



KENYA REVENUE AUTHORITY

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ADDENDUM SET "1"

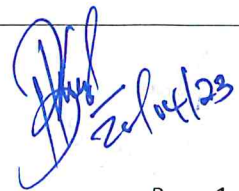
20th April, 2023.

To all Prospective bidders,

REFERENCE NUMBER: KRA/HQS/EOI-073/2022-2023: EXPRESSION OF INTEREST (EOI) FOR SUPPLY, DELIVERY, INSTALLATION, COMMISSIONING AND MAINTENANCE OF AN INTEGRATED EXCISABLE GOODS MANAGEMENT SYSTEM (EGMS)

Kenya Revenue Authority wishes to inform prospective bidders of the following amendments/clarifications:

NO.	ACTIVITY/QUERY	KRA RESPONSE
1	<p>In relation to the EOI referenced above, we would like to request clarification in order to prepare a fully compliant EOI:</p> <p>1) Could KRA please clarify point 3 k on page 3 where it states: "EOI for each solution should be restricted to a Capability Statement of no more than fifteen (15) A4 pages". Is this page limitation only for the description of the scope of work technical capability requirements on page 1? Otherwise, could KRA please confirm which required content this 15-page limit refers to?</p>	<p>Prospective bidders are advised as follows: -</p> <p>KRA confirms that the requirement 3 (k) on page 3 which states "EOI for each solution should be restricted to a Capability Statement of no more than fifteen (15) A4 pages", has been amended to read "EOI for each solution should be restricted to a Capability Statement of no more than thirty (30) A4 pages".</p> <p>Bidders are therefore advised to submit EOI proposal up to a maximum of thirty (30) A4 pages.</p>
2	<p>We are interested in the applying for the EOI for Supply, Delivery, Installation, Commissioning, and Maintenance of an Integrated Excisable Goods Management System (EGMS).</p> <p>To this end, could you please indicate or send the latest version of the EGMS regulations?</p>	<p>The Excise Duty (Excisable Goods Management System) Regulations, 2017 can be downloaded using the link below (Legal Notice No. 53 of 2017)</p> <p>http://kenyalaw.org/kl/index.php?id=6925</p> <p>The amendments to the 2017 regulations (Legal Notice No. 30 of 2023) can also be downloaded via the link provided below.</p> <p>http://kenyalaw.org/kl/index.php?id=11809</p>


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3	<p>We respectfully submit the following questions about the Expression of Interest (EOI) for Supply, Delivery, Installation, Commissioning and Maintenance of an Integrated Excisable Goods Management System (EGMS), reference number RA/HQS/EOI-073/2022-2023:</p>	
	<p>i) Can you please confirm that <i>Certificate of Incorporation /Registration or other legal proofs</i> (item a) and the <i>proof of tax compliance</i> (item b) are excluded from the 15-page limit? In some cases, these documents can be numerous pages.</p>	<p>KRA confirms that <i>Certificate of Incorporation /Registration or other legal proofs</i> and the <i>proof of tax compliance</i> are excluded from the 15-page limit</p>
	<p>ii) Can you please provide a 2-week extension to allow additional time to prepare responses that comply with all scope requirements, and allow time to receive clarification responses?</p>	<p>The tender has been extended to close/open on 3rd May 2023 at 11:00 AM East African Time.</p>
4.	<p>We would like to request clarification on a few points regarding the EOI:</p>	
	<p>i) What industries and product categories will the system cover in addition to those listed in the EGMS?</p>	<p>The solution may be extended to cover other items manufactured or imported into Kenya.</p>
	<p>ii) We understand that the KRA requires a solution that is compliant with the EGMS regulation. EGMS regulation states that all costs associated with the acquisition, maintenance or modification of production lines are the responsibility of the manufacturer. Can you please clarify why section (c) requires that "the solution should include the necessary equipment, hardware and software required to implement the system".</p>	<p>The cost referred to in the Regulation 21 (2) of the EGMS Regulations is for the excise stamp applicators, adjustments or adaptations of their equipment and premises necessary to install and integrate the new system on each production line.</p> <p>The requirement in Section (c) of the EOI is for prospective bidders to demonstrate the necessary equipment, hardware and software required to implement the solution provided by them.</p>
	<p>iii) Can advanced digital authentication (e.g. product fingerprinting) or other digital identification or authentication solutions that provide strong control can be offered to cover</p>	<p>KRA is open to all solutions that are available in the market that meet the requirements set out in the EOI document.</p>


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	some of the business cases or sectors?	
iv)	What are the business cases the supplier needs to consider? Domestic, import, export?	All the 3 (domestic, import and export)
v)	Does the KRA wants to operate the central information system for the EGMS or delegate the entire operation to the bidder?	KRA is open to consider proposals from prospective bidders.
vi)	What is the current revenue split between the KRA and the solution provider for stamps sold to manufacturers?	The question relates to contractual obligations between KRA and the current service provider. KRA has an obligation to ensure confidentiality of contract agreements.
vii)	Regarding the indicative timeframe for implementation, can the KRA indicate where the factories are located in Kenya?	There are about 2000 licensed manufacturers of excisable goods under the stamps regime spread across the entire country (Kenya).
viii)	Regarding the informative timeframe for implementation, can the KRA share the split between automated, semi-automated and manual production lines?	Currently, there are about 49 factories with 123 automated production lines. The other manufacturers have either semi-automated or manual production lines.
ix)	If the business case for imported products needs to be covered, can the KRA provide the number and location of import warehouses?	There are about 1,000 licensed importers of excisable goods under the stamps regime spread across the country. KRA frequently gets new import license applications and others drop off and thus this number keeps changing.
x)	Can modern and secure cloud hosting and scalable solutions be considered?	KRA requires that proposals made are aligned with data protection regulations and ensure that services are always available irrespective of geopolitical dynamics. KRA is open to consider proposals from prospective bidders.
xi)	Can the KRA specify point (I) Secure and user-friendly system, with mobile first access for users? is the KRA looking for a mobile app to be downloaded by citizens?	By mobile first, KRA requires that all features available to the user on Web or any other channel, should also be availed on a mobile App. The Mobile App will be availed to different categories of users based on a need to know basis similar to what would be availed on web
xii)	Can the KRA specify the relevant KRA or third party systems to be connected via open APIs?	The systems include; Tax, Customs, corporate ERP systems and other external systems.

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	xiii) Is there any limitation for the pages of the appendixes to the core document?	There is limitation for the pages of the appendixes to the core document. The appendixes are allowed where applicable up to a maximum of fifteen (15) pages.
5.	Extension of EOI Closing/Opening Date	
	PREVIOUS TENDER CLOSING DATE AND TIME	NEW TENDER CLOSING DATE AND TIME
	25th April, 2023 at 11.00 am Times Tower	3rd May, 2023 at 11.00 am Times Tower
Note: Bidders are advised to: ✓ Acknowledge receipt of this addendum published and uploaded on the KRA Website on 20th April, 2023 through our email: eprocurement@kra.go.ke .		

The Addendum form part of the bidding document and is binding to the bidder. All other terms and conditions of the tender remain the same. You are therefore required to immediately acknowledge the receipt of this addendum.

Regards,

Benson Kiruja

Ag. Deputy Commissioner - Supply Chain Management

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