

The Request for Proposals, Number RFP/UNITAR/NCD/2021/001, launched on 1st April 2021 attracted a considerable interest and resulted in the below questions and clarifications sought by interested Parties.

The Defeat-NCD Partnership thanks the concerned prospective Procurement Agents for their interest and is pleased to provide the consolidated clarifications below. All numbered references in the response are sections in the RFP launched on 1st April 2021.

Question 1:	How is an eligible client defined?
Answer 1:	<p>These are organisations operating in “low resource” countries and comprise: international and multilateral organisations, NGOs, development agencies, donors, private sector entities (e.g., hospitals in the private sector), network of health care providers etc.).</p> <p>Note that low resource is defined in the wider sense covering not only the financial dimension, but also the infrastructure and human resources dimensions also. At present these consist of all the 80 countries listed in Annex M of the RFP.</p>
Question 2:	What does the market size overview indicate (Annex L)?
Answer 2:	<p>The market size overview on section 4.3 indicates the overall addressable market in the 50 low resource countries given in Annex L. It gives the public sector market also as that is the market that The Defeat-NCD Partnership will initially target. Having said that, there will certainly be a push for covering the private sector and we expect the selected PA to service the needs of either sector, though initially the private sector segment to be addressed is expected to be small.</p> <p>The market size in all 80 countries is given in Annex 1 to this Q&A document. This shows a larger addressable market size due to having the full complement of the 80 countries.</p>
Question 3:	Section 4.2 introduces DNCD. The third pillar speaks about the “The Defeat-NCD Partnership Marketplace”. How does this RFP (and subsequently the selected Procurement Service Agent) relate to the envisioned marketplace?
Answer 3:	This RFP and the subsequent appointment of the PA are the first concrete steps towards operationalising the “The Defeat-NCD Partnership Marketplace” as a viable and vibrant entity.
Question 4:	Section 3.7.4 mentions the proposal should be maximum 70 pages including executive summary. Is this including or excluding the annexes?
Answer 4:	The 70 pages limit does not include the Annexes. It is expected that the proposal submitted is well structured, precise and will address all the key issues.

Question 5:	There is no mention of the appointed Agent's liability and protection from it.
Answer 5:	This will be addressed in the Long-Term Agreement (LTA) that ensues from the RFP process.
Question 6:	How is the stockpile to be maintained and managed? Where is the warehouse for medicines to be stockpile located and what are the details of products to be stockpiled? Can PA charge separately for warehousing?
Answer 6:	<p>There is no stockpile in the traditional sense of the term to be built or managed. However, the PA must have acceptable warehousing facilities to store medicines ordered till the orders are consolidated and sent to their respective destinations. A suitable warehousing facility that is effectively and efficiently managed is a necessity. The warehouse can be anywhere. If more than one warehouse exists, the PA is expected to use the most cost-effective location for DNCD ordered products.</p> <p>Having said that, a stockpiling module may be introduced later but that will be done in collaboration with the selected PA with due consideration given to all aspects related to managing the stockpile and costs associated with it.</p> <p>Warehousing costs, even though minimal for reasons explained above, can be charged for separately. Annex D, LOT- 1 and LOT- 2 tables have item number 4 concerning "Stockpile Management". The fees for warehouse charges, if any, can be indicated there.</p>
Question 7:	Is the PA expected to pre-finance some procurement activity?
Answer 7:	Normal commercial credit terms are expected from the PA. Having said that pre-financing arrangement that a PA puts in place for the DNCD procurement operations is a strategic and tactical decision of the PA based on its business model and how it sees the evolution of its partnership with DNCD. The cash flow processes, and the required guarantees and risks can be worked out with the selected PA during the ensuing LTA.
Question 8:	Can UNITAR confirm that the exclusivity requirement at 6.1.3.8 in no way inhibits Procurement Agency work for other clients?
Answer 8:	The exclusivity clause refers at a given time only to products for client "project authorities" under request at that time for procurement from DNCD through its selected PA. It does not inhibit the PA to work for other clients.
Question 9:	During the process detailed in 6.1.5, can UNITAR clarify when the PA will be paid?
Answer 9:	As stated in RFP 6.1.3.8 there are two modalities for procuring the required drugs: (i) Direct Procurement (DP) and (ii) DNCD Funded Procurement (may also be referred to as Grant Procurement). The Payment modality for both is different. For orders under DP service, it depends on the terms in the <u>confirmed</u> Purchase Order with the Project Authority for whom the order is being procured (Ministry of Health in country, A hospital, a public health entity, etc.). The PA may or may not request an advance payment in the Purchase

	Order (PO) so when the PA gets paid under this modality is dependent on terms and conditions set out in the PO. For Grant based Procurement after 30 days of submission to DNCD of invoice and the required supporting documents.
Question 10:	How many countries listed in Annex M does UNITAR assess to be able to provide required information for compliance with 6.1.8 Registration of Products in DNCD Supported countries?
Answer 10:	With the support of DNCD personnel in country and regions it is expected that all countries for which orders are placed information on current registration status of products will be made available.
Question 11:	How does UNITAR propose that bidders deliver the requirements of 6.1.16 within the scope of a % procurement fee contract?
Answer 11:	The potential cost for servicing this requirement can be factored in by including a fee for it under item No 1 "Bidding" in the financial proposal Annex D form for each of the two LOTs.
Question 12:	Clause 6.1.4 States that the PA will place LTAs with suppliers that will be for a period of one year with the possibility of extension for two consecutive years. However, 3.18.3 states that the initial PA LTA will have an original term of one year. Therefore, in year 1 of the contract how can the PA place these supplier LTAs?
Answer 12:	The RFP clearly states that the initial term for one year is expected to be extended one year at a time, subject to performance. If a PA contract is terminated after one year for performance reasons the LTA's that exist at that time will need to be novated to the new PA till, such LTA's have run their full term. These and other relevant issues will be set out clearly in the ensuing LTA with the PA selected as a result of this exercise.
Question 13:	How many PAs UNITAR is expecting to appoint? How will allocation of work be done between them?
Answer 13:	Ideally one PA is expected to be appointed, but if the bid evaluation throws out compelling reason for appointing more than one then a maximum of two are anticipated. Work will be allocated between the PAs region wise, unless no bidder offers both LOTs simultaneously, then the allocation will be by LOTs.
Question 14:	Is confirmation from consignees of receipt of goods required?
Answer 14:	Yes, an acknowledgement of transfer and receipt of goods to "Consignee" or its representative is required unless it is impossible to get, in that situation, a case will need to be made to that effect following which payment will be released.
Question 15:	For Annex G, item 3 III, are 4PL freight costs, freight invoices sufficient to meet DNCD needs, these would be supported by the Air Waybills and/or Bills of Lading?
Answer 15:	Yes, together with DNCD PO details. What is needed is spelt out in Annex G. section 3.III and should be adhered to.
Question 16:	Can processes for freight quotes, freight allocation and settlement be other than other those set out in the RFP be proposed if it is felt they

	are more streamlined? What is the purpose of the freight estimation tool?
Answer 16:	<p>Yes, if a bidder has a better alternative, it can be proposed. It will be assessed, and if considered appropriate, be used.</p> <p>The purpose of the freight estimation tool is for the DNCD procurement personnel to check if the quotes given are in line with expectation. Also, sometimes, for emergency procurement, DNCD personnel need to know quick estimates, having a tool that is also used by the PA will improve the reliability of the estimates.</p>
Question 17:	Can a bidder quote for only one or the other LOT?
Answer 17:	A bidder can certainly send in a proposal for only one LOT. It is not obligatory to bid for both the LOTs. However, there is a clear preference for a proposal that covers both LOTs. The RFP clearly (Annex E) states that the “Basic Technical Score” for a bidder sending in a proposal for one LOT only will be reduced by 20%.
Question 18:	What are the expected volumes of the procurement activity?
Answer 18:	The estimated volumes are US\$15 million in the first year, US\$12 million for Drugs and US\$3 million for Diagnostics. This is expected to grow by 20 % in the next year and by 30% in the third year for both items, Drugs and Diagnostics. The figures could easily be much higher due to considerable pent-up demand as assessed by DNCD. In the first year the focus is likely to be mainly in the public health procurement sector.
Question 19:	How is the situation where some products are already registered in some countries with the holders being either the manufacturers or their local Agents, with exclusive agreements with predefined partners to be handled? Such agreement, where they exist, may undermine the preference (as per the RFP) for having multiple contract awards for each product type (RFP 6.1.1 page 27) how is the Appointed PA to manage this situation.
Answer 19:	In such cases generic products should be considered. DNCD will help in securing the required registrations as soon as possible. It will also guide on how to address the exclusivity issue and the issue of awarding multiple contracts to “suppliers” as indicated in the RFP 6.1.1 item 6, first bullet. If this is not possible to have multiple awards, then the RFP states that DNCD will accept the situation on the ground based on the reasons indicated by the PA.
Question 20:	Even with an LTA in place, the suppliers may, due to unexpected occurrences may lead to delays or even the impossibility of clearing goods in port or transiting to destination, bureaucratic complexities, delays involved in regulatory procedures how the PA is to navigate through these hurdles. Is there a comprehensive lists of existing registrations per country?
Answer 20:	DNCD being an integral part of UNITAR access and support of the UN system will be invoked to remove or circumnavigate such obstacles by using exemptions and “fast lane” procedures all member states of the UN have accorded to the UN system Organizations. Registrations per country can be

	obtained by DNCD personnel responsible for that country. DNCD country/region-based personnel will support this process.
Question 21:	Is the PA expected to source the laboratory facilities referred to in 6.1.7.(b) or simply assign facilities from an existing UN-approved list?
Answer 21:	The PA is expected to source such facilities. It can propose the use of an appropriate facility from UN approved lists and use it subject to DNCD approval.
Question 22:	What is meant by WHO Pre-Qualification requirement?
Answer 22:	This means that the drugs are procured from manufacturers whose plants have been prequalified following WHO procedures and assessment. Of course, all NCD drugs orders may not be in that category but they will then need to meet other standards like the EU or FDA quality clearances or the National Quality Standards prescribed by the country in which the Plant is located provided the supply is for the country itself or any other country that recognizes that country's quality standards as acceptable.
Question 23:	Clarification on currencies to be used for payment. Who is responsible for currency risk?
Answer 23:	Annex H of the RFP, clause 3, states that "the PA accepts different convertible currencies ". This implies fully convertible currencies. It also states that all offers (by the PA) will be in US\$. However, other fully convertible currencies e.g., Euro or Pound Sterling will also be acceptable. <u>No partially convertible currencies will be acceptable for payment.</u> All billing is expected in US\$ terms. If the sourcing is from a country where the business currency is not US\$, e.g., Euro, US Dollar, Pound Sterling, or Japanese Yen. Any hedging that may be needed will be agreed on a case-by-case basis.
Question 24:	What is scale and type of support needed by DNCD to assess the demand for medicines, diagnostics, medical equipment and supplies to facilitate creation of consolidated demand.
Answer 24:	Demand assessment for medicines, diagnostics, medical equipment, and supplies is a function of DNCD personnel based in country and regions. Any support in the form of information that the PA may have based on its own network would help in this. Such support is expected on an ongoing basis to ensure that unmet demand is identified and used to generate orders.
Question 25:	The PA is expected to monitor and inform the client of the upcoming national tenders for products covered by the RFP, Considering the extended list of products and the geographic scope of the program how do envision this to be achieved?
Answer 25:	This can be achieved by using specific tender platforms such as UNGM https://www.ungm.org/ , Devex https://www.devex.com/ , DevelopmentAid https://www.developmentaid.org/#!/home , and the global portal for tenders such as https://www.tendersinfo.com
Question 26:	Can the PA use their own PA agreement templates in the processes detailed in 6.1.3.8?
Answer 26:	The PA may propose this approach. However, DNCD will review the templates and if appropriate may approve their use.

Question 27:	How is the participation of the selected PA to take place in market intelligence exercises envisaged by DNCD?
Answer 27:	DNCD will be conducting market intelligence exercise once a year initially. Appointed PA's participation can be done through its global or regional team and its national team should it have one, but local presence is not essential.
Question 28:	Does DNCD have defined Quality standards etc. in a formal policy? Can it be shared?
Answer 28:	The basic tenants of the policy are that where a drug is covered by WHO PQ guidelines these should be followed. Where it is not covered then quality regimen applicable to the country where the drug will be used should apply. A formal policy document will be given to the successful bidder in due course.
Question 29:	Does DNCD have CIS contracts in place through to 2022, If yes can copies be made available. Would the selected PA be expected to contract new service for sampling, inspection, and QC after 2022?
Answer 29:	Arrangements for LTAs for CIS service providers needed for procurement are being put in place. If they take longer than anticipated, then as the RFP makes it clear that if the bidders have such service providers on contract their services can be used subject to sharing their details with DNCD and getting its approval. In addition to CIS service providers, the PA may use its existing services providers for PSI, freight forwarding, and quality inspection subject to agreeing their relevant details with DNCD.
Question 30:	Are the PAs expected to estimate costs relating to the sampling and testing or will payment to contract labs and sampling agents be made directly by DNCD?
Answer 30:	The PAs are expected to estimate such costs and include them in the Purchase Order for submission to DNCD.
Question 31:	Can the scoring in Annex E be further clarified, especially scoring for combined and single bids?
Answer 31:	<p>The scheme in the RFP has been delineated as follows:</p> <p>Phase I: Determination of the Basic Technical Score and the Normalised technical score</p> <p>The scores from the Technical Assessment exercise using the distribution of points given in the RFP will be the Basic Technical Score (BTS). The minimum threshold for an acceptable BTS for the Technical proposal is 600 points out of a maximum of 1,000 points. Points allocated to Bidders offering services for only one LOT of Items will reduced by 20%</p> <p>The normalised technical scores will be determined as follows:</p> <ul style="list-style-type: none"> • The proposal with the highest technical score based on the above scheme will be allocated a score of 60 points. This score will be the normalised score for this bidder. • Technical proposals from other bidders will then receive a prorated score called the Normalised Technical Score (NTS) based on the relationship of the bidder's BTS to that of the highest bidder.

The score of those bidders offering only one LOT of Items will be reduced by 20% to reflect their partial offering.

Phase II: Financial proposal (Normalised 20 Points for each LOT of Items, Total Points 40)

The financial proposal of those bidders that pass the technical assessment threshold as stated above will be assessed in phase II.

The bidder with the lowest evaluated cost for LOT- 1 Items will be awarded a score of 20 points, likewise the lowest evaluated cost for LOT- 2 Items will be awarded a score of 20 points also.

Financial proposals from other bidders will then be computed by normalising them by giving them a prorated score based on the relationship of the bidder's fees to that of the lowest evaluated bidder in each LOT. Scores for both the LOTs of Items for each bidder will be added to get the total normalised financial score for the bidder.

Phase III: Composite Assessment which will combine Phases I and II

In this phase the normalised technical and financial scores will be combined to reach a composite score.

The bidder with the highest composite score will be declared the winner of the selection process.

Bidders may make a bid for both the LOTs or either of the two LOTs.

A numerical example may clarify the process:

Phase I: Suppose bidder A has the highest technical score of 800 points, so bidder A gets a normalised technical score of 60 points.

Suppose bidder B's technical score is 750 points then bidder B will be allocated a normalised score of $(750/800) * 60 = 56.25$

A similar calculation will be done for all other bidders thereby arriving at their respective normalised scores.

Phase II: Likewise, the bidder offering the lowest financial cost will be awarded normalised 40 points and all other bidders having higher costs will receive proportionately lower normalised scores.

Phase III: Finally, the Composite Score will be arrived at by adding the normalised technical and financial scores.

Important Note: It is clear from the above scoring scheme that there is a preference for bidders who offer to procure both LOTs. If only one LOT is offered for procurement, then the basic score goes down by 20%. This may or may not be made good by the score in the next phase when the financial bids are assessed.

A bidder quoting for only one LOT has a potential maximum normalised financial score of 20 only (If its quoted cost for that LOT is the lowest amongst all valid proposals received). Whereas a bidder quoting for both LOTs has

a potential maximum normalised financial score of 40 (If its quoted cost for both the LOTS are the lowest among all valid proposals received.

Clarification:

In addition to the queries received by the prospective bidders, The Defeat-NCD Partnership takes this opportunity to clarify that among the products that will be ordered from countries, will comprise the Human Papilloma Virus (HPV) Vaccine also.

Annex 1: Market Size in US\$ Millions For 80 Low Resource Countries Disaggregated by Region

Market Size in US\$ Millions For 80 Low Resource Countries Disaggregated by Region				
Region	Total Health Care*		Public Health Care	
	Medicines	Diagnostics, Medical Equipment and Supplies	Medicines	Diagnostics, Medical Equipment and Supplies
Central Africa	15,445.7	13.9	4,633.7	4.2
Central America	1,567.1	1.4	470.1	0.4
Central Asia	3,399.1	3.1	1,019.7	0.9
East Africa	26,675.1	24.1	8,002.5	7.2
East Asia	1,986.1	1.8	595.8	0.5
Eastern Europe	3,241.2	2.9	972.4	0.9
Small Island Developing States (SIDS)	1,589.2	1.4	476.8	0.4
Middle East	3,500.1	3.2	1050	0.9
North Africa	13,201.5	11.9	3,960.5	3.6
South America	793.2	0.7	238	0.2
South East Asia	145,888.2	131.4	43,766.5	39.4
Southern Africa	2,465.2	2.2	739.6	0.7
West Africa	26,913.7	24.3	8,074.1	7.3
Grand Total	246,665.4	222.3	73,999.6	66.7

(Source: DNCD in house research and quantification of demand for priority countries)

* Includes Private and Public Health Care