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Description of Request	Provide a service to implement a fully functional and supported integrated insurance management solution with support and maintenance of the solution over a period of 5 Years.
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Abbreviations

Abbreviation	Description
ALM	Application Lifecycle Management
API	Application Programming Interface
EAAB	Enterprise Architecture Advisory Board
Escap	Eskom captive insurance company
ETL	Extraction, transformation, and loading
FSCM	Financial services claim management
GDPR	General Data Protection Regulation
RFP	Request for proposal
PAD	Physical Architecture Design
SAAS	Software as a Service
TCoE	Testing Centre of Excellence
UFT	Unified Functional Tester
VPC	Virtual private cloud

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1. Background Information


ESCAP SOC Limited (ESCAP), a non-life insurer and wholly owned subsidiary of Eskom, was established in 1993. Operating under the Insurance Act 18 of 2017, ESCAP is authorized to underwrite risks for Eskom, its subsidiaries, joint ventures, public entities (as per the Public Finance Management Act), municipalities, and municipal entities (as defined in the Municipal Systems Act).

ESCAP's primary role is to provide tailored short-term insurance solutions to the Eskom Group, combining self-insurance and external reinsurance to manage risks cost-effectively. It is licensed to issue policies for Engineering, Guarantee, Liability, Motor, Property, Transportation, and Miscellaneous categories, servicing Eskom and its subsidiaries comprehensively.

The policies issued in Eskom and the subsidiaries include but are not limited to those listed below in Table 1.

Policy Licensed	Policy Types
Engineering	Annual Construction All Risk Construction and/ or Erection All Risks Specific Construction Projects
Liability	Employment Practices Liability Environmental Liability General Public Liability Interruption of Supply Marine Small Craft Liability Nuclear liability write-back. Cyber liability
Property	Assets All Risk Aircraft Engine Breakdown Aviation Hull and Hull War Commercial Crime Motor & Mobile Plant Fleet Terrorism
Transport and Miscellaneous	Marine Business Travel all-risk

Table 1: Policies currently issued by ESCAP.

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ESCAP's three main capabilities —policies management, claims management, and captive management —are supported by different technology systems and manual processes. Claims management relies on SAP Insurance and Pastel systems, while policies and captive management are handled manually through various Excel spreadsheets, Word documents, and PDFs. A lack of integration between SAP Insurance and Pastel results in the use of spreadsheets and journal entries for recording premiums and claims, adding complexity and inefficiency to the process.

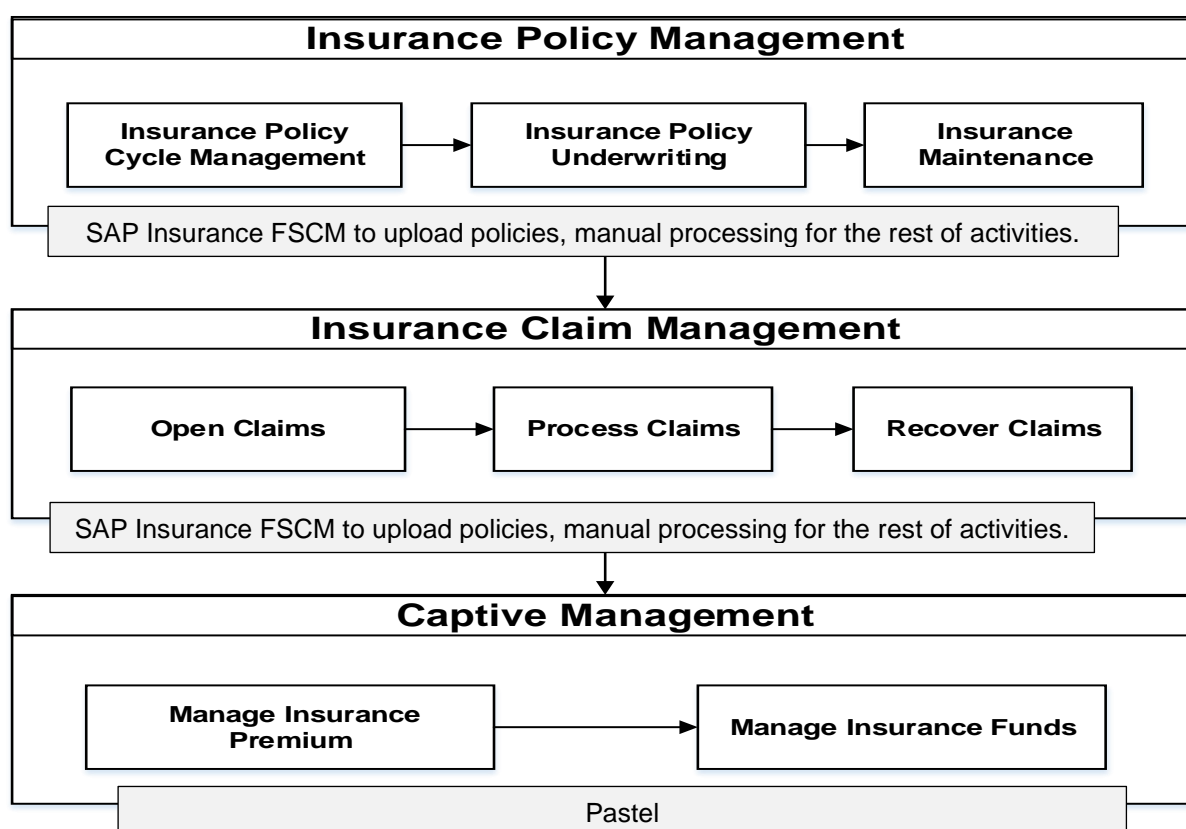



Figure 1: ESCAP Value Chain and technology touchpoints.

The following systems are used in the insurance management value chain:

- Insurance Policy Management – does not have any system, primarily manual processes. SAP Insurance FSCM is only used to upload policies.
- Insurance Claims Management – all claims are processed in SAP Insurance FSCM for all processes levels.
- Captive Management – managed and administered in Pastel, though some data sources include SAP-FSCM and SAP-FI.

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2. Business motivation & benefits

2.1. Business motivation

The Insurance industry is undergoing significant regulatory changes which require ESCAP to align itself regarding financial management reporting. The Insurance department continues to use manual methods and rudimentary systems to record, and process claims and perform other administrative functions. These have become inefficient to manage the financial operations of the organisation increasing the risk of error. Therefore, ESCAP requires solutions that can fully automate their business and financial processes which will comply with regulatory requirements and manage risk effectively.


2.2. Benefits to ESCAP

The integrated insurance management system offers the following benefits:

- Automation of the entire insurance management lifecycle for effective risk reporting, management, and tracking.
- Enhanced processes, controls, analysis, and auditing to better manage Eskom's insurance risks while ensuring access to high-quality data for accurate reporting and penalty avoidance.
- Improved compliance with regulatory requirements, boosting the reputation of ESCAP and Eskom.
- Enhanced reporting capabilities with accurate, transparent financial data.
- Increased efficiency and strengthened controls over insurance processes, reducing errors and eliminating time inefficiencies from manual interventions.

3. Scope of work (including business requirements)

The project aims to deliver an integrated insurance management system for ESCAP that aligns with regulatory, compliance, and financial standards. It will enhance processes, controls, analysis, auditing, and risk management, while ensuring accurate reporting and user training. The proposal should prioritize a modular application suite for seamless integration and user experience or combine functions across applications to meet these requirements. High-level functionality is outlined in Figure 2.

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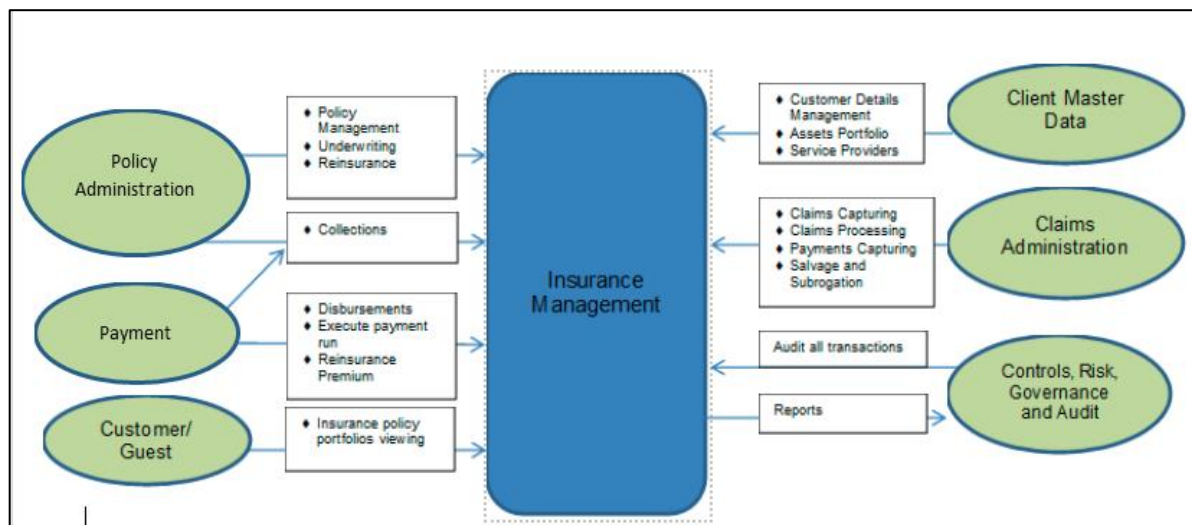


Figure 2 Insurance Management System Functionality


The proposal must include 5 years of support and maintenance post-deployment. Eskom Group Technology follows a cloud-first strategy, prioritizing SaaS solutions hosted in South Africa, with secondary preferences for on-premise solutions at Eskom and SaaS in GDPR-compliant regions. Proposal evaluation will prioritize SaaS in RSA, followed by on-premise, then SaaS in GDPR regions. Tenderers can respond to any or all options, and Eskom reserves the right to choose based on the business case.

When providing the cost for the SaaS solution, ensure that licensing costs during implementation stage are provided under the implementation pricing schedule, while production licence costs should take effect once the solution is live and should be reflected under the maintenance and support pricing schedule.

Also note that Eskom reserves the right to procure licenses independently should the successful tender include a bid for a system which Eskom has direct access to the OEM.

The scope includes the following:

- Functional and reporting requirements
- Architecture and project management services
- Data migration, backup, and disaster recovery
- API activities for integration testing (Eskom develops internal integration services)
- System development, configuration, and unit testing
- Tenderer participation in testing preparations and execution
- Training, deployment, stabilization, and support (5 years)


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The scope excludes:


- Testing beyond unit testing (except participation in preparation/execution)
- Integration messages from Eskom's integration bus to internal systems
- Maintenance of Eskom integration services

4. High Level Requirements and Business Rules


Functionality Grouping (Process activity impacted)	Req. No.	Functionality	Business Rule Description
Policy Management	FR 1	Client Profiling	Create client profile by determining the client's risk, analyse the status etc.
	FR 2	Develop products	The product to include product name, description, limits, deductibles, retentions, aggregate limits, residual deductibles, coverage types, exceptions etc.
	FR 3	Update/renewal of products	This will be done on an annual basis before the beginning of financial year (exceptions to be catered for)
	FR 4	Capture premiums (for deviations purposes)	This will be an exception to allow for deviations in determined premiums
	FR 5	Split premiums per line of business, cost centre level (structural premium split)	Line of business - Similar risk grouping Product - What is being insured. Coverage - What does the policy cover
	FR 6	Link to Eskom asset values for declarations consolidations as our client, to draw information from other systems to be able to perform risk assessment (SAP systems, Primavera)	SAP (HR, FI, Fleet, Projects, EHS, MM, Plant Performance Management (PPM), SRM, ERE)
	FR 7	Consolidation	Automated consolidation of information drawn from different sources
	FR 8	Determine product premiums	Using information from other systems and formulas
	FR 9	Issue quotations from the system	An accepted/declined quotation should automatically be uploaded to the system from the client (workflow)
	FR 10	Issue policy automatically from the system	Ability to provide policy cover letters after renewal and policy contract showing limits, sub-limits and deductibles. Workflow notification on policy updates to the sender and the client
	FR 11	Identify and record all policy changes and activities	Flag information that has changed on the policy and/or specific changed field

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Functionality Grouping (Process activity impacted)	Req. No.	Functionality	Business Rule Description
	FR 64	SASRIA Cover Application	Link to SASRIA System and issue SASRIA coupons from our System – allocating SASRIA coupon numbers which can do calculations from SASRIA rates including magnitude discounts. If rates change
Re-insurance	FR 12	Determine retentions limits for the products	Use the following: <ul style="list-style-type: none"> • Claims history. • Survey reports • Previous re-insurance structures • Eskom asset values • Global market changes and conditions
	FR 13	Update retention limits for the products	
	FR 14	Loading of re-insurers, share of risk (layering), share of liability and share of premium	Participation in terms of: the product, at which Risk admitted or non-admitted
	FR 15	Automatically calculate share of re-insurance liability and share of premium based on share of risk	
	FR 16	Update re-insurance programs onto the policies	
	FR 17	Manage Reinsurer accumulations per policy/programme	Build reinsurance retention limits program, referenced for each claim type
	FR 18	Track all re-insurance premiums paid and outstanding	Build reinsurance retention limits program, referenced for incoming and outgoing premiums
Finance	FR 19	Create automated journals with SAP FI	If Group Insurance will still be collecting premiums using SAP FI, then journals will have to be created for Eskom Group. If ESCAP will collect the premiums directly, then an invoice will have to be issued
	FR 20	Create automated invoices specifically for subsidiaries and external clients	
	FR 21	Provision for incoming payments i.e., what is recovered from 3rd parties, salvage, premiums etc.	
	FR 22	Track all premiums received and outstanding	
	FR 23	Claims payments to be processed from one source system i.e., have one payment run	
	FR 24	Track all payment reversal/rejected documents	If payment is rejected/reversed, then automatically reverse from the claim
	FR 25	Remittance advices to be automatically sent to the payee's	

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Functionality Grouping (Process activity impacted)	Req. No.	Functionality	Business Rule Description
	FR 26	Manage Cashflow and Projections	
	FR 27	Monthly Payment run Reconciliation Management	
	FR 28	Provision for outgoing payments i.e., Claims payable at a given period	Functional development resulting to the Reserving Report
	FR 68	Cashflow Projections	Provide future cashflow projections for claims settlement using set criteria e.g., status, trends and probabilities
Claims Management	FR 29	First Notice of Loss	Policy Holder and existence verification and Incident stage functionality before a claim is registered, through smart forms.
	FR 30	Capture claims	Capture claims end-to-end including all the objects required like master data and service provider business partners, other claims participants etc.
	FR 31	Process claims	Defined through Role-Based performance and access and segregation of duties
	FR 32	Information from other systems to be readily available when capturing and processing claims	SAP (HR, FI, Fleet management (IFMS), Projects, EHS, SAP MM, Plant Performance Management (PPM), SRM, ERE) etc.
	FR 33	Process claims payment	The payments of claims to move to different statuses like: <ul style="list-style-type: none"> • New • To be approved (workflow) • Approved (workflow) • Rejected (workflow) • Reversed (notification)
	FR 34	Claims Document Management	Once documents are uploaded from various sources, approval needs to take place for that document to be deleted or moved to the correct place
	FR 35	Workflow approval for claims captured	Task management functionality
	FR 36	Delegation of authority	Incorporate delegation of authority levels or limits for approvals or rejection of claims and payments
	FR 37	Workflow approval for claims payments	Task management functionality
	FR 38	Update the status of the claim (Other relevant statuses will be reviewed during implementation)	Claims to move to different statuses like: <ul style="list-style-type: none"> • New Incident • New • Approved <ul style="list-style-type: none"> ◆ in principle ◆ for payment • Cancelled • Pending • Declined • Closed

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Functionality Grouping (Process activity impacted)	Req. No.	Functionality	Business Rule Description
			<ul style="list-style-type: none"> ◆ Final ◆ With salvage ◆ With subrogation • Re-opened. • Service provider appointed according to their participation roles.
	FR 39	Build Master Data integration	Build vendor master integration between Insurance and Eskom Vendor Master
	FR 40	Manage business partners/service providers	Create and amend service providers/business partners on the system
	FR 41	Appointing service providers	Service provider's information to be sourced from the source systems. If there are updates, then it should show on this system. Appointed in a rotational system according to their roles, expertise and geographical location
	FR 42	Search functionality	Option to search for service provider categories (i.e., organisation, people) and status (blocked and/or archived))
	FR 43	Generate service provider's correspondence	When appointing the service provider, the correspondence should be automatically created according to the appointment type (new assessment, opinion, cost validation, comments, settlements, litigation etc.) and sent to that specific provider
	FR 44	Salvage process activities	Ability to capture and manage the end-to-end salvage activities
	FR 45	Subrogation process activities	Ability to capture and manage the end-to-end subrogation activities
	FR 46	Litigation process activities	Ability to capture and manage the end-to-end litigation activities
	FR 47	Interface with service providers systems (i.e., capability to be able to import and export information from/to service providers / brokers)	Receive information from service providers. Service providers to send information like assessment reports etc. directly to the system.
	FR 48	The system might need to be able to interface with SASRIA's or other external systems if required	
	FR 49	Claims Reserving function	Define system reserving methodology
	FR 50	Flag claims without any movements	Flag claims that have not moved for a specific period and produce a dashboard for those claims. Claims with Incomplete data exceptions, claims passed prescription
Customer Relations Management	FR 51	Communication, query links, complaints process and customer surveys	Build Links for customer communication for in/outgoing communication. Creation of questionnaires and customer queries and complaints reports
	FR 52	Build in standard forms and templates (Smart forms)	Need to be able to have standard templates and forms for letters, policies and

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Functionality Grouping (Process activity impacted)	Req. No.	Functionality	Business Rule Description
			correspondence to policyholders and claimants etc. from these standard templates
	FR 53	Customer/Guest user interface	Can give access to customers/guests who are non-system users for viewing of their insurance portfolios in a form of dashboards
Governance Risk and Control	FR 54	Auditing functionality	Audit criteria will be built onto the system once the system is implemented
	FR 55	Risk Management Functionality	Ability to have full integrated risk management function that interface to CURA
	FR 56	Access control management and user activity	Role and activity-based security that provides excellent controls for managing user access, with a full audit trail of activities performed
	FR 57	Audit trail and control	Need to be able to incorporate and update any changes to risk policies, processes, and control requirements into the system
Data Requirements	FR 58	Need to cater for International Financial Reporting Standard (IFRS) 17 data requirements and ESCAP's annual financial statement (AFS) disclosure requirements.	<p>Be able to produce data requirements that are required by IFRS 17.</p> <p>There are substantial and onerous data requirements needed to implement International Financial Reporting Standard (IFRS) 17 (Insurance Contracts) by April 2022 for comparative figures)</p> <p>Note: ESCAP is only starting its work to determine the detailed data requirements and will be taking part in this process with an external advisor (EY).</p>
Other Functionality	FR 59	Interface with Regulatory Bodies systems	Interface with Financial Services Sector Regulatory systems or applications, RAF, COID, SASRIA to ensure that claims payments are not duplicated if covered by the regulatory insurance and ESCAP and align to or top-up from set regulatory settlement criteria
	FR 60	GIS/Google Earth	Mapping of Eskom insured asset's locations and Risks relation to geographical factors that may affect Dx and Tx Lines and specified and flagged Flood lines
	FR 61	Weather Services	Flash reports for unfavourable weather conditions, e.g., floods, storms
	FR 62	Service Provider Panel and systems Links	<p>Ability to create our own panel of services providers in a view and report format linked to Central Database/Vendor System.</p> <p>Ability to capture the Service Providers professional fees standard rates</p>
	FR 63	Link to Global Ratings Agencies	Link to Ratings agencies for monitoring changes of the credit ratings of our insurers
	FR 65	Link to (AA) Automobile Association	Link to AA rates applicable to any travel allowance or fees for reference to service


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Functionality Grouping (Process activity impacted)	Req. No.	Functionality	Business Rule Description
			provider for assessing task orders for invoice payments
	FR 66	Contract Management SLA	Develop contract management and Service Level Agreements performance criteria
	FR 67	Process and Activity Documentation and downloads	Ability to create and download policies, process activity documentation in PDF format.
	FR68	Captive Management	Capability for captive management functionality

Table 2: Functional Requirements

5. Reporting Requirements

Nr.	Report Name	Description (contents, sequence, grouping)
R1	Regulatory and Compliance reporting	Indication of policies issued; premiums charged. Policies issued per product, per line of business that will indicate the premium charged
R2		Compliance to ESCAP's insurance licence and the Insurance Act. Reports relating to the classes and sub-classes of business as set out in ESCAP's insurance licence and the Insurance Act
R3	Policy changes report	Information that has changed on the policy and/or specific changed field
R4	Reinsurance reporting	<ul style="list-style-type: none"> Re-insured Products Share of liability for each insurer Re-insured premiums Re-insurance recoveries
R5	Payment run report	That will show what has been paid for that specific period
R6	Salvage report	Report on how many salvages identified, reported and processed
R7	Subrogation report	Report on the status of subrogation process in claims
R8	Litigation report	Report on litigation matters (i.e., is it on trial, settlement offer, negotiations etc.)
R9	Claims reserve report	Report on reserve to the Financial Sector Conduct Authority (FSCA) (i.e., indication for the claims)
R10	Claims ratio	Ratio between premiums and claims. calculations of claims loss ratio report for ESCAP and Reinsurers
R11	Service providers performance report	Service provider's performance against the set KPI's
R12	Declined claims report	Listing of all declined claims selected using different parameters
R13	Claims report	List all the claims captured, to be able to report on different statuses and claims objects
R14	Re-opened claims report	Listing of all re-opened claims selected using different parameters

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Nr.	Report Name	Description (contents, sequence, grouping)
R15	Actuarial report	To be defined according to the actuaries' requirements. Should be able to provide data and information to ESCAP's actuaries in the format they require to enable to assist them with their calculations
R16	Claim timeline report	Provides claims lifecycle that is from the date the claim is opened until it is closed with all the various activities happened in between
R17	Claimant report	To determine multiple claimants Provides all incidents and claims linked to specific claimants
R18	Damaged objects report	List of all the damaged assets according to the different categories
R19	List of payments report	Payments captured and all relevant statuses and payment document numbers with dates etc.
R20	Business partner change report	Report on changes to Business partner master data
R21	Estimate change report	Information on any estimate changes on the claim
R22	Workflow report	Workflow activity report for incidents, claims, payments and other related activities
R23	Dashboard	TBD according to the insurance requirements
R24	User Access and Activity Reports	Information on user status, roles and related authorisations activities and identify exceptions
R25	Aggregate reports	Indication of claims through the year, liabilities etc. To see how the claims are totalling up towards the aggregate limits
R26	Artificial Intelligence (AI)	Provide capability for Artificial intelligence
R27	Trend Analysis	Ability to provide internal and external trend analysis in the specific products.

Table 3: Reporting Requirements

6. Architecture Services Requirements

The primary objective is to define and design the solution architecture. The tenderer must deliver solution architecture services, secure Enterprise Architecture committee approval for the Physical Architecture Design (PAD) and obtain Pre-Transfer design approval before deployment. This involves allocating time for refining requirements, conducting design workshops, and creating detailed physical designs with necessary configurations.

The tenderer must develop detailed physical architecture designs aligned with user requirements, best practices, and Enterprise Architecture guidelines as outlined in the RFP. The scope of the architecture work includes the following key areas:

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a) Data Architecture Scope:

- Define the data architecture, including data modelling, storage, retrieval, and data flow diagrams.
- Design data schemas, considering scalability, data integrity, and performance optimization.
- Recommend appropriate database technologies and data storage solutions based on project requirements.

Resource Requirement: Experienced Data/Information Architects & System Analysts

Deliverable: Data architecture documentation and diagrams.

b) Solution Architecture Scope:

- Engage and collaborate with stakeholders to gain an understanding of both functional and non-functional requirements.
- Provide a comprehensive solution architecture that outlines the application's components, their interactions, and the overall system behaviour.
- Identify key software modules, frameworks, and technologies required for the proposed solution.
- Provide clear guidelines for the design and development of each module, ensuring alignment with project goals and objectives.


Resource Requirement: Experienced Solution Architect(s)

Deliverable: Solution architecture documentation and diagrams.

c) Technical Architecture Scope:

This section outlines the technical infrastructure essential for the deployment and operation of the application.

- Recommend and specify hardware specifications, configurations, network, and cloud infrastructure configurations where applicable, to ensure scalability, availability, and performance.
- Specify software development tools, frameworks, and best practices to be used by the development team.
- Collaborate with internal technical stakeholders.

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- Address technical constraints, including latency, bandwidth, and system compatibility.

Resource Requirement: Experienced Technical Architect(s)

Deliverable: Technical architecture documentation and infrastructure specifications.

d) Architecture Deliverables:

- Design workshops with business stakeholders to clarify and define in detail business, functional and implementation requirements.
- Comprehensive documentation for each architecture domain (Data, Solution, Technical, Security, Integration), including diagrams, flowcharts, and textual descriptions as outlined above.
- High-level presentations to key stakeholder explaining the architecture rationale, design decisions, and benefits.
- Collaborative sessions and design workshops with the development team to clarify and define in detail non-functional requirements and architectural concepts, and address implementation challenges.
- Detailed physical architecture design and Pretransfer documents.
- All documents and diagrams to be submitted as digital editable copies (MS Office, MS Visio or ARIS)

e) Communication:


Regular update meetings will be held to discuss architecture deliverable progress, address concerns, and ensure alignment with project goals.

f) Deliverable Acceptance Criteria:

The architecture work will be considered successfully completed upon support/approval of the architecture documentation by both Enterprise Architecture and project stakeholders.

The tender is expected to facilitate review and approval of the design as required by Eskom methodology and governance. A lead time of at least two weeks needs to be provided for in the timelines to allow for review and approval processes.

- Detailed design approved by Enterprise Architecture Advisory Board (EAAB)
- Development environment ready for Build/ Configuration according to the architecture approvals

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g) Build and deploy:

- Provide test cases, provide unit testing evidence, once all the necessary testing is complete, testing reports are produced, all governance approvals are obtained, the solution will need to be deployed to production. The Tenderer must articulate clearly as part of the response the implementation and deploy approach.
- Update requirements traceability matrix. Ensure all environments are updated following successful test conclusions. Compile a go-live plan and ensure the solution obtains the necessary governance approvals as follows:
- Enterprise Architecture Advisory Board (EAAB) for pre-transfer, Change Review Management Committee (CRMC), Go/No-Go pack and decision by Group Technology General Manager.

7. Data Migration Requirements

a) Current Data

Escap uses SAP insurance management and Pastel. The data inherent in these systems needs to be migrated to the new solution.

System	Description	Size
Pastel	Escap financial data which include the company setup, master data and all financial records.	80GB
SAP Claims Management	The data includes claims information, vehicles data, business partners master data (i.e., employees, 3 rd party service providers) and cost and profit centres.	130 GB

Table 4: ESCAP Systems Data


b) Future Data

The solution must support data export to other platforms upon contract completion, ensuring Eskom retains ownership of all data stored, transmitted, and created through the cloud service during the contract period.

c) Additional Data Migration Requirements

The bidder must have the following:

- Ability to conduct a thorough analysis of existing data sources.
- Expertise in identifying data redundancies, inconsistencies, or gaps in legacy systems


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- Provide a clear and structured approach for data extraction, transformation, and loading (ETL)
- Proven use of data migration tools or tools suitable for Insurance Management
- Ability to manage Eskom's large-scale data efficiently.
- Capability to support migration of both structured and unstructured data.
- Ability to encrypted secure transfer protocols of data during and after migration.
- Ability to handle sensitive classified data securely.
- Capability to provide traceability and logging of all data migration activities.

8. Integration Requirements

The Eskom Integration team will oversee internal integration activities, while the bidder must develop business services for system communication. The insurance management system will interface with specified systems. Refer to the table below for detail.

System Integration	Information exchanged	Purpose of integration
SAP HCM	Access employee personal details (unique number, cost centre, contact details, location etc.), organisational assignment, status	To capture and process a claim especially if an employee was the driver of a car in a particular incident or is the contact person etc. and to have a view of risk areas
SAP Finance	Structure, General Ledger, Projects System, Financials, Cash Flow, Accounts Payable	Management and monitoring of Incoming and Outgoing payment transactions between Eskom and ESCAP
SAP PS	Projects details, contracts, dates, values, type of projects etc. and related WBS Elements status and activities	To validate WBS elements, download WBS Actual costs into the claims and be able to make payments via the WBS elements
SAP EHS	Occupational Safety employee incidents with regards to OHS Act	Reporting of all safety incidents where employees are involved
SAP MM	Professional and Services Contract information, including planning and actual values, and financial activities on contracts Shipping Contracts information, and Cargo schedules and means	Validation of Contractors information for the purpose of Contractors All Risks and Marine claims - To monitor shipping contracts in line with Marine policies, pricing and verification for claims capturing purposes
SAP SRM	Service Provider information, contracts and service level performance	Manage services provider's contracts and integration to Vendor Master for Service providers used for insurance purposes
SAP PM	Eskom Plant status and performance in line with risk management and health	To monitor Plant Value, Health and performance in line with Reinsurance Surveys and Risk Management
SAP ERE	All Eskom property information, location, values etc.	Validate insured property for policy pricing and claims verification

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System Integration	Information exchanged	Purpose of integration
CURA	All risk management relating to insurance and policies like insurance risk management plan, insurance risk management policy, insurance risk management register	To be able to pick up claims and loss ratios immediately when the loss ratio is exceeding the normal in order to be able to see if objectives will be met or not
SAP Fleet Management	All Eskom Fleet Management information (Type, Registration Number, Location, age, Book or Market Value, Acquisition information,	Validate if insured, easy access to vehicle data when capturing claims, location of fleet and ease of disposal process.
Insurer (external)	Ability to integrate with external insurer for examples SASRIA	

Table 5: System Integration with the new solution


The application must have the capability of secure communication when exposing the services via the business services.

Additionally, the tenderer must:

- Provide the required detail to the Eskom Integration Team to enable the design of the end-to-end solution and work closely with Eskom's Integration team.
- Provide input and contribute to the Analysis, Design, Message Modelling, Development and configuration, Unit testing, SIT testing, UAT testing and Non-Functional testing.
- Provide Application Business Services that conform to the specific security and Integration standards.
- Provide Application Business Services that can receive an Integration reply with a full-service response (pre-defined message structure) in case the Application is invoking an Integration Web Service.
- Provide Application Business Services that can communicate via One-Way or Two-Way certificate (SSL/TLS) to secure the channel.
- Provide Application Business Services that support Basic Authentication for Web Services, Database or SFTP for Authentication security.
- Provide Application Business Service with the capability to distinguish between Technical and Business error and handle each one in a separate manner.

9. Testing Requirements

The solution will undergo comprehensive testing following Eskom's standards to ensure its completeness and authenticity. The testing team is responsible for gathering testing

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requirements, creating test cases, and executing the tests to thoroughly evaluate the solution for deployment within Eskom's IT environment.


Please note that the following:

- All testing, except unit testing, will be conducted by the Eskom testing team. The tenderer is responsible for conducting unit testing.
- All testing (including unit testing) must be performed within Eskom's test management systems, such as Application Lifecycle Management (ALM), LoadRunner (for performance testing), and Unified Functional Tester (UFT). The implementation team must coordinate with the testing team to ensure sufficient time is allocated for testing, and that all testing activities are incorporated into the project schedule.
- Before the official test cycle begins, the development team must provide unit test results, adhering to the entry and exit criteria outlined in the master system test plan. A signed-off test closure report is required before marking any test milestone as complete.

The following tests and milestones must be completed:

- **Unit Testing (Development Environment):** Results provided by the tenderer's development team.
- **System Integration Testing & Functionality Testing (QA Environment):** This includes end-to-end functional testing and integration testing, ensuring the solution works with other systems and meets all requirements. The Eskom testing team will lead and execute this testing, while the tenderer's team must provide necessary inputs.
- **User Acceptance Testing (Pre-Prod Environment):** Facilitated by the testing team but executed by Eskom's customer/business team to verify that the system meets the requirements defined in the BRS for completeness and authenticity.
- **Non-Functional/Performance Testing (Pre-Prod Environment):** Led and executed by the performance tester.
- **Disaster Recovery Testing (for the on-premise option).** Led and executed by the Disaster recovery team.

All testing requirements must cover all identified interfaces that have been identified. The testing team must adhere to the Testing Centre of Excellence (TCoE) standard document provided as part of the RFP documentation.

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10. Security Requirements

The following are security requirements for the Insurance Management System:


10.1. The following requirements are applicable only to Cloud solution.

- a) External Third-Party Attestation Reports (Note: SOC reports are only applicable to Cloud Services such as SaaS, PaaS, and IaaS, not systems hosted on Eskom's Azure tenant/virtual private cloud (VPC) and on-prem on the Eskom corporate local area network (LAN)/business information network (BIN): SOC 1 Type II and SOC 2 Type II is an attestation standard put forth by the Auditing Standards Board of the American Institute of Certified Public Accountants (AICPA) that addresses engagements undertaken by a service auditor for reporting on controls at organizations that provide cloud services to user entities. The Cloud Service Provider (CSP) shall:
 - b) For all cloud services that store and process financial information and personal identifiable information (PII) including intellectual property (IP), the CSP shall have a valid Service Organisation Control (SOC) 1 and SOC 2 Type II reports, such attestation reports shall be submitted to Eskom for review.
 - c) Up to once per period of twelve (12) months, the CSP will provide comprehensive summaries of its latest SOC 2 report at no cost upon Eskom's written request.
 - d) if the SOC Reports indicate any deficiencies or matters requiring attention, the CSP shall use commercially reasonable efforts to address all such items without any costs to the Eskom.
 - e) Subject to Section 10.1.b, if vendor's reporting cycle is not aligned with the financial year, and/or the SOC report is older than six (6) months, the CSP shall submit a bridge letter to the Eskom at no cost, and such bridging letter shall not cover a period exceeding three (3) months.
 - f) The Insurance Management System shall be able to integrate with existing Eskom's MS (Microsoft) on-prem active directory (AD), Identity (MDI), MS Entra ID, and Multi Factor Authentication (MFA) to enable Single sign-on (SSO). This requirement is applicable to both Cloud and On-premises solution.

10.2. Role base access control (RBAC) shall be employed. This requirement is applicable to both Cloud and On-premises solution.


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- 10.3. Data at rest (using AES-256), in use and in transit or in motion (using TLS 1.2, or later version) shall be encrypted. This requirement is applicable to both Cloud and On-premises solution.
- 10.4. Audit trails, logs, user administration and user activity logs shall be enabled, encrypted, and securely kept with limited access to administrators. This requirement is applicable to both Cloud and On-premises solution.
- 10.5. Sensitive information such as personal identifiable information (PII) data in development environment shall be masked. This requirement is applicable to both Cloud and On-premises solution.
- 10.6. Incremental daily back-ups shall be done, encrypted, and securely kept offsite.
- 10.7. Real-time data synchronization or data replication to a secondary or disaster recovery (DR) site, located in different regions shall be employed. This requirement is applicable to both Cloud and On-premises solution.
- 10.8. Disaster Recovery Plan (DRP) shall be defined, annually tested and such DRP test results shall be submitted to the Eskom Cyber Security team. This requirement is applicable to both Cloud and On-premises solution.
- 10.9. Back up Restore Plan and Procedure shall be defined, annually tested and such test results shall be shared with the Eskom Cyber Security team. This requirement is applicable to both Cloud and On-premises solution.
- 10.10. Patch Management Process shall be defined. The software updates and patches shall be tested on non-production environment prior being deployed into production environment. This requirement is applicable to both Cloud and On-premises solution.
- 10.11. The static application security test (SAST), dynamic application security test (DAST) and penetration test shall be conducted prior deploying the cloud system and on-prem system to production environment, all critical, high, and medium vulnerabilities shall be addressed prior deploying production environment, and the summary of the test results shall be submitted to the Eskom Cybersecurity team for review and acceptance. This requirement is applicable to both Cloud and On-premises solution.
- 10.12. The CSP shall comply with applicable privacy and protection of personal information Acts such as GDPR in European Union (EU) and POPIA in South

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Africa (SA) where the cloud service is hosted, and the region where the data subjects are physically located. This requirement is applicable to only Cloud solution.

- 10.13. The CSP shall notify Eskom immediately or within 24 hours when any cyber security breach has occurred. Although the GDPR and the South African Cybercrimes Act 19 of 2020 states that the notification shall be sent within 72 hours, Eskom shall be notified sooner to allow Eskom to notify the information regulator and take necessary actions to minimize the impact on Eskom. This requirement is applicable to only Cloud solution.
- 10.14. The CSP shall notify Eskom within one (1) month if there are any significant changes to the business, platform and hosting service provider or any change that could have an impact the security assessment conducted and the auditor's opinion on the SOC audit. This requirement is applicable to only Cloud solution.
- 10.15. The database shall be placed within Eskom corporate LAN/BIN network (if hosted on premise) and partner private network (If hosted in the cloud) behind the perimeter firewall. This requirement is applicable to both Cloud and On-premises solution.
- 10.16. Database Security tools shall be employed to provide regulatory compliance, encryption, key management, granular access controls, flexible data masking, comprehensive activity monitoring, and sophisticated auditing capabilities. This requirement is applicable to both Cloud and On-premises solution.
- 10.17. Distributed Denial of Service (DDoS) protection mechanism shall be employed for all databases. This requirement is applicable to both Cloud and On-premises solution.
- 10.18. Web Application Firewall (WAF) for all internet facing applications and/or web-based applications shall be employed. This requirement is applicable to both Cloud and On-premises solution.
- 10.19. The Cloud Service shall support the prevailing enterprise services bus (ESB), application programmable interfaces (API's) and Integration Platform as a Service (iPaaS) platforms for security, logging and monitoring for both on-prem, hybrid-cloud and multi-cloud environments such as IBM App Connect, TIBCO Cloud Integration (including Business Works and Scribe), WSO2

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Carbon, Software AG web Methods, Neuron ESB, Apache Camel, WebSphere Message Broker, RSSBus Connect, Azure Service Bus and Oracle Service Bus, Salesforce MuleSoft, IBM DataPower, Oracle API Platform, Cycle, Dream Factory JDBC, Microsoft SQL Server Integration Services (SSIS), SAS Data Integration Studio, Integration Adaptor DirXML, Oracle X AI Services, SAP Business Process Automation, SAP NetWeaver, Oracle Fusion Middleware, Connect Direct, HP Data Protector, WINS CP, FreeFileSync, SAP PI/PO, SAP CPI, HP SOA Systinet, JCAPS, Cloud Pak for Data, K2, Microsoft Power Automate and Zapier but not limited to these listed. This requirement is applicable to both Cloud and On-premises solution.


- 10.20. The Cloud Service shall provide e-Discovery capability to identify, collect and produce electronically stored information (ESI) in response to a request for production in a lawsuit or investigation as part of the cloud services offered. This requirement is applicable to both Cloud and On-premises solution.

11. Licence Management for Maintenance and Support

Eskom's required solution can be hosted either on-premises or in the cloud. It must include a 5-year support contract and 3 months of system stabilization support post-implementation. The tenderer must outline the following details for each proposed option.

a) SaaS solution with RSA hosting and processing

- The solution components and versions are to be used across all Eskom environments (i.e., Architecture Detailed Designs, Development, Testing, Disaster Recovery, Pre-production, and Production).
- Provision of development, testing and pre-production environments.
- 24 X7 and 99.9% availability of all services including redundancy.
- Operational monitoring of the insurance management solution to be integrated with Eskom's monitoring operations.
- Disaster Recovery of the services.

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b) On-premise solution

- The proposal should include infrastructure specifications and sizing; however, this should not be costed since Eskom has an infrastructure provider through its hybrid contracts.
- Infrastructure provisioning should cater for QA, Pre-prod, Development, Production and DR.
- The solution components and versions are to be used across all Eskom environments (i.e., Architecture Detailed Designs, Development, Testing, Disaster Recovery, Pre-production, and Production).
- 24 X7 and 99.9% availability of all services including redundancy.
- Operational monitoring of the insurance management solution to be integrated with Eskom's monitoring operations.
- Disaster Recovery of the services.

12. Training/Transfer of skills


The tenderer must provide the following:

a) Training during implementation

- Provide a separate training environment that reflects the to-be production environment.
- Compile and provide a training strategy will be for all stakeholders. The type of training required will be based on the impact on business processes human resources.
- Provide customised training material that incorporates Eskom's processes for the solution. Training material content is to be placed on Eskom Learner portal and needs to conform to the Eskom learning centre standards.
- Provide onsite classroom-based, and web-based training for end-users and system support staff on a pre-booked basis.

b) Training after implementation

- Mentor Eskom resources through the installation, configuration and deployment stages using a defined skills transfer program.


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- Transfer skills and Knowledge to 10 (Ten) Group Technology Support Resources, who will be providing first level support.
 - Identified Information technology (IT) support staff to be trained on the solution, especially where integration is implemented with existing / other Eskom enterprise solutions.
 - Backend training for support staff and administrators
- Provide Twenty (20) working days once-off training (for the duration of the contract) to at least Fifty (50) system Super-users from ESCAP, Eskom, and associated companies; and
- Ten (10) Technical Support staff from Group Technology for On-premise solution.

13.IT Standards

The tenderer is to ensure adherence to Eskom architectural standards as far as possible and where applicable. The following base ICT standards apply – refer to especially the grey shaded standards below:

Integration	End interface points, whether consuming or providing, needs to be done in a secure fashion. Eskom standard is Oracle Fusion and IBM DataPower Gateway underlying the present Enterprise Integration Platform/ Service Bus.
Authentication	<ul style="list-style-type: none"> • MS Active Directory • Azure AD
Server virtualisation	It is expected that the solution should be able to run in a virtualised environment. Clear motivation and reasons will have to be provided where it is not possible. Current Standards of on-premises environment: <ul style="list-style-type: none"> - VMware vSphere 7 or higher, PowerVM (RISC) (only exceptional cases shall be supported)
Storage virtualization	Ability to be hosted behind an SVC
Database	<ul style="list-style-type: none"> • MS SQL 2022 or higher • IBM DB@ V11.5 or higher • Others, any DB not listed above will be treated as an exception
Server OS	<ul style="list-style-type: none"> • Microsoft Windows Server 2022 64bit • SuSe Linux SLES 15 • AIX 7
Client OS	<ul style="list-style-type: none"> • Windows 10 or higher
Browser	<ul style="list-style-type: none"> • MS Edge • Mozilla FireFox V60 or higher • Others (will be treated as exceptions)
Load Balancer (ADM)	<ul style="list-style-type: none"> • F5 Viprion
Backup	<ul style="list-style-type: none"> • NetBackup

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Communication Protocol	<ul style="list-style-type: none"> TCP/IP
Desktop/Laptop specifications	<ul style="list-style-type: none"> Provide the minimum applicable specifications for a user desktop or laptop

Table 6: Group Technology's standards.


14. Safety

The tenderer's resources are expected to work on site at prescribed Eskom's offices. Therefore, the resources will be required to consult with the Occupational Health and Safety Practitioner to adhere to Safety, Health, and Environmental (SHE) requirements which are mandatory.


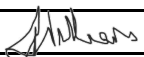


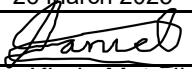

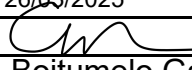

15. Service Level Agreement requirements.

Eskom will provide 1st line support. The tenderer must provide 2nd, 3rd and 4th line support which includes a clearly defined escalation process.

The solution is categorized as business-critical, necessitating business working days availability and support.

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16. Approvals

Business Rep (SME)	Name:	Lazzi Mashiteng
	Designation:	Senior Advisor Insurance
	Date:	27.03.2025
	Signature:	
Senior Manager:	Name:	Thembi Williams
	Designation:	Middle Manager Insurance
	Date:	27 March 2025
	Signature:	
Group Technology Business Analyst	Name:	Sadi Mothoa
	Designation:	Senior Business Analyst
	Date:	2025-03-26
	Signature:	
Group Technology Project Manager	Name:	Zolisa Nguma
	Designation:	Project Manager
	Date:	26 March 2025
	Signature:	
Group Technology Integration Manager	Name:	Freddy Daniels
	Designation:	Manager Info System Support
	Date:	26 March 2025
	Signature:	
Group Technology Testing Manager	Name:	Kholo Motadi
	Designation:	Middle manager - Testing
	Date:	27/03/2025
	Signature:	
Group Technology Security	Name:	
	Designation:	Middle Manager Cyber Security
	Date:	26/03/2025
	Signature:	
Group Technology Lead Architect	Name:	Boitumelo Gaobodiwe
	Designation:	Senior Advisor Enterprise Architect
	Date:	26 March 2025
	Signature:	
Group Technology Senior Manager	Name:	Anthenia Phuku
	Designation:	Senior Manager: BSDS
	Date:	28/03/2025
	Signature:	