- a) One page letter of introduction identifying the proponent and signed by the person or persons authorized to sign on behalf of and bind the proponent to statements made in the proposal.
- b) Title page showing RFP number, Proponents name and address, telephone number and a contact person.
- c) Table of contents including page numbers.
- d) A short executive summary of one or two pages stating the key features of the proposal.

- e) A short summary of the financial proposal immediately following the executive summary
- f) The body of the proposal to include the following: introduction, proposed solution to cover: project management, pricing, and conclusion.
- g) Any additional information, brochures, etc. should take the form of appendices.

APPROACH:

- Should describe in detail how the project will be conducted;
- Must provide a brief description of key activities, their projected start and completion dates and milestones;
- Must clearly indicate how the Bank's deliverables will be produced;

DELIVERABLES:

- Must clearly state the deliverables produced e.g. project documentation, status reports, minutes of meetings, hardware and software, etc.

PAYMENT SCHEDULE:

- Should provide a schedule indicating the project stages at which payments will be made;
- The payments on the schedule should be linked to the deliverables.

2.6.2 Costs of responding

Proponents are solely responsible for their own costs in preparing the proposal and for subsequent negotiations with the Bank, if any. The Bank will not be liable to any Proponent for any claims in preparing a proposal whatsoever.

2.6.3 Proposal Validity and Firm Pricing

Proposals should be valid for at least 30 days after the closing date and prices are to be fixed for the entire contract period.

2.6.4 Currency and Taxes

Prices quoted are to be in Maloti (1 LSL = 1 ZAR) and should be inclusive of 14% Value Added Tax.

2.6.5 Compliance to Tax Obligations

Certified copies of Lesotho Revenue Authority (LRA) Tax Clearance certificates or other relevant authority certificates must be submitted together with the bid.

2.6.6 Additional Information

a) Modification of Terms:

The Bank reserves the right to modify or cancel this RFP at any time prior to entering into a contract with the successful Proponent.

b) Ownership of Proposals:

All proposals, including supporting documents, submitted shall become the property of the Bank.

c) Confidentiality of Information:

All proposals submitted by the Proponents shall be held in strict confidence and will not be revealed to any other party. All information pertaining to the Bank obtained by the Proponent as a result of participation in this project is confidential and must not be disclosed without written authorization from the Bank.

3. BUSINESS REQUIREMENT SECTION

3.1 Requirements and Project Scope

3.1.1 Background to the Project

VISION:

The overall objective is to identify and comprehensively and adequately cover all insurable risks for the Bank's operations and all the activities of Lehakoe Recreation and Cultural Centre.

MISSION:

Development of an insurance portfolio with economically competitive premiums that comprehensively and adequately covers all insurable risks for the Bank's operations and activities of Lehakoe Recreation and Cultural Centre, conforming to international insurable risks standards.

BUSINESS OBJECTIVE

The Board of Directors gave approval for revision of the current Insurance Portfolio for the Bank as well as Lehakoe Recreation and Cultural Centre to ensure that all the insurable risks for the Bank's operations and activities of the Centre are adequately covered and for competitive premiums.

The principal objective of the Bank is to achieve and maintain price stability. To attain this objective the Bank performs a number of functions in accordance with modern central banking practices. The other important function of the Bank is to formulate and execute monetary policy for Lesotho.

Other key functions of the Bank include to issue, manage and redeem the currency of Lesotho. The Bank also serves as a Banker for Lesotho Government and the commercial banks, acts as a custodian of the country's foreign reserves and supervises the financial institutions. It also acts as an advisor to the Government on financial issues.

The LRCC is not part of the core business of the Bank as its presence arose out of a desire by Management of the Bank to provide staff an avenue to relax through engagement in sporting activities: indoor and outdoor; engage in discussions outside the formal work environment; control stress resulting from work pressures and promote wellness among staff.

Noting that the capacity of the Centre has exceeded the needs of staff of the Bank, Management has, in line with the Government's directive opened the LRCC to the general public, on a fee basis for purposes of cost-recovery.

The LRCC's business objectives are:

1. To become the leading physical wellness and hospitality centre in the country
2. To increase the membership numbers to its full capacity / potential
3. To act as the entry-point for Lesotho's tourist industry through the display of cultural artifacts.

Based on the above background, the Bank expects the proponents to submit proposals that will identify and comprehensively and adequately cover all insurable risks for the Bank's operations and all the activities of Centre conforming to international standards of the industry for competitive premiums.

3.1.2 Terms of Reference for the Consultancy

The proponent shall be required to perform, though not limited to, the following functions –

- 3.1.2.1 Identification of all insurable risks in the Bank operations and activities at Lehakoe Recreation and Cultural Centre;
- 3.1.2.2 Estimate the impact of each risk;
- 3.1.2.3 Give the probability of each risk as identified;
- 3.1.2.4 Estimate the worst case scenario cost of each risk as identified;
- 3.1.2.5 Distinguish between financial, material, Human Capital and Liability risks;
- 3.1.2.6 Estimate when the identified future liabilities may possibly materialise;
- 3.1.2.7 Weigh the risks in the bidder's opinion and provide the Bank with the weighted schedule of the risks identified and advise on the weighted system applied;
- 3.1.2.8 Identify insurable risks and other non-financial and non-quantifiable risks such as but not limited to reputation, perception, etc.;
- 3.1.2.9 Propose premiums for every insurable risk identified with a total thereof clearly stated together with the sum total for all insurable risks identified;

In developing a proposal, consultants should note that LRCC, as a subsidiary of CBL, is essentially a not-for-profit establishment. However, it is expected to generate sufficient revenues to enable it to sustain its operations.

4. SKILLS REQUIREMENT AND QUALIFICATIONS

The proponents are required to ensure that the insurable risk audit will meet all the specifications stated above. They must at least have five years' proven good record on experience with consulting on similar business ventures. At least three traceable references in this regard should be provided.

5. PROJECT BUDGET

Price will be among the key deciding factors for consideration in the evaluation of proposals.

6. EVALUATION CRITERIA

The following criteria will form the basis upon which the evaluation of the proposals will be made and scores given. Proposals not meeting mandatory requirements will not be considered during the evaluation process.

6.1 Mandatory Criteria:

- An original and a copy (suitable for photocopying) of the proposal must be received on time and be deposited in the tender box.
- Briefing session and site visit at 10h00 at the Bank's Training Room on Friday 14th August 2009

6.2 Project Costs:

Should provide all costs associated to the consultancy including disbursements.

6.3 Payment Schedule:

- Should provide a schedule indicating the project stages at which payments will be made.
- The payment on the schedule should be linked to the deliverables.

6.4 Special Notes:

- To qualify for proceeding to financial evaluations, technical proposals must score a minimum of 75 points.
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APPENDIX A: EVALUATION CRITERIA MODEL

MANDATORY CRITERIA	
Must provide an original and a copy (suitable for photocopying) of the proposal	
Must deposit proposal bearing no identification of proponent in the Tender Box at the Reception Area of the Bank no later than 14h30 on Friday, August 28 th , 2009	
Briefing session and site visit of the Bank and LRCC on Friday 21 st August 2009	

DESIRABLE CRITERIA	100%
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A. METHODOLOGY	30%
Should describe in detail how the project will be conducted	
Must provide a brief description of key activities, their projected start and finish dates and project milestones	
Must clearly indicate how the Bank's deliverables will be produced	
Must clearly indicate the weighted system to be applied	
B. DELIVERABLES	15%
Must clearly state the deliverable produced	
C. PROPONENT QUALIFICATIONS, EXPERIENCE AND REFERENCES	35%
Should provide a brief summary of the suitability of the proponent which outlines specifically the track record and experience relevant to this project	
Proposals should be accompanied by relevant project references. A list of previous project sites with their contact details should be availed so that they can be contacted during the proponent selection for this RFP	
Proposals should be accompanied by relevant professional or academic qualifications	
D. PRICING	20%
Product Costs	
Professional Fees	

Appendix C Receipt Confirmation Form

Please complete this form and return or fax to:

Mr. N. Molapo
Secretary to the Tender Committee
Central Bank of Lesotho
Cnr. Moshoeshoe & Airport Roads
P.O. Box 1184
Maseru 100
Telephone: (+266) 22232091
Fax: (+266) 22310051
Email: nmolapo@centralbank.org.ls

We have received a copy of the above noted RFP.

Proponent Name: _____

Address: _____

Contact Person: _____

Title: _____

Phone Number: _____ FAX Number: _____

We understand that whether or not we submit a proposal will not affect our status as a potential supplier to the Central Bank Lesotho in the future. We understand that if we do not return this form we will not receive any further communication regards this RFP.

Authorized Signatory

Date: _____

Name (Printed)