



REPUBLIC OF KENYA
MINISTRY OF LANDS, PUBLIC WORKS, HOUSING AND URBAN DEVELOPMENT
State Department for Housing and Urban Development

ADDENDUM II
TENDER CLARIFICATIONS
PROPOSED MANUFACTURE, SUPPLY & INSTALLATION OF STANDBY DIESEL
GENERATOR FOR THE AFFORDABLE HOUSING PROGRAM UNDER
FRAMEWORK AGREEMENT

TENDER NO. SDHUD/784/SPPM/005/2025-26

This is in reference to tenders' advertisement appearing in MyGov on 31st March, 2026 and Addendum 1 dated 23rd April, 2026.

S/NO	CLARIFICATIONS	RESPONSE
1.	<p>Cable Sizing Inconsistency for Generator Installations</p> <p>Bill of Quantities, Item 1.05 The sub-mains cables for all generator ratings are specified as 25mm². However, for the 100kVA generator, the specification shows 16mm². Could this be an error?</p>	<p>There is no error. Bidders to price as specified. In accordance section V Schedule 4.2</p>
2.	<p>Incorrect Technical Data Schedule</p> <p>Part II - Data Schedules, Page 157 The data schedule provided is for switchboards rather than for generator. Could you kindly provide a generator data schedule?</p>	<p>The Equipment Table is amended to read as follows:</p> <p>GENERATOR SET Make/Manufacturer: _____ Model/Type Reference: _____ Country of Manufacture: _____ Place of Assembly (if applicable): _____</p> <p>ENGINE Engine Make: _____ Engine Model: _____ Number of Cylinders: _____ Aspiration Type: _____</p>

		Cooling System: <hr/> Governor Type: <hr/> Fuel Type: <hr/> Fuel Consumption (at 100% Load): <hr/> ALTERNATOR Alternator Make: <hr/> Alternator Model: <hr/> Rated Output (kVA/kW): <hr/> Voltage Rating (V): <hr/> Frequency (Hz): <hr/> Power Factor: <hr/> Insulation Class: <hr/> Protection Rating (IP): <hr/> Excitation System: <hr/> PERFORMANCE Prime Power Rating (kVA): <hr/> Standby Power Rating (kVA): <hr/> Voltage Regulation (%): <hr/> Frequency Regulation (%): <hr/> Maximum Starting Capacity (kVA): <hr/> CONTROL PANEL Control Panel Make/Model: <hr/> Controller Type: <hr/> Synchronization Capability: <hr/> Remote Monitoring Capability: <hr/>
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		<hr/> Protection Features: <hr/> ACOUSTIC ENCLOSURE Enclosure Type: <hr/> Noise Level @ 10m (dBA): <hr/> Material and Finish: <hr/> FUEL SYSTEM Fuel Tank Capacity (Litres): <hr/> Autonomy at Full Load (Hours): <hr/> Fuel System Type: <hr/>
3.	<p>Conflicting amounts for the Line of Credit</p> <p>Section III - Evaluation and Qualification Criteria, Page 49, Item 9 vs Page 59, Financial resources.</p> <p>Which of the two figures for Line of Credit is correct?</p>	<p>Section iii Clause 9 sub-factor 3.3 has been amended to read: The Tenderer must demonstrate access to, or availability of, financial resources such as liquid assets, unencumbered real assets, lines of credit, and other financial means, other than any contractual advance payments to meet: (i) the following cash-flow requirement: KSh 100,000,000.00 .</p>
4.	<p>Inaccurate Schedule of Packages and Prices Section IV - Tendering Forms, Page 76</p> <p>Considering this is a single-category national procurement with no regional batches or lots, how should we approach filling in of this form?</p>	<p>The form shall be completed as a single consolidated package. Bidders shall not create artificial subdivisions or lots. The pricing shall reflect the entire scope as one package, and any deviation from this approach will be deemed non-compliant.</p>
5.	<p>Blank Equipment Table Section III - Evaluation and Qualification Criteria, Page 63</p> <p>If no specific equipment list is prescribed, are Tenderers expected to propose their own equipment list based on the scope of works (manufacture, assembly, delivery, installation, testing, commissioning, and 10-year maintenance of 8,250 generators across 180+</p>	<p>The Equipment Table Section III shall be replaced by the Attached Schedule</p>

	sites)?	
6.	<p>Contradiction for Proof/Evidence of Ownership for all the relevant equipment</p> <p>Section II - Tender Data Sheet, Page 40, ITT 13.1 (j), Line Item 10 Is the "Proof/Evidence of Ownership" requirement intended to apply only to equipment that is specifically listed as mandatory to own, and if so, could you clarify which equipment falls into this category?</p>	<p>The requirement applies to all critical equipment necessary for execution of the Works, particularly those affecting capacity, quality, and delivery timelines. Bidders shall provide proof of ownership or legally binding access (e.g., lease agreements) for such equipment.</p>
7.	<p>We refer to Addendum I issued in respect of the above-captioned tender. Whereas Item 1 of the Addendum has, very properly, acknowledged that "Full manufacturing of major components such as engines and alternators is not mandatory. Bidders may comply through assembly within Kenya" - and has, on that basis, formally re-titled the tender to "ASSEMBLY, SUPPLY & INSTALLATION of Standby Diesel Generators" - the same Addendum, at Item 6, simultaneously requires that, in a JV bid, "the lead bidder shall be the manufacturer". With respect, the two positions are mutually inconsistent.</p>	<p>We Note the concern herewith and therefore; the following items on the Generator addendum have been amended as follows:</p> <p>Item 5: This tender is for the Assembly, supply, installation, testing, and commissioning of generators. No contract drawings are issued at this stage. Bidders are required to base their submissions on the provided specifications, scope, and performance requirements. Detailed shop drawings shall be developed by the successful bidder/s for approval prior to execution.</p> <p>Item10: Joint Venture partners are not required to hold identical qualifications. However, the JV shall collectively demonstrate compliance with the tender requirements, and each partner shall provide documentation relevant to its role in the JV.</p> <p>Item 11: The Bid shall allow for up to three (3) Joint Venture (JV) partners. However, bidders are advised that the local installer is not required to form part of the Joint Venture and may instead be engaged as a subcontractor</p> <p>Item 12: This is a manufacturer/ Assembler/ Authorized reseller-led bid, with local installers engaged as subcontractors.</p>

		<p>A single manufacturer shall not support more than one bidder within the same category. Where a manufacturer is found to be participating in multiple bids under the same category, all such bids associated with that manufacturer will be disqualified and deemed non-responsive. Bidders are therefore required to ensure exclusivity of manufacturer representation within their respective submissions to maintain compliance with the tender requirements</p> <p>Item 18: The Bid shall allow for up to three (3) Joint Venture (JV) partners. However, bidders are advised that the local installer is not required to form part of the Joint Venture and may instead be engaged as a subcontractor, provided all specified qualification and regulatory requirements are met.</p>
8.	Kindly clarify whether the tender is limited to international bidders only.	This tenders are for both international and local bidders
9.	What is the commencement Period	<p>SCC 8 — Time for Commencement and Completion SCC 8.1: The Contractor shall commence work on the Facilities within _____ from the Effective Date is amended to read: The Contractor shall commence work on the Facilities within Thirty (30) calendar days from the Effective Date of each call-off order, or such other period as stated in the specific call-off order. Commencement shall mean: submission of the call-off construction programme under SCC 8.3, issuance of the factory inspection notice under Clause 1.19.2, and mobilization of the Lift Engineer-in-Charge to the project site.</p>
10.	SCC 11.2 — Price Adjustment (Maintenance	SCC 11 — Contract Price SCC 11.2:

	Component)	<p>The Contract Price shall be adjusted in accordance with the provisions of the Appendix to the Contract Agreement Titled Adjustment Clause. Is amended to read:</p> <p>SCC 11.2: The Contract Price shall be adjusted in accordance with the provisions of Appendix 2 (Price Adjustment) to the Framework Agreement. For the avoidance of doubt, price adjustment applies to both: (a) the supply and installation component of each call-off, using the index basket specified in Appendix 2; and (b) the maintenance fee component of each call-off, using a separate index basket weighted as follows: Kenyan Consumer Price Index (Labour and Overhead component) — 60%; Steel and Components Import Price Index (as published by the Kenya National Bureau of Statistics or equivalent) — 20%; Fixed (non-adjustable) component — 20%.</p> <p>The Base Date for price adjustment for each call-off shall be the date thirty (30) days before the Effective Date of that specific call-off, not the Framework Agreement signing date.</p>
11.	Section VII — SCC Insert as new Schedule to the SCC — INVESTMENT AND MANUFACTURING MILESTONES	<p>NEW CLAUSE: SCHEDULE [X] — INVESTMENT AND LOCAL MANUFACTURING MILESTONES</p> <p>The following milestones are binding contractual obligations under SCC [NEW] (Framework Renewal and KPI-Based Continuation). Evidence for each milestone shall be submitted to the Project Manager within 14 days of the target month: Milestone M-1 (Month 3): Submit signed lease or ownership documents for Kenya</p>

		<p>facility site (minimum 2,000 m²) and local business registration certificate (KRA PIN, NCA certificate, investment permit). Consequence of failure: Written warning; Tier 2 reclassification if not cured within 30 days.</p> <p>Milestone M-2 (Month 9): Submit approved factory layout drawings and building permit; evidence of capital expenditure on facility fit-out. Consequence of failure: Demotion to Tier 2 call-off eligibility.</p> <p>Milestone M-3 (Month 18): First local assembly in Kenya; submit video evidence and independent QA inspection report to the Project Manager; KEBS/relevant certification application filed. Consequence of failure: Performance deduction of 5% of performance Security value.</p> <p>Milestone M-4 (Month 24): Full local assembly plant operational; all components passing through the Kenya facility; minimum 10 Kenyan technical staff employed on assembly; KEBS certificate of compliance submitted. Consequence of failure: Suspension of new call-off awards; risk of framework termination after 30-day cure.</p> <p>Milestone M-5 (Month 36): First call-off fulfilled using locally assembled lifts; local assembly content ≥ 40% by value certified by independent QA; KEBS periodic audit report submitted. Consequence of failure: Removal from Tier 1 preferred ranking until complied.</p>
12.	<p>1. Reliance on the original tender architecture. Following the publication of the tender on 31st March, 2026 and in advance of the pre-bid</p>	<p>1. Policy Rationale for Manufacturer-Led Requirement</p>

<p>meeting of 14th April, 2026, our company invested significant time and money preparing a JV bid in strict reliance on the express provisions of the tender document. In particular:</p> <ul style="list-style-type: none"> • ITT 4.2 limits JV membership to two parties - typically the OEM and the local installer - without prescribing which party is to take the lead; • ITT 13.1(j)(3) expressly contemplates three alternative qualifying instruments - a manufacturer’s authorization, a JV agreement with a local installer, or a declaration of local manufacturer presence - each of which is on equal footing; and • the evaluation criteria reward “already manufacturing locally” (Criterion 4 - 8 marks) and a Board Resolution plus Investment Plan to manufacture in Kenya within 24 months (Criterion 4 - 6 marks), neither of which presupposes that the lead bidder is itself the foreign OEM. <p>2. Executed JV agreements. On the strength of the foregoing, we have already executed a binding JV agreement with our foreign OEM partner; obtained, paid for and lodged the prescribed notarizations and apostilles on the JV deed and supporting Powers of Attorney; applied for our Tender Security in favor of the JV; mobilized our Manufacturer’s Authorization, OEM declarations and component certifications; and instructed our auditors and bankers towards the financial-capacity submissions on Forms FIN 3.1-3.3. To unwind, re-paper and re-execute the JV in favor of a different lead party at this stage is, in real terms, to begin the bid afresh.</p> <p>3. Closure on 14th May, 2026. The tender now closes on 14th May, 2026. The change introduced by the Addendum is not a clarification; it is a structural reallocation of responsibility, signing authority, tax residency,</p>	<p>The requirement for the manufacturer to be the lead bidder is intended to:</p> <ul style="list-style-type: none"> • Support the Government’s objective of promoting local manufacturing capacity building under the Affordable Housing Programme; • To catalyze and anchor local manufacturing capacity in Kenya, particularly for high-value MEP components. • To ensure direct accountability of Original Equipment Manufacturers (OEMs) in long-term performance, warranties, and lifecycle support Facilitate technology transfer and industrial development in Kenya. <p>This requirement is therefore developmental and strategic, rather than purely procedural</p> <p>2. CLARIFICATION ON JV OPERATIONAL STRUCTURE</p> <p>For avoidance of doubt: The designation of the manufacturer as lead bidder is for policy and compliance purposes; The manufacturer (lead bidder) may issue a Power of Attorney (PoA) or equivalent legally binding instrument to the JV partner; Such PoA may authorize the JV partner to:</p> <ul style="list-style-type: none"> • Prepare and submit the bid; • Execute the contract; • Undertake installation, commissioning, and
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<p>banking, and the chain of warranties and indemnities running between the parties. None of those instruments can be re-executed and re-notarized across jurisdictions in approximately seventeen calendar days. The practical effect is to disenfranchise tenderers who, in good faith, structured their bids in reliance on the document as published.</p> <p>4. Section 75 PPADA, 2015. We respectfully draw the State Department’s attention to Section 75 of the Public Procurement and Asset Disposal Act, 2015, which requires that, where amendments to a tender document are issued, tenderers be afforded reasonable additional time to prepare their bids. The orthodox practice in such circumstances - where the change is so material that it goes to the very root of the Structure - is to extend the submission deadline by a margin commensurate with the change, or to withdraw and re-issue the tender.</p> <p>5. Article 227 of the Constitution. Article 227(1) requires public procurement to be fair, equitable, transparent, competitive and cost-effective. Penalizing tenderers for a JV structure they were expressly invited to adopt is the opposite of fair and equitable, and the implicit narrowing of the field to OEM-led JVs is the opposite of competitive.</p> <p>We accordingly request the Procuring Entity to:</p> <p>(a) Withdraw the requirement that the lead JV member must be the manufacturer; or</p> <p>(b) In the alternative, expressly grandfather all JV agreements executed prior to Addendum I, and grant a tender-submission extension of not less than thirty (30) calendar days to permit those bidders who must restructure to do so without breach of the tender’s notarization, apostille and signing requirements.</p>	<p>maintenance obligations.</p> <p>This approach ensures that, Manufacturing commitments remain secured at OEM level, while, Execution flexibility is preserved for local partners</p> <p>3. EFFECT ON EXISTING JV ARRANGEMENTS</p> <p>Bidders who have already constituted JVs are not required to fundamentally restructure their operational arrangements;</p> <p>Compliance may be achieved through:</p> <ul style="list-style-type: none"> ● Designation of the manufacturer as lead; and ● Submission of an appropriate Power of Attorney or delegation instrument. <p>4. CONTINUITY OF OTHER TENDER PROVISIONS</p> <p>All other provisions of the Tender Document and Addendum I remain unchanged.</p> <p>5. COMPLIANCE</p> <p>Bidders are advised to ensure that their submissions:</p> <p>Clearly indicate the manufacturer as the lead JV member; and</p> <p>Include the necessary Power of Attorney or legal authorization where applicable.</p> <p>The Procuring Entity remains committed to ensuring a procurement process that is fair, equitable, transparent, competitive,</p>
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		and cost-effective in accordance with Article 227 of the Constitution and the Public Procurement and Asset Disposal Act, 2015.
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All the other conditions remain the same.

Head Supply Chain Management Services

For: The Principal Secretary

Ministry of Lands, Public Works, Housing and Urban Development

State Department for Housing and Urban Development.

P.O. Box 30119 -00100 NAIROBI, KENYA

Dated 30th April, 2026

Clarification 5 Generator Equipment Schedule

11. Equipment

S/No.	Equipment Category	Equipment Description	Minimum Requirement
1	Lifting & Handling	Mobile Crane (10–50 Ton)	1 No. / Access
2	Lifting & Handling	Forklift (3–10 Ton)	1 No.
3	Lifting & Handling	Chain Blocks / Hoists	2 No.
4	Lifting & Handling	Hydraulic Jacks	2 No.
5	Electrical Tools	Cable Pulling Winch	1 No.
6	Electrical Tools	Cable Rollers & Drum Jacks	1 Set
7	Electrical Tools	Hydraulic Crimping Tools	2 Sets
8	Electrical Tools	Insulation Resistance Tester (Megger)	2 No.
9	Electrical Tools	Multimeters	4 No.
10	Electrical Tools	Earth Resistance Tester	1 No.
11	Electrical Tools	Thermal Imaging Camera	1 No.
12	Mechanical Tools	Torque Wrenches	2 Sets
13	Mechanical Tools	Spanner & Socket Sets	Complete Sets
14	Mechanical Tools	Welding Machine	1 No.
15	Mechanical Tools	Drilling Machines (Heavy Duty)	2 No.
16	Mechanical Tools	Pipe Threading Machine	1 No.
17	Civil Works	Concrete Mixer	1 No.
18	Civil Works	Concrete Vibrator	1 No.
19	Civil Works	Survey/Leveling Equipment	1 Set
20	Testing & Commissioning	Load Bank	1 No.
21	Testing & Commissioning	Power Quality Analyzer	1 No.
22	Testing & Commissioning	Sound Level Meter	1 No.

23	Testing & Commissioning	Vibration Meter	1 No.
24	Logistics	Flatbed/Low Loader Trucks	As Required
25	Logistics	Service Vehicles (Pickups/Vans)	Min. 2 No.
26	Logistics	Fuel Handling Equipment	1 Set