

# REQUEST FOR PROPOSALS (RFP) TGF-19-093

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## LONG LASTING INSECTICIDAL NETS (LLINs)

**Issue Date:** 15 October 2019

**RFP Closing Date:** 15 November 2019

**RFP Closing Time:** 17.00 Central European Time (CET)

## SECTION 1. LETTER OF INVITATION

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Through this Request for Proposals (“**RFP**”), the Global Fund to Fight AIDS, Tuberculosis and Malaria (the “**Global Fund**”) invites all potential bidders to submit proposals to supply WHO prequalified Long-Lasting Insecticidal Nets (LLINs)<sup>1</sup> (the “products”) to recipients of Global Fund financing or other entities, as fully described in this RFP, through Framework Agreements with the Global Fund.

The purpose of this RFP is to select a panel of Suppliers with whom the Global Fund will enter into Framework Agreements to implement its LLIN Procurement Strategy and to supply prequalified LLINs procured through the Pooled Procurement Mechanism (PPM) and, upon request, procured by other non-PPM PRs, partner organizations, countries using domestic funding, or non-government development organizations. The initial duration of the Framework Agreements is two years.

The Request for Proposals includes the following documents:

- SECTION 1** LETTER OF INVITATION
- SECTION 2** DEFINITIONS
- SECTION 3** INSTRUCTION TO BIDDERS
- SECTION 4** REQUIREMENTS AND TECHNICAL SPECIFICATIONS
- SECTION 5** LEGAL MATTERS

**SCHEDULE A** Officer’s Certificate of Conformance and Acknowledgment

**SCHEDULE B** Form of Confidentiality Agreement (*if requested by the Bidder*)

**SCHEDULE C** Draft of Framework Agreement between the Global Fund and Suppliers

**SCHEDULE D** Demand forecast for LLINs

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<sup>1</sup> LLINs, bed nets or nets are interchangeably used throughout this RFP, although the Global Fund acknowledges that all bed nets may not be considered as long-lasting insecticidal nets.

## **SCHEDULE E** Response Templates

- **E1:** Commercial (Excel File)
- **E2:** Technical (Excel File)
- **E3:** For Information and Implementation (Excel File)

## **SCHEDULE F** Integrity Due Diligence (IDD) Questionnaire

Your proposal, comprising of the Commercial, Technical and For Information and Implementation response templates, should be submitted in accordance with Section 3.

## **SECTION 2. DEFINITIONS**

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Definitions provided below apply to the terms used in this RFP. They may have different meaning(s) in other contexts.

Actual Goods Readiness Date:	Actual date the products are ready for sampling
AI:	Active ingredient
Allocated volume (or volume allocation):	Volume of LLINs allocated by the Global Fund to the Supplier for supply at the agreed price(s) but for which there is no underwritten financial commitment.
Base Price:	The price for products offered by the Supplier without any discounts.
Batch:	A defined quantity of product manufactured in a single process or series of processes and therefore expected to be homogeneous (sometimes interchangeably with “lot”).
Bidder:	Supplier of products in scope for this RFP who submits a proposal by the deadline for this RFP.
Bulk packaging:	LLINs packed in bales without individual bags
CAPA:	Corrective action, preventive action as part of a quality management system
Committed volume (or volume commitment):	Volume of LLINs that the Global Fund undertakes to underwrite financially under the conditions of the Framework Agreement (Schedule C of RFP), and for which the Supplier agrees to provide during the period specified and at the prices specified in the Framework Agreement.
Dual AI net:	Next generation bed net containing 2 active ingredients
EHS:	Environment, Health and Safety
EMS:	Environmental Management System
ERP:	Expert Review Panel
FOB:	Free On Board is a delivery Incoterm meaning the Supplier delivers the goods, cleared for export, loaded on board the vessel at the named port. For purposes of this RFP, the supplier will provide pricing FOB.
GDP:	Good Distribution Practice are the minimum standards a Supplier should meet to ensure that the quality and integrity of the supplied products is maintained throughout the supply chain
Global Fund Quality	The applicable Global Fund Quality Assurance requirements for Vector Control Products as set out on the Global Fund website at

Assurance Requirements:	<a href="https://www.theglobalfund.org/en/sourcing-management/quality-assurance/other-products/">https://www.theglobalfund.org/en/sourcing-management/quality-assurance/other-products/</a> and as amended from time to time.
Global Fund:	The Global Fund to Fight AIDS, Tuberculosis and Malaria. More information is available here: <a href="http://www.theglobalfund.org/en/">http://www.theglobalfund.org/en/</a>
GS1:	A global not-for-profit association that maintains standards for unique identifiers of products and services, including barcodes, allowing standardized inventory tracking. More information is available here: <a href="https://www.gs1.org/about">https://www.gs1.org/about</a>
IDD:	Integrity Due Diligence
ISO:	International Organization for Standardization, an organization that develops and publishes international standards. More information is available here: <a href="https://www.iso.org">https://www.iso.org</a>
Incoterm:	The International Commercial Terms are a set of rules which define the responsibilities of sellers and buyers for the delivery of goods under sales contracts.
IVCC:	Innovative Vector Control Consortium, a not-for-profit product development partnership
LLIN:	Long-lasting Insecticidal Net
M:	Millions
National Regulatory Authority (NRA):	The official national government body of a country that governs the Vector Control products regulatory activities within its jurisdiction.
Next Generation Bed Net:	New bed nets that have increased efficacy against pyrethroid-resistant mosquitoes
OH&S:	Occupational Health & Safety Management System
OTIF:	On time in full delivery. Further information is provided in Schedule C.
PBO:	Piperonyl Butoxide, a synergist used to counter metabolic insecticide resistance
PBO Net:	Bed net containing a pyrethroid insecticide and piperonyl butoxide
Pooled Procurement Mechanism (PPM):	Program managed by the Global Fund that aggregates order volumes on behalf of participating Principal Recipients of Global Fund grant funding to negotiate best prices and delivery conditions with Panel Suppliers. More information is available at: <a href="https://www.theglobalfund.org/en/sourcing-management/healthproducts/">https://www.theglobalfund.org/en/sourcing-management/healthproducts/</a>
Principal Recipient (PR):	Entity nominated to implement a program designed to utilize Global Fund grant funds to fight against the diseases of HIV/AIDS, tuberculosis and/or malaria, including strengthening of related health systems, in a country or sub-region.
Procurement Services Agent (PSA):	A procurement services agent selected by the Global Fund to act as an agent on behalf of Principal Recipients in the procurement of health products, including LLINs through the Pooled Procurement Mechanism. The PSA is subject to change at any time.

Purchase Order:	Means an agreement between the PSA or any other designated buyer and the Supplier for the procurement and delivery of products.
QA:	Quality Assurance
QC:	Quality Control
QMS:	Quality Management System
Supplier:	A supplier of LLINs, which has been selected as a Global Fund supplier following the evaluation process of RFP TGF-19-002 and has entered into a Framework Agreement. Through this RFP TGF-19-093 process, the Global Fund will select a panel of Suppliers.
Supplier Promised Date:	Date by which the Panel Supplier promises to fulfil the Incoterms of the Purchase Order, including providing all the necessary export documentation for the Purchase Order.
Total Landed Cost:	Total cost of a landed shipment including purchase price, freight, insurance and other costs up to the point of delivery.
Vector Control	Measures of any kind against malaria-transmitting mosquitoes, intended to limit their ability to transmit the disease.
Volume Discount:	Discount expressed as an adjusted price of products based on the total quantity procured using Global Fund funds, irrespective of the procurement channel, and whether supplied directly from the supplier or via supplier's agent or distributor.
WHO:	World Health Organization
WHOPES:	World Health Organization Pesticide Evaluation Scheme
WHO Prequalification Program or WHO PQ:	The program managed by WHO which prequalifies vector control products are acceptable for procurement by the United Nations and specialized agencies.
Year One:	Calendar year 2020
Year Two:	Calendar year 2021

## SECTION 3. INSTRUCTION TO BIDDERS

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### A. CONDITIONS FOR PARTICIPATION

1. This RFP is in line with the Global Fund's **Procurement Regulations (2017, as amended from time to time)**, which may be found at <http://www.theglobalfund.org/en/business/>. The following documents are therefore integral parts of this RFP:
  - a) The **Global Fund Request for Proposals Solicitation Rules (2015, as amended from time to time)**, which may be found at: <http://www.theglobalfund.org/en/business/>, provided that in case of conflict between the special provisions of this RFP and the Global Fund Solicitation Rules, the special conditions of this RFP shall govern;
  - b) The **Code of Conduct for Suppliers (2009, as amended from time to time)**, which may be found at: <http://www.theglobalfund.org/en/governance-policies/>;
  - c) The **Sanctions Panel Procedures Relating to the Code of Conduct for Suppliers (2010, as amended from time to time)**, which may be found at: <http://www.theglobalfund.org/en/governance-policies/>;
  - d) The **Framework Agreement for Suppliers**, as Schedule C of RFP; and
  - e) Applicable **Procurement Principles of the Global Fund's Procurement Policy**, which may be found at: <http://www.theglobalfund.org/en/business/>.
2. Only bidders with products prequalified by the WHO are eligible to participate in this RFP as a Bidder, and all products supplied pursuant to this RFP must comply with those requirements.
3. Submitting a proposal in response to this RFP constitutes an acceptance of the terms indicated herein, including the terms and conditions set forth in Section 5 "Legal Matters", and of the terms of each of the documents referred to in this RFP. The Global Fund reserves the right to reject the proposal of any entity or individual that fails or refuses to comply with, or accept, such terms. Schedule A shall be signed and submitted by all Bidders as part of their proposal.
4. Bidders must comply with the Global Fund's Code of Conduct for Suppliers (2009, as amended from time to time) and shall be subject to the Global Fund's Sanctions Procedures Relating to the Code of Conduct for Suppliers (2010, as amended from time to time). See [https://www.theglobalfund.org/media/3275/corporate\\_codeofconductforsuppliers\\_policy\\_en.pdf](https://www.theglobalfund.org/media/3275/corporate_codeofconductforsuppliers_policy_en.pdf)

5. Subsidiary and parent companies (with same majority shareholders 50%+1%) are not allowed to submit separate proposals. Only one of the entities (parent or subsidiary) should submit a proposal.
6. All proposals must remain valid for a period of 180 days from the RFP Closing Date.
7. A bid security is not required for proposals submitted under this RFP.
8. A bid bond is not required for proposals submitted under this RFP.
9. Bidders are not required to quote for all products. However, Bidders are encouraged to quote for as many products as possible.

**B. TIMELINE**

1. Proposals must be submitted by the deadline shown below. The scheduled time of the key activities of this RFP are as follows, with all times Central European Time (CET) or Central European Summer Time (CEST), as specified below:

<b>Activity</b>	<b>Scheduled Deadline</b>
Request for Proposals Issued	15 October 2019
<i>1<sup>st</sup> Round Clarification Questions:</i> Deadline for prospective bidders to submit clarification questions to the RFP	21 October 2019: 17.00 CEST
Latest date for the Global Fund to publish response to 1 <sup>st</sup> Round Clarification Questions to all prospective bidders	25 October 2019
Schedule C issued: Draft of Framework Agreement	30 October 2019
<i>2<sup>nd</sup> Round Clarification Questions:</i> Deadline for prospective bidders to submit clarification questions to the RFP	5 November 2019: 17.00 CET
Latest date for the Global Fund to publish response to 2 <sup>nd</sup> Round Clarification Questions to all prospective bidders	7 November 2019
Deadline for electronic submission of proposal (RFP Closing Date and RFP Closing Time)	15 November 2019 17:00 CET
Notification of Awards to Bidders	16 December 2019
Contract finalization and signing between supplier and the Global Fund	December 2019 / January 2020

2. The Global Fund reserves the right to modify the timeline at any time. In such a case the Global Fund will inform all potential Bidders, however, it is the responsibility of potential Bidders to regularly check the relevant Global Fund's procurement pages on its website.

## **C. CONTENTS OF PROPOSAL**

### **1. Overall Process**

- a) The Global Fund may not consider any proposal that is received by the Global Fund after the RFP Closing Date and RFP Closing Time. Any proposal received by the Global Fund after the RFP Closing Date and RFP Closing Time will be declared late and may be rejected.
- b) The selection and evaluation process will be conducted in line with the procurement principles of the Global Fund's Procurement Policy (2008, as amended from time to time), as applicable, and the Guide to Global Fund Policies on Procurement and Supply Management of Health Products (2018, as amended from time to time).
- c) During the evaluation of proposals, the following definitions apply:
  1. "Deviation" is a departure from the requirements specified in this RFP;
  2. "Reservation" is the setting of limiting conditions or withholding from complete acceptance of the requirements specified in this RFP; and
  3. "Omission" is the failure to submit part or all of the information or documentation required in this RFP.

### **2. Confidentiality and Integrity**

- a) Information relating to the contract award shall not be disclosed to Bidders or any other persons not officially concerned with such process until information on contract award is communicated to all Bidders. Information relating to the evaluation of proposals shall not be disclosed to Bidders.
- b) Any attempt by a Bidder to influence the Global Fund in the evaluation of proposals or contract award decisions shall result in the rejection of its proposal.
- c) The Global Fund also recognizes that some of the information requested is commercially sensitive and, at a Bidder's request, will execute a confidentiality agreement in the form attached as Schedule B.
- d) Publicity of any form about these business requirements, the Global Fund's Strategy and/or any part of this RFP activity, including evaluation and award, will be controlled by the Global Fund.

## **D. PREPARATION OF THE PROPOSAL**

1. Each Bidder will review and complete Schedules A, E and F, which are required submissions; Schedule B is not required, unless desired by the Bidder.
2. Bidders are expected to fully respond to all questions and provide relevant information as required. Failure to do so will be considered omission and will be taken into account in the overall evaluation.
3. All Bidders must also complete and sign the Officer's Certificate of Conformance and Acknowledgement at Schedule A which confirms their compliance with the requirements of the proposal and conditions of supply. Non-conforming proposals will not be eligible for the evaluation process. Bidders are expected to accept Global Fund's terms and conditions as set forth in the long-term agreements (Framework Agreement Schedule C). Reservations or requests for amendments to the Framework Agreement may be considered by the Global Fund only if submitted by Bidders during the RFP process as part of their proposal. These reservations or requests for amendment will be taken into account in the overall evaluation. The Global Fund has no obligation to agree to these reservations or requests for amendment.

4. All proposals must conform to the following conditions:

Must be submitted in English

- a) Pricing must be in US Dollars
- b) Prices must be the price of goods FOB as defined in INCOTERMS 2020 published by the International Chamber of Commerce.

#### **E. SUBMISSION OF THE PROPOSAL**

1. This RFP process is being managed electronically, and Bidders are required to submit their proposals and any questions through the TGF Sourcing Application in the following URL: <https://access.theglobalfund.org/>.
2. **You will need to request a Supplier ID in advance to use the TGF Sourcing Application throughout the RFP process.** Please send an email to: [Elizabeth.Simpson@theglobalfund.org](mailto:Elizabeth.Simpson@theglobalfund.org), with the following title in the subject: *Request for login user id creation in TGF Sourcing/iSupplier portal – “Put your organization name”*.
3. Once in possession of a Supplier ID, all communication must be channeled through the TGF Sourcing Application. Only in exceptional circumstances, such as technical difficulties in accessing the platform, can communication be made by email – in which case, the subject line of the e-mail must indicate the company name, RFP number (TGF-19-093) and be addressed to the single point of contact: [Elizabeth.Simpson@theglobalfund.org](mailto:Elizabeth.Simpson@theglobalfund.org).
4. Any communication between a Bidder and the Global Fund regarding this RFP which is not through the channels designated above may invalidate such Bidder’s proposal to this RFP.
5. All proposals are to be submitted through the TGF Sourcing Application, including Schedule A (Completion of the Officer’s Certificate of Conformance and Acknowledgment), the three pre-formatted templates for Schedule E (i.e. Schedule E1 - Commercial, Schedule E2 - Technical, and Schedule E3 – For Information & Implementation) and Schedule F (Integrity Due Diligence (IDD) Questionnaire. Each proposal Schedule is to be submitted as a separate file with each file not exceeding 8 MB.
6. Proposal response Schedules E1, E2, and E3 are to be submitted in both of the following formats to ensure no errors occur in the evaluation process:
  - a) Schedules E1, E2, and E3 in Excel format.
  - b) A signed copy of Schedules E1, E2, and E3 in PDF format.
7. Proposal Schedules A and F are to be signed and submitted in PDF format.

#### **F. EVALUATION OF THE PROPOSAL**

1. Upon receipt, the Global Fund will examine the proposals to determine whether they are substantially complete, whether the documents have been properly signed and whether the



proposals are generally in order. Any proposal found to be unsigned or signed by an unauthorized person, not meeting the minimum requirements in this RFP, or not providing the minimum information that is essential for the evaluation of the proposal, may be rejected by the Global Fund and not included for further consideration.

2. All Bidders' submissions will be evaluated for Technical and Commercial responses.
3. In keeping with the range of strategic objectives, the tender evaluation will be based on multiple evaluation criteria of both a commercial and non-commercial nature. The selection and evaluation process will be conducted pursuant to the Global Fund's procurement rules, regulations, and procedures. The following principles underpin the evaluation process and should be fully understood by Bidders:
  - a) Any material deviation, reservation or omission from any of the required elements and criteria will be considered in the selection process by the Global Fund even if that element is required for information only.
  - b) Proposals will be evaluated against technical and commercial elements, within which certain criteria will be evaluated. Scoring mechanisms and the contribution of individual criteria within each element will be the same for each Bidder.
  - c) Each commercial and technical element is linked to the Global Fund's "Balanced Supply System" principles and based on key objectives of the Global Fund LLIN Procurement Strategy, as described in Section 4.
4. Bidders will be evaluated as described in this section. Bidders are also required to provide information for implementation and contracting purposes, which may be evaluated.
5. The Technical and Commercial Proposals will be evaluated against the criteria defined, Technical and commercial scores will inform volume allocations for Year One.
6. The overall weighting of the Technical and Commercial Evaluation will be:
  - a) Technical: 45%
  - b) Commercial: 55%
7. For Schedule E1, the following information is required:

**Schedule E1: Commercial Template**

<b>Elements</b>	<b>Information Type</b>
1. Base Price and Total Landed Cost	Evaluated information
2. Volume Discount	Required information*
3. Product Cost Breakdown	Required information*

*\*Required information that will be used in implementation and may be validated.*

1. *Base Price:* Bidders will submit information on prices offered per product in USD (FOB price) to the nearest cent.

Bidders are requested to submit a price in USD (FOB price) for a net without accessories, and a price for accessories. Both the price of a net without accessories and the price of the accessories will be evaluated.

Bidders shall offer a single price for the same product and submit one schedule even if the same products are supplied from several manufacturing sites.

The Global Fund will determine the Total Landed Cost, based on the provided FOB price and historical freight cost data.

If a Bidder offers the same product in more than one denier that meets Global Fund QA requirements (minimum 100 denier), the net with the lowest price will be evaluated.

2. *Volume discount*: Bidders will be requested to provide a volume discounted price (to the nearest cent), if any, on the Base price, for the volume threshold defined in the schedule, or for any other thresholds proposed by the Bidder.
  3. *Product cost breakdown*: Bidders are requested to respond to questions regarding product cost components for each type of net offered.
6. For Schedule E2, the following information is required:

**Schedule E2: Technical Template**

<b>Elements</b>	<b>Information Type</b>
1. Product coverage	Evaluated information
2. Innovation	Evaluated information
3. Country product registration coverage	Evaluated information
4. OTIF delivery performance	Evaluated information
5. Production site location and footprint in Sub-Saharan Africa: proximity to high volume demand	Evaluated information
6. Strategic projects	Evaluated for additional volume allocation*

\*The Global Fund will allocate up to 10% of annual volumes to Suppliers whose projects are selected.

1. *Product coverage*: Bidders are requested to clarify the products that are eligible for submission and evaluation:
  - i. All products offered in response to this RFP must be WHO prequalified or recommended for use by the WHO Pesticide Evaluation Scheme and linked to a published WHO Specification.
  - ii. Products not meeting the above requirements will not be evaluated. There will be a subsequent process to consider new entrants/products that become eligible for procurement after the RFP Closing Date (subject to review). Additionally, the Global Fund is establishing an Expert Review Panel (ERP) mechanism for bed nets.

2. *Innovation*: Bidders are requested to specify any Next Generation Bed Net under development or already developed and prequalified by WHO. Bidders will need to provide details and supporting documentation on submission to IVCC or WHO PQ, or prequalification by WHO PQ.
3. *Country product registration coverage*: Bidders are requested to provide a list of countries where the Bidder has received approval from the National Regulatory Authority for use for each offered product. Bidders are requested to submit, for each offered product, the registration status of each country, including the authorization number, approval date, expiry date, long life validity, annual retention and the retention paid date.
4. *On time in full delivery (OTIF) delivery performance*: Refers to the percentage of all Purchase Orders with Actual Goods Readiness Date not exceeding the Supplier Promised Date by more than 14 days (in 2016 -2018) or by more than 7 days (from 2019 onwards). On time in full delivery data to be evaluated will include data verified during performance reviews with Suppliers that have Framework Agreements with the Global Fund. Bidders with no delivery history through Global Fund Framework Agreements will not be disadvantaged in the evaluation. For consideration in Year Two (2021), OTIF will be based on historical transactional data for all products supplied through Global Fund Framework Agreements in Year One (2020).
5. *Production site location and footprint in sub-Saharan Africa: proximity to high volume demand*. Bidders are required to list their active production sites and indicate which stages of the manufacturing process are performed at these production sites. If there are multiple manufacturing locations, the Bidder is required to indicate the percentage of estimated production output for the Global Fund (PPM) at each site. Percentages should add up to a hundred across all sites.

Bidders are also required to provide information on overall monthly capacity per site and monthly capacity reserved for the Global Fund (PPM).

6. *Strategic projects*: The Global Fund is interested in receiving proposals addressing the following concerns on LLIN plastic:
  - a. Plastic recycling
  - b. Plastic reuse
  - c. Introduction of environmentally-friendly materials.

Projects on other topics may be considered as well. The proposed projects will be required to deliver measurable outcomes in the implementation period.

The evaluation of this element will assess:

- a. The required effort and investment
- b. Feasibility
- c. Ability to deliver the proposed outcomes during implementation
- d. The overall value and impact

The Global Fund will carefully review the proposals' cost implications and countries' ability to implement the proposed projects in 2020-2021. Whilst Schedule E2 contains a basic outline, additional detail should be provided to fully articulate the proposal.

The Global Fund may reserve up to 10% of annual Global Fund volume for Suppliers whose projects is selected.

7. For Schedule E3, the following information is required:

**Schedule E3: For Information and Implementation**

<b>Elements</b>	<b>Information Type</b>
1. EHS standards	Required information*
2. GS1 bar coding standards	Required information*
3. Freight volumes	Required information*
4. Process ownership / investment	Required information*

*\*Required information will be used in implementation and may be validated.*

1. *EHS standards:* Bidders are requested to provide information on their current environment, health and safety standards. Suppliers are expected to gradually improve the EHS standards to international standards during contract implementation.
2. *GS1 bar coding standards:* Bidders are requested to respond to questions related to GS1 bar coding standards. GS1 standards will become a requirement in implementation.
3. *Freight volumes:* Bidders are requested to provide information on their container stuffing capacity for individually packaged and bulk packed nets.
4. *Process ownership / investment:* Bidders are requested to provide information on the level of ownership and/or contractual arrangements in place for each step of the manufacturing process.

Bidders will need to provide evidence of the claimed level of ownership /contractual arrangements either in the form of documentation or a statement to the Global Fund when documentation is not available. The content of the submissions may be verified on site by the Global Fund during the implementation period.

Subject to evaluation and review of the provided details, the Global Fund may convert up to 75% of the annual supplier volume allocation into a volume commitment according to the proven level of ownership for each of the production steps indicated below.

Step 1	Active ingredient production
Step 2	Masterbatch/formulation production
Step 3	Incorporating masterbatch into HDPE fiber/coating formulation onto polyester fiber
Step 4	Making yarn and fabrics
Step 5	Cutting, stitching, sewing, packing and baling

The Global Fund will consider the information provided by Bidders as initial input. The Global Fund reserves the right to request further information on process ownership/investment during contract implementation.

## **G. NOTIFICATION AND CONTRACTING**

1. The final decision on allocated and committed volumes will be made by the Global Fund and communicated to all selected Bidders. These final decisions will be based on the evaluation approach as detailed in Section 3 of this RFP and forecasted demand. Any agreement between the Global Fund and a selected Bidder shall be reflected in the terms and conditions of a Framework Agreement with such Bidder.
2. Upon and subject to successful completion of the RFP process, the Global Fund intends to notify all Bidders of the outcome of the evaluation by the date detailed in Section 3B.
3. Unsuccessful Bidders will, in addition to the notification, be provided with an opportunity for a post proposal de-brief either in person or by teleconference. This opportunity to de-brief shall not create any legal rights, including without limitation any right of appeal.
4. A final qualification with any proposed Supplier is subject to the signature of the Framework Agreement. If a proposed Supplier does not sign a Framework Agreement the Global Fund will take appropriate action at its discretion, including, without limitation, removal or suspension from the panel.
5. A final agreement with any proposed Supplier is subject to the signing of the Framework Agreement between that Supplier and the Global Fund. The Framework Agreement templates (Schedule C of RFP) reflect Global Fund's standard terms and conditions. Limited non-material changes to this agreement if justified could be considered by the Global Fund. However, Bidders acknowledge and agree that the sections related to Record-Keeping and Audits, Governing Law and Dispute Resolution, No Waiver of Privileges and Immunities, compliance with the principles of the Global Fund's Code of Conduct for Suppliers, and the principles of the Most Favored Nation Section of this agreement are not subject to change.

## **SECTION 4. REQUIREMENTS & TECHNICAL SPECIFICATIONS**

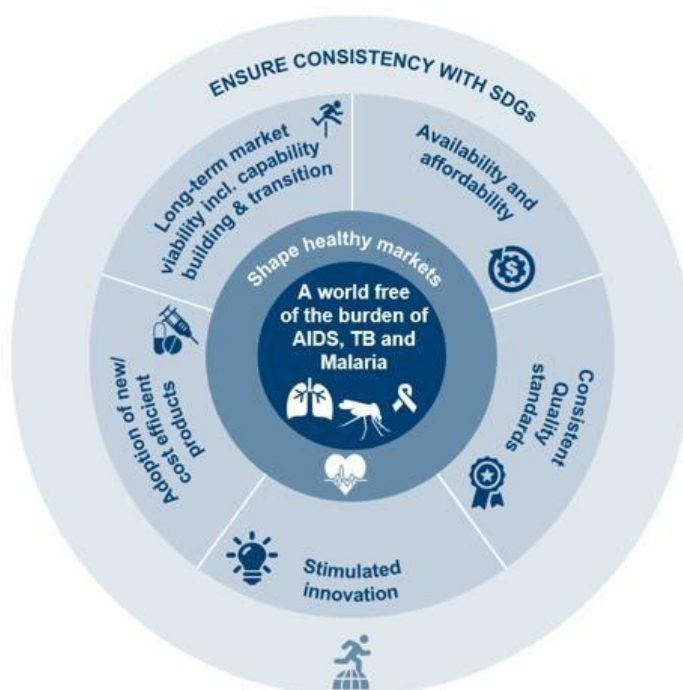
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### **A. BACKGROUND**

1. The core objectives of the Global Fund 2017-2022 Strategy, *Investing to End Epidemics*, available at <https://www.theglobalfund.org/en/strategy/> are to: maximize impact against HIV, tuberculosis and malaria; build resilient and sustainable systems for health; promote and protect human rights and gender equality; and mobilize increased resources. The strategic objectives and sub-objectives of the Global Fund 2017-2022 Strategy provide a critical path outlining how the Global Fund works with partners to ensure that the response globally and at country level is inclusive, impactful and sustainable.

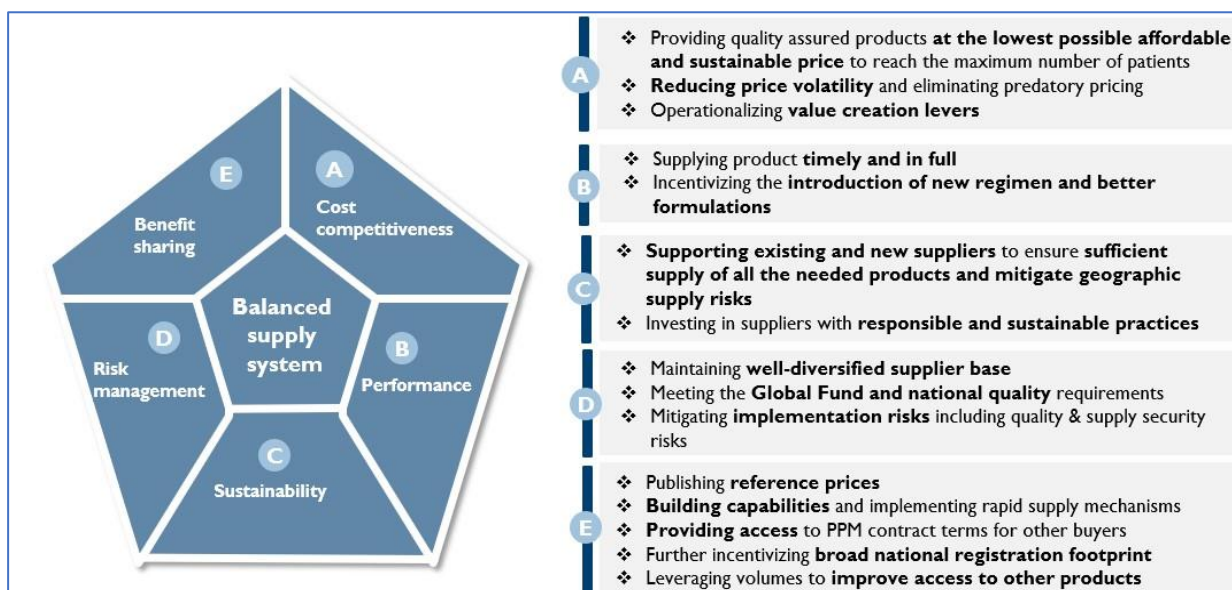
2. In support of the 4<sup>th</sup> Strategic Objective of the Global Fund 2017-2022 Strategy, to mobilize increased resources, two key operational objectives link directly with the Global Fund's Market Shaping Strategy:
  - a. Implement and partner on market shaping efforts that increase access to affordable, quality-assured key medicines and technologies; and
  - b. Support efforts to stimulate innovation and facilitate the rapid introduction and scale-up of cost-effective health technologies and implementation models.
  
3. The Global Fund Market Shaping Strategy is available at <https://www.theglobalfund.org/en/sourcing-management/market-shaping-strategy/>. The aim of the Market Shaping Strategy is to leverage the Global Fund's position to facilitate healthier global markets for health products, today and in the future. The Market Shaping Strategy includes key objectives to advance this, linked to the Global Fund's vision.

**Figure 1. Global Fund Vision and Market Shaping Strategy Objectives**



4. In support of achievement of its market shaping objectives for any product category, including that for LLINs, the Global Fund values a balanced supply system based on five elements to encourage strong supplier performance from a robust supplier base, as described in Figure 2 below.

**Figure 2. Balanced supply system to support strong supplier performance**



- The Global Fund’s LLIN Procurement Strategy described on the Global Fund website, available at <https://www.theglobalfund.org/en/sourcing-management/health-products/long-lasting-insecticidal-nets/>, and of which this RFP is a core element, supports the achievement of the Global Fund’s market shaping strategic objectives and builds on the experience and lessons learned from LLIN procurement strategies implemented since 2014.

The new LLIN Procurement Strategy is based on current market analysis, lessons learned during implementation of the current LLIN Strategy and discussions with Suppliers, donors, key partners and other technical agencies.

**For the avoidance of doubt where any presentation documentation of the RFP or the Global Fund’s LLIN Procurement Strategy and this RFP differ, this RFP shall prevail.**

## **B. OBJECTIVES**

- The **LLIN Procurement Strategy for 2020 – 2021 is a Bridging Strategy** taking current market observations into account while preparing for upcoming changes in the LLIN product and policy landscape. The implementation period covers the last year of the current Global Fund grant cycle and the first year of the upcoming grant cycle i.e. 2020-2021.

The objective of the LLIN Procurement Strategy is: **To leverage LLIN volumes, to make a joint effort to maximize market shaping value delivery and to provide data to support future regulatory and policy implementation**

The strategic objective has five dimensions:

- Quality assured products
- Greater affordability and improved delivery performance. The latter includes an OTIF delivery performance target of 95%.
- Supply continuity and long-term supply base sustainability

- iv. Foster innovation, facilitate adoption and accelerate scale-up of new products
- v. Promote responsible procurement

Details are available at: <https://www.theglobalfund.org/en/sourcing-management/health-products/long-lasting-insecticidal-nets/>: LLIN Supplier & Partner Consultative Meeting, September 2019.

2. The LLIN Procurement Strategy is underpinned by 4 key features:



- 1) *Recognize supplier investment to ensure supply continuity, and prompt sustainable business practices:* The Global Fund will reward Suppliers according to their level of ownership/investment in bed net production. This is considered as an indicator of supplier commitment which helps to ensure supply continuity.
- 2) *Joint effort to support WHO LLIN prequalification process implementation with a focus on QMS strengthening:* The Global Fund will work with partners to strengthen Suppliers' quality management systems and provide data on procured PBO nets. Failure to demonstrate QMS strengthening may lead to significant reduction of annual allocation and commitment. In addition, a non-conforming product may lead to termination of the allocation and commitments or other commercial implications, as appropriate.
- 3) *Gradually address Environment, Health and Safety (EHS) concerns through the Responsible Procurement Framework:* The Global Fund will expect Suppliers to work towards national and international EHS standards during contract implementation.
- 4) *Strategic projects: future ambitions to address concerns on LLIN plastic recycling, reuse, and environmentally friendly materials:* The Global Fund invites Bidders to propose feasible projects on these topics, which can be executed during the contract implementation period.



## C. PRODUCT SEGMENTATION

1. Products in scope for this RFP and eligible for procurement with Global Fund funding are prequalified by the WHO Prequalification Program or recommended for use by the WHO Pesticide Evaluation Scheme, or acceptable for procurement using grant funds, as determined by the Global Fund based on the advice of the ERP and linked to a published WHO Specification.

To facilitate analysis and RFP management, products have been categorized into the following 3 product sets, as summarized in the table below; please refer to Section 2: Definitions.

<b>Product set</b>	<b>Indicative Volume Split</b>
1. Pyrethroid nets	75 - 85%
2. PBO nets	15 - 25%
3. Dual AI nets	Demand is currently managed through catalytic funding (New Nets Project)

## D. ALLOCATED AND COMMITTED VOLUME

1. The total projected demand for LLINs covered by this RFP is as shown in Schedule D.
2. Through this RFP allocated product volumes may be specified in Framework Agreements (Schedule C of RFP) as described below. Framework Agreements may comprise allocated and/or committed volumes, depending on the demand for products to be supplied, determined at the time of Framework Agreement signature for 2020. Allocated/committed volumes for each subsequent calendar year are expected to be established in the first quarter, after consideration of the updated scores of the technical and commercial elements of this RFP, including Supplier performance in the previous year. For the avoidance of doubt, allocated volumes shall not be legally binding unless expressly and unconditionally stipulated as such in a duly executed Framework Agreement. As described in the Framework Agreement, the committed volume of LLINs is underwritten by the Global Fund.
3. Operational management of PPM orders is described as follows. The Global Fund's selected Procurement Services Agent for LLINs will perform operational management of the procurement of these products under the PPM pursuant to the Framework Agreements between Suppliers and the Global Fund, including the placement of purchase orders, monitoring of supplier performance, and tracking of purchases which count towards the Global Fund's volume allocation/commitment. The Procurement Services Agent may be replaced by another Procurement Services Agent at any time during the implementation of the Framework Agreement.
4. Pursuant to the Framework Agreements, failure to meet performance requirements for quality or delivery or force majeure will result in the Global Fund taking the remedial actions it deems appropriate. Such remedial actions may include, without limitation, re-allocating the Supplier's volume across the remaining suppliers in the panel, removal from

the panel, and/or use of other suppliers. Further, if a Supplier cannot meet the required lead times for a specific order as per agreed allocation or commitment, this could also result in a corresponding deduction in their allocated/committed volumes.

5. The allocation of product volumes, resulting from this RFP, by the Global Fund to selected Suppliers is conducted at the end of the evaluation process and is described here for information purposes only.
6. The Global Fund may allocate, where applicable, product volumes by distributing the total forecast volume among successful Bidders in proportion to their relative evaluation scores and subject to any overall caps established and any identified implementation challenges. Up to 75% of allocated volumes may be converted into committed volumes depending on the level of ownership/investment in LLIN production demonstrated by the Bidder.
7. The Global Fund reserves the right, at its sole discretion, to cap allocated volumes to individual Suppliers and to vary these caps between product sets.
8. A portion of the available annual volumes may be reserved:
  - a. For Suppliers whose Strategic Project was selected.
9. If any of the reserved volumes are not utilized, they may be released to existing Suppliers on an annual basis, according to performance.
10. There is no minimum allocation to any selected Supplier, and there is no guarantee that all current suppliers with effective Framework Agreements for the supply of LLINs will be selected as Suppliers through this RFP.
11. Upon and subject to successful completion of the RFP process, the Global Fund intends to notify selected Suppliers and the proposed volume allocations on the date as detailed in Section 3B. Neither this target date nor any communication of proposed volume allocations shall create any legal rights of Suppliers or third parties; only volume commitments expressly and unconditionally stipulated as such in a duly executed Framework Agreement shall be legally binding.
12. As described in the Framework Agreement template (Schedule C of RFP), any volumes to be allocated, in subsequent calendar years will be subject to the considerations described above and will also be dependent on each Supplier's performance.

## **E. PRICING**

1. During proposal submission, all pricing will be on an open book basis, with price breakdown into a series of elements as defined in the RFP templates.
2. Under the Framework Agreement, pricing will be reviewed by the Global Fund as part of the annual allocation process following the supplier performance reviews. If, as a result of such review, the Global Fund and the Supplier concerned are unable to reach an agreement on the pricing for the next 12-month period, then the Global Fund reserves the right to reallocate the affected volumes.
3. The Global Fund intends to offer access to product-specific prices to other buyers, as defined in the Framework Agreement or Purchase Order Agreement template (Schedule C of RFP), to be finalized as per mutual agreement.

4. The Framework Agreement will include a 'most favored nation' clause for the benefit of the Global Fund (see Schedule C of RFP for more information).

## **F. PRODUCT, PACKAGING & QUALITY ASSURANCE REQUIREMENTS**

### **Product Requirements**

1. Minimum standards

For all submitted proposals, the following minimum standards must be met regarding product specification, labeling, and packaging as defined in the WHO Guidelines for procuring public health pesticides.

[http://www.who.int/malaria/publications/atoz/9789241503426\\_pesticides/en/index.html](http://www.who.int/malaria/publications/atoz/9789241503426_pesticides/en/index.html)

2. Specifications

Standard specification

- The standard net specification includes a net with 6 hooks (in a pouch), 6 strings (1.5m each) in an individual bag.
- The offered nets are to be rectangular and white or light blue or light green color. The maximum height is 180cm.
- All LLINs must have a denier equal to, or greater than, 100\*.

\*Nets must meet the bursting strength requirements as provided for the specific denier in the published WHO specification for the offered type of net.

Any other specification as required beyond these will be included in the Purchase Order from the PSA.

3. Accessories

Accessories have been divided into two groups:

i. Standard accessories:

- 6 Hooks in a plastic pouch
- 6 Strings (length 1.5 meter)
- 1 Individual bag of the Bidder's standard design without additional artwork (non-biodegradable)
- 1 Label
- Packed in bales of 50 nets

ii. Additional accessories are all other accessories including, but not limited to, the following:

- Leaflet
- Multicolor printing on the label
- Multicolor printing on the bag

4. Insecticides

Nets must be treated with a WHOPES-recommended insecticide, such as Permethrin, Deltamethrin, or Alpha-Cypermethrin. Supplier must specify the type of insecticide and concentration (w/w% and mg/m<sup>2</sup>), which must meet WHOPES minimum criteria:

## Packaging Requirements

### 1. Labeling

- a. Labeling should be in line with page 16 in the WHO Guidelines for procuring Public Health Pesticides, per the document listed below:

[http://www.who.int/malaria/publications/atoz/9789241503426\\_pesticides/en/index.html](http://www.who.int/malaria/publications/atoz/9789241503426_pesticides/en/index.html)

#### b. General Label

The following information must be printed (in indelible ink) on the label attached to each LLIN:

- Brand or trade name
- Name of registration holder (if applicable) or manufacturer
- Registration number (if relevant)
- Name of active ingredient, and concentration of active ingredient (mg per square meter)
- Size of the net (length x width x height for rectangular)
- Fiber composition
- Batch number
- Date of release
- Filament count
- Fabric weight (g/m<sup>2</sup>)
- Linear density of fibers
- Flammability
- Use instructions
- Care and washing instructions

#### c. Care Label

The label must be printed in indelible ink, stitched into a seam inside the net, and contain the following information:

- Standard pictograms for washing: five pictograms according to ISO 3758, indicating: gentle wash at no more than 30 °C, no bleaching, no use of a drying machine, no ironing and no dry cleaning
- Storage conditions

**Note:** It is acceptable to have the general label information and the care label's information on a single label.

### 2. Bulk Packaging

LLINs must be packed in bales of 50 units, unless specified otherwise.

Nets without individual bag must be packed sufficiently to prevent damage during baling, transport and delivery. This may include additional materials such as plastic sheets and/or a 2<sup>nd</sup> bale bag.

Bales must:

- Be water resistant

- Be protected by a woven plastic bag that is sufficient to prevent damage during transit
- Weigh no more than 35 kg

The following information must be printed or handwritten on the bale in indelible ink:

- Brand name, manufacturer name, country of manufacture, date of production
- Batch / lot number
- Size in cm (length x width x height for rectangular nets)

Bale color

Pyrethroid nets must be packed in white bales, PBO nets and dual AI nets must be packed in colored bales. The proposed colors are:

- PBO nets: yellow, plus the letters PBO must be printed in bold capital letters as part of the bale markings
- Dual AI nets: blue.  
Another bale color may be added to distinguish between different types of dual AI nets.

### 3. Individual Packing

Each LLIN must be individually in a sealed plastic bag that is sufficient to prevent damage during transport and delivery.

The following information must be printed either on the bag or printed on a leaflet inside a transparent bag:

- Brand name or trade name
- Name of registration holder (if applicable) or manufacturer
- Registration number (if relevant)
- Name of active ingredient
- Concentration of active ingredient
- Size of net (length x width x height for rectangular)
- Fiber composition
- Batch number
- Date of release
- Standard pictograms for washing: five pictograms according to ISO 3758, indicating: gentle wash at no more than 30 °C, no bleaching, no use of a drying machine, no ironing and no dry cleaning
- Filament count
- Fabric weight (g/m<sup>2</sup>)
- Linear density of fibers
- Flammability
- Use instructions
- Care and washing instructions

### 4. GS1 standards

The GS1 standards for LLINs will be adopted by the Global Fund during the implementation period. The labeling and packaging requirements above will be modified accordingly. Suppliers will be required to meet GS1 standards after adoption.

## Quality Assurance Requirements

1. All LLINs procured with Global Fund funding – including those to be procured through this RFP must be pre-qualified by WHO or recommended for use by the WHO Pesticide

Evaluation Scheme, or acceptable for procurement using grant funds, as determined by the Global Fund based on the advice of the ERP and linked to a published WHO Specification.

<https://www.who.int/pq-vector-control/prequalified-lists/en/>

Pesticides must be compliant with specifications indicated by WHOPES, as specified at the following website:

[https://www.who.int/neglected\\_diseases/vector\\_ecology/pesticide-specifications/newspecif/en/](https://www.who.int/neglected_diseases/vector_ecology/pesticide-specifications/newspecif/en/)

2. Bidders are required to complete the “Certificate of Conformance and Acknowledgement” (Schedule A) with their proposal, including the sections regarding quality assurance. Completion of the Officer’s Certificate of Conformance and Acknowledgment shall constitute a representation and warranty by the Bidder that Bidder complies with Quality Assurance Requirements spelled out in this RFP document, all other documents incorporated by reference, and Schedule C agreement provisions.
3. Product requirements  
Suppliers are required to implement the labelling and packaging requirements and to manufacture Vector Control products in line with the current approval received.
4. Manufacturing requirements  
Suppliers are required to:
  - Ensure compliance with Quality Management Systems standards including risk management such as ISO 9001.
  - Ensure compliance with Good Storage and Distribution Practices Standards.
  - Perform a commercial stability program. After approval, Suppliers are required to retain samples of products manufactured and to undertake stability studies under long-term conditions each year as the product is manufactured. These studies are referred to as annual stability or commercial stability and are conducted to monitor product quality.
5. Global Fund Inspection and Testing  
Suppliers must allow specific Global Fund QA/QC activities during implementation. As part of the quality assurance process established for the Pooled Procurement Mechanism which includes pre-shipment inspection and quality testing – i.e. physical and chemical testing of nets – will be maintained and managed by the PSA, unless otherwise indicated. Certificates of analysis, listing all parameters as defined in the WHO Specifications for public health pesticides available on the WHO website at [https://www.who.int/neglected\\_diseases/vector\\_ecology/pesticide-specifications/newspecif/en/](https://www.who.int/neglected_diseases/vector_ecology/pesticide-specifications/newspecif/en/) will be required and reviewed at pre-shipment level by the laboratory contracted for the physical/chemical Quality Control testing. All consignments will be visually inspected, and samples tested for all parameters (physical and chemical testing) according to the WHO published specifications.
6. Quality defects, Complaints & Vigilance  
Suppliers will ensure adequate management of quality defects and complaints including root cause investigations and reporting to relevant Authorities and WHO prequalification
7. Documentation  
Suppliers must maintain technical documentation for each type and family of products. This documentation should demonstrate how each Vector Control product was developed,

designed, manufactured and controlled. This documentation should be revised to reflect any changes made during the lifecycle of the Vector Control products through normal application of the Supplier's QMS.

8. Regulatory compliance

Suppliers are expected to provide continuous assurance of regulatory compliance. This can be demonstrated in allowing access to regulatory documentation such as Audit reports and CAPAs. In addition, the Global Fund may elect, at its discretion, to conduct site visits as part of the Quality Assurance process.

## SECTION 5. LEGAL MATTERS

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1. By submitting a proposal for this RFP, including the Officer's Certificate of Conformance and Acknowledgement contained in Schedule A, the Bidder agrees to the terms and conditions of all documents mentioned in Section 3A and to the following terms:
  - a) The Global Fund makes no offer of a contract by posting this RFP or evaluating any proposals submitted in response to it, and there is no legal agreement or relationship, whether in contract (express, implied or collateral) or tort, created by this RFP process between the Global Fund and any Bidder, with the sole exception of the provisions of Sections 3A and 5.
  - b) The Global Fund may, at its discretion, change the scheduled time of the key activities of this RFP, or revise this RFP and any of its Schedules, by issuing an amendment to this RFP. All Amendments to this RFP will be posted on the Global Fund website at <https://www.theglobalfund.org/en/business-opportunities>. It is the Bidder's responsibility to consult the Global Fund's website to ensure that it is aware of amendments to, and additional information for, this RFP.
  - c) Global Fund expressly reserves the right to amend, withdraw, or cancel this RFP process and/or its sourcing strategy, change the timeline, and to reject any or all proposals, in whole or in part, at any time and for any reason, without liability or penalty to any party.
  - d) This RFP shall not be construed as a contract or a commitment of any kind. This RFP in no way obligates the Global Fund to award a contract, nor does it commit the Global Fund to pay any cost incurred in the preparation and submission of the proposal(s). Participation in this RFP is subject to the terms and conditions contained herein.
  - e) Bidders shall be solely responsible for their own expenses, if any, in preparing and submitting a proposal in response to this RFP. This includes any costs incurred during functional demonstrations and subsequent meetings, workshops and negotiations.
  - f) The Global Fund will be under no obligation to reveal or discuss with any Bidder how a proposal was assessed, or to provide any other information relative to the selection process. Bidders whose proposals are not selected will be notified in writing of this fact and shall have no claim whatsoever for any kind of compensation.
  - g) The Global Fund may, at any stage of this RFP: (a) reject any or all proposals or price submissions; (b) accept for award a proposal or price submission other than the lowest cost proposal or price submission; (c) accept more than one proposal or price submission; (d) accept alternate proposals or price submissions; (e) accept part of a proposal or price submission; (f) waive informalities and minor irregularities in proposals or price submissions received; (g) cancel this RFP.
  - h) There are no other arrangements or understandings between any Bidder and the Global Fund with respect to this RFP other than the text contained herein.



- i) Any dispute, controversy, claim, or issue arising out of this RFP or surrounding this process, shall be finally settled by arbitration conducted in accordance with the United Nations Commission on International Trade Law (UNCITRAL). The number of arbitrators shall be one; the appointment authority for such arbitrator shall be the International Chamber of Commerce International Court of Arbitration. The place of arbitration shall be Geneva, Switzerland, and the language used at the arbitration shall be English.
- j) The investigative, decision-making, and sanctions policies and processes of the Global Fund, including the activities of its Inspector General, the Global Fund's Code of Conduct for Suppliers, and consideration of any findings of fraud or abuse by the Global Fund Sanctions Panel, should the Global Fund in its sole discretion choose to refer the matter to the Sanctions Panel, can and shall apply to (i) this RFP and (ii) any other matter relating to procurement of LLINs pursuant to this RFP, and these processes may include, without limitation, public disclosure at the Global Fund's full discretion of any findings and/or decisions.
- k) The Global Fund has full discretion to investigate any potential fraud or abuse, whether occurring in the past, present or future, associated with the procurement of LLINs pursuant to this RFP, and the Global Fund at its full discretion may publish the findings of such investigations; through participation in this RFP process, the Bidder acknowledges these processes and shall not challenge in any setting the investigation by the Global Fund of potential fraud or abuse associated with procurement of LLINs pursuant to this RFP, the dissemination of investigation findings and the responses undertaken by the Global Fund to findings of fraud or abuse, in all cases whether occurring in the past, present or future.
- l) Nothing contained in this RFP may be construed as a waiver, express or implied, of the privileges and immunities accorded to the Global Fund, whether as of the date of this RFP or accorded thereafter.

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**Schedule A  
Officer's Certificate of Conformance and Acknowledgment**

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Issued Separately

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**REQUEST FOR PROPOSALS (RFP) TGF-19-093**

**Schedule B Form of Confidentiality Agreement**

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Issued Separately

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**REQUEST FOR PROPOSALS (RFP) TGF-19-093**

**Schedule C      Draft of Framework Agreement between the  
Global Fund and Suppliers**

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Issued Separately

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## REQUEST FOR PROPOSALS (RFP) TGF-19-093

### Schedule D Demand Forecast for LLINs for 2020/2021

Below is an indicative annual demand forecast based on information available as date of publication of this RFP.

<b>Product</b>	<b>2020</b>	<b>2021</b>
1. Pyrethroid nets	64 – 72M	72 – 75M
2. PBO nets	11 – 18M	13 – 25M
<b>TOTAL</b>	<b>75 – 90M</b>	<b>85 – 100M</b>

Since 2020 is the last year of the current grant implementation period most 2020 orders are expected to be placed by the end of Q1/early Q2. These orders must be delivered to the countries before the end of 2020.

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## **REQUEST FOR PROPOSALS (RFP) TGF-19-093**

### **Schedule E      Response Templates**

These are presented as three separate Excel Files:

- Schedule E1: Commercial
- Schedule E2: Technical
- Schedule E3: For Information and Implementation

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Issued Separately

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## **REQUEST FOR PROPOSALS (RFP) TGF-19-093**

### **Schedule F      Integrity Due Diligence (IDD) Questionnaire**

The Global Fund has a commitment to ethics and integrity as demonstrated by its zero tolerance to fraud and corruption, an essential component to good governance. In the Global Fund context, IDD requires assessing the threats and risks to the values, objectives and reputation of the organization arising from its interactions with related third parties.

Bidders are required to complete the questionnaire to be considered responsive to the RFP.

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Issued Separately

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