



Date: 22 September 2017

ITB/21/2017

Provision of Transport and Warehouse Insurance Services to the OSCE

Clarification Note 3

The Organization for Security and Co-operation in Europe has received a request for clarification from potential bidders on Tue 22/08/2017 15:35 with regard to Invitation for Bid – ITB/21/2017. The OSCE would like to provide the following clarifications:

Q1: “The wording that your organization wishes to use may require a very slight alteration, as our preferred provider for this business class wish to use the Lloyds ICCA wording, as opposed to the Austrian AOTB one. The difference in these wordings is minimal with the preference being that the ICCA wording is in English”

A1: The final wording and terminology shall be agreed after the award. The final wording shall be consistent with the OSCE General Conditions of Contracts.

Q2: “Our leading carriers do not agree with having nil deductible for storage activities, but may be happy to have nil deductible for transit activity only.”

A2: It should remain nil deductible for everything, otherwise it would be difficult to compare the prices (offers).

Q3: “Need to have breakdown for each claim recorded, or at very least, get the general circumstances for each claim recorded since 2008. This is so insurers can learn what the commonalities are within each claim type”

A3: Please see Attachment 1.

Q4: “Need the COPES information (surveys essentially) of each storage location proposed on the tender”

A4: We do not have such surveys.

Q5: “Breakdown of materials shipped (i.e does this include mobile phones, laptops etc. which are considered theft attractive).”

A5: Answered in A2, Clarification Note 1: “Type of goods transported: general goods like ICT equipment, office supplies, vehicles, publishing material. Type of goods stored: Publishing material”.

Q6: “Who is sourcing these materials (i.e are they leased or directly owned, and are they coming from one single wholesaler before being transported to warehouses?”

A6: The material is directly owned, purchased and coming from different suppliers to the warehouse.

Q7: “Average shipment values and how many are conducted within one year?”

A7: 112 vehicles have been shipped in 2016, total value EUR 6,971,258,-. 378 shipments of general goods have been carried out in 2016, total value EUR 4,939,299,-.

Q8: “What is the nature of the items/ goods being shipped and stored in the warehouses?”

A8: Answered in A2, Clarification Note 1: “Type of goods transported: general goods like ICT equipment, office supplies, vehicles, publishing material. Type of goods stored: Publishing material”.

Q9: “How are goods being conveyed? What security arrangements are provided for transportation and storage of goods?”

A9: Goods are mainly transported by road or air through our freight forwarding agent. The storage locations have video surveillance and fire alarm systems. They are also guarded.

Q10: “For international (inbound and outbound) and domestic (inbound and outbound) shipments, please provide the following details:

- o Details of how goods are packaged.
- o Basis of valuation for all goods.
- o Maximum shipment values.
- o % shipments by sea, air, land/rail.?”

A10: The goods are usually packed on pallets and wrapped. Vehicles are mainly transported on car carriers but sometimes also on trucks – depending on the quantity.

Since we are mainly shipping newly purchased goods the basis of valuation is a purchase invoice.

Maximum shipment values are stated in ToR (EUR 750,000.00 for each kind of transport; EUR 100,000.00 for transport by OSCE vehicles).

Shipments by air or road.

Q11: “Will OSCE entertain deductible options for comparison purposes?”

A11: Only in case we do not receive any offer with nil deductible.

Q12: “Given that the required underwriting/risk information will potentially have a significant impact on the premium indication, will the OSCE consider delaying the deadline to submit the final offers?”

A12: The indicated submission deadline will be extended as referred in the clarification email.

Q13: “Claims Experience – We would appreciate receiving a split of the Claims Experience , whereby the Transport Insurance Claims and the Warehouse insurance claims are split separately, along with a brief description of the circumstances of each loss, location of the loss, as well as the amount paid or else reserved per claim, indicating the status of the claim, ie. whether paid or settled. Please also advise whether any claims were recovered from third parties or else whether or not there is a prospect of recovery.

Failing the above, kindly provide us with a split of losses for any one location and amount paid or reserved per claim per location; splitting the claims by category, ie. Transport or Warehouse insurance?”

A13: Please see the table below.

Shipment / Warehouse	Description	Year	EUR	Remarks
Shipment of one vehicle to Georgia	Stolen vehicle accessories	2008	172.00	Paid
Shipment of two vehicles to Yerevan	Damaged vehicle	2008	347.47	Paid
Shipment of five vehicles to Tajikistan	Stolen vehicle accessories	2009	1,142.00	Paid
Shipment of 4 vehicles to FYR Macedonia	Damaged vehicle	2009	1,307.60	Paid
Shipment of machine parts to Albania	Stolen saw blades	2009	189.00	Paid
Shipment of IT equipment to Uzbekistan	Damaged scanner, total loss	2009	548.00	Paid
Shipment of artworks to London	Damaged picture frames	2009	107.00	Paid
Shipment of IT equipment to Montenegro	Stolen firewall	2010	1,594.47	Paid
Shipment of publications to Vienna	Goodwill compensation for freight charges - returned shipment	2010	316.24	Paid
Shipment of IT equipment to Bosnia and Herzegovina	Damaged LCD monitor	2010	140.00	Paid
Shipment of IT equipment to Tajikistan	Stolen IT equipment (printer, 2 desktop computers, 2 LCD monitors)	2011	2,080.00	Paid
Shipment of toner cartridges to Tajikistan	Stolen toner cartridges	2012	6,430.00	Not settled due to improper receiving
Shipment of IT equipment to Kazakhstan	Stolen 10 notebook computers	2014	8,675.70	Paid
Shipment of IT equipment to Tajikistan	Stolen 5 notebook computers	2014	5,058.84	Paid
Shipment of IT equipment to Kosovo	Stolen 1 laptop computer and 1toner	2015	1,031.54	Paid

Q14: "For Transportation Insurance losses, kindly indicate whether the respective loss occurred whilst the goods were being carried by external carriers (in which case, please identify carrier) or else by vehicles owned by OSCE.

In respect of the Warehouse Insurance claims, kindly indicate the cause of loss (eg. in case of fire, the cause of the fire; in case of theft, the circumstances) and in any case whether improvements were made to improve the particular risk."

A14: All losses were related to shipments, in all cases the goods were being carried by external carriers. There was no any Warehouse insurance claim in the period from 2008 until now.

Q15: "We note that for 2016, no claims are listed, so we understand that there have been no known or reported losses absolutely for 2016. Kindly confirm."

A15: There were no reported losses in 2013 and 2016.

Q16: "No mention for the 2017 year is mentioned therein. Is this because no information is yet available or is it because there is a clean loss history for 2017? Till which date is the information therein relate (eg. is it the situation as at 31st July 2017?)."

A16: No losses have been reported in 2017 so far.

Q17: "Security at Warehouses/Storage Locations/ Offices – Kindly provide us with details of security, surveillance methods, fire prevention and fire control methods/procedures exist and equipment there is in place."

A17: There are video surveillance systems, smoke/fire detectors and fire extinguishers.

Q18: "Are there any loss response procedures set both as regards Transportation losses as well as physical losses at the warehouses/storage facilities/offices?"

A18: All the OSCE Offices report the losses to the OSCE Secretariat in Vienna, the claims are prepared and filed by the Secretariat staff.

Q19: "Kindly indicate what equipment is in place as well as methods/procedures/ equipment in place which would give alert in case of a loss at the respective warehouses/storage facilities/offices. Prospective Insurers would also be interested to learn of loss control measures present at these sites."

A19: There are video surveillance systems, smoke/fire detectors and fire extinguishers.

Q20: "Interest – Please provide us with a description of the Interest for which the insurance is required, ie. both for the goods being carried as well as for the goods being stored, ideally with an approximate sum insured at any one location for each type of good/product.."

A20: The below table shows the value of all shipped goods per location for the period 2013-2016.

	2013	2014	2015	2016
Country	Value EUR	Value EUR	Value EUR	Value EUR
Albania	84,505.85	112,664.97	68,758.86	119,194.98
Armenia	113,317.61	143,116.85	132,162.71	96,997.73
Austria	482,592.89	1,684,706.25	1,691,094.83	1,055,186.31
Azerbaijan	83,682.26	22,030.40	2,653.25	0.00
Belarus	0.00	0.00	0.00	3,721.38
Bosnia and Herzegovina	115,958.41	484,571.86	267,359.14	102,320.61
Czech Republic	22,500.27	3,000.99	9,104.39	31,511.74
Denmark	0.00	0.00	0.00	600.00
France	0.00	0.00	0.00	870.00
FYR Macedonia	120,324.98	87,378.00	183,482.84	274,935.24
Georgia	34,234.22	41,453.00	62,394.18	39,641.06
Germany	0.00	0.00	0.00	500.00
Kazakhstan	35,437.04	35,340.70	51,121.94	12,939.08
Kosovo	369,276.44	185,247.81	380,493.38	670,103.79
Kyrgyzstan	198,129.23	487,778.12	512,840.16	310,434.57
Moldova	233,184.06	116,702.83	102,592.24	208,066.31
Mongolia	0.00	0.00	0.00	2,621.61
Montenegro	19,497.90	14,651.50	30,331.83	32,128.50
Poland	291,337.42	123,985.09	76,139.45	317,131.93
Serbia	236,602.17	242,542.61	131,150.97	91,591.71
Switzerland	668.46	0.00	0.00	260.00
Tajikistan	199,877.42	273,107.67	371,405.88	258,836.10
The Netherlands	31,538.56	15,957.02	12,830.44	52,601.81
Turkmenistan	70,131.75	165,656.80	101,146.30	75,487.67
UK	0.00	252,000.00	5,515.60	0.00
Ukraine	77,778.80	193,028.49	87,034.95	503,604.70
Ukraine (SMM)	0.00	10,727,615.42	15,412,562.51	8,210,342.39
Uzbekistan	201,592.64	89,887.11	56,577.13	123,928.63
Grand Total	3,022,168.38	15,502,423.49	19,748,752.97	12,595,557.84

Q21: "Would there be any frozen foods carried/stored, in which case what temperature control methods and recording are in place? If so, please advise the sum insured required in respect of any one such shipment."

A21: No.

Q22: "Would the carriage and/or storage of any hazardous goods or materials or be involved, in which case kindly indicate type of goods, method of shipment, quantities per conveyance and in any one year and total number of such shipments per year."

A22: The only hazardous goods are laptop and smartphone batteries.

Q23: "In the light of the fact that OSCE is involved with arms control, are any such items stores/transported? Kindly provide details."

A23: No, we do not store and we do not ship any arms.

Q24: "Would there be more shipments expected to take place to/from any particular country/ area? If so, from/to which country/area."

A24: The biggest shipments are to Ukraine.

Q25: "Security of Vehicles – What sort of anti-theft security measures and procedures are in place? Would the vehicles be parked in locked yards at night or whilst at rest during transits and will they be under the surveillance of CCTV of which footage is maintained?"

A25: When the vehicles are delivered, they are parked at the custom terminals.

Q26: "Sums Insured /Values – The information provided states that the Estimated Total value of stored good is of €7million. Does this relate to goods stored at any one time at any one warehouse or is it in respect of all warehouses together for the whole year? In case it is for all warehouses together, what is the maximum estimated sum insured required in respect of (1) any one location at any one time and (2) in any one year per location?"

A26: It is the estimated total value of all warehouses together for the whole year.

Q27: "We note that a sum Insured per annum of €2,700,000 for every warehouse is required. Is this the total value of goods held in any one year or else at any one time? Kindly provide us with a split of sums insured required per location and the maximum value/sum insured required at any one time at any one warehouse."

A27: It is the total value of goods held at any one time.

Q28: "We note that the estimated total value of shipped goods a year is of €7 million; whereas a sum insured of €750,000 for transport by third parties and €100,000 for transport by OSCE vehicles per annum is required. Can you please indicate (1) the type of conveyance and (2) the maximum sum insured required at any one time, any one conveyance in respect of voyages for both, ie, (a) for third party and (b) own vehicles ? We understand that the €7million relates to the total of all shipments taking place in any one year – can you please confirm or otherwise."

A28: The estimated total value of all shipments in any one year is 7 million EUR. The maximum value of shipped goods per any transport by third parties is 750,000 EUR and the maximum value of shipped goods per any transport by OSCE vehicles is 100,000 EUR.

Q29: "Storage – In respect of Electronic Equipment which is stored at OSCE offices until this is installed, please advise: The total sum insured required for such equipment at any one time for all locations together. The sum insured required in respect of any one location at any one time Security at each location – are these held under lock and key and accessible only to authorised personnel? What Fire prevention and loss control equipment /procedures are in place?."

A29: The total sum insured required for Electronic Equipment which is stored at OSCE offices at any time for all locations together is 200,000 EUR. The sum insured at any time at any one location is 20,000 EUR. The equipment is kept in locked offices accessible to authorised personnel only.

Q30: "Given that insurance is being requested for such equipment whilst being stored at OSCE office until they are installed for use, could you please advise whether there is any reason why this is not included under any insurance which may be in place in respect of the Offices of OSCE?"

A30: Our electronic equipment insurance covers the equipment that is installed and in use.

Q31: “We would appreciate if you could please clarify whether there are any other items held in storage at OSCE warehouses and whether such storage is required until or beyond final destination. We understand that should this be the case, Insurance will be required for storage until final destination. Kindly confirm our understanding is correct. If not, please let us have details.”

A31: Items stored in our warehouses are IT/Communications equipment, toner cartridges, vehicle spare parts, bulletproof vests and helmets, office supply.

Q32: “Where are the goods coming from and to?”

A32: Mostly IT equipment is coming from Denmark and Austria and is delivered to all our office locations. Vehicles are coming from Germany, Austria, Czech Republic and are also delivered to all our office locations.

This Clarification Note is dispatched simultaneously to all economic operators known to be interested and published at the OSCE website.

It is advisable to all interested parties to carefully read the previous clarification note that can be found on the OSCE procurement website.

Please be reminded that the submission deadline **at the address shown in point 17 of the Invitation to Bid is extended due to the high number of clarification requests to 12:00 hours (CET), on 28 September 2017.**

END