



# Call for Proposals (RFP)

## Development of Mortality Studies for the Region

### **1.0 Background**

The Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI) is a regionally owned institute, currently with 14 member countries: Angola, Botswana, Burundi, Kenya, Lesotho, Malawi, Mozambique, Namibia, Rwanda, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe.

MEFMI undertakes capacity building activities in its 14 member countries aimed at improving macroeconomic and financial management and performance so as to contribute to the reduction of poverty in these countries. MEFMI is planning to conduct a study aimed at developing a framework for use by member countries in developing **Mortality Tables** for mortality and morbidity of assured lives. The understanding of the underlying mortality in a population is pivotal in identifying the needs for life insurance/assurance and pension contributions and is a key aspect in the determination of its pricing models. This will lead to better performance and more efficient capital allocation, more financially resilient institutions and many more benefits.

With the exception of Kenya, no member country has ever undertaken the study. This has seen actuaries and pension funds using outdated mortality tables from other countries e.g. UK's PA 90 and South Africa's tables of 1993. This therefore means that the pricing of insurance and pensions services/products in the region are based on fundamentals that may not be correct. Hence developing mortality tables will provide a sound basis for developing of appropriate insurance and pension products as well as pricing.

The Institute is therefore, inviting proposals from qualified Consultancy firm to conduct the study to develop mortality tables and a guideline that countries can use on their own.

### **2.0 Objectives**

The main objective of this assignment is to conduct a study that will culminate into:

- (a) A comprehensive and sound framework for Developing Mortality Tables;
- (b) Single Mortality Table for EAC Partner States; and
- (c) Specific mortality tables for other MEFMI countries.

### **3.0 Scope of Work**

**This activity is expected to be conducted across different phases.**

**PHASE I:**

- 1) The consultancy firm is expected to:
  - i. Review the various standard mortality tables used in the region;
  - ii. Review the legal and regulatory framework in place within EAC partner states with regards to actuarial pricing and valuation and make recommendations for amendment as deemed fit;
  - iii. Develop data collection tools, collect and analyze statistical data on mortality of assured lives.
  - iv. Compare mortality experiences of assured lives with the standard mortality tables in use and illustrate differences.
  - v. Compare population mortality data and illustrate the differences between countries in the region;
  - vi. Develop a single mortality table for EAC states and, also, show country specific differences in mortality experiences.
  - vii. Develop monitoring and Evaluation functions.
  - viii. Review current premium rates for at least 3 major life products in each of the EAC partner states and compare the premium rates with the rates developed from the EAC mortality table.
  - ix. Train regulatory and industry staff on mortality experience studies.
  
- 2) Conduct a regional retreat for regional heads of pensions and insurance regulators to raise awareness on the importance of developing mortality tables for MEFMI member countries. The regional retreat will aim to ;
  - a. Engage regional regulators and supervisors on background and the need to develop mortality tables;
  - b. Clarify on expected benefits to industry and regulators;
  - c. Validate and Agree on data formats and timelines;
  - d. Ascertain which countries to cover in pilot phase and
  - e. Constitute a Technical Working Group comprised of focal persons from relevant institutions
  - f. Any other issues

**PHASE II: Compilation and analysis of data**

- 3) Once the countries) to start the pilot phase have been established, Phase II would consist of three activities in that country that include:
  - a. Hold a country sensitization workshop in the countries with localised objectives to:
    - i. Engage the country supervisors and industry association on background and rationale
    - ii. Clarify on expected benefits to industry and industry
    - iii. Agree on data formats and timelines
    - iv. Clarify on roles and responsibilities of industry participants and regulators
    - v. Any other issues (like future revisions, data security, etc)
  
  - b. Field Work, including data collection, data analysis and reports for pilot countries;
  - c. Validation workshop for the pilot phase

- i. Report from field work
- ii. Validation of results – how to incorporate the data in work stream / value chain
- iii. Modalities for regular of mortality tables (e.g. frequency and funding of future updates)
- iv. Any other issues.

**PHASE III: Development of mortality tables**

- (i) Develop a single mortality table for EAC
- (ii) Specific mortality tables for other MEFMI countries
- (iii) Hold a validation workshop
- (iv) Final Report and Mortality tables
- (v) Any other issues.

**4.0 Deliverables**

The **consultancy firm** is expected to deliver the following:

<b>Deliverables</b>
<p style="text-align: center;"><b>PHASE I</b></p> <p>a. An inception report A comprehensive and sound framework for developing Mortality Tables</p>
<p style="text-align: center;"><b>PHASE II</b></p> <p>b. A draft report for field work (data compilation and analysis)</p> <p>c. A Validation workshop on the draft report</p> <p>d. Final report for field work with database</p>
<p style="text-align: center;"><b>PHASE III</b></p> <p>e. Single Mortality Table for EAC Partner States</p> <p>f. Specific Mortality Tables for other MEFMI Countries</p> <p>g. Validation workshop</p> <p>h. A final report and mortality tables (incorporating comments from a stakeholders workshop)</p>

All reports and deliverables should be submitted to MEFMI and EAC FSDRP I Project Administration Team (PAT) in soft copy.

**5.0 Duration**

The total duration of the study is 12 months.

## **6.0 Skills and Experience Required**

The lead consultant should have the following skills and qualifications:

- i. Actuaries or practising actuary in a recognised firm
- ii. Prior experience with mortality tables in Eastern and Southern Africa are highly desirable.
- iii. Strong experience in data collection and analysis
- iv. Competent and dedicated staff that can be reached for feedback
- v. Excellent communication and writing skills

The consultancy firm must:

- a. Have carried out a similar assignment;
- b. Similar experience in a developing country;
- c. Among others, deploy at least one Actuary as team leader and one Actuarial Assistant with the following experiences and qualifications:

<b>Personnel</b>	<b>Qualifications</b>	<b>Experience</b>
Actuary (Lead Consultant)	Fully qualified actuary certified by a recognized actuarial professional body	5 years relevant post qualification experience
Actuarial Assistant or Statistician	At least a Bachelors degree in Actuarial Science	5 years relevant post qualification experience

## **7.0 Facilities to be provided by the Clients**

MEFMI and EAC Secretariat will work closely with the consultant to monitor progress made in undertaking the assignment.

MEFMI and the EAC Secretariat will monitor this assignment and will assign relevant staff members to provide any assistance that may be required by the Consultancy firm.

## **8.0 Evaluation**

The purpose of evaluation is to determine the technically compliant and competent bid from amongst the substantially responsive bids received by MEFMI. In order to determine the lowest evaluated proposal, MEFMI shall adopt a systematic evaluation process comprising of the following 3 logical steps:

1. Bidders will be short listed first on the basis of qualifying eligibility criteria and then responsiveness of the Bid in meeting scope, understanding of the concept, competence to meet the Functional Requirements and others, as detailed in this RFP Document i.e. evaluation of the Bids shall be done by MEFMI on Technical, Functional Parameters as well as experience and capability of the Bidder to implement.
2. Successful consultants/firms will then be invited to make a presentation of the Solution, demonstrate the Product ‘Walk through’ and if required, MEFMI will visit the organisation(s) where the Product is successfully implemented by them.

3. Based on the presentations, successful bidders will be invited to submit detailed Technical proposals covering team composition, work plan, costing as well as a corresponding financial proposal for a Commercial evaluation. MEFMI shall evaluate the bidders for their readiness of the product and capabilities to meet the functional, operational and other requirements, and accordingly MEFMI shall take a decision for selecting the successful consultant/firm.

Evaluations shall be performed as per the criterion determined by MEFMI. The MEFMI secretariat reserves the right to consult with the EAC Secretariat at any stage in this bid evaluation process.

## **9.0 Technical Evaluation**

MEFMI will evaluate technical bid on the following broad criteria:

Technical Completeness of the bid containing details of:

- a) Clear Process Flow/Functionality of the entire solution
- b) Platform proposed
- c) Compliance with scope of work,
- d) Compliance with Functional Requirements and Technical Requirements.
- e) Qualifications of the Consultant and staff proposed for the assignment
- f) Consultant/Firm's experience and competency with life insurance and pension product design and development within Eastern and Southern Africa.
- g) Experience in the Macroeconomic and Financial Management Sector and ability to provide a complete solution.
- h) Evaluation of functional capabilities offered, through product presentation, product walk through.

## **10.0 Submission of Proposals**

MEFMI is now inviting qualified firms and consultants to submit their **Technical Proposals** including a cover letter *and* CVs to the following address:

The Macroeconomic Financial Management Institute (MEFMI)  
9 Earls Road, Alexandra Park,  
P O Box A1419 Avondale,  
Harare,  
**ZIMBABWE**

**OR** Email: [capacity \(at\)mefmi\(dot\)org](mailto:capacity@mefmi.org). The proposals should arrive by **1<sup>st</sup> September, 2017 at 16.00 hours**. For any enquiries regarding this RFP, send an email to [capacity\(at\)mefmi\(dot\)org](mailto:capacity(at)mefmi(dot)org)

The submissions should include the following documents:

- a) Copies of certificate of registration / incorporation (for firms)
- b) Names and contacts of Directors (for firms)
- c) Company profile (for firms)
- d) Curriculum Vitae of proposed project team members
- e) Tax registration certificates (Income Tax and VAT in case of firms)
- f) Full contact details (physical address, telephone and fax numbers and e-mail addresses)

- g) Contact person and contact details of Project Lead/Manager(for firms)
- h) Profile of previous work done which is related to this assignment
- i) Three references and contacts of three referees
- j) Certificates of completion of previous work
- k) Payment and Billing Terms, including the cancellation clauses