



ZEP-RE **(PTA Reinsurance Company)**

RETROCESSION BROKING TENDER

PROPOSAL FOR PROVISION OF THE OPTIMAL STRUCTURE OF ZEP-RE'S 2026 RETROCESSION PROGRAMME

Note to Tender Applicants:

Confirmation of Acceptance to participate in the tender process should be submitted to the address below:

ZEP-RE Tender Committee

8th Floor, ZEP-RE Place, Longonot Road, Upper Hill

P.O. Box 42769 - 00100, Nairobi, Kenya

e-mail: dwebala@zep-re.com, mail@zep-re.com, procurement@zep-re.com

Expression of Interest Timelines : **Friday 9th May 2025 to Friday 16th May 2025.**

Proposals to ZEP RE should be submitted **within 3 weeks after closure of Expression of Interest.**

Presentations to the Committee: **26th and 27th June 2025.**

INTRODUCTION

ZEP-RE (PTA Reinsurance Company) is a specialized institution of the Common Market for Eastern and Southern Africa (COMESA) charged with the responsibility of promoting regional trade in the insurance and reinsurance sector. The Company was established by an Agreement signed by Heads of States and Governments on 23rd November 1990 in Mbabane, Swaziland.

ZEP-RE is seeking conceptual proposals for the provision of broking services in respect of the various components of its retrocession program for 2026.

The successful broking firm will partner with ZEP-RE and assist in the provision of the following specialist services:

- Designing and recommending an optimal retrocession structure and security arrangements.
- Marketing, sourcing of quotation, and placement of the retrocession programme.
- Capacity to co-ordinate the administration of ZEP-RE Retrocession programme such as preparation of the renewal packs to retrocessionnaires; settlement of the premiums to retrocessionnaires; preparation of claims documentation & subsequent recoveries of claims etc.
- Continuous Assessment and providing the latest update reports on counter-party risk (i.e. the financial strength of retrocession counterparties) for the best overall weighted security rating.
- Ensure retrocession claims are promptly recovered from all retrocessionnaires and the amounts recovered are remitted to ZEP-RE immediately or within agreed turn-around timelines (TATs).
- Provision of regular market intelligence and assessment.
- Assistance with direct contact between the company/ZEP-RE and its retrocessionnaires.
- Hazard modeling capability and ability to advise on ZEP-RE exposures and recommend appropriate mitigating measures/cover for the same.
- Technical support, training and other services that may be availed to ZEP-RE.
- Support with new Product development.
- Access to capacity of specialist classes of business including financial lines, parametric, agriculture, cyber, mining among others.

Kindly note:

- ZEP-RE is a signatory of the Nairobi Declaration on Sustainable Insurance – NDSI and a member of the UNEP FI Principles for Sustainable Insurance. ZEP-RE is mainstreaming and integrating ESG & Sustainability global and local principles into all business operations and publishing annual sustainability reports. Therefore, partners tendering for Retro must demonstrate aligned knowledge, capacity and implementation efforts in ESG and Sustainability.
- ZEP-RE has and continues to implement IFRS 17. Therefore, aligned knowledge and experience with IFRS17 must be demonstrated. This expertise should be evident in supporting your recommendations of the program to the extent possible so long as these align with business and commercial objectives.

BRIEF

Broking firms submitting proposals must state in detail their **unique selling points** (USP) in particular qualifications and capabilities highlighting their key attributes that distinguish them from competition. The proposals likely to be considered will be from the Broker that demonstrates areas where they can add the most value (relevant references will be a prerequisite).

The Company would like to advise that the Broking firms are not allowed to approach retrocession markets for quotes, terms, and conditions for this presentation. Interested Brokers submitting proposals should include the following: -

- Ownership Structure of the Firm, including Board of Directors with detailed split between Executive, Non-Executive, and Independent Directors. Where the ownership of the firm is held by a holding company details of shareholding of the holding company must be provided.
- Brief CVs of the firm's key team members as well as team leaders indicating experience and membership to recognized professional bodies.
- Proof of Professional Indemnity Insurance and the respective limits.
- Location of the firm's operations and how they propose to interact and maintain contact with ZEP-RE.
- Firm's linkages and world-wide coverage and relationships with all major global and other alternative regional reinsurers.
- Firms experience with placing retrocession programmes locally, regionally, and globally as flag broker and following broker.
- Details of the firm's branch or association network and how it would be brought to the service of ZEP-RE.
- Firm's proposed markets for quotations and programme placement.
- Proposed basis of remuneration for intermediary services – brokerage and fees as options.
- Analysis and commentary on ZEP-RE's existing retrocession program.
- Demonstration of capabilities in risk modelling and reinsurance optimization, including efficacy of any in-house or vendor models to be used.
- Proposal on how to work with other brokers to streamline renewal and administration for ZEP-RE.
- Detail of nature and level of any existing business relationship with ZEP-RE.
- How the firm can assist ZEP-RE with training and other business needs.
- Membership to local and international broking associations.
- Ability and capacity to direct/unfettered access to the Lloyds and other international retrocession markets.
- Knowledge of the International and Regional Rating Agencies and capacity to assist ZEP-RE in reviewing and its submission of required information (for rating purpose) to the Rating Agencies.

EVALUATION CRITERIA

Firms presenting proposals will be evaluated against the following criteria:

- Ability to demonstrate present and / or previous experience in handling a retrocession portfolio for a similar type of financial services establishment, as well as international association or specialized expertise in retrocession broking.

- Extensive knowledge of the African Insurance & Reinsurance markets will be an added advantage.
- Profile of the broking firm and previous experience that is relevant to this assignment.
- Competence and experience of the Team leader and key staff. Business continuity programs and succession matrix programs are key .
- Quality of proposals for the design of a holistic retrocession solution for ZEP-RE.
- Competitiveness of the price indications given for the proposed structure.
- Broking firm's access to credible lead securities that can provide competitive quotations.
- Strength of intermediary's risk modeling and dynamic financial analysis capability.
- Experience, presence and standing of the Firm in the African continent and relationships with current and potential Cedants for ZEP-RE.
- Distinctive features of the Firm compared with other brokers.
- Proposed basis of remuneration for intermediary services.
- Proposed placement Slips/Wordings.
- Must have sufficient levels of Professional Indemnity cover.
- Ability and capacity to direct/unfettered access to the Lloyds and other international retrocession markets.
- Actuarial and modelling capabilities.
- Accessibility to ZEP-RE Team and turnaround time when called upon to provide other support services.
- Ability to provide/facilitate annual local, regional, and international general and specialist training to staff.
- Data Science Capabilities.
- Value added services that support ZEP-RE's ability to manage the program efficiently and effectively.
- Other terms and conditions will be agreed on once selected.

SELECTION

Please note that ZEP-RE (PTA Reinsurance Company) is not bound to select any of the firms submitting proposals.