

Ref. No: CA/SCM/PQ/06/2024-2025

April 4th, 2025,

Addendum No. 1

To All Bidders,

RE: PRE-QUALIFICATION FOR PROVISION OF REVENUE ASSURANCE SYSTEM (RAS)

Please refer to the above-mentioned tender.

Pursuant to ITT 9.1 of the tender document shared with bidders, the Authority wishes to respond to the clarifications sought out as follows:

	Clarification sought	CA's Response
1.	<p>We are in the process of preparing our response for the pre-qualification of our Revenue Assurance solution.</p> <p>Upon reviewing the tender documents, we have identified that pages and forms appear to be missing from page 35 onwards in one of the documents.</p> <p>Could you kindly confirm whether our understanding is correct?</p>	<p>There are no missing pages or forms on the tender document from page 35. The section after page 35 of the document (SECTION V - SCOPE NON-CONSULTING SERVICES REQUIRED) gives the background of the solution CA and KRA are procuring.</p> <p>Bidders are required to give details of their proposal that responds to the solution being sought in their own format stating its capability to enhance the collection of national revenue from the ICT sector.</p>
2.	<p>We write to seek clarification regarding the timeline mentioned in the prequalification documents for the above-cited tender.</p> <p>Specifically, the notice indicates that the formal Invitation to Tender is expected to be issued on 25 March 2025.</p> <p>We kindly request confirmation that this date remains valid and whether it refers to:</p> <ul style="list-style-type: none"> • The issuance of the full tender documents to prequalified bidders, or • The notification of the prequalification 	<p>The 2nd statement on page (iii) that mentions 25th March 2025 is in regard to fulfilment of the standard procurement format where the procuring entity must state the date the invitation to bidders was made. Therefore;</p> <ul style="list-style-type: none"> • The date the prequalification was advertised or published for bidders to apply is 25th March 2025. • The deadline for submission of pre-qualification is 16th April 2025
3.	<p>We wish to seek clarification on several aspects of the technical requirements and qualification criteria which may have significant implications on the openness and competitiveness of the procurement process.</p>	<p>It is on near real time operations; while the qualification criteria emphasize bidders' prior experience through contracts or awards, we acknowledge the importance of assessing the system's actual performance.</p>

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	<p>The tender documents appear to suggest that the Revenue Assurance System must support near real-time operations. If so, would it be acceptable to ask bidders to showcase their system perform near real-time data processing for a RAS system for a government entity?? As it stands, your baseline is providing contracts or awards rather than actual live demonstration.</p>	<p>At this stage however, the evaluation will primarily rely on documentary evidence, including contracts, reference letters, and system architecture that demonstrate the bidder's ability to implement a near real-time RAS system successfully. However, the Authority reserves the right to request live demonstrations from shortlisted bidders during the technical evaluation phase to further assess compliance with the near real-time requirement. Bidders are therefore encouraged to provide comprehensive documentation illustrating their system's capability to support near real-time data processing.</p>
4.	<p>The mandatory requirement of experience in projects with a minimum subscriber base of 140 million is noted with concern. A system of this kind takes its complexity from the number of operators connected to the central system rather than the number of subscribers. May we suggest that the focus shift from a subscriber base focus to that of a system which services the same number of operators as Kenya or more.</p> <p>We have successfully completed a similar project in the past with fewer than 140 million subscribers. We kindly request that you consider a threshold of fewer than 100 million subscribers</p>	<p>The requirement for experience in projects with a minimum subscriber base of 140 million is intended to ensure that bidders have demonstrated capability in handling large-scale, high-volume data environments.</p> <p>This criterion helps guarantee that the proposed solution can effectively manage the growing operational demands of Kenya's telecommunications sector especially with the exponential growth in demand for machine-to-machine services. In the meantime, bidders are encouraged to provide details of projects where they have successfully implemented RAS solutions with a minimum subscriber base of 140 million, along with any supporting documentation.</p>
5.	<p>Please confirm whether reference letters must be dated after the issuance of the current Invitation to Tender (25 March 2025) to ensure the relevance and currency of the endorsements provided. Additionally, would the Authority consider requiring that at least one reference come from a major telecommunications operator? Given that telecommunication companies are the primary data providers in a Revenue Assurance System (RAS), their endorsement provides meaningful assurance of the bidder's integration capability and acceptance by critical stakeholders. Such references confirm the bidder's ability to work within telecom network environments and contribute to effective system deployment and ongoing operation. As it currently stands, the requirement to provide three references exclusively from regulatory authorities, without additional context regarding those authorities' endorsement criteria or post-implementation</p>	<p>The tender requires two sets of references as follows:</p> <ol style="list-style-type: none"> i. Three (3) or more similar assignments/projects within the last five (5) years, with each assignment/project having a minimum subscriber base of at least 140 million. These references are not specific to a government ICT/Telecommunication Regulatory Authority, or a similar government agency ii. Three (3) similar assignments/projects from a government ICT/Telecommunication Regulatory Authority, or a similar government agency. These refer-

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	<p>evaluation, may not fully reflect the practical efficacy of the system or the bidder's operational compatibility with telecom operators—the primary users and integrators of the RAS. We respectfully suggest that greater emphasis be placed on telecom references to provide a more balanced assessment of the bidder's readiness and suitability for the scope of this project.</p>	<p>ences are specific to assignments/ projects implemented for a government agency and are meant to assess the vendors experience in projects of similar nature.</p> <p>Bidders are therefore encouraged to provide comprehensive reference documents in line with the tender requirements.</p>
6.	<p>We kindly request confirmation on whether a letter of intent to register a Kenyan entity post-award would suffice in meeting the requirement to establish a local presence, or if a fully registered entity must be in place at the time of prequalification submission. If so, what information do you require from the local entity to prove its substance.</p>	<p>Bidders are required to have or be prepared to establish presence in Kenya through a locally registered company in Kenya, or commitment to establish a service support centre.</p> <p>We wish to clarify that bidders must meet either one of the following local presence requirements:</p> <ul style="list-style-type: none"> • Bidders may commit, through a letter of intent, to establishing local presence through a locally registered company in Kenya should they be awarded • Bidders may commit, through a letter of intent, to partner with a local Kenyan company to fulfil this requirement should they be awarded • Bidders may commit, through a letter of intent, to establish a service support centre should they be awarded <p>We wish to clarify that a letter of intent should suffice at this stage of the procurement process.</p>
7.	<p>Revenue Threshold Requirement: The requirement for bidders to demonstrate an average annual turnover of KES 25 billion (USD 200 million) appears to be unrealistically high given the likely scope and contract value of the proposed Revenue Assurance System. We respectfully seek clarification on whether the CA would consider adjusting this threshold to better reflect the actual financial scale of the engagement as a procurement task. This requirement may inadvertently preclude highly capable and experienced bidders who possess the technical know-how, relevant implementation</p>	<p>At this preliminary stage turnover will be used as a tool for financial assessment and other financial assessment methods may be evaluated at a later stage. The mandatory requirement is that bidders submit audited accounts for the years 2021, 2022 and 2023 for the proposed bidder (or lead bidder in case of an association/consortium/JV) with a minimum average turnover of Kshs. 25 billion or USD 200 Million for the three (3) years.</p>

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	<p>history, and financial capability to successfully deliver the system but do not meet this turnover figure.</p> <p>Would the Authority consider shifting the financial assessment criteria towards evaluating the bidder's proven capacity to finance, deploy, and support such systems, including access to sufficient: financial reserves, guarantees, and working capital, rather than relying solely on overall corporate turnover? The requirement for bidders to demonstrate an average annual turnover of KES 25 billion (USD 200 million) appears to be exceptionally high in comparison to the likely value of the scope under consideration. Could the CA kindly provide justification for this threshold and consider a more proportionate revenue requirement in line with the expected contract value or delivery obligations unless the supplier is collecting the taxes from all operators rather than that of the Kenya Revenue Authority?</p> <p>We are eager to partner with our joint venture partner in the pre-qualification process for the Provision of Revenue Assurance System (RAS), as we offer a globally recognized solution that has been successfully implemented by numerous government authorities worldwide. However, we kindly request that you lower the turnover requirement of USD 200 million over the last three years. The current threshold may discourage highly qualified companies, even those with world-class solutions that align with your needs, from participating</p>	
8.	<p>Corporate Group Legal Disclosures: Under the mandatory requirement for disclosing pending litigation and historical contract non-performance, we seek confirmation whether these declarations are expected to include all affiliated entities, including parent companies, subsidiaries, and related corporate bodies operating in other jurisdictions?</p>	<p>We confirm that the declarations should include all affiliated entities, including parent/holding companies, subsidiaries, and any related corporate bodies operating in other jurisdictions, to the extent that they have a direct or indirect bearing on the bidder's ability to perform the contract. The objective of this requirement is to ensure full transparency and assess any potential risks associated with the bidder's legal and contractual history.</p>
9.	<p>Clarification on Scope - CDR and Raw Data Access: Given that revenue assurance solutions are often tasked with verifying operator-reported records, kindly confirm whether the CA expects the system to independently collect raw traffic data (e.g., Call Detail Records) directly from the network elements of licensed operators. This has implications for value, technical architecture, regulatory compliance, and stakeholder engagement assuming that we are</p>	<p>The proposed system is expected to collect raw traffic data, including Call Detail Records (CDRs), directly from network elements of licensed operators, and independent of licensed operators.</p>

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	collecting your revenues given the revenue threshold.	
10	Kindly extend the submission date by atleast 2 weeks	The deadline for submission of pre-qualification remains 16th April 2025 at 10.30.a.m

ALL other conditions of the initial tender remain unchanged.

Yours Faithfully,



Peter Mwangi - DSCM
FOR: DIRECTOR GENERAL /CEO