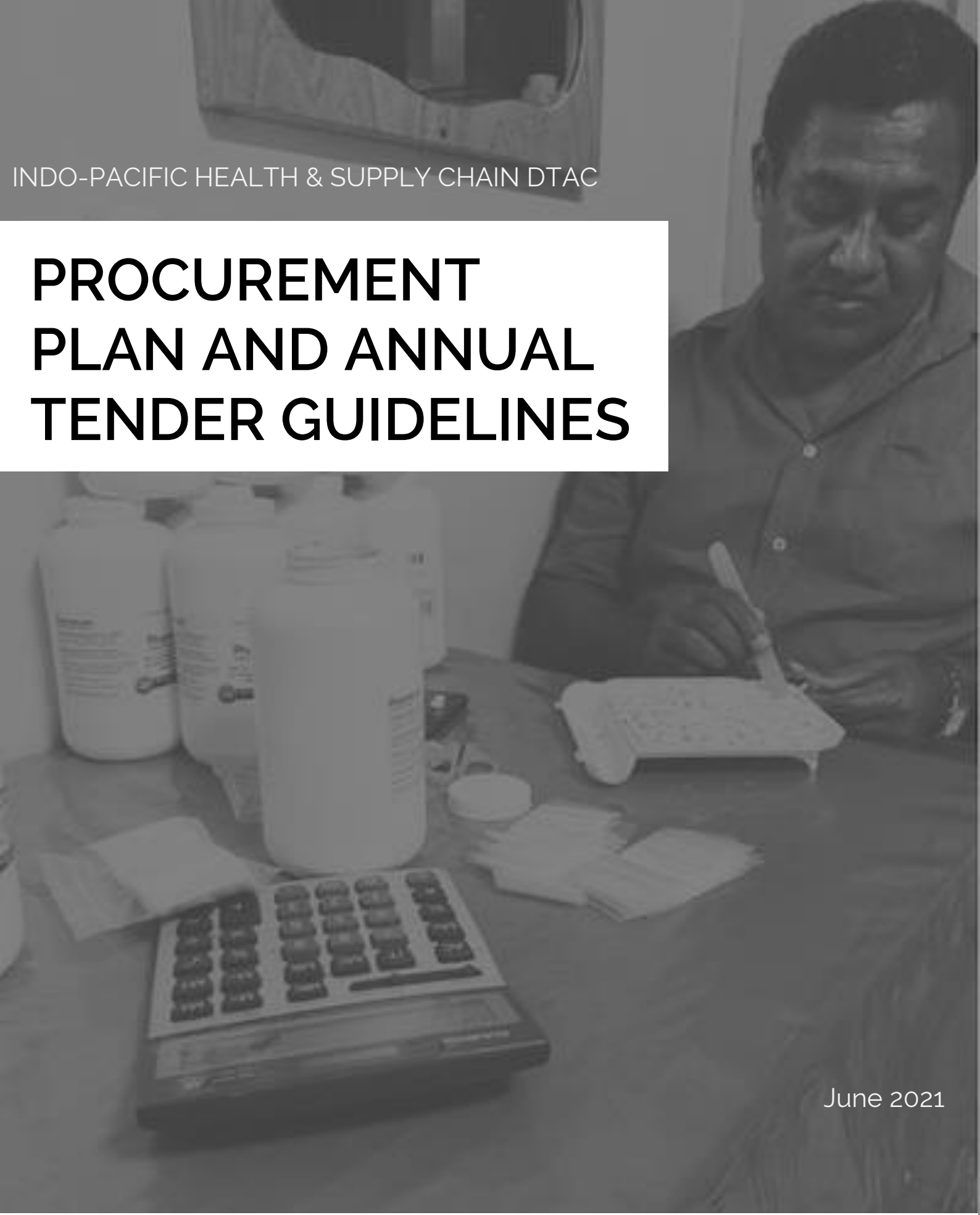


INDO-PACIFIC HEALTH & SUPPLY CHAIN DTAC

PROCUREMENT PLAN AND ANNUAL TENDER GUIDELINES

June 2021

Prepared by the Indo-Pacific Health & Supply Chain Data & Technical Assistance Centre (DTAC)

mSupply Foundation
DTAC Indo-Pacific Health & Supply Chain Data & Technical Assistance Centre
BEYOND ESSENTIAL SYSTEMS

CONTENTS

INTRODUCTION

[National Medical Stores] is a division of the *[Ministry of Health (MOH)]*. The unit is responsible for the Procurement, Storage and Primary Distribution of all drugs and medical supplies within the public health service in *[country]*.

The Procurement Plan and Annual Guidelines establish the process for managing the Tender Procurement Cycle at *[National Medical Stores]*, *[country]*. This document serves three major purposes:

i. It provides a general overview of *[National Medical Stores]* procurement processes, including an outline of roles and responsibilities, contract definitions, a detailed calendar and the basic procurement steps to be followed. This is useful for internal staff, external supervisors, donors and other stakeholders to track how procurement is carried out and how the *[National Medical Stores]* Procurement Unit is performing.

ii. It provides a detailed description of how to perform each step in the procurement cycle, including instructions on how to use the mSupply Stock Management software at *[National Medical Stores]* to help with procurement. This is designed mainly as a training tool for *[National Medical Stores]* staff.

iii. It provides an annex of documents relating to procurement, including pre-qualification documents, tender documents, standard contracts and other necessary paperwork. These are provided for both transparency and to bring all these documents together, for the convenience of *[National Medical Stores]* staff.

The *[National Medical Stores]* Procurement Plan and Annual Guidelines have been prepared by *[National Medical Stores]* to improve procurement, clarify the processes to be followed by staff, increase accountability and to increase the transparency between *[National Medical Stores]*, MOH and donor partners, as well as external auditors.

The Procurement Plan will help staff to be certain of their roles and responsibilities within the *[National Medical Stores]* team and it particularly helps to train new staff members, or aid where staff are changing roles. The plan will also help to delineate the *[National Medical Stores]* Procurement Unit against the *[country]* Procurement Office within the Ministry of *[Finance]*.

PROCUREMENT SUMMARY

Key Dates

Drug and Consumables

February 26th	Last date to complete annual major Stocktake
April 30th	Complete quantification and annual Schedule of Requirements
May 14th	Advertise annual tender to pre-qualified suppliers
June 25th	Last date to receive bids
July 23rd	Complete Tender Evaluation
August 13th	Contracts issued and signed

All other items

June 30th	Last date to complete annual major Stocktake
August 25th	Complete quantification and annual Schedule of Requirements
September 8th	Advertise annual tender to pre-qualified suppliers
October 20th	Last date for receipt of bids
November 10th	Complete Tender Evaluation
December 1st	Contracts issued and signed

Defined Responsibilities

[National Medical Stores] will be responsible for the procurement of all drugs and consumables for MOH.

Item/Service	Procurement process	Budget
Drugs	Annual tender	$XXXXX
Consumables	Annual tender	$XXXXX

Types of Contract and Tender Process

Restricted Tender, International Competitive Bidding— value >$[XXXX]

[National Medical Stores] will advertise restricted tenders with prequalified suppliers, for tenders estimated to be > $*[XXXX]* for the purchase of all core drugs and consumable medical supplies. These will include 12-month contracts plus optional 12 month Standing Offer Arrangements (also known as Framework Agreements, or "As and When Required" Contracts).

A Standing Offer Arrangement (SOA) is an agreement between a purchasing organisation such as the MOH (through *[National Medical Stores]*) and one or more suppliers. It allows the MOH to buy specified goods or services from a supplier at predetermined prices and conditions on an "as and when required" basis. SOAs operate over a defined period of time.

An SOA is different to a fixed quantity contract because the purchasing organisation is not obligated to purchase a set amount of goods or services and there is no financial commitment until a purchase order is placed.

An SOA does define the nature and details of the goods or services to be provided, including the terms and conditions of sale, price and price basis (firm or variable), delivery and payment terms. The option to exercise purchase orders from an SOA after the conclusion of the initial 12-month contract is entirely at *[country]*'s discretion.

The tender is open only to prequalified suppliers. Any supplier may request pre-qualification at any time, but this process must be completed prior to the issuing of each year's tender, in order for that supplier to become eligible.

Request for Quotations (RFQs)—value ≤$[XXXXX]

A Request for Quotation is an expedited means of seeking competitive bids on a contract. An RFQ is issued where an SOA does not exist for that product/s or where the required delivery terms differ from those on the SOA. Emergency orders will also be placed as per the provisions in the *[National Medical Stores]* Standard Operating Procedures, using RFQs (see section 4.6 Additional Orders).

RFQs will be conducted for fixed quantities and will not include SOA facilities for subsequent additional amounts. RFQs need not be issued to all pre-qualified suppliers; a minimum of 3 sets of bids (from separate suppliers) is sufficient to proceed with an RFQ. The terms of advertising are also usually much shorter than for a tender and vary according to need.

Usually, RFQs are issued only to prequalified suppliers but the procurement of specialist items not available through pre-qualified suppliers may take place through non-prequalified suppliers, via a Request for Quotation issued to at least three reputable international suppliers.

All RFQs require approval from *[insert approval process]*.

Contract Approval Process

The contract approval process will take place as per the attached Guidelines, in accordance with the *[country]* Financial Management Act. Quantification and tender assessment will be carried out by *[National Medical Stores]* in consultation with the *[country]* Procurement Office and *[insert relevant parties].*

Roles and Responsibilities

Relevant parties to be inserted, including their roles and staff involved. For example:

[National Medical Stores] Procurement Unit

The *[National Medical Stores]* Procurement Unit is responsible for placing purchase orders, monitoring purchase orders and managing existing contracts. The Procurement Unit comprises *[insert number of staff and their title]*

[country] Procurement Office

The *[country]* Procurement Office is responsible for endorsing the Schedule of Requirements and Tender Standard Conditions. It ensures that the *[country]* Procurement Regulations are adhered to.

Incoterms

Unless otherwise stated, *[National Medical Stores]* will procure CIF. The term CIF shall be governed by the rules prescribed in the current edition of Incoterms published by the International Chamber of Commerce, Paris.

Governing Law

[National Medical Stores] conforms to the *[country Financial Management Act]* and the *[country]* Procurement Regulations.

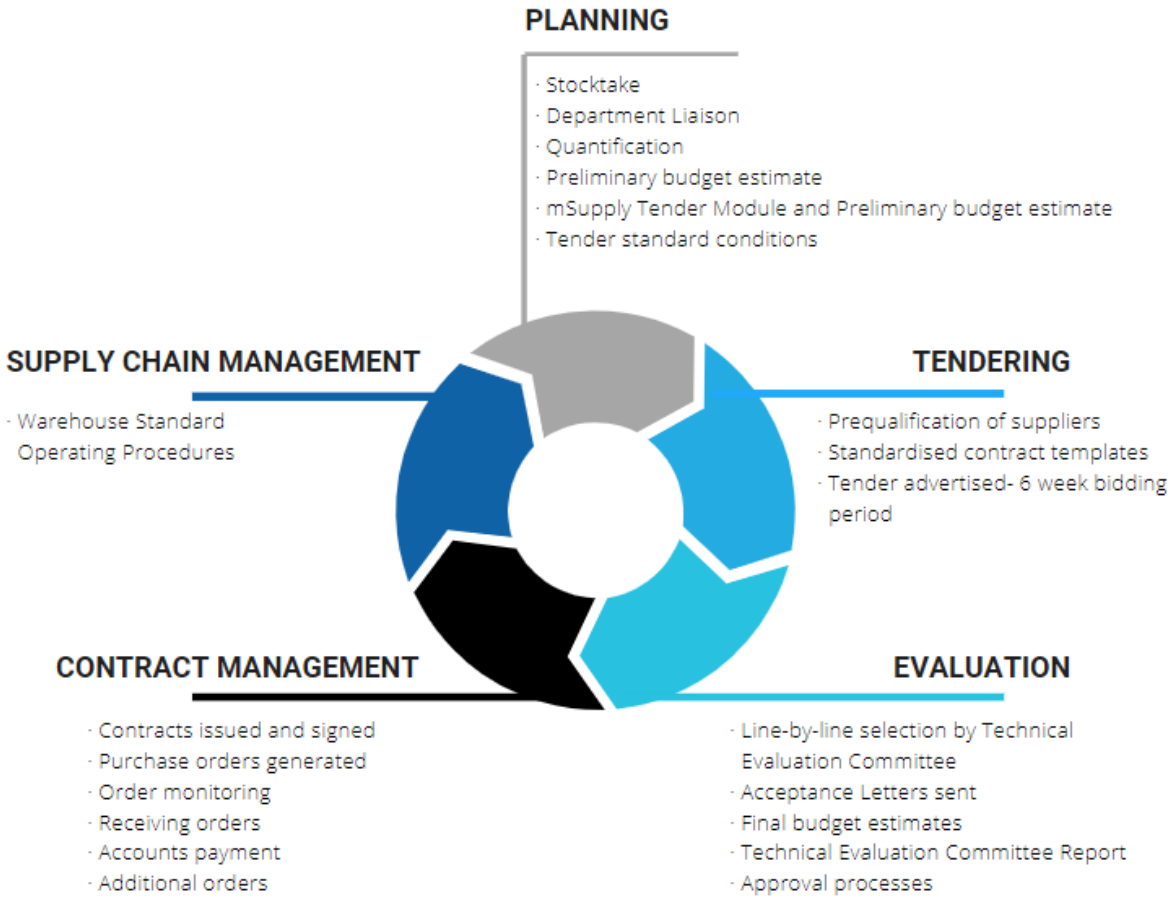
Procurement Plan Calendar

To be monitored and maintained by *[National Medical Stores]*. Overview shown below.
Note that the bid evaluation is faster for the tenders on medicines and consumables, assuming that prequalification of suppliers is completed prior to tendering and therefore technical assessments on each bid are unnecessary

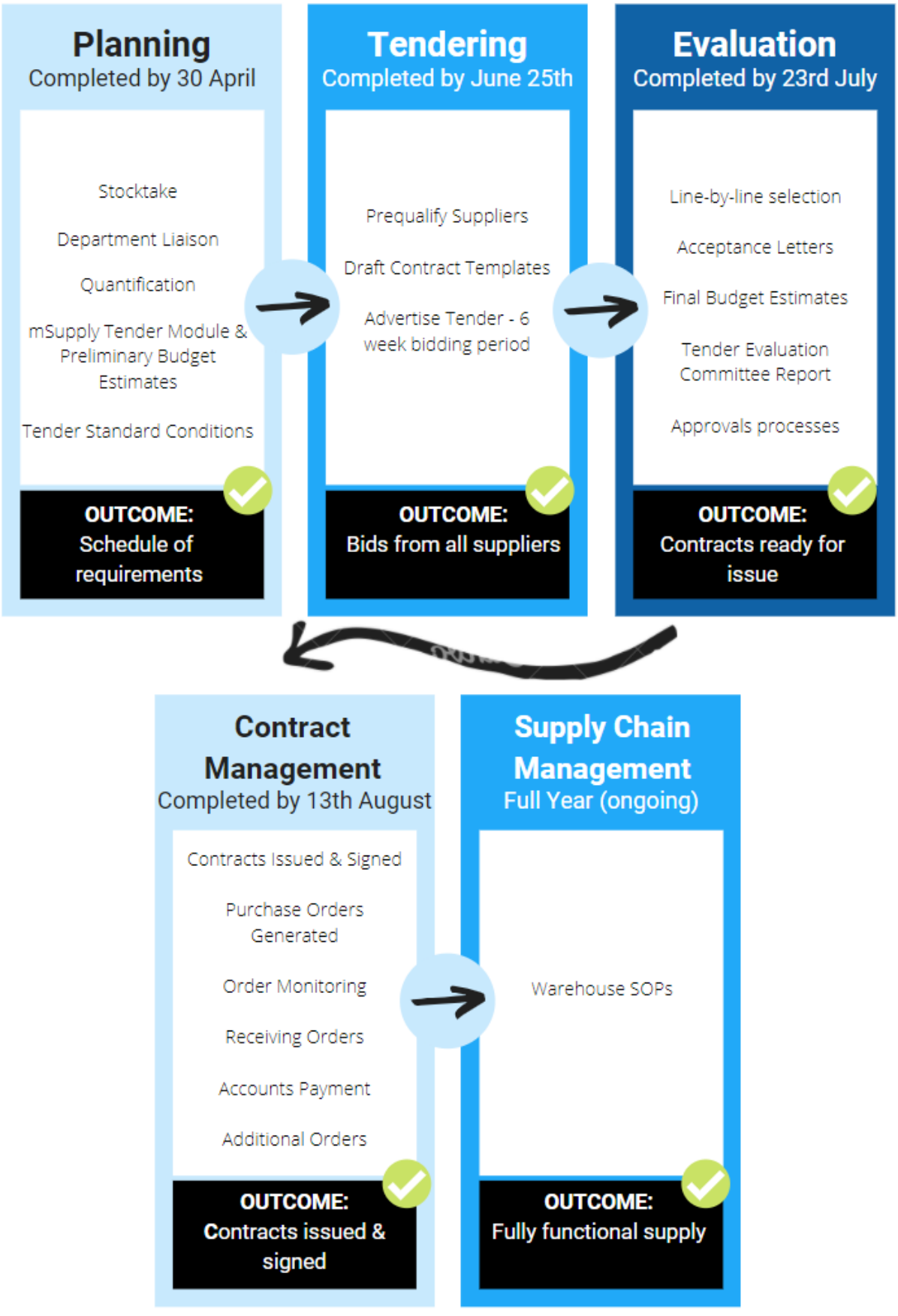
[National Medical Stores] Annual Procurement Plan: 2021

					Planning						Advertising		Bid Evaluation		Contract Award and Management			
#	Description	Agency	Tender Number	Procurement Method	Estimated Amount in *[local currency]* $	Pre-or Post Qualification	Plan vs. Actual	Starting date	Prep & Submission	Approvals and Publication	Bid Invite Date	Bid Closing	Opening and evaluation	Approval process	Date Contract Award	Date Contract Sig.	Mobilize Advance Payment	Pay on Del.
	Normal Duration of Process Steps			Total Budget	$xxxxx				84	13	1	42	7	21	7	14	28	42
1	2021 Annual Drugs Tender	*[National Medical Stores]*		Restricted Tender Line by Line	$xxxxx	Pre	Plan	5/2/21	84	13	1	42	7	21	7	14	30	90
						Preceding Year	Actual	5/2/21	30/4/21	13/5/21	14/5/21	25/6/21	2/7/21	23/7/21	30/7/21	13/8/21	12/9/21	11/12/21
2	2021 Annual Consumables Tender	*[National Medical Stores]*		Restricted Tender Line by Line	$xxxxx	Pre	Plan	5/2/21	84	13	1	42	7	21	7	14	30	90
						Preceding Year	Actual	5/2/21	30/4/21	13/5/21	14/5/21	25/6/21	2/7/21	23/7/21	30/7/21	13/8/21	12/9/21	11/12/21
3	2021 Annual *[other]* tender	*[National Medical Stores]*		Restricted Tender Line by Line	$xxxxx	Pre	Plan	9/6/21	84	13	1	42	7	21	7	14	30	90
						Preceding Year	Actual	9/6/21	25/8/21	7/9/21	8/9/21	20/10/21	27/10/21	10/11/21	17/11/21	1/12/21	31/12/21	31/3/22

Overview of Procurement Cycle



Phases of Procurement Cycle



Summary of Procurement Steps and Activities

Process or activity	Details	Timeframe	Who is responsible
1.Pre-qualification of suppliers	Prequalification of a supplier makes them eligible to bid on all Restricted Tenders for five years. Prequalification documentation prepared and evaluated by *[National Medical Stores]*. Prequalification is advertised every 5 years, but companies can submit an application at any time	Preceding year	*[National Medical Stores]*
2. Specification & Quantification	Specification according to the Essential Medicines List and Essential Medical Supplies List. Only items listed on the EML or EMSL may be procured through *[National Medical Stores]*, requests outside of these lists should be forwarded to the relevant department. Quantification is undertaken by *[National Medical Stores]*. It is to be completed using data from mSupply; alongside departmental liaison and, if necessary, international comparator countries.	Feb to April	*[National Medical Stores]*
3. Tender module data entry	Data entry of tender specifications and quantification should be completed prior to advertising. The use of the mSupply tender module helps to monitor current tenders, record prices from all bidders, create purchase orders for winning bidders, improve transparency and track incoming orders.	March to April	*[National Medical Stores]*
4. Budgeting and finance	Budget estimates to be done each preceding year. Preliminary budget estimates are to be generated once the quantification process has been completed. mSupply can help generate these numbers, with support from the mSupply Foundation if necessary.	Preceding year April	*[National Medical Stores]* *[Ministry of Finance]*
5. Set standard conditions	Preset tender conditions are defined in advance of the tender and cannot be changed once set. *[National Medical Stores]* set standard conditions according to master conditions (which apply to all Tenders) and any information relevant to that tender. They then submit the conditions to the *[country]* Procurement Office for approval	Preceding year April	*[National Medical Stores]* *[country]* Procurement Office

Process or activity	Details	Timeframe	Who is responsible
6. Tender documents and contract template	Standardised tender documents for use in all restricted tenders. Contract templates to be reviewed every two years. *[National Medical Stores]* draft contracts for tender and set delivery terms: • *[National Medical Stores]* may consider Standing Offer Arrangements (or Framework Agreements) that set a contracted price for a period of two years. The contracts should state that *[National Medical Stores]* agrees to buy a minimum of X amount of each product at the contracted price, with an option to purchase more of the same items using the same pricing and delivery terms for up to two years. • CIF (Incoterms), unless otherwise agreed. Delivery within 120 days from the date of contract signing, unless Staged (staggered) delivery for large-volume items is required.	Ongoing (standard docs) May	*[National Medical Stores]* *[country]* Procurement Office
7. Advertising	Advertise annual drugs and consumables tender by May 14th, for a period of 6 weeks. Companies are allowed to query the tender documents until the Last Query Date; all correspondence should be written communication. Suppliers will place bids electronically, using the mSupply secure online portal. Tender lines cannot be edited or deleted once the tender is finalised in mSupply.	May to June	*[country]* Procurement Office *[National Medical Stores]*
8. Line-by-line Selection	Line-by-line bid selection is done by the *[Tender Evaluation Committee]*. A technical evaluation of bids is not necessary, as only pre-qualified suppliers have been allowed to bid. Using mSupply, each line is presented on an overhead projector and the *[Tender Evaluation Committee]* confirms the preferred supplier for each line item. Each line item is awarded to the cheapest bidder, with some exceptions. Exceptions may include where consistency is wanted across a product range (eg for IV fluids, so that different bottles are easily recognisable, or items where bioequivalence is important) or where one product has been specifically requested on clinical grounds.	July	*[Tender Evaluation Committee]* *[National Medical Stores]* *[country]* Procurement Office

Process or activity	Details	Timeframe	Who is responsible
9. Acceptance letters	Once each line has been allocated to a bidder, mSupply can generate nonbinding Acceptance Letters for each successful supplier, tallying up all the items awarded. Typically, multiple companies are awarded medium-sized purchase orders from a single tender. Acceptance Letters are attached to the standard contract documents and sent to the respective companies for approval within 72 hours. If a company is unwilling to accept the contract, because they have been awarded too few line items for the contract to be financially viable, the products awarded to them are re-allocated and new Acceptance Letters generated for the remaining companies.	July	*[National Medical Stores]* *[country]* Procurement Office *[Tender Evaluation Committee]*
10. Approvals process	Once all companies have approved their respective Acceptance Letter, final budget estimates are calculated. The *[Tender Evaluation Committee]* report is written and submitted for approvals.	July	*[National Medical Stores]* *[country]* Procurement Office
11. Awarding of contracts and purchase orders	Following approval, the *[National Medical Stores]* create contracts for each Supplier. The *[National Medical Stores]* sends the contracts to the suppliers for signing. Once both parties have signed, the *[National Medical Stores]* place purchase orders and process payment upon delivery.	August	*[National Medical Stores]* *[country]* Procurement Office

Documentation and Storage Planning Summary

Schedule of Requirements Master spreadsheet (stored electronically on mSupply Tender Module). Hard copy to be placed in Tender File.	
Prequalification Paperwork, with GMP certificates for all manufacturers To be held for each supplier in a clearly marked area at *[National Medical Stores]*	Annex 1
List of prequalified suppliers Must be determined prior to advertising—no late applications accepted. To be placed in Tender File.	
Tender Documentation, with full Schedule of Requirements, ready for advertising To be placed in Tender File and uploaded to mSupply Tender Module.	Annex 2
Line-by-Line Selection Summary and Items awarded list Electronic copy uploaded to mSupply Tender Module. Hard copy to be placed in Tender File.	Annex 3 and 4
Acceptance Letter Hard copy to be placed in Tender File	Annex 5
Tender Evaluation Committee Report Hard copy to be placed in Tender File, and one submitted to relevant stakeholders for endorsement	Annex 6
Contracts Signed contracts to be placed in the Tender File	
Accounts Payment Documentation Copy of Purchase Order, Requisition, Explanatory Notes, Contract Amendments (where applicable), Bank Remittance to be filed at *[National Medical Stores]*	

[National Medical Stores] ANNUAL TENDER GUIDELINES

Phase 1: Planning

1.1 Stocktake

Preamble

An annual Stocktake must be held in the first quarter of each year to ensure accurate quantification. The quantification process at *[National Medical Stores]* relies heavily on the use of the mSupply electronic inventory system. This system is only as strong as the data it contains—if the data in mSupply is wrong, the quantification will be wrong.
An accurate Stocktake ensures that the mSupply data is as strong as possible. It also helps to ensure excessive stock-losses are not occurring and that goods received and dispatched are being entered accurately.

Persons responsible

- *[insert unit/department]*

Procedure

1. *[National Medical Stores] will determine t*he schedule for each Stocktake in advance. A full Stocktake should take no more than five working days.

2. The *[National Medical Stores]* procurement officers will notify the warehouse of imminent deliveries and determine a date to stop all Goods Receipt, in accordance with the scheduled Stocktake date.

3. The warehouse manager will notify customer service and warehouse staff of the Stocktake date. The *[National warehouse]* will advertise to customers their closure in the week preceding the Stocktake so no emergency orders come in.

4. Every outstanding Goods Receipt must be processed into the system so that it can be counted in the Stocktake. Every order awaiting dispatch must be processed and excluded from the Stocktake. Any items not dispatched before the Stocktake should be clearly set aside and not counted.

5. The Stocktake sheets should preferably be prepared at the close of business on the preceding working day before commencement (see mSupply Process below). The Stocktake sheets are prepared by [insert responsible unit/staff].

6. On the first morning, all staff divide into groups of three; each group is allocated a calculator and pens before starting.

7. The Stocktake sheets are organised by location; they are divided according to where each team would like to start but each team should start in a different location, to not overlap or crowd areas.

8. Counting then commences; each item is counted by batch and location. The Stocktake sheets have two columns—the mSupply estimated quantity and a blank space for the actual counted quantity. The staff count each line and fill in the actual quantity in the blank space, regardless of whether or not it matches the mSupply quantity.

9. No stock should be *moved* or *issued* during the entire stocktake, even when one section is completed.

10. Any item on the shelf that is not on the list is entered onto a separate 'Discovered Items Form' (see *[National Medical Stores]* Warehouse SOPs), with all item details and the location.

11. Once a Stocktake sheet is filled in, it is handed to the *[responsible unit]*, who enter the actual quantities and locations in the Stocktake screen (see mSupply Processes below).

12. This is carried out until every sheet has been filled in and every item counted.

13. The 'Discovered Items Forms' are also handed to the *[responsible unit]*, who can also enter them into mSupply.

14. At the conclusion of the Stocktake, when the *[responsible unit]* have entered every item, they inform everyone to re-open *[National Medical Stores]*.

15. *[National Medical Stores]* notify customers.

16. The final Stocktake report is printed out and copies given to the Warehouse Manager and *[insert other units]*.

17. A meeting with all *[National Medical Stores]* staff is held to discuss the results of the Stocktake and go through key training points arising. Any major discrepancies are discussed.

18. The *[National Medical Stores]* Procurement Unit then meets immediately after to assess urgent Procurement needs arising from the Stocktake (if any). All data is also used in monthly and annual reports.

19. The Stocktake sheets are filed, for auditing purposes.

Process map

Schedule for Stocktake determined and Goods Receipt suspended before commencement.
All outstanding transactions entered into mSupply.

↓

[National Medical Stores] to notify customers of closure for 3 to 5 days

↓

Stocktake sheets prepared by *[insert unit]*

↓

All staff members divide into groups of 3 and are allocated locations to start count

↓

Annotated sheets are given to *[insert unit]* to make adjustments in mSupply

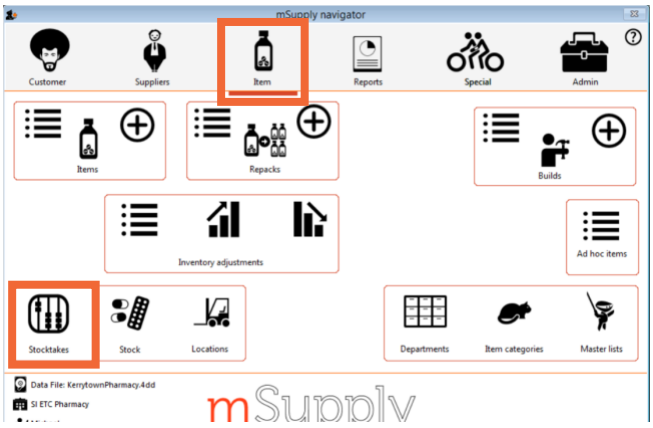
↓

At conclusion, summaries are given to *[insert unit/staff]*. *[National Medical Stores]* to reopen.

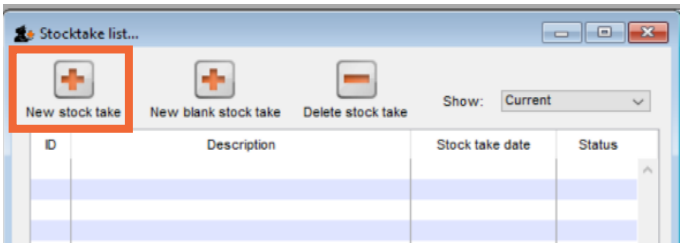
mSupply Processes—Full stocktake

1. Navigate to the **Item** tab.

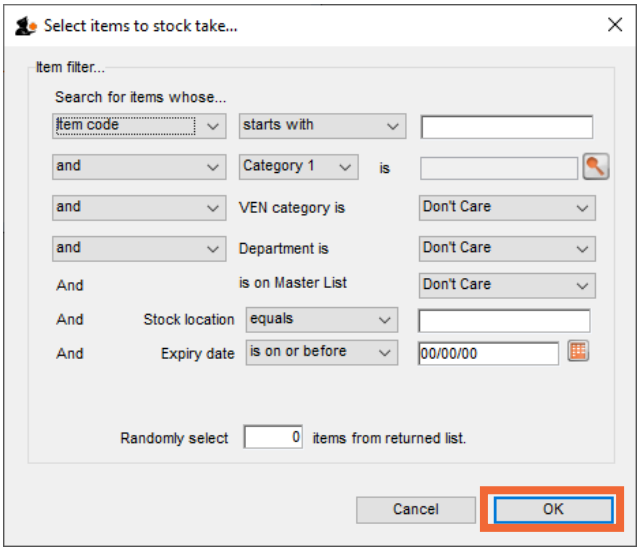
2. Click **Stocktakes.**



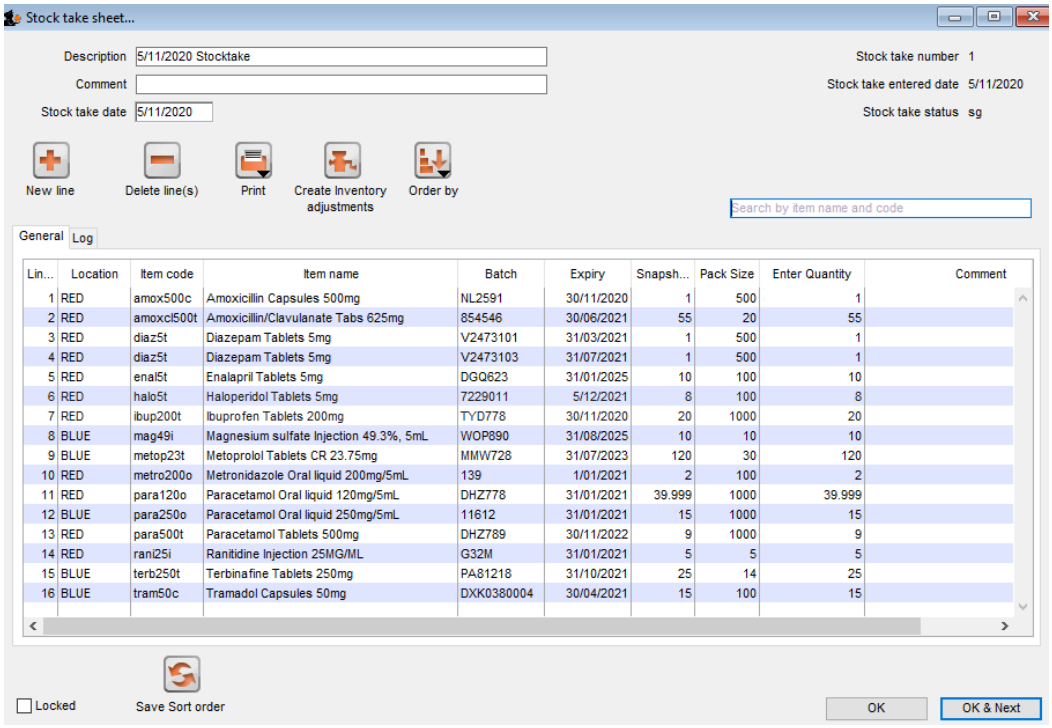
3. Click **New Stocktake**.



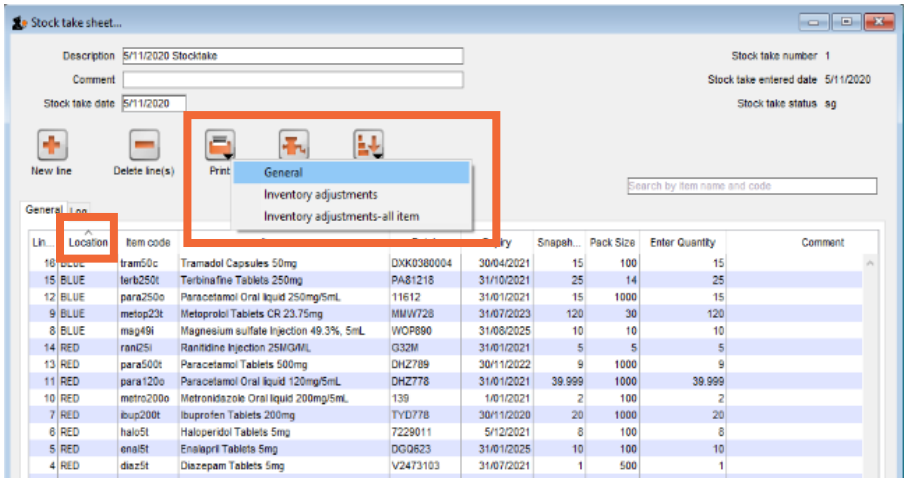
4. To run a full Stocktake, leave all fields blank and click **OK**.
   This will automatically generate a list of all the items in your store, including batches, expiry dates and the quantity mSupply thinks you have in your store.



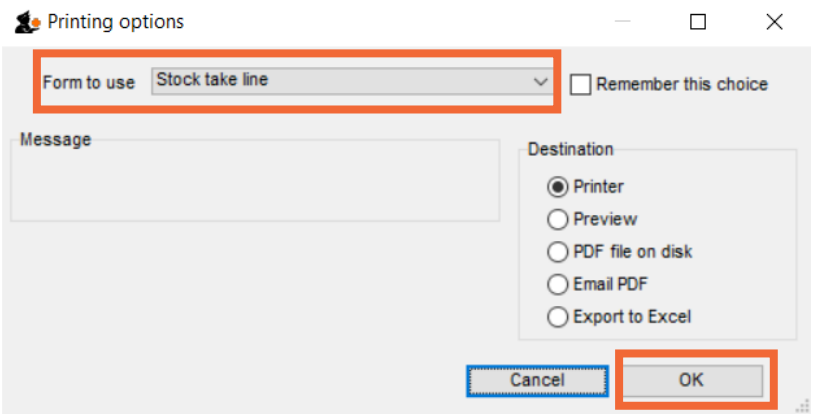
5. The following screen will appear, showing all items in the system.



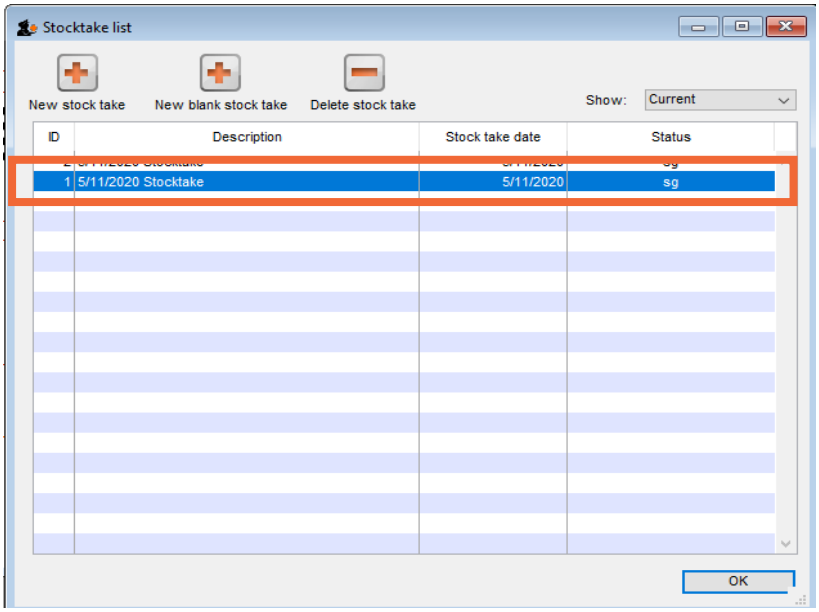
6. The item order must be adjusted, in order to print the Stocktake sheets by **Location**. Click at the top of the location column to sort by Location. Then click **Print** and select **General**.



7. From the Form to use drop down list, select **Stocktake line** and click OK.

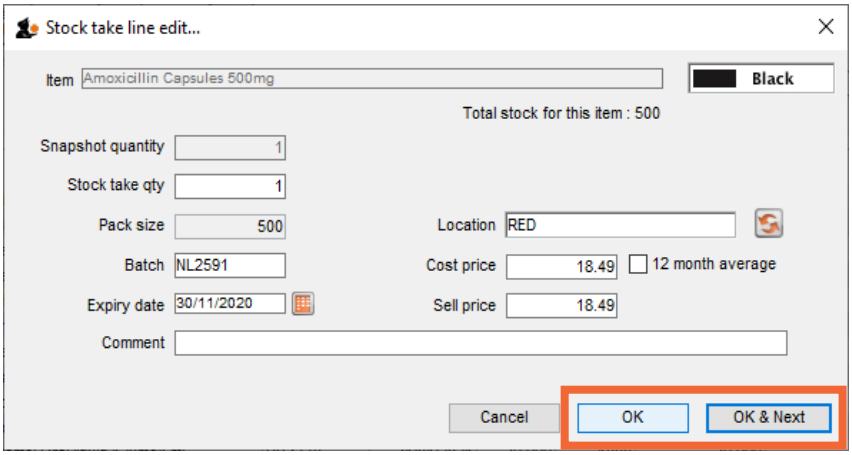


8. As long as your Stocktake stays in 'sg' status, you can close the Stocktake and reopen it later.
   To reopen it, navigate to the **Items** tab.
   Click **Stocktakes**, then double click the Stocktake that you want to open.

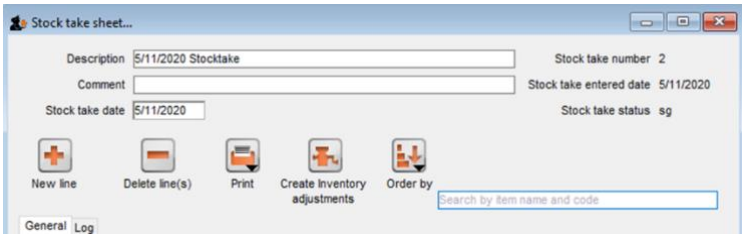


9. Once the physical stock count is complete, double click on each line to open a detailed window and enter the Stocktake Quantity. You can also correct other details such as batch or expiry date.

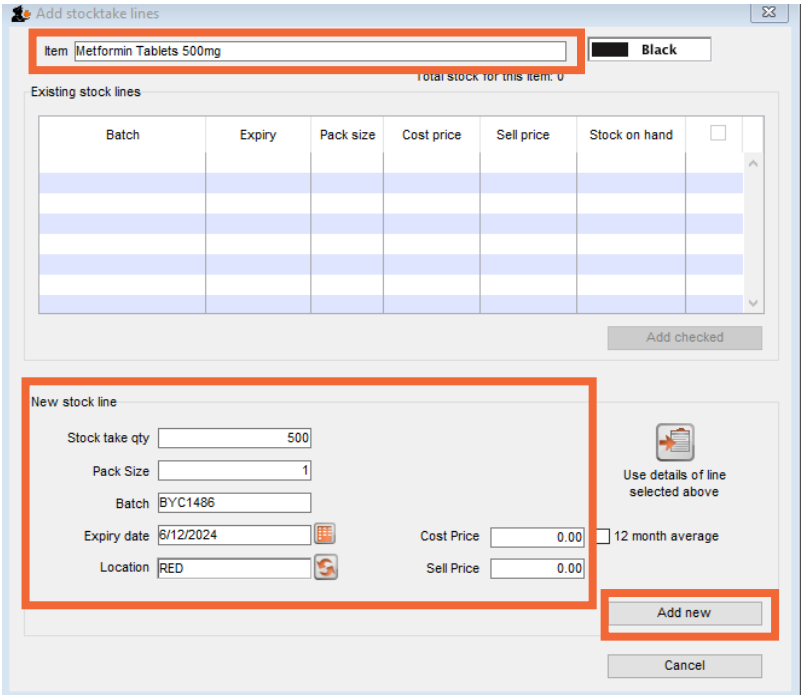
   Click **OK & Next** to move to the next item, or click **OK** to return to the main stocktake screen.



10. To add an item that is physically in your store but not in the stocktake list, click **New Line.**



11. Find the **Item** you want to add. You can:
    - Type the first few letters and press tab
      OR
    - Type the item code and press tab
      OR
    - Type @ and press tab to choose from a list of ALL items



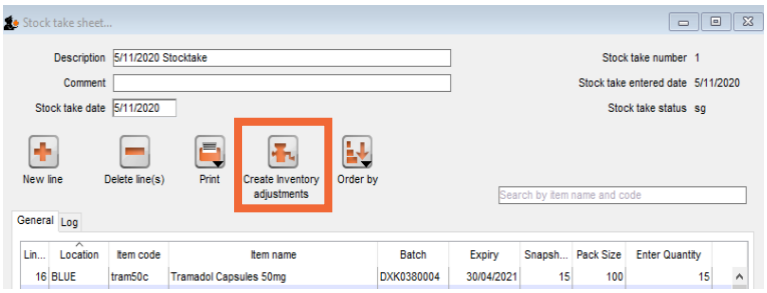
12. Enter the **Stocktake Quantity**, **Pack Size**, **Batch**, **Expiry Date**, **Location** (if applicable), **Donor** (if applicable), **Cost Price** and **Sell Price**.

13. Click **Add New**

14. Keep adding new lines until you have added all items in your store. Remember, as long as your Stocktake stays in 'sg' status, you can close the Stocktake and reopen it later.

15. Review your stocktake carefully.

16. To finish the stocktake, click **Create Inventory Adjustments** and **Confirm** when prompted. This will finalise your stocktake and update your stock in mSupply.



17. You can check your stock by going to the **Item** tab and clicking **Stock**.

1.2 Department Liaison

Preamble

[National Medical Stores] is responsible for procuring all drugs and medical supplies for all departments, programs and divisions of the *[Ministry of Health]*. To do this, it is necessary to generate accurate quantification figures annually, which are used in the annual tender.

[National Medical Stores] can generate reasonably accurate statistics by using the mSupply electronic inventory system, which has stock records dating back several years. Even at its best though, mSupply can only base its quantification data on what has happened before, and this is not entirely accurate. The population increases, health programs change focus, new procedures are introduced, and the National Medicines & Therapeutics Committee is regularly changing the make-up and classification of items on the Essential Medicines List. All these things affect the annual quantification figures.

It is therefore necessary for the *[National Medical Stores]* to meet with as many departments and vertical health programs as is possible during the quantification process. This helps them to discuss the numbers they will use during the annual tender; it gives the departments an opportunity to request more/less stock and can remind *[National Medical Stores]* to order new items. This process also improves transparency and helps departments to understand how *[National Medical Stores]* arrives at its annual numbers, preventing confusion later.

Persons responsible

- *[insert unit/department]*

Procedure

During the Planning Phase, the *[National Medical Stores]* should arrange to meet with relevant departments and stakeholders, where possible. For example:

- UNFPA
- Tuberculosis
- Extended Program of Immunisation
- HIV/Sexually Transmitted Infections
- RMNCAH
- Anaesthesia Department
- Dental Department
- Dermatology
- Eye and Ear Department
- General Surgery
- Internal Medicine
- Laboratory
- Medical Imaging Department
- Nutrition Unit
- Obstetrics & Gynaecology
- Oncology/Palliative Care
- Orthopaedic Department
- Paediatric Department
- Physiotherapy
- Psychiatry
- Rehabilitation

1. If necessary, meetings should take place at *[National Medical Stores]*, allowing full access to data on mSupply to guide discussion.

2. All meetings should be concise and focused.

3. Departments are not allowed to request procurement of new treatments or medicines that are not on the Essential Medicines List (EML).

4. Departments are not to quantify based on possible changes in item classification, unless the change has already been approved by the NMTC and included on the EML. For example, if an item was changing classification from 'Hospital' to 'Health Centre', we would anticipate a large increase in usage BUT this is not to be undertaken prospectively. If the EML later changes an item's classification, a Supplementary Order may be placed.

5. Meetings should be held with the most senior members of the respective divisions and departments.

6. All meetings should be documented and attendees must sign to acknowledge their presence. This documentation is kept with the annual tender documentation.

1.3 Quantification

Preamble

Quantification is arguably the most critical step in the Procurement Cycle; it is important not to order too much stock, to avoid wastage, whilst ensuring you order enough stock to avoid outages. This is not an easy balance, when major tenders are placed only once a year.

Correct Quantification is achieved when accurate data from mSupply generates primary quantification figures and this data is supplemented by input from experienced members of the *[National Medical Stores]* Procurement Unit, *[country]* Procurement Office, outside technical specialists, departmental representatives from MOH and related stakeholders.

Persons responsible

- *[insert unit/department]*

Procedure

[National Medical Stores] orders according to the following formula.

(Ave Monthly Stock Usage)[i] x 14[ii] – (Stock on Hand + Stock on Order[iii]) + (Stock expiring before EDD)

i: Average monthly stock usage over the previous 24 months.
ii. 12-month stock + 2 month buffer
iii. Confirmed stock on order

1. In mSupply, generate a Suggested Order Quantities report under the Reports tab (see mSupply processes below). Ensure you select 'Open in Excel' when generating the report. This spreadsheet will contain the basic raw data we use to begin the quantification process.

2. This initial report will generate a suggested order quantity for all active items in the system. Make sure that all items that are no longer in use have been inactivated in their mSupply Item Profile. Remove items from the Quantification list that are no longer in use.

3. The information in the initial spreadsheet (sample shown below) is separated into:
    a. Item Code
    b. Item name
    c. Item Category
    d. Stock on Hand
    e. Backorder
    f. 12-month average
    g. 24-month average
    h. Monthly usage for the last 12 months

i. Months cover for the reported period
j. Quantity on order
k. Ordered quantity in use
l. Suggested Order

4. It is important to understand each of these information sets, so we will discuss them now:

Item code and Item name	These present a list, in alphabetical order, of every item currently listed as 'active' in mSupply and which will require ordering in the next 14 months (or whatever parameters we entered in Point 1, above). The item code should correspond to only one item name; if a duplicate item name exists, this needs to be corrected in mSupply before you can continue.
Item category	This is the Item Category entered for that item in mSupply (e.g. 'Respiratory Medicines'). Whilst this information may be useful for specific orders, or supplementary orders, it is generally irrelevant at this stage of the annual tender and you can now 'Hide' this entire column in Excel, to make the spreadsheet easier to use.
Stock on hand	This is an important column. It tells us the current, uncommitted, amount of this item in stock at *[National Medical Stores]* right now, adding together all batch numbers. The more recently we have completed a Stocktake, the more accurate this figure will be.
Backorder	Backorders are no longer used at *[National Medical Stores]*, so this column should be blank, or show '0' in every cell.
12-month average	This is the average *monthly* stock usage, calculated using the last 12 months of data.
24-month average	This is the average *monthly* stock usage, calculated using the last 24 months of data. Usually, this is the data we use *except* where the item is less than 24 months old in the system *or* where there have been significant stock-outs in the last 2 years. Where there have been significant stock-outs, this should be investigated. *The 12-month average and the 24-month average should be similar to each other (eg less than approximately 20% difference between figures).* If they are not, this should be investigated and you may need to manually calculate the average monthly usage.

Monthly usage during last 12 months	This is the monthly usage of the item in the last 12 months. It will be *roughly* the 12-month average. However, it is usually not exactly that number, as the average is calculated only for total completed months.
Months cover	This is the estimated amount of stock on hand (in months remaining) IF the item continues to be used at the current average. If this says '11', it means we have 11 months until the stock runs out. *Warning:* You cannot calculate the 'Months Cover' simply by dividing the total 'Stock on Hand' by the 'Average Monthly Usage', as the 'Months Cover' takes into account the fact that some items will expire during the period. This is the main reason we cannot simply Quantify with 'Average Usage' and 'Stock on Hand' figures.
Quantity on order	This is the amount of stock currently ordered with a supplier. We should have ETAs in mSupply on most items but these will not be shown in this report (a separate report can be generated to show this data). It is *very important* to ensure that all Orders in mSupply are valid before proceeding. Sometimes, old orders that have been cancelled get left on the mSupply system – even though they will never be delivered to us, mSupply thinks they will! The system will then take that into account when calculating its figures and the data will be wrong. Old purchase orders that will not be fulfilled by suppliers should be deleted.
Ordered quantity in use	This refers primarily to Backorders that are sitting on our system. Backorders are no longer used at *[National Medical Stores]* so this column should be blank, or show '0' in every cell.
Suggested order	This is the most important number at the moment. This is the amount of stock that mSupply thinks we will need to order for each item. If our mSupply data is 100% up to date and accurate, there are no old orders, backorders or customer backorders on the system and there haven't been any significant Stock-Outs in the last 12 months, this figure will be very accurate. In reality, it is only indicative and it is very important we check every item. This process can take several days or over a week.

5. Once you have deleted or removed all unused items, old orders, supplier backorders and customer backorders still sitting on the system, it is a good idea to run the Suggested Order Report again. The new spreadsheet will be more accurate and there will be fewer problems to correct later.

6. It is now important to go through every item to check it is still ordered as part of the main annual tender. To do this, the *[National Medical Stores]* Procurement Unit should convene, display the spreadsheet on a wall projection and move steadily through each item. At this stage, you are not assessing the Quantity being ordered—you are only assessing if that item should be included on the annual tender, or if it is a specialist item that is only occasionally ordered. If the item is no longer 'active', this should be corrected in mSupply. It is important to have the most experienced and skilled staff members on the *[National Medical Stores]* Procurement Unit, with input from other senior pharmacists and staff at this stage as they will be able to rapidly assess each item.

7. Every item that does not need to be ordered in the Main Tender should be deleted immediately from the Spreadsheet.

8. After this, the *[relevant staff member]* should assess the Spreadsheet against the current Essential Medicines List. They need to check that every drug on the EML is being ordered (or that we have sufficient stock that it doesn't need to be ordered). If an item hasn't been used in the preceding 12 months, it will not appear in our initial report (though in these cases, it might be possible to).

9. Finally, they need to do the opposite process; *[relevant staff member]* should go through every drug on the list and make sure it is on the Essential Medicines List. If a drug is being ordered that is NOT on the EML, it is invalid and should be removed. ONLY items on the EML should be ordered.

10. It may be possible to do Steps 8 & 9 with a National Essential Medical Supplies List if this list has been finalised

11. Now, you have your final list of items! We can move onto accurate quantification.

12. Next, work your way systematically through the list:

    Does the 12-onth Average roughly match the 24-Month Average?
    If not, you should go back into mSupply and manually calculate the average usage (see below). Then enter the average usage into the existing 24-Month Average column on the master spreadsheet. *Make a note in the spreadsheet that you have made this change!*

    Is the item currently in stock?
    If not, it may have been out of stock for a while and the average usage figures will be wrong. Go back into mSupply and check. If it has been out of stock for a while, manually calculate the average usage.

    Is there a 'Backorder' for the item?

Backorders are no longer used at *[National Medical Stores]*. If there is still a Backorder on the system, check with the warehouse why this is on there. Usually, you can delete it and re-calculate the required quantity. This should be done at the start of the process.

Is there a large 'Quantity on Order' for the item?
This is usually accurate, if all old orders have been removed from the system. If there is a very large 'Quantity on Order' figure, it might be a good idea to once again check that all orders for the item are valid.

Is there a large 'Ordered Quantity in Use' figure?
This should be checked. Often, this will simply be an order in process that is being picked but hasn't been confirmed and taken off the system by Issues stores yet. In some cases though, it can be an old Customer Backorder that is no longer valid. If there is a large 'Ordered Quantity in Use' figure, go into mSupply and check why this is the case. Remove old Customer Backorders that are no longer valid.

13. Manually calculating Average Usage: This can be tricky to do. It is necessary to manually calculate Average Monthly Usage when the item has been out of stock for a long period of time, it has been in stock less than 12 months or if the 12-Month average does not roughly match the 24-month average (which means the usage of the item has changed dramatically over the past 2 years).To manually calculate Average Monthly usage, open up the item in mSupply and click on the 'Usage' tab. This will show you the usage each month for the past 24 months. Select the months where usage seemed 'normal' (i.e. not including months where usage was zero or where usage spiked very high, as happens after a stock-out). Determining what is 'normal' is very difficult and it may be necessary to consult with other members of the *[National Medical Stores]* Procurement Unit and the Specialist Department responsible for the item. You may need to use outside technical assistance if the item has been out of stock for a long time.

    Ask yourself *why* did it go out of stock in the last 24 months? *Why* is the usage for this item spiking? Once you have done this, add up the total usage for all the 'normal' months and divide by that many months. This will give you a reasonably accurate 'Average Monthly Usage', which you can insert into the '24-Month Average' column in your spreadsheet. *Important*: If you adjust the figure in your spreadsheet, make a note of this clearly, so you know you've done it when you come back to it.

    Other methods for quantification are to 1) Look at patient data for a particular disease (for example, the number of patients that had diarrhoea can guide how much zinc sulphate you need), 2) Take data from another similar country and adjust it to match the population of *[country]*, see Step 16 also.

14. Once you have manually adjusted all necessary items, removed any unnecessary or invalid items and added into your spreadsheet the EML items we should be ordering, you can re-calculate the 'Suggested Order' column for all the items you have made changes to. To re-calculate it and help verify the Suggested Order, write an Excel Formula in the adjacent column, with the

Formula:

(Average monthly usage x 14) – Stock on hand - Stock on order

15. If you run this formula on every item, you will notice something—it doesn't always match up with the 'Suggested Order' column in the report spreadsheet for other items. The main reason is that the system also takes into account items that will expire within the 14-month period; if the system determines that stock will expire before it can be used, it will not subtract them as part of the 'Stock on Hand' calculation. Similarly, if stock is on order but it won't arrive for a long time, the system may not subtract all of it when running this calculation. For these reasons (and some others), the mSupply calculation is *more* accurate than our calculation above. However, our rough calculation will still give a reasonably accurate Quantification.

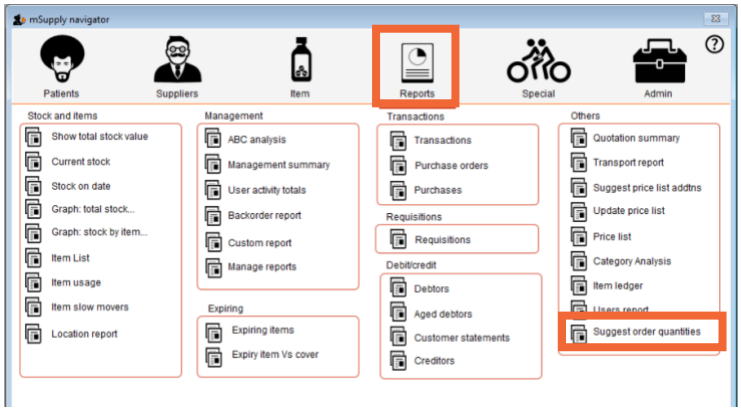
16. When this has all been completed, you will have completed the basic Quantification process. Next, you have to take into account requests from departments. Using the minutes from each meeting held (as part of *1.2: Departmental Liaison*), you can go through and manually adjust each item up or down if necessary. To Quantify items of this nature, you may need specialist procurement advice. Some methods for quantification are to:
    - Consider changing epidemiology and how this may impact future drug consumption—for example, if malaria rates are reducing, the order quantity for antimalarials may need to reduce also.
    - Plan ahead for scheduled mass drug administration programs, consider whether you will have enough stock for administration and whether the program will reduce the need for subsequent drug treatment over the next year.
    - Consider how changing prescribing practises could impact future drug use—for example:
        - If departments want to restrict ceftriaxone use, then ceftriaxone usage will reduce, and the order quantity should reflect this. Additionally, if an alternative drug is to be used in place of ceftriaxone, consider if the order quantity for the alternative should be increased.
        - If a department is planning to introduce a new procedure that will increase the usage of a particular item, you will need to quantify this item selectively with the department

17. *T*he *[National Medical Stores]* Procurement Unit should endorse the draft Specification and Quantification.

18. Once Quantification has been completed, this list becomes the Schedule of Requirements and will later be listed in the Tender Data Sheet (see Annex 2, Tender Documents Template).

mSupply Processes

1. Navigate to the **Reports** tab.



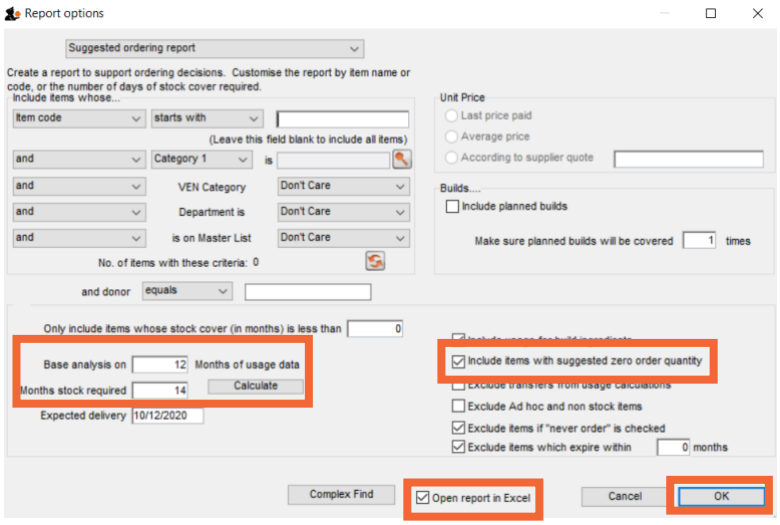
2. Click **Suggest Order Quantities.**

3. Set the number of months of usage data to base analysis on (e.g. 12 months).

4. Set the months of stock required (e.g. 14 months).

5. Tick the **Include items with suggested zero order quantity** box.

6. Ensure the **Open report in Excel** box is ticked.



7. Click **OK**

8. The report will open in Excel (example shown)

Report title (name may be edited)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	**Suggested Ordering Report: Months cover : 14 months. Search string : . Based on last 12 months usage data.**													
2														Page 1 o
3	**Item Code**	**Item Name**	**VEN**	**Item category**	**Stock on hand**	**Backorder**	**12 months average**	**24 months average**	**Monthly usage for the last 12 months**	**Months Cover**	**Quantity on Order**	**Ordered quantity in use**	**Suggested order**	**Forecast used**
4	amo500t	Amoxicillin 500mg tab		Medicine	13694	0	1670	1570	1670	8.2	0	0	9686	N
5	aten50t	Atenolol 50mg tablet	V	Medicine	17209	0	4002	3980	4002	4.3	0	0	38819	N
6														

Item quantity

Stock on hand

Usage data

Months Cover

Quantity already on order

Suggested order

1.4 mSupply Tender Module & Preliminary Budget Estimate

Preamble

The mSupply tender module is the first major step in digitizing the procurement process. It creates a convenient, efficient and transparent paper trail for all purchases, eliminates the need to manually create Purchase Orders and allows you to easily evaluate bids using a line-by-line methodology.
The tender module also allows you to set procurement rules and bring all tender documentation into a single place.

The Preliminary Budget Estimate is completed following quantification. It is an approximate figure, that mSupply generates based on what we have paid for goods in the past. Whilst we are not bound by it, it gives an indication of whether our existing annual budget will be sufficient and may give advance notice that we need to reduce our quantification or apply for increased funding.

Persons responsible

- *[insert unit/department]*

Procedure

1. The Schedule of Requirements must be entered into the mSupply Tender Module. It may be possible in the future to simply accept the automatically generated figures in the mSupply Tender Module, but this is not currently the case. Each item on the generated mSupply Tender must be manually checked against the Schedule of Requirements.

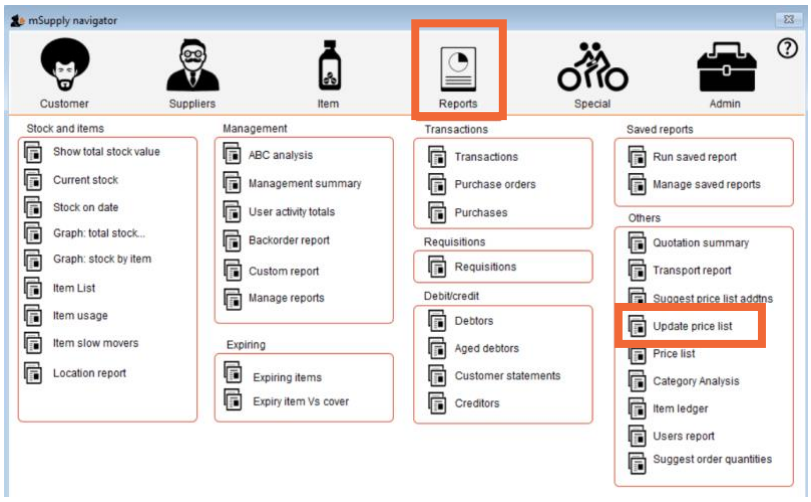
2. The process for entering items into the tender module is shown below (mSupply Processes).

3. Once this has been completed, a preliminary budget may be generated automatically; this requires international price benchmarks to be entered into mSupply against every item in the inventory.

mSupply Processes

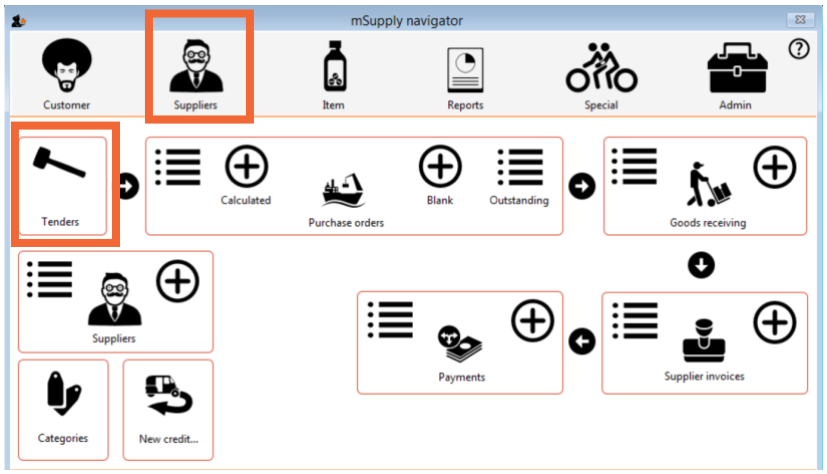
1. Navigate to the **Reports** tab

2. Click **Update price list** and select **OK** when prompted.



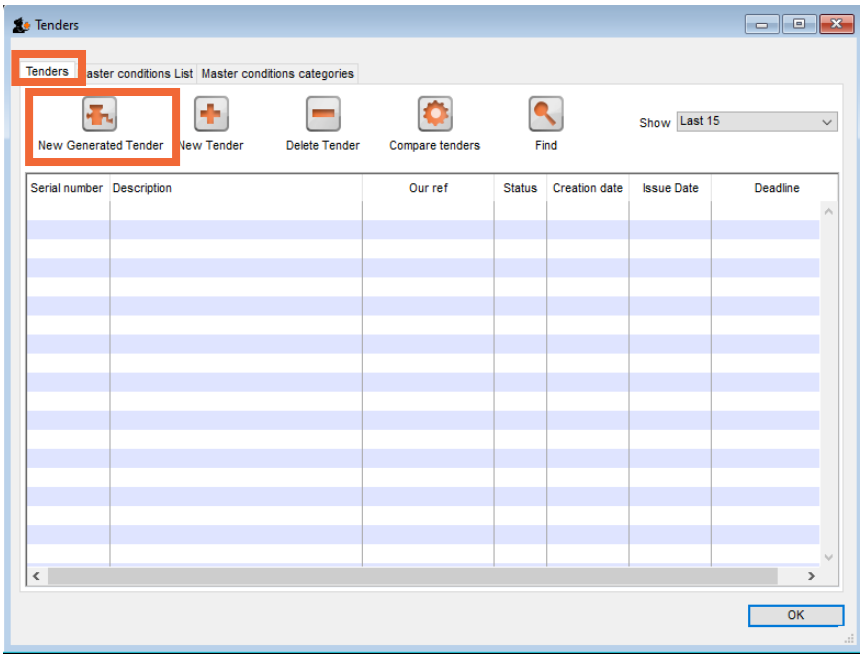
3. Navigate to the **Supplier** tab

4. Click **Tenders**

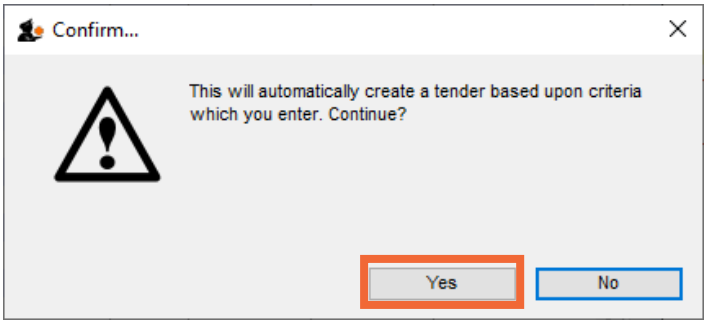


5. Navigate to the **Tenders** tab and select **New Generated Tender**.

   This will generate quantities based on actual usage. Quantities can then be amended based on the Schedule of Requirements (*see 1.3 Quantification*)



6. Click **Yes** to confirm generating the tender



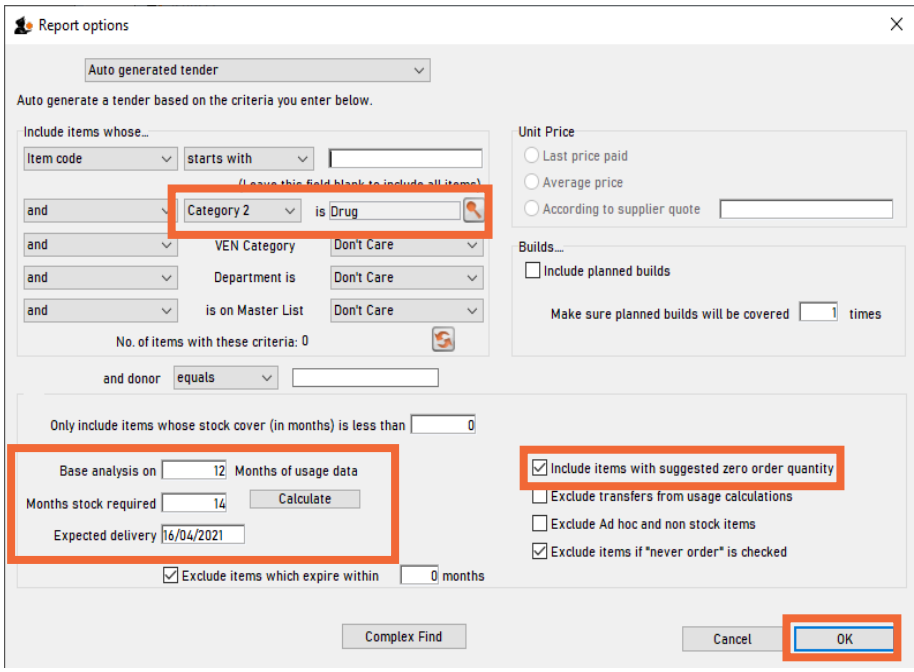
7. Select the category you want to generate the tender for (e.g. drug, consumables)

8. Set the number of months of usage data to base analysis on (e.g. 12 months).

9. Set the months of stock required (e.g. 14 months).

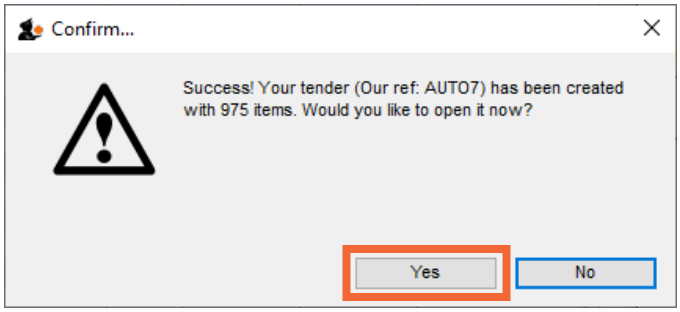
10. Tick the **Include items with suggested zero order quantity** box.

11. Click **OK.**

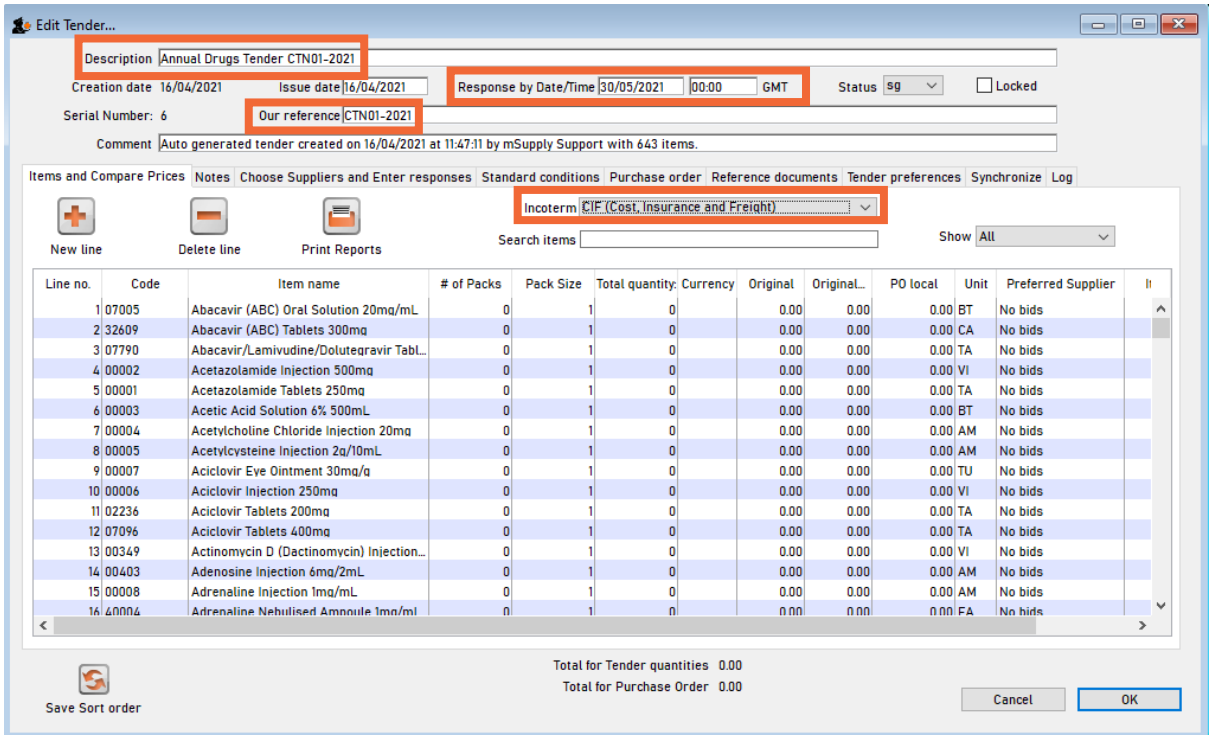


12. To open the Tender, click **Yes**.

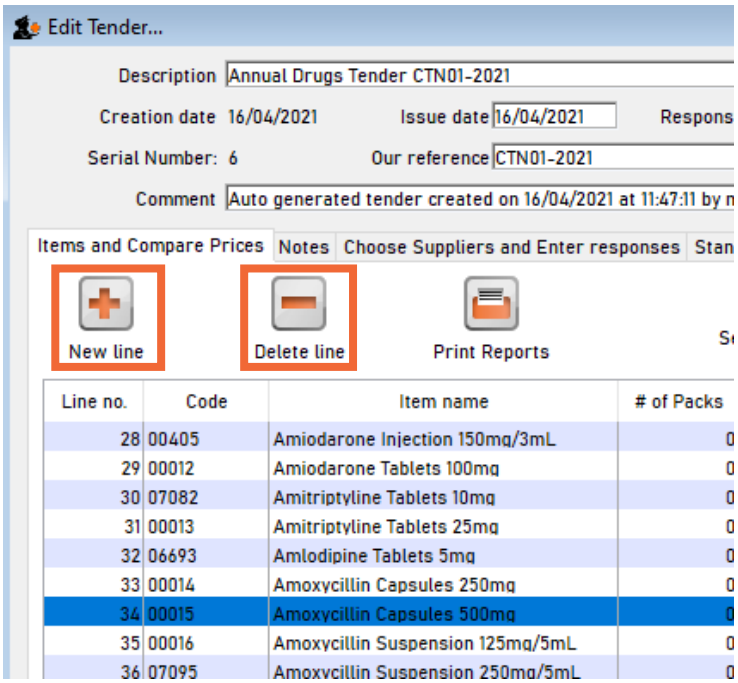
    Otherwise, you can open it later by navigating to the Tenders tab.

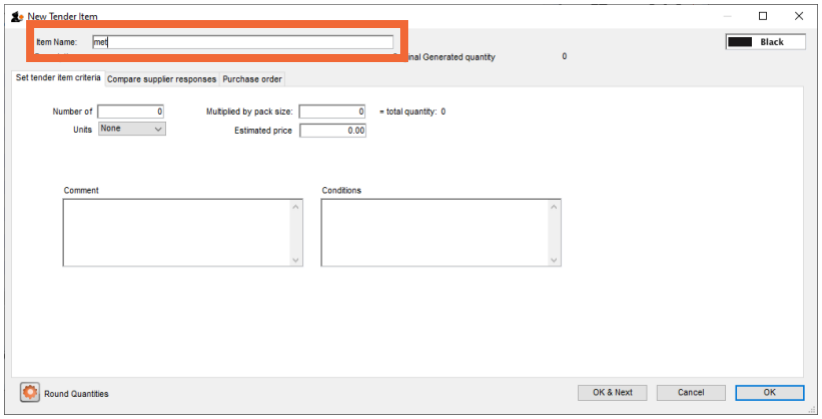


13. Once the Tender has been generated, set **Description**, and **Our reference** to the Tender number you have allocated, **Response by Date/Time** and **Incoterm (CIF)**.

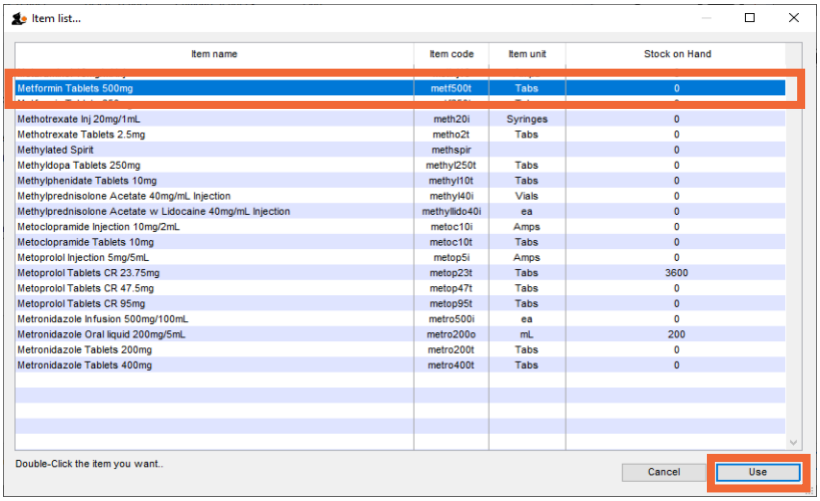


14. Review the suggested Tender and compare it against the Schedule of Requirements (see 1.3 Quantification). If any lines do not match, you can Delete, Edit or Add lines as needed.
    - To Delete an item, click on the line to be deleted and click Delete Line
    - To Add a line, click New Line
    - To Edit an item, double click the line to open the Edit Tender Item window. You should round quantities to the nearest whole number or pack size.



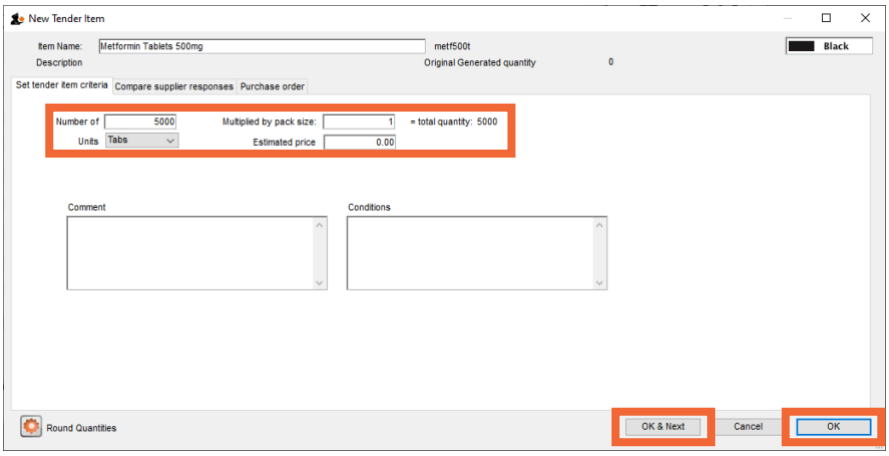


15. When adding a new line, search for the item by typing in the Item Name and press the 'Tab' button. You only need to type a few letters.

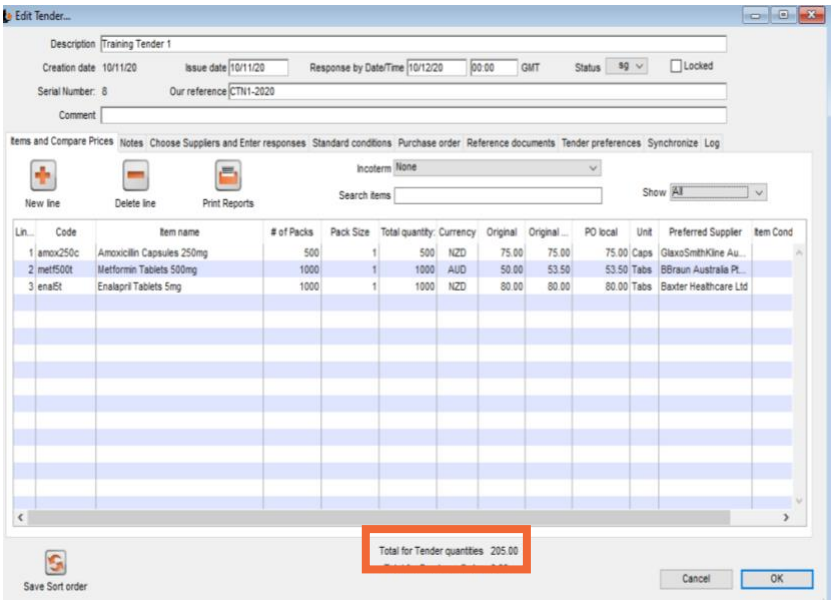


16. Select the item you want to add and click **Use**.

17. Select the number of packs you wish to order, the pack size and the units. When you are finished, select **OK & Next** to keep adding items or **OK**, if there are no more items to add.



18. When the data entry for the Tender Module has been completed, we can generate a preliminary budget (to generate a preliminary budget, you need to generate a price list).



1.5 Tender Standard Conditions

Preamble

Preset tender conditions are defined in advance of the tender. They cannot be changed once set and help to make the tender process more transparent. Standard conditions aim to optimise quality, at the most competitive price.

[National Medical Stores] will develop standard conditions for approval by the *[country]* Procurement office prior to the advertising and issue of the tender. This may be done using shared information via regional cooperation. Master conditions (which apply to all Tenders) may already be set by the *[country]* Procurement office.

Standard conditions may include (but is not necessarily limited to):

a. 'Supplier X is not allowed to supply Zinc Oxide Tape, due to poor past performance'
b. 'Manufacturer X is banned from supplying Zinc Oxide Tape, due to poor past performance'
c. 'Manufacturer X is completely excluded from the tender and all bids on their items will be rejected'
d. 'Item X is a critical item, running low in supply; supplier X is not allowed to supply Item X this tender, due to previous slow delivery schedules'
e. Cold-chain items may not be supplied by supplier X, due to concerns over previous transport delays from the port-of-origin.
f. All sutures must be the same brand, come in similar, distinguishable packaging and must therefore come from the same supplier and manufacturer.

Persons responsible

- *[insert unit/department]*

Procedure

1. *[National Medical Stores]* procurement unit reviews the current master conditions list.

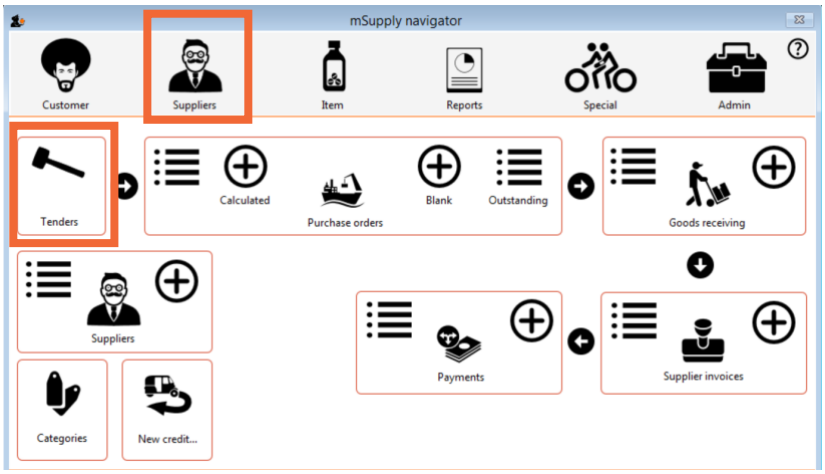
2. *[National Medical Stores]* set standard conditions according to the master conditions and any information relevant to that tender, then submit to the *[country] Procurement office* for approval.

3. Once approved, the *[National Medical Stores]* add the standard conditions to the tender in mSupply.

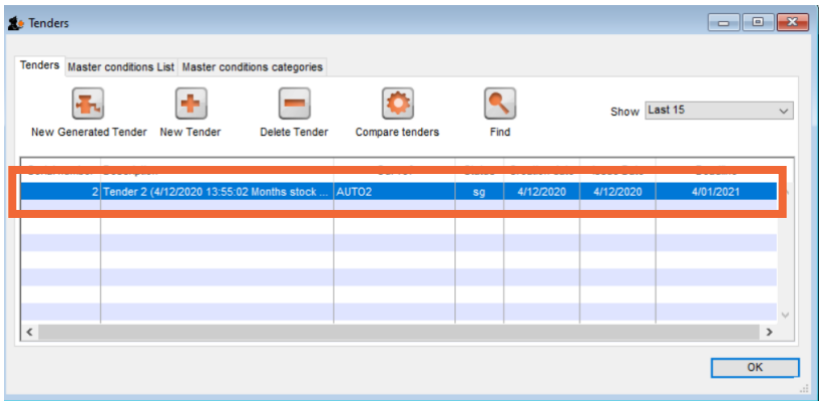
mSupply processes

1. Navigate to the **Supplier** tab

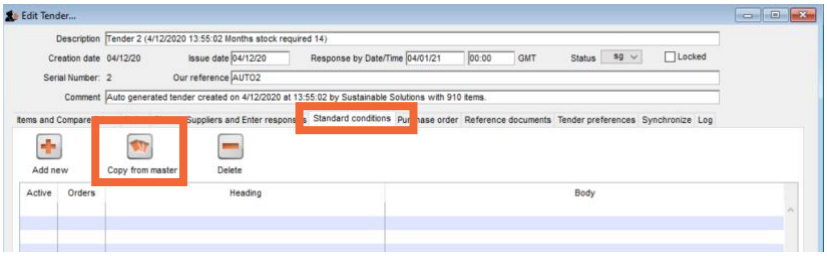
2. Click **Tenders**



3. Double click on the tender you want to open.

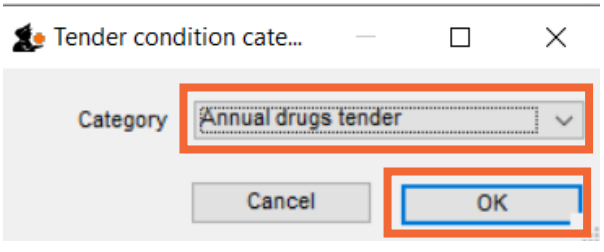


4. Click on the **Standard conditions** tab and click **Copy from master**.



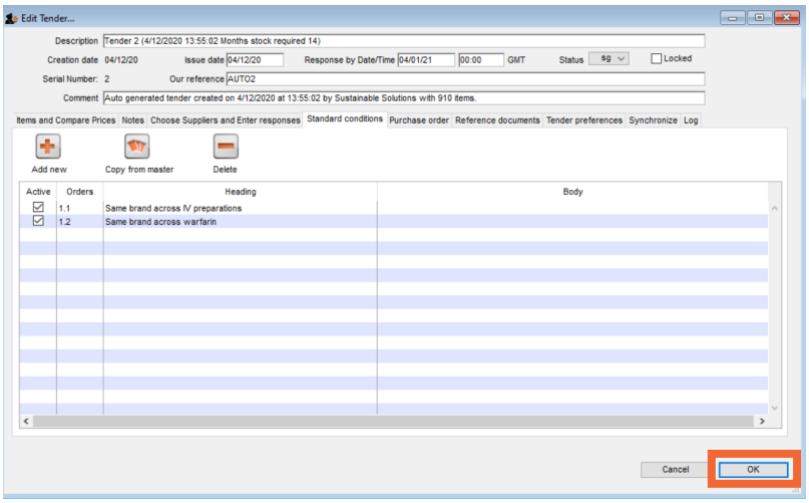
5. Select the master list category you want to use and click **OK**.

   This will automatically add all master conditions set by the *[country]* Procurement office for this tender type.



6. Review the standard conditions list. Additional conditions can be added at this point.

7. Click **OK**



TIME FRAME
Phase 1 to be completed by April 30th

PHASE 1 FINAL DOCUMENTED OUTCOME
Schedule of Requirements

- The Schedule of Requirements is an Excel Spreadsheet master list held by the *[National Medical Stores]* Procurement Unit, that has been entered into the mSupply Tender Module.
- The column headings in the Schedule of Requirements should include item code, item name, unit, quantity, notes.
- This does not need to be printed yet but should be distributed to all members of the *[National Medical Stores]* Procurement Unit.
- The Tender Module will be used during Phase 2: Tendering.

Phase 2: Tendering

2.1 Prequalification of Suppliers

Preamble

Prequalification of suppliers is an ongoing process that must be completed in advance of the Tendering phase. Suppliers may be prequalified at any time, but all potential suppliers must be prequalified prior to the issuing of the tender to be eligible to bid.

Rigorous prequalification is the main determinant of quality assurance in *[country]*. Prequalification of suppliers is only required for medicines and medical consumables.

Persons responsible

- *[insert unit/department]*

Procedure

1. A template questionnaire has been formulated for any supplier wishing to undergo prequalification (see Annex 1). This should be circulated to all current suppliers at least every five years. Potential suppliers are welcome to request the questionnaire at any stage and may be invited to apply for prequalification by *[National Medical Stores]* or donor partners.

2. All prequalified suppliers will be sent the Tender documents each year. No Tender documents will be sent to a company that is not prequalified.

3. Prequalification paperwork for all suppliers will be held at *[National Medical Stores]* in a clearly marked area.

DOCUMENTATION
List of prequalified suppliers and Prequalification paperwork (with certificates of GMP for all manufacturers) to be held for each supplier in clearly marked area at [National warehouse]

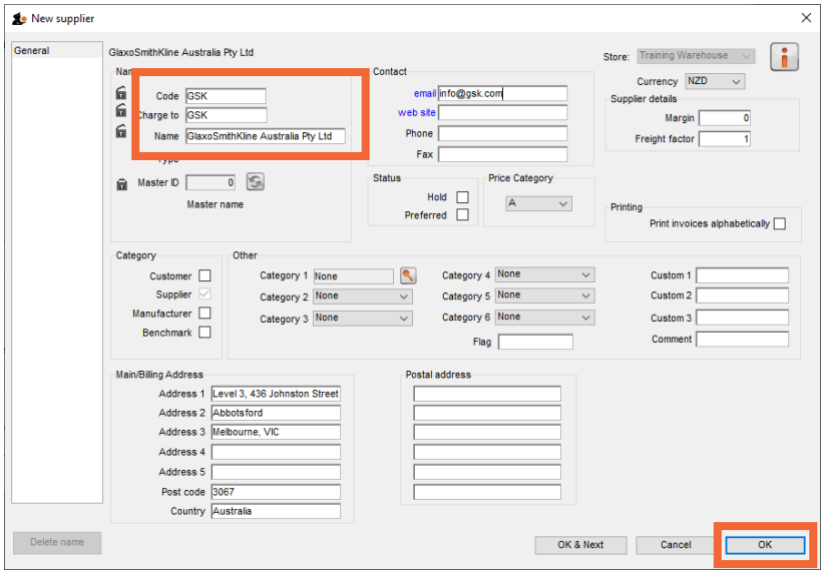
mSupply Processes

1. Add prequalified Suppliers to mSupply by navigating to the **Suppliers** tab and clicking the **New Supplier** button.

2. Enter the details of the supplier. The minimum details to enter are the **Code, Charge To and Name,**
   Use a memorable or obvious code for suppliers, so you will quickly know which one it is when you run reports.

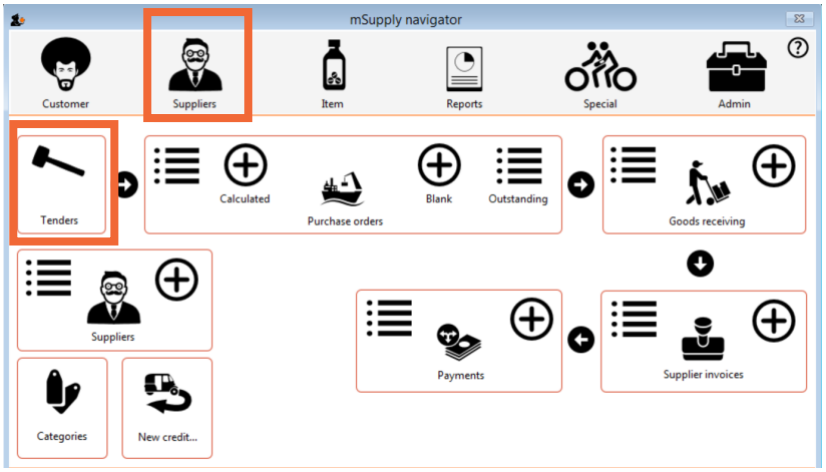
3. Enter as many details as you can now to save you time later.

4. If you use supplier Categories, enter them here too. Note that the Supplier checkbox is already ticked.

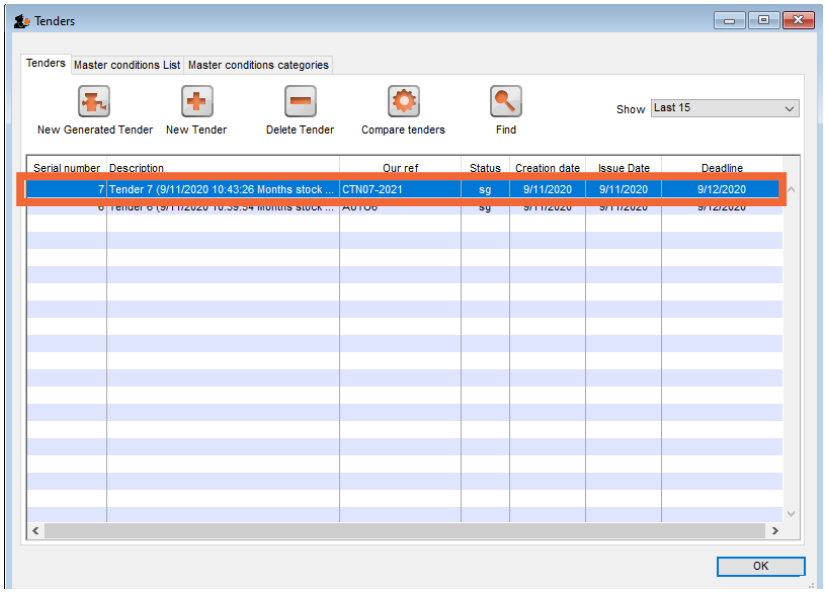


5. When you are finished, click **OK.**

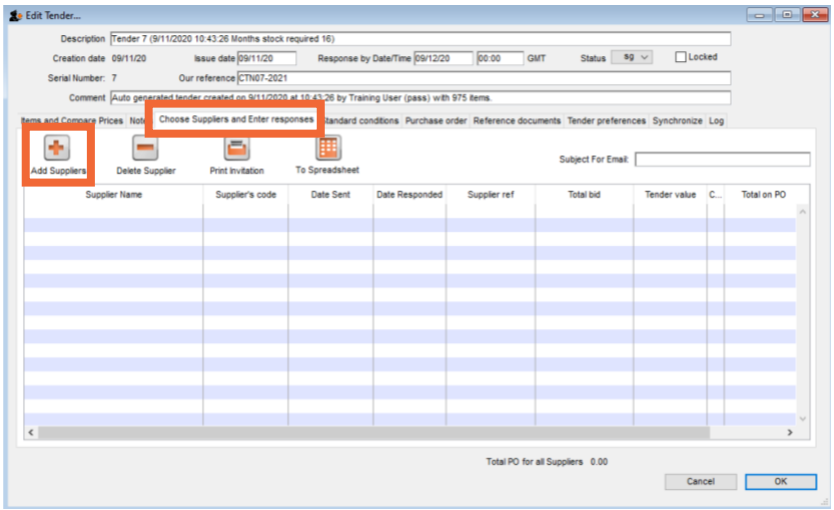
6. Under the **Suppliers** tab, click the **Tender** button.



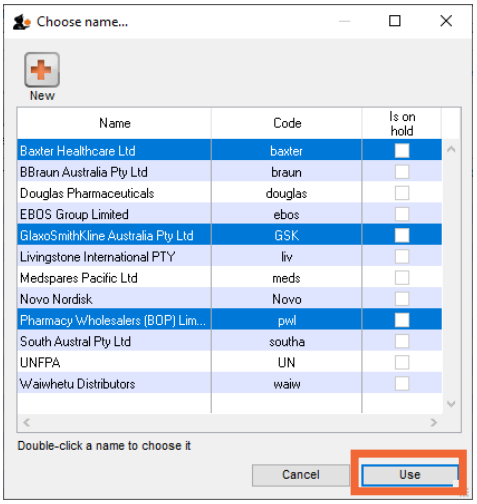
7. Double click on the Tender you want to open.



8. Select the **Choose Suppliers and Enter Responses** tab and select **Add Suppliers**.

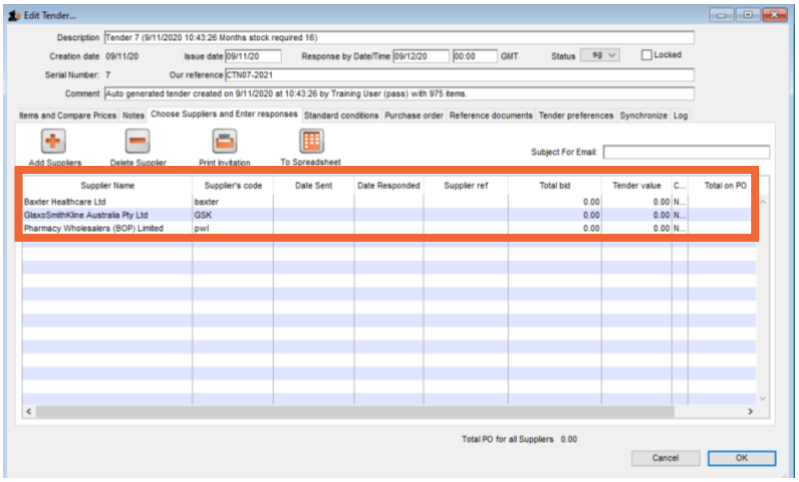


9. Select the Suppliers you want to advertise the Tender to. You can select multiple Suppliers at once by holding down CTRL.
   Click **New** to add prequalified Suppliers if they don't appear on the list, ensuring we hold Prequalification certification documents at *[National Medical Stores]*.



10. Click **Use**.

The selected suppliers should now appear.



2.2 Contract Templates

Preamble

[National Medical Stores] will advertise restricted tenders to prequalified suppliers, which will include 12-month contracts plus optional 12-month Standing Offer Arrangements (also known as Framework Agreements).

A Standing Offer Arrangement (SOA) is an agreement between a purchasing organisation such as MOH and one or more suppliers. It allows the MOH to buy specified goods or services from a supplier at predetermined prices and conditions on an "as and when required" basis. SOAs operate over a defined period of time.

In *[country]*, we undertake to purchase an initial, minimum quantity of each item and put in place a facility to purchase additional stock annually for up to two years at the same price. For example, if additional Amoxicillin needs to be ordered after the annual tender, *before* the next year's tender is completed, *[National Medical Stores]* is able to order more Amoxicillin at the original tender price.

It is therefore not necessary to put the item out to an additional tender or bidding process in an emergency; it may be ordered immediately. Establishing SOAs allows flexibility when we quantify and improves transparency across the procurement cycle.

Persons responsible

- *[insert unit/department]*

Procedure

1. A standard Tender template exists (see Annex 2). This template paperwork contains all relevant information pertaining to the contract terms and conditions set by *[National Medical Stores]*.

2. When the item specification list is complete, the contract should be opened and the Tender allocated an identifying Procurement Number. This number will be used in all future correspondence and it should thus be clear and unambiguous. The current coding system used by *[National Medical Stores]* is *[XXX-XXX]*. This means that the first RFT issued by *[National Medical Stores]* in 2021 would be numbered: *[XXX-XXX]*.

3. Where necessary, this number should now be entered into all relevant places in the Contract Template and Tender Documents.

4. The Contract Template contains a number of variables. These include:
    a. Contact Name
    b. Address
    c. Relevant opening and closing dates
    d. Deadlines on Tender clarification correspondence

e. Respective telephone numbers and email addresses

Whilst these variables may not change every year, it is important to review them before the Tender is sent out.

5. Once all the variables in the Contract Template have been corrected, you will need to insert the Schedule of Requirements. This may simply be copied and pasted from the Schedule of Requirements you have created during the Quantification stage in the Planning Phase. *Warning*: You must ensure that the hard-copy of the Contract Paperwork contains an identical Schedule of Requirements to the list entered into the mSupply Tender Module. Bidders will later be able to enter their bids electronically, through the mSupply online portal and this will be done with the list entered into the tender module.

6. If the Tender Module is adjusted, all such adjustments *must* be reflected in all copies of the Schedule of Requirements. Alternatively, simply copy and paste the list from the mSupply Tender Module straight into the Contract template.

7. The Contract Template is presented to the *[country]* Procurement Office for approval. The *[country]* Procurement office may ask questions at this stage regarding quantification, budget, the prequalification process and the terms of the Contracts. This meeting must be documented and the documentation kept with the Tender Documents in *[National Medical Stores]*.

DOCUMENTATION
Written correspondence or minutes of meeting with the procurement office. To be kept with the Tender File.

8. The Tender is now ready to be advertised (*see 2.3 Tender Advertised*).

9. A copy of the Tender paperwork is added to the Tender File.

DOCUMENTATION
Contract to be kept with the Tender File and uploaded to mSupply Tender Module.

2.3 Tender Advertised—6 Week Bidding Period

Preamble

Once the Tender is advertised by *[insert unit that advertises the Tender]*, the process must be strictly managed. Under the terms of the tender documentation, the bidding firms have some rights, which must be observed by the *[country]* Procurement office but they too must also observe strict rules. This period is perhaps the most critical phase in ensuring the accountability of the tendering process.

Persons responsible

- *[insert unit/department]*

Procedure

1. The mSupply Foundation needs to be contacted 1 week before advertising the Tender. This will provide with them enough time to upload Suppliers to the mSupply Online portal and send Suppliers their login details.

2. The Tender documents are advertised electronically via the mSupply Online portal, with 'online bidding' capability. This means that suppliers are able to log in and enter the details of their bids directly against each line item in mSupply. This saves *[National Medical Stores]* a great deal of time, as they do not have to undertake data entry for every bid; manual data entry is time-consuming and error-prone. Instructions on how to carry out 'online bidding' should be attached to the Tender Documentation for each supplier. The online bidding process does not remove the need to publicly open all bids and the online bids will only become visible to *[National Medical Stores]* at the close of the Tender.

3. From the issue date of the Tender, bidding firms have up to 5 days before the Tender closing date for correspondence in which to clarify elements of the contract terms OR the Schedule of Requirements. All correspondence should be written (email is OK). It is very common for firms to query elements of both and this is both reasonable and allowed. Responses to all queries should be made as quickly and accurately as possible. All queries, with responses, should be forwarded to all bidders, to ensure fairness. For example, if a bidder wishes to submit a bid for an item with a minor change to the specification (e.g. a different width for gauze, or slightly different shaped forceps), this may be allowed but *all* companies must be informed. The process for Tender Clarification is detailed in the Tender Template (see Annex 2).

4. Once the time for Tender Clarification has concluded, there is a further 5 days for firms to finalise their bids and submit. No correspondence may be made during this period. The process for bid submission is also detailed in the Tender Template.

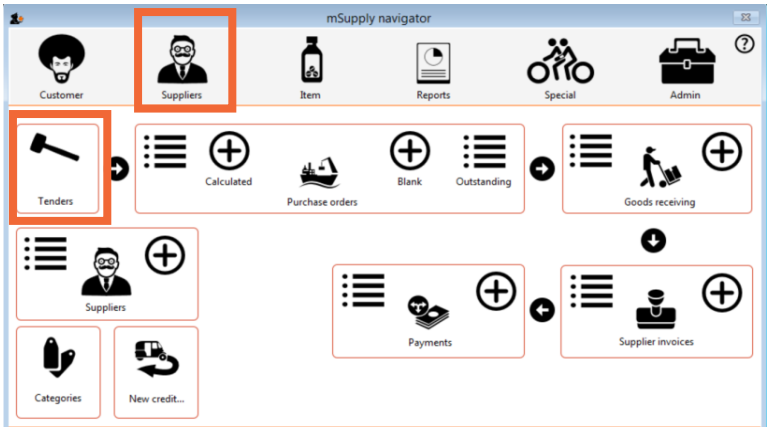
5. No-one is able to see the electronic bids until the bid opening day (the security features in the software mean that literally no-one is able to see a bid that has been submitted). But, as bids are submitted, the mSupply Foundation can provide updates on how many companies have submitted bids through the mSupply Online Portal. If a company has made an error and wishes to re-submit their electronic bid through the online portal, they must contact the mSupply Foundation to delete their original bid and re-submit.

6. At the nominated time on the closing day for bids, the *[National Medical Stores]* will count the bids received to ensure it matches the expected number of bids. Usually, all prequalified suppliers will bid for at least some items on the annual tender. If there are more or less bids than expected, this can be clarified at the bid opening. The *[National Medical Stores]* is not to open any bids prior to the bid opening.

7. Once all bids have been received, we are nearly ready to move onto the Evaluation Phase.

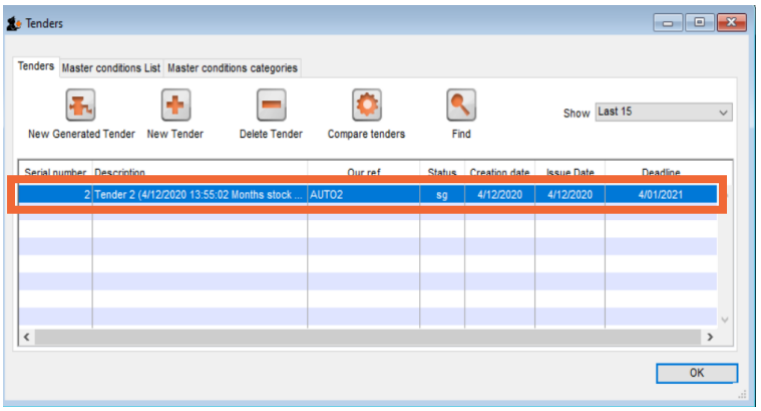
mSupply Processes

1. Navigate to the **Supplier** tab



2. Click **Tenders**

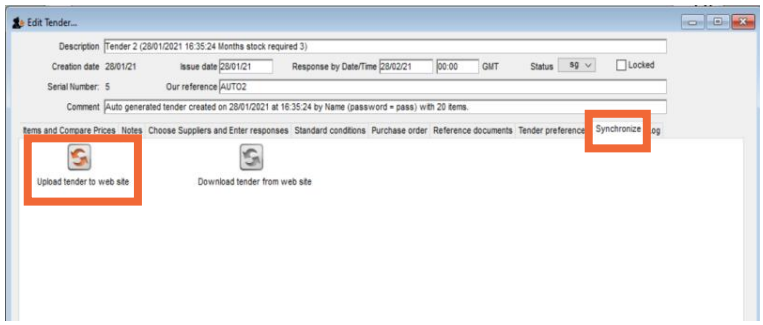
3. Double click on the tender you want to advertise



4. Click on the **Synchronize** tab

5. Click the **Upload tender to web site** button.

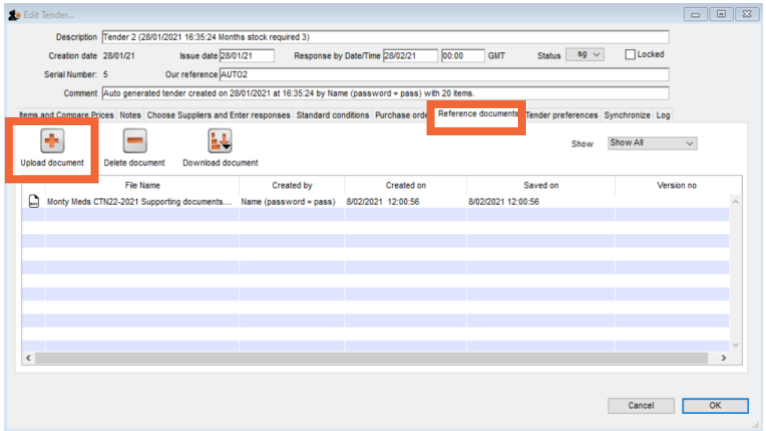
   Once uploaded, you will not be able to edit or delete tender lines on that tender.



6. As Suppliers place bids, you can upload supporting documents they send through to the Tender

   Click on the **Reference documents** tab

7. Click **Upload document**, to add documents from your desktop



TIME FRAME
Phase 2 to be completed by June 25th

Phase 3: Evaluation

3.1 Line-by-Line Selection by *[Tender Evaluation Committee]*

Preamble

[National Medical Stores] uses a Line-By-Line selection process in determining the awarding of contracts. This is done for several reasons; awarding the entire tender to one supplier is likely to result in poor value-for-money and a high risk of widespread stock-outs, if the supplier does not perform strongly. This has been the case in previous tenders, where individual suppliers have been awarded >90% of item lines.

Using the mSupply software, line-by-line selection can be completed very quickly. Individual item lines are displayed on a wall projection and supplier responses for each line compared.

Most commonly, each line is simply awarded to the lowest bidder on the item. The *[Tender Evaluation Committee]* is able to apply a range of criteria however to ensure it will receive high-quality medicines within the agreed time period. Criteria might include lead times, a desire to source the same brand across a product range (e.g. with sutures or IV fluids) or to ensure bioequivalence (e.g. with warfarin). Some manufacturers may be excluded from the bidding process if they do not meet the Standard conditions set for the Tender and these line items will not be counted. Prior performance is also taken into account on each item; where a company has performed strongly (or weakly) in the past and there is a negligible difference in quoted prices; it is acceptable to choose the slightly higher bid if appropriate.

All instances of 'non-lowest bid selection' must be noted and a complete summary of all instances stored in the Tender File, as well as electronically on the mSupply system.

Persons responsible

- *[Tender Evaluation Committee]*

Procedure

1. The *[Tender Evaluation Committee]* should set aside a suitable period of time to undertake the line-by-line selection process. A total of two days should be allocated to the task. The process can take 5 to 6 hours for 400+ items but the *[Committee]* may elect to do this over several sessions.

2. The *[Committee]* should meet at *[National Medical Stores]*, with full access to the mSupply Inventory System. A data projector may be used to display the entire tender on a large screen for all members to view simultaneously. One person is selected to operate the computer system; another member will hold the 'Supplier Previous Performance' summary and cross-check each item as the *[Committee]* moves along. Another person will monitor the list of banned manufacturers. These people should be nominated before each meeting starts.

3. ANY deviation from selecting the cheapest bidder should adhere to the selection criteria defined prior to the issuing of the tender (see section 1.5 Tender Standard Conditions). The application of standard conditions must be consistent, and the use of the conditions is aimed at optimising quality, at the most competitive price.

4. Where the lowest bid on a line-item is rejected, the *[Committee] must* choose the next lowest bid, unless it has also been excluded and so on.

5. In any instance where the *[Committee]* decides not to select a lowest bid, for a reason other than a pre-established condition, this needs to be carefully recorded. Common instances of this include:
    a. Where *[National Medical Stores]* has elected to use the same brand across a full product range (such as IV fluids), the cheapest supplier *on average* for this product range may be selected. This is done to reduce confusion for clinical staff, who may find it difficult to distinguish between products, where different branding and packaging is being used.
    b. Where *[National Medical Stores]* has elected to continue purchasing a particular brand, due to clinical bioavailability, this brand may be selected, even if not the cheapest. An example of this is Coumadin and Marevan brands of warfarin, which cannot be substituted due to concerns over bioavailability.
    c. Where an agreement has been reached with a Division or Health Program to supply one product, due to ongoing health promotion activities within *[country]*, that product may be selected even if not the cheapest. An example might be Coartem, where the national malaria program has produced a broad range of promotional materials, based on the Coartem brand, already distributed throughout provinces. Another example might be blood glucose strips, which are specific to a particular brand.

6. It is not the role of *[National Medical Stores]* to achieve the cheapest possible tender. The role of *[National Medical Stores]* is to procure high quality medicines, within a reasonable timeframe, at the cheapest possible price. High quality medicines within a reasonable timeframe takes precedence. The *[Tender Evaluation Committee]* should only consider pricing where all other things are equal.

7. As a guide, previous tenders in other countries have selected a non-cheapest bidder on approximately 20% of line items, for a wide number of reasons, with a further 1% of items not being selected from the second-cheapest bidder. This is not a target or a benchmark, merely a loose indication. If each instance is justified and well documented, there is no onus on *[National Medical Stores]* to meet a particular figure.

8. Every instance of non-lowest bid selection must be *recorded* in the mSupply Tender Module—the *[Tender Evaluation Committee]* member nominated to use mSupply during the meeting should record in the mSupply Comments section the exact reason (or reasons) for why the lowest bid was excluded in that case.

9. At the end of the selection process, the summary of non-lowest bid selections can be generated as a report from mSupply. Use this report to calculate the difference paid according to the following equation:

   (Amount paid on non-lowest bid lines minus amount paid if cheapest bidder chosen) divided by total value of tender

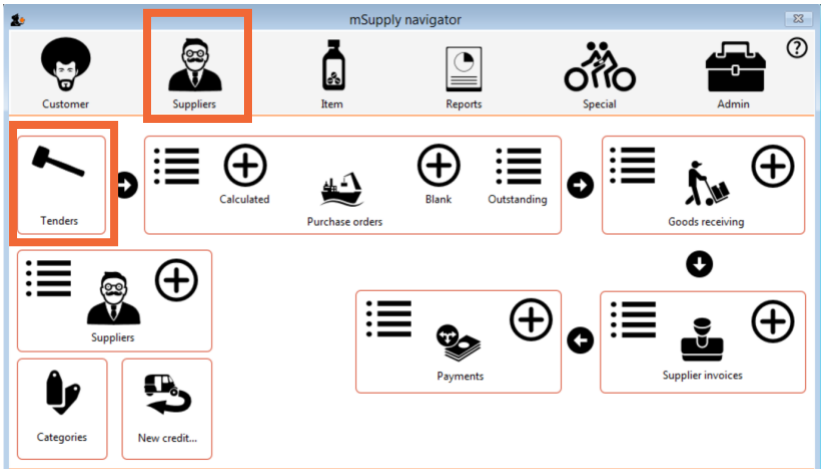
   This should be expressed as a percentage.

10. This final summary (which includes the non-lowest bid selection summary [Annex 3], and an overall summary of contracts to be awarded to each company [Annex 4]) is printed and prepared for the *[Tender Evaluation Committee]* Report (see 3.4 Tender Evaluation Report), along with the overall total value of the Tender. A list of each item awarded should be printed and placed in the Tender File.

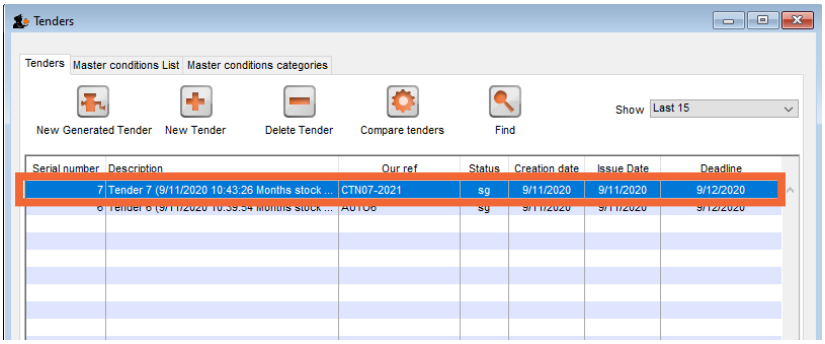
DOCUMENTATION
Lowest bid not selected report, Line-by-line selection summary, Detailed Item List to be stored in Tender File

mSupply processes

1. Once the Tender has closed, under the **Suppliers** tab, click the **Tender** button.

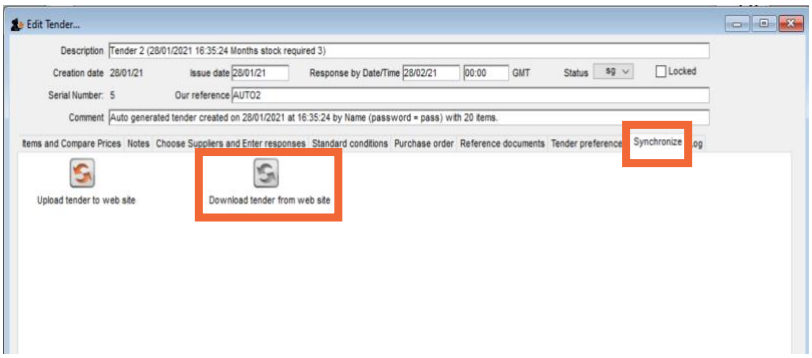


2. Double click on the Tender line you want to open.

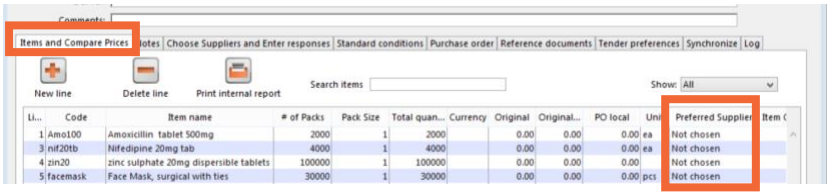


3. Click the **Synchronize** tab

4. Click the **Download tender from web site** button.

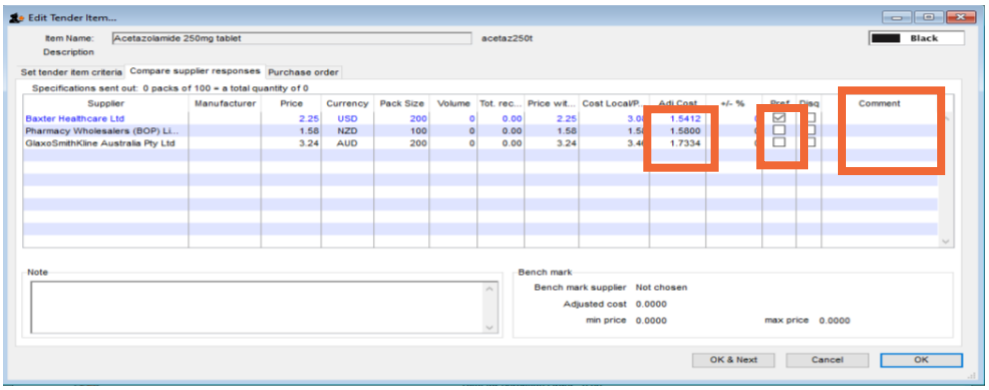


5. To select a bid for each line, click on the **Items and Compare Prices** tab. Each line should have 'Not Chosen' in the Preferred Supplier column before you start.



6. Double click on the first item and open it up for selection.

7. The item will open in a pop-up screen. In this case, we are choosing a supplier for Acetazolamide 250mg tablet. The cheapest bid will appear in blue; the system determines the cheapest bidder by converting all currencies to *[local currency]* and adjusting the cost, to make it equivalent to one unit. You do not have to do any more calculations, even if companies have submitted bids for different pack sizes.



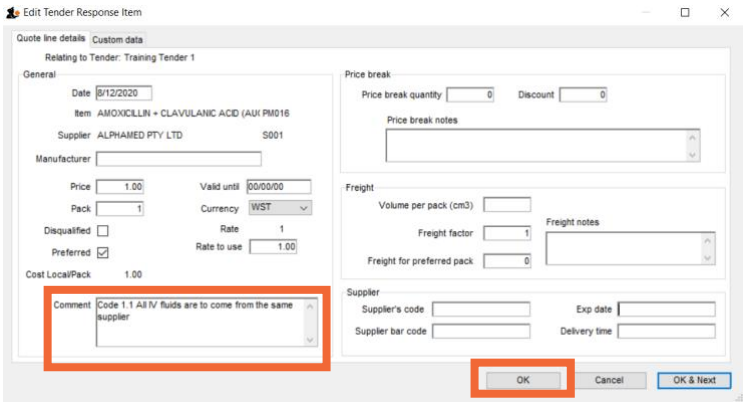
8. In most cases, we can check the box next to the cheapest bid as the selected supplier but in some cases, as outlined above, we will need to change it.

9. Select your supplier for this line item in the **Pref** column.

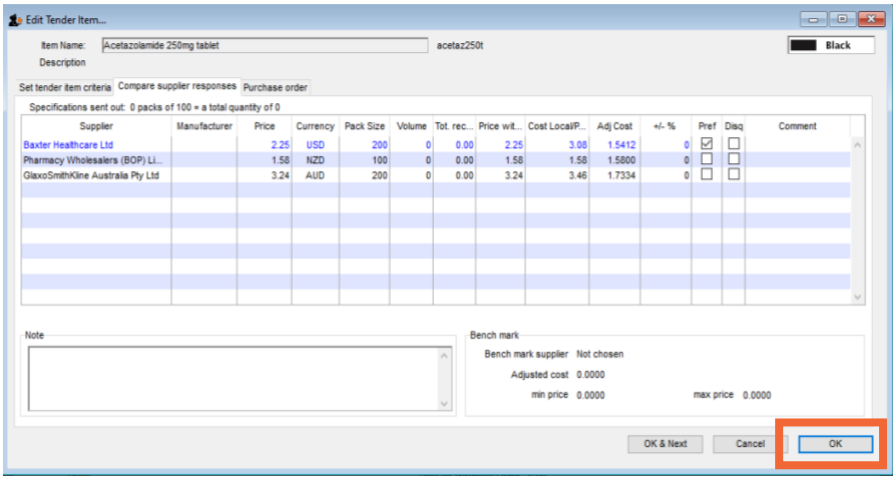
   Note: You may also wish to select the check box for 'disqualified'; this will stop you from being able to select that as the preferred bidder later on but it is not necessary to do this in every case.

10. If the lowest bid was not selected, enter the reason why in the **Comment** section.

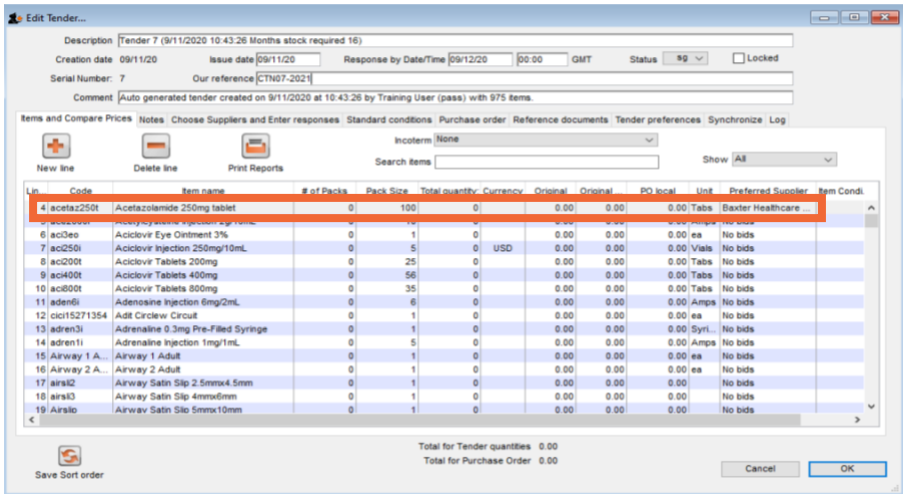
    You can do this by double clicking on the Supplier bid line.
    The following screen will appear and you can look at more details of each bid. If you wish, you can also make a comment. When you are finished, click **OK**.



11. Once you have selected your preferred Supplier, click **OK**.

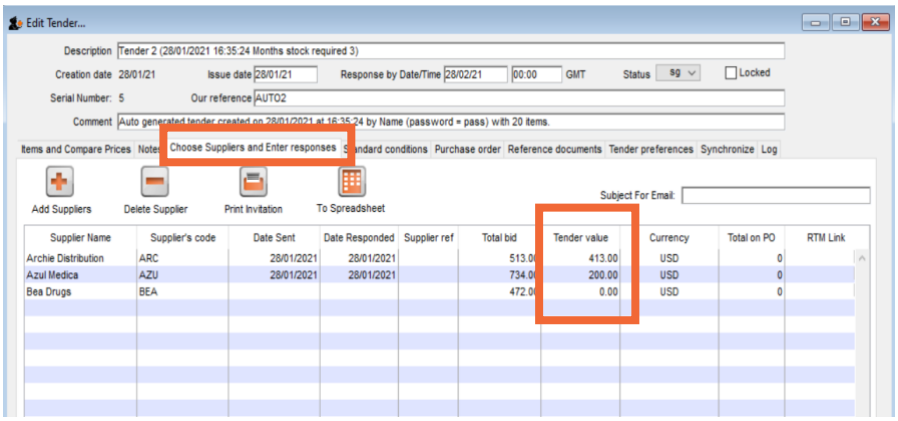


12. Go through each item and select your bidder on each one. When you come back to the Item and Compare Prices tab, you will see your selected suppliers in the **Preferred Supplier** column.



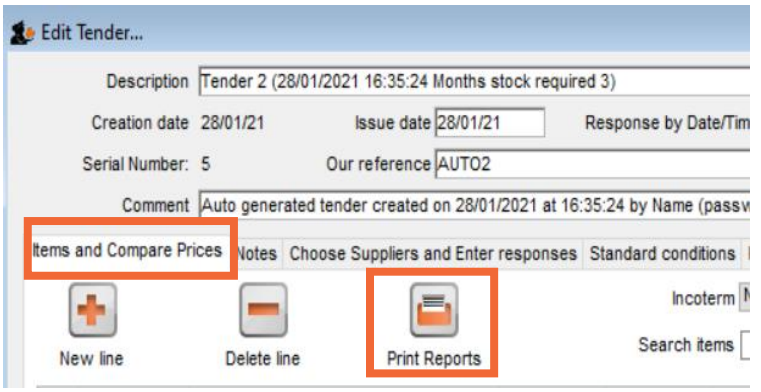
13. To review the tender value allocated to each Supplier, click on the **Choose Suppliers and Enter responses** tab.

    If a Supplier has not met the Tender value threshold, you can reallocate item lines in the **Items and Compare Prices** tab.

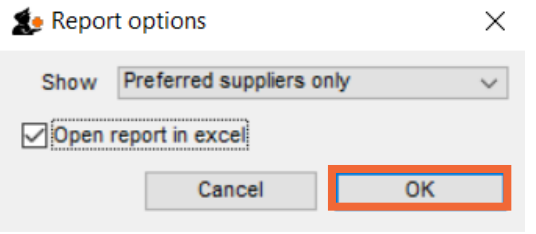


14. Once you have allocated all bid lines to a preferred supplier, click **Print Reports**:

- Select the **Preferred suppliers only** report to generate a list of all items on the Tender (including those that were not bid on)
- Select the **Winning Tender Lines** report to generate a list of all items awarded and current Tender total (*[local currency]*)
- Select the **Tender lines: Lowest price not chosen** report to generate a list of the non-lowest bid items select.



15. Check the **Open report in excel** box, then click **OK**



3.2 Acceptance Letters

Preamble

Acceptance letters are used to inform suppliers which line items they have successfully bid for. This letter is nonbinding, but it allows *[National Medical Stores]* to negotiate minor contract details with Suppliers (eg estimated date of delivery). The acceptance letter is not a purchase order.

It is important to send acceptance letters before finalising the *[Tender Evaluation Committee]* report because Suppliers may withdraw their bid at this stage.

Persons responsible

- *[insert relevant unit/department]*

Procedure

1. Following line-by-line bid evaluation, *[National Medical Stores]* generates Acceptance letters for the preferred suppliers (see Annex 5: Acceptance letters).

2. Acceptance letters (including the draft contract and item specification list) are emailed to Suppliers.

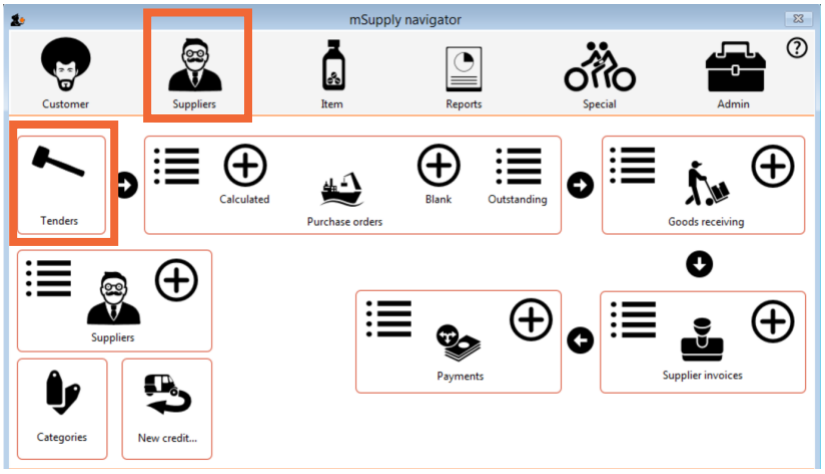
3. Suppliers have 72 hours to respond in writing (email is OK) acknowledging the letter and detailing any negotiations.

4. If Suppliers withdraw their bid, the *[Tender Evaluation Committee]* will need to meet to reallocate line items (see 3.1 Line-by-Line Selection by Tender Evaluation Committee).

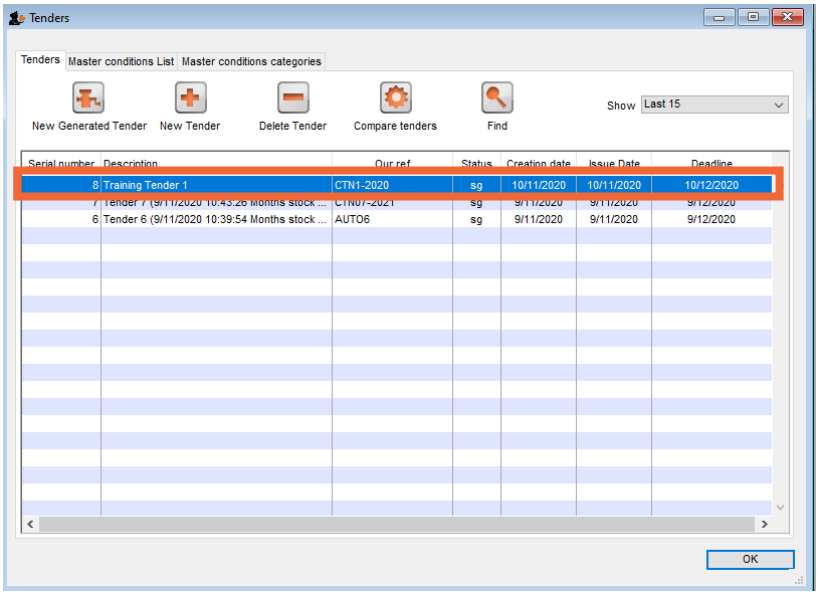
5. Acceptance letters should be stored in the Tender file at *[National Medical Stores]*.

mSupply processes

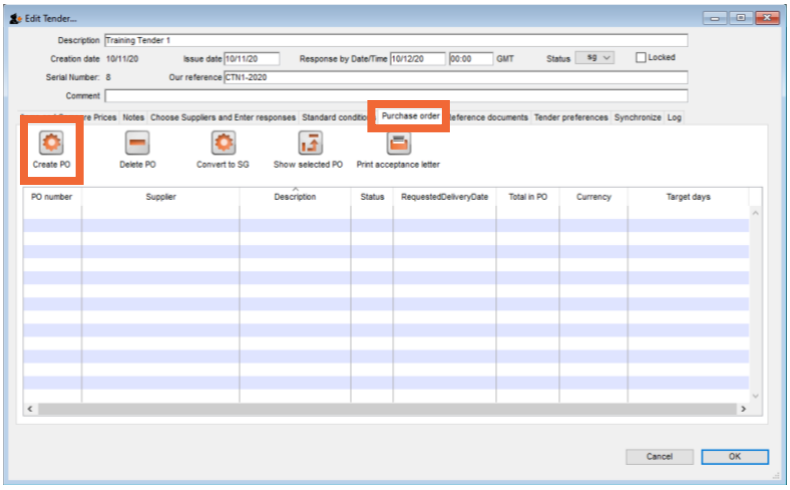
1. Under the **Suppliers** tab, click the **Tender** button.



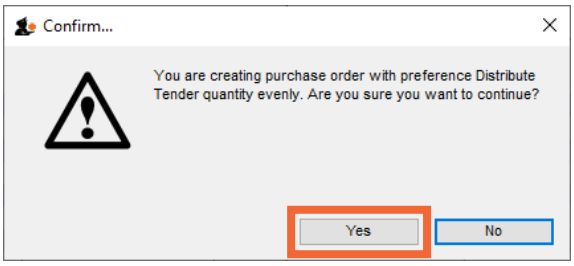
2. Double click on the Tender you want to open.

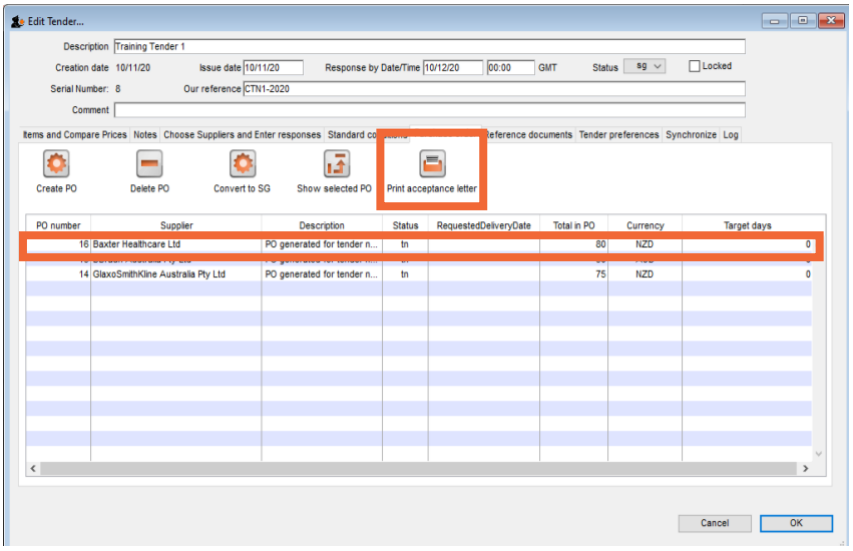


3. Click on the **Purchase order** tab and click **Create PO.**



4. A pop-up screen will appear, click **Yes** to confirm.

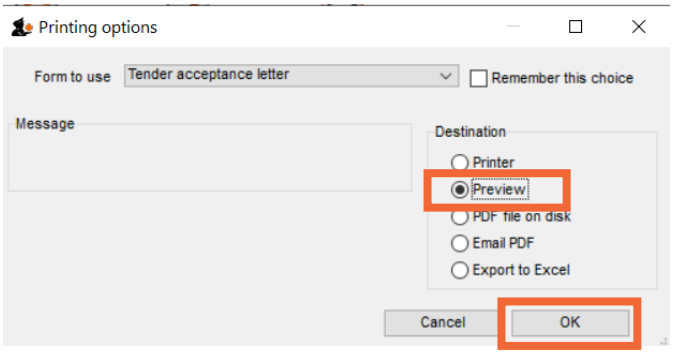




5. Your purchase orders for each preferred supplier will be displayed.
The status of the purchase order is 'tn' because it is not visible outside the tender module (ie it is not confirmed yet).

6. Click on the Supplier line you want to generate an acceptance letter for, enter the Requested Delivery Date and click **Print acceptance letter**

7. Select **Preview** (to view as a PDF) and click **OK**.



DOCUMENTATION
Acceptance Letters to be stored in Tender File

3.3 Final Budget Estimates

Preamble

Earlier, during the Planning Phase, we generated approximate budget estimates. Now we are able to generate accurate budget estimates, using the selected lines from the tender bids.
It is important to note that even at this stage, the budget remains an estimate only, albeit a strong one. The budget will vary depending on the acceptance of the contracts by bidding firms, foreign exchange rates, additional orders placed due to unforeseen demand and other circumstances that may affect spending.

Persons responsible

- *[insert relevant unit/department]*

Procedure

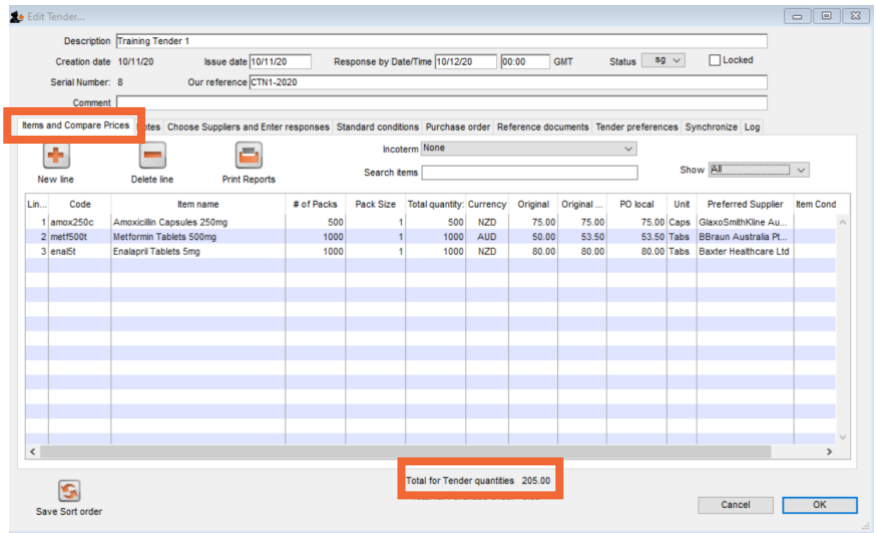
1. When suppliers have been selected for every item line against all bids on the mSupply Tender Module, a summarised budget will be available. Go to the **Item and Compare prices** tab in the mSupply Tender Module and a summarised **Total for Tender Quantities** will feature down the bottom.

2. It is important that currency conversions have been updated according to recent foreign exchange rates; if so, this will be an accurate estimate of the value of the tender.

mSupply processes

1. Select the **Item and Compare Prices** tab when all items have been evaluated and selected.

2. The **Total for Tender Quantities** is shown at the bottom.



3.4 *[Tender Evaluation Committee]* Report

Preamble

The *[Tender Evaluation Committee]* Report (see Annex 6) provides a summary of the *[Tender Evaluation Committee]* bid evaluation. It provides an overview of the *[Tender Evaluation Committee]* discussion, supplier selection and exclusion, contract dates, and final budget estimates.

The *[Tender Evaluation Committee]* Report is endorsed by the *[Tender Evaluation Committee]* and a *[country]* Procurement Office representative.

Persons involved

- *[insert relevant unit/department]*

Procedure

1. *[National Medical Stores]* fill out the *[Tender Evaluation Committee]* Report Template (Annex 6).

2. The *[Tender Evaluation Committee]* and other relevant stakeholders endorse the Report.

DOCUMENTATION
Tender Evaluation Committee Report

TIME FRAME
Phase 3 to be completed by July 23rd

Phase 4: Contract Management

4.1 Contracts Issued and Signed

Preamble

A contract between the *[MOH]* and the supplier must be established to ensure both parties are held to their promises of purchase and supply.

Following confirmation of the Acceptance Letter (see 3.2 Acceptance Letters*)* *[National Medical Stores]* will create a contract for each successful Supplier including the item specification list. This document will contain all the essential terms required for contract formation. The contract is returned to the company for their signature, their signature is the acceptance of the offer to supply goods to *[National Medical Stores]* and once signed, a legally enforceable contractual relationship exists between the parties.

Once a contract is established and signed by both parties (suppliers and *[MOH]*) the successful companies have a legal obligation to then provide the goods as stated in the contract and the *[MOH]* has a legal obligation to provide payment for supply in the amount stated in the contract.

Persons responsible

- *[insert relevant unit/department]*

Procedure

1. Following written confirmation of Acceptance Letters and approval of the Tender (see Phase 3: Evaluation), *[National Medical Stores]* draft final contracts for Suppliers.

2. *[National Medical Stores]* sends contracts to Suppliers to be signed.

3. Hard copies of the contract should be kept in the Tender file, alongside Acceptance Letters.

DOCUMENTATION
Supplier contract (including contract terms and item specification)

4.2 Purchase Orders Generated

Preamble

Having been approved, Purchase Orders can be generated by the mSupply Tender Module. These will give the total values and item specifications for contracts to be signed with suppliers.

Persons responsible

- *[insert relevant unit/department]*

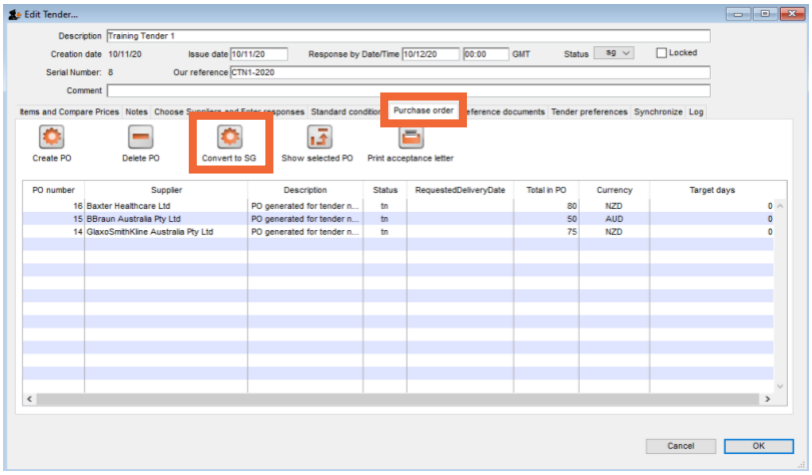
Procedure

1. Purchase orders are generated via the mSupply Tendering Module as shown below. This will generate electronic Purchase Orders in PDF form that can be printed.

2. The POs are automatically saved on mSupply. A copy is printed and stored in the Tender file at *[National Medical Stores]*.

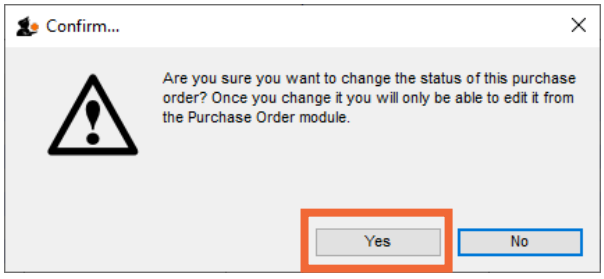
mSupply Processes

1. Open your tender and select the Purchase Order tab.



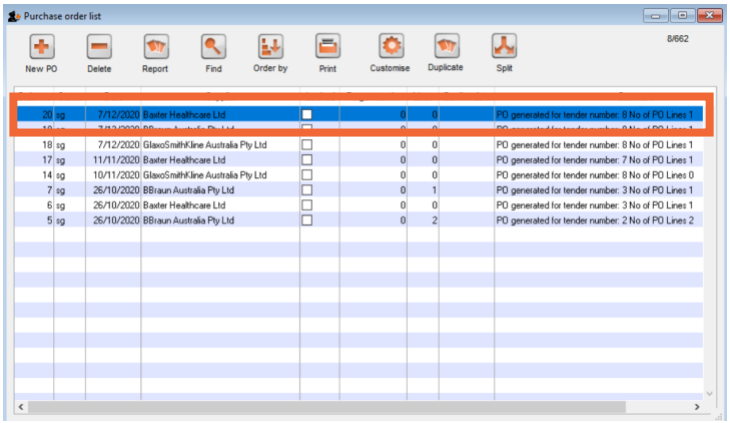
2. Select **Convert to SG.** This will finalise the Tender process in mSupply. After this, you will only be able to access Purchase Orders by going out of the Tender Module and looking at them under the 'Suppliers' tab in mSupply.

3. The following prompt will appear, click **Yes.**

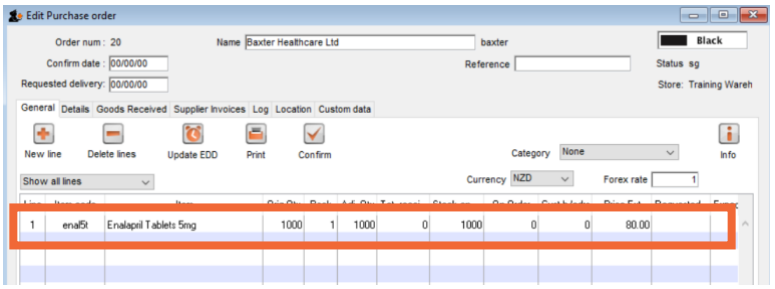


4. To confirm the Purchase order, navigate to the **Supplier** tab, and click on the **Purchase order** list icon.

5. Double click on the Purchase order you want to open.



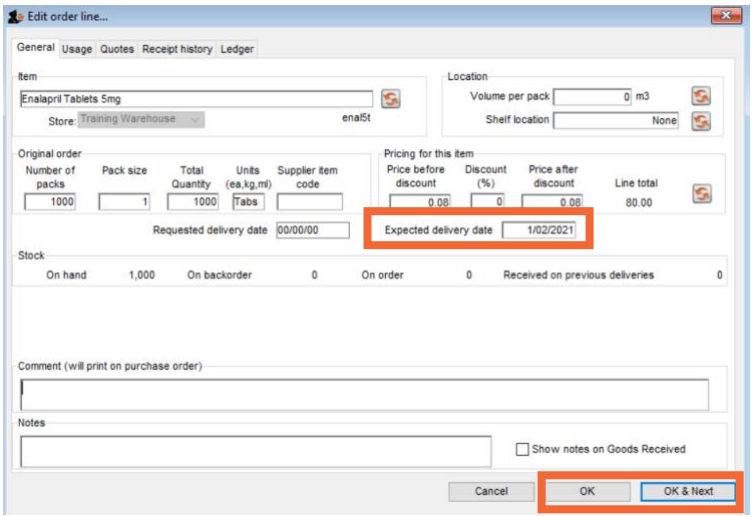
6. Double click on the item line to review it.



7. Enter the **Expected Delivery Date**.

   mSupply will let you know if the order is late based on this date.

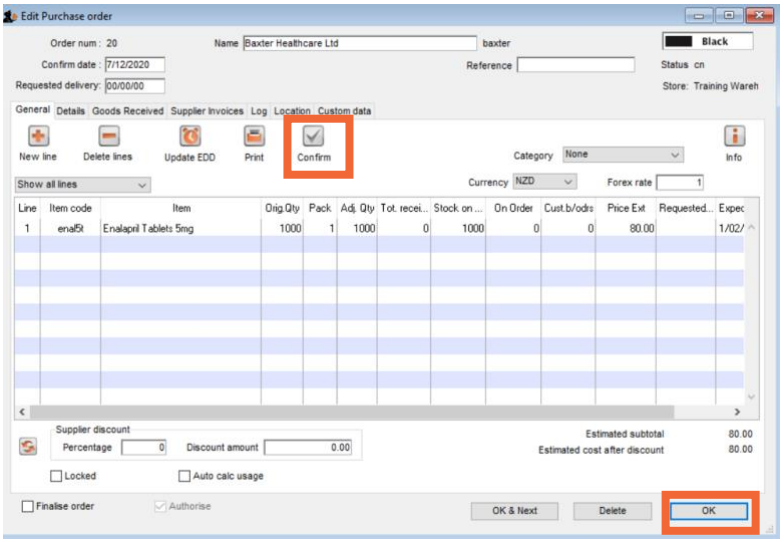
8. Click **OK** to return to the Purchase order window, or **OK and Next** to move to the next item on the Purchase order.



9. Review all lines, then click **Confirm** and **Yes**.

Remember to confirm! You cannot receive stock in mSupply if the purchase order is not confirmed.

10. The purchase order is now complete. Click **OK** to return to the main screen.



4.3 Order Monitoring

Preamble

[National Medical Stores] is expected to closely monitor the receipt of all goods against the original purchase orders.

Persons responsible

- *[insert relevant unit/department]*

Procedure

1. Upon receipt of the Purchase Order, the Supplier is requested to supply a line-by-line summary of ETAs against each item. These are reviewed by the *[National Medical Stores]* Procurement Unit, who can request delays in delivery, based on storage capabilities and current stock levels.

2. The *[National Medical Stores]* Procurement Unit enters all ETAs in mSupply against each Purchase Order upon receipt.

3. Each month, the *[National Medical Stores]* Procurement Unit is to request updated ETAs on all items, which are updated in mSupply upon receipt.

4.4 Receiving Orders

Preamble

[National Medical Stores] are responsible for checking the goods received against the purchase order. It is the responsibility of the *[National Medical Stores]* to check the delivery against the Purchase Order to ensure the item specifications and amounts match. It is also the responsibility of the *[National Medical Stores]* to then cross-check the invoice against the original Purchase Order to make sure the invoiced amount matches. This ensures *[National Medical Stores]* achieves the three R's: The Right product, in the Right amount at the Right price.

Persons responsible

- *[insert relevant unit/department]*

Procedure

1. *[National Medical Stores]* waits on delivery advice, which is usually forwarded through two to four weeks before delivery. It is the responsibility of the *[National Medical Stores]* Procurement Unit to monitor the ETA of all items during this period and update mSupply accordingly (see 4.3 Order Monitoring). When the delivery advice is received, this should contain the invoice, packing list, Bill of Lading and other relevant documents.

2. The *[National Medical Stores]* should check the invoice against the original purchase order to ensure the correct stock is being sent. This is entered into mSupply as a Goods Receipt.

3. The invoice can then be sent to the *[National Warehouse or MOH]* Accounts Unit, prior to Goods Receipt, however payment should not be made until received goods have been inspected and passed. The *[National Warehouse or MOH]* Accounts Unit should first check that sufficient funds remain in the appropriate budget line (See 4.5 Accounts payment).

4. When the stock arrives, the *[National Medical Stores]* sort the stock by item and batch number. The *[National Medical Stores]* confirms stock received against the Goods Receipt and enters batch and expiry details.

5. The *[National Medical Stores]* check the item specifications then finalise the Goods Receipt—this will automatically generate a Supplier invoice in mSupply.

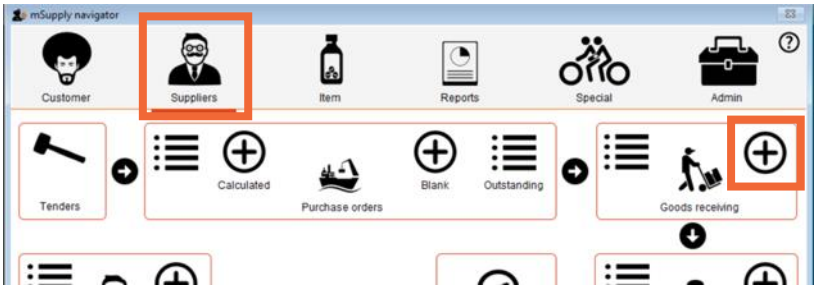
6. Items approved by *[National Medical Stores]* are put into stock, items that are not approved are put 'On hold'. Any rejections are reported back to the *[National Medical Stores]* Procurement Unit to commence communications with the supplier and process a supplier credit (if necessary).

7. The *[National Medical Stores]* Procurement Unit confirms the Supplier invoice against the original purchase order. *[National Medical Stores]* Procurement Unit

then gives the Supplier invoice and purchase order to the *[National Warehouse or MOH]* Accounts Unit for payment (see 4.5 Accounts payment).

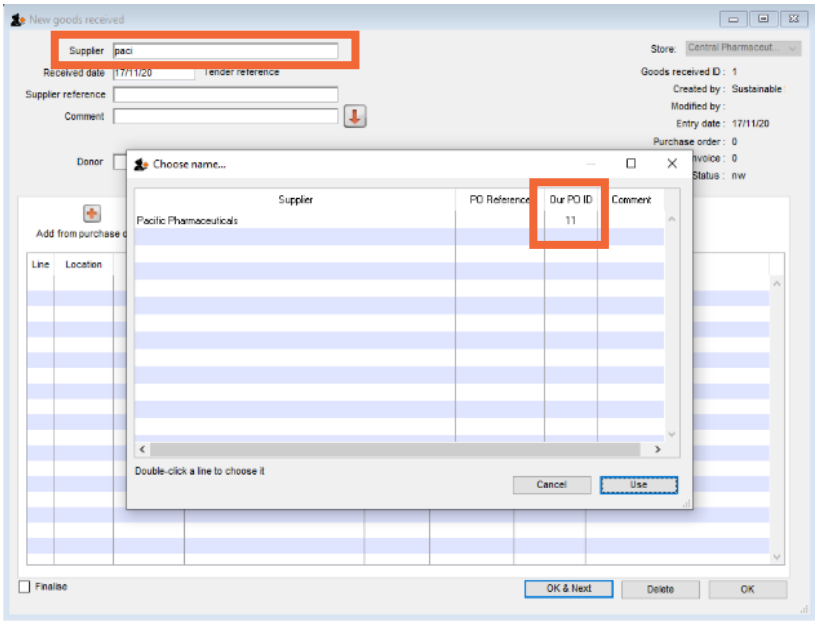
mSupply processes

1. Navigate to the **Suppliers** tab.



2. Click the **New Goods Receiving** button.

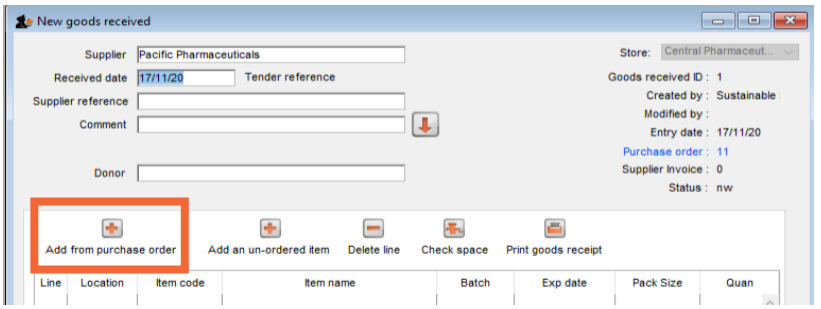
3. Enter the **Supplier**. You can:
   - Type the first few letters and press tab
     OR
   - Type the supplier code and press tab
     OR
   - Type @ and press tab to choose from a list of ALL suppliers



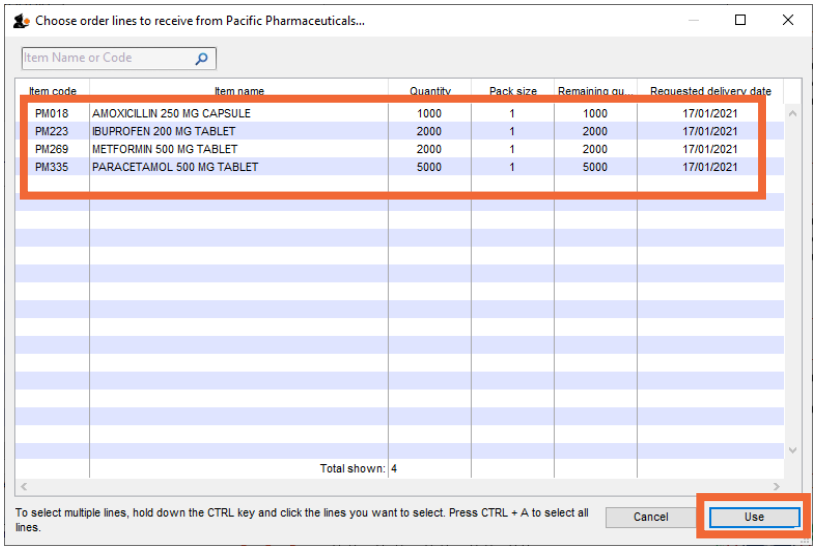
4. Select the correct purchase order (**Our PO ID**) for this delivery, which should be listed on the invoice. Double click on the line (or click once and press **Use**).

This is why it is important to enter the actual supplier on purchase orders and not the manufacturer or donor. When stock arrives, you must know which supplier is sending it to match it to the original purchase order.

5. Click **Add from Purchase Order** to show a list of items from the purchase order you selected.



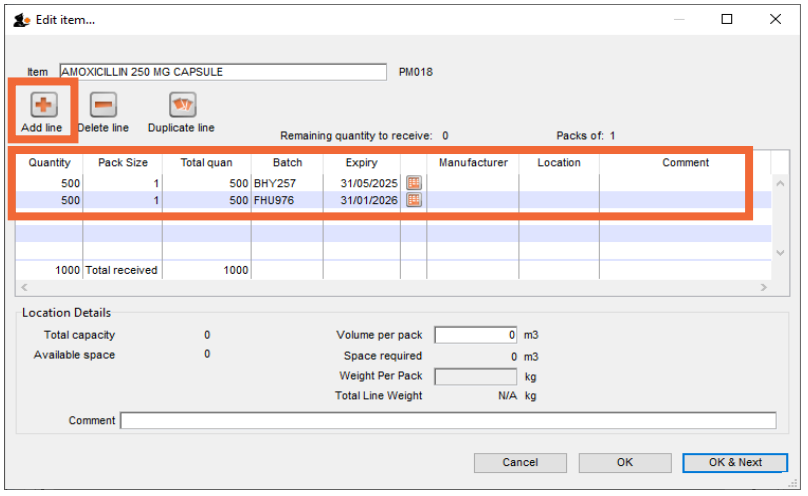
6. Select the items you wish to receive, then click **Use**. You can receive multiple items at once (and change the quantity received later).



Items are added individually as orders can be split, arrive separately or be different from the original order. mSupply can monitor all of this for you.

7. For each item, a detailed window appears allowing you to update the received **Quantity**, **Pack Size**, **Batch** and **Expiry** and the **Location** where you will keep the stock.

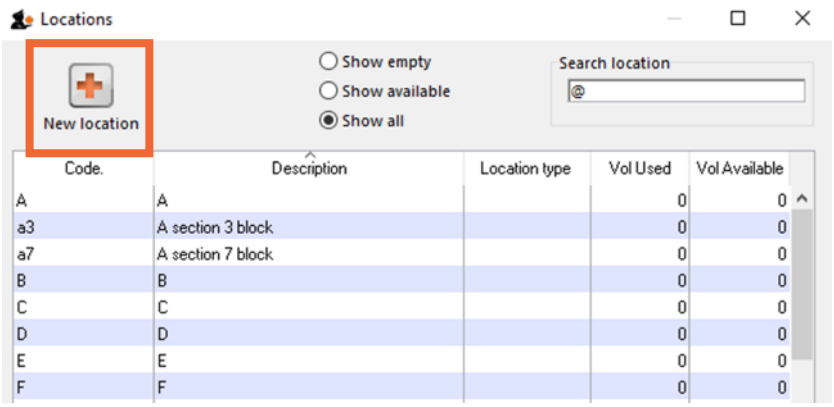
   If you are splitting the delivery into separate locations or multiple batches have arrived, you can enter the details in this screen. To add a new line, click **Add Line.**



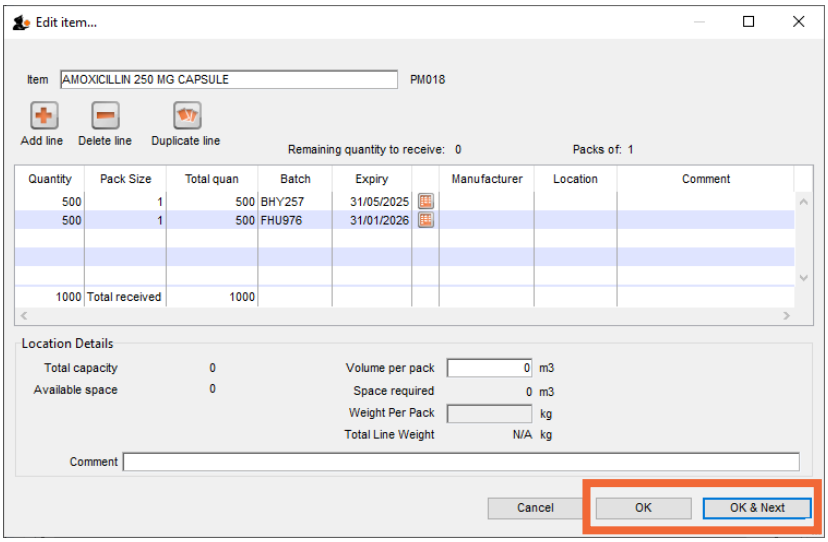
If you have ordered 1 million amoxicillin tablets and only 200,000 have arrived in this delivery, mSupply will record how many have arrived and remember how many are still on the way.

8. To specify a **Location**, you can:
   - Type the first few letters and press tab OR
   - Type the location code and press tab OR
   - Type @ and press tab to choose from a list of ALL locations

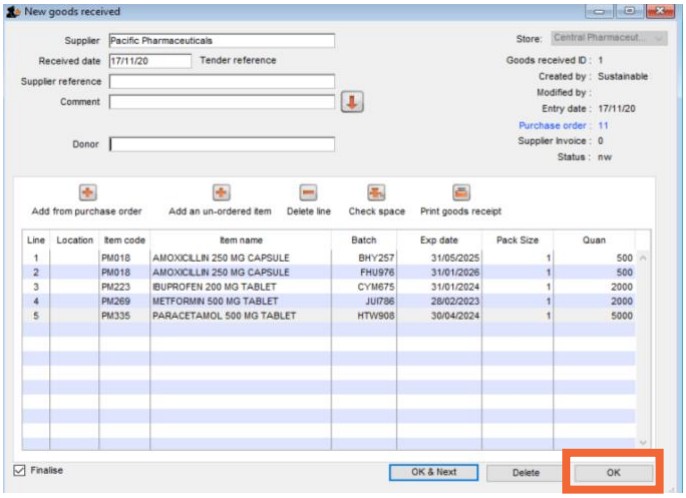
   If the location is not listed, you can add a **New Location**.



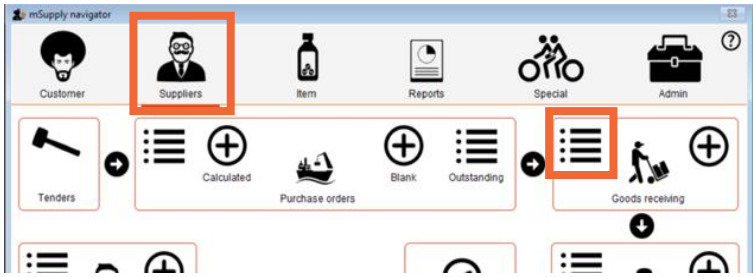
9. To move to the next item, click **OK & Next** or press **Enter** on the keyboard.



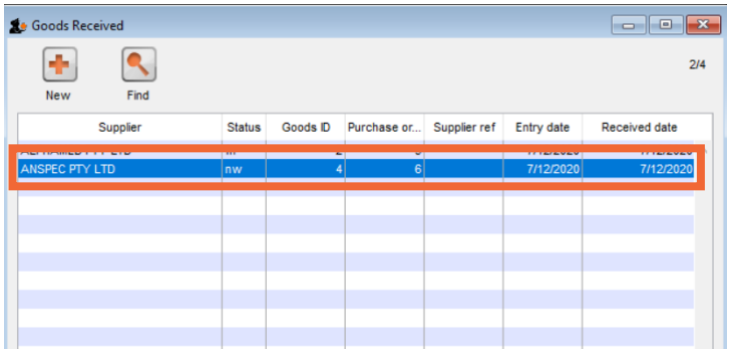
10. When you are finished specifying details of all received items, you will return to the main goods receiving window. Click **OK**



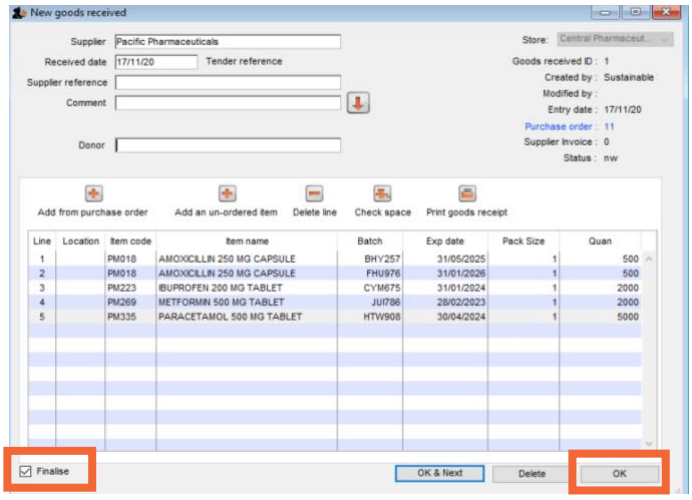
11. To open a Goods receipt, navigate to the **Suppliers** tab, then click on the **Goods receipt list** button.



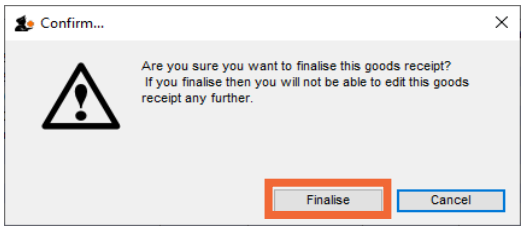
12. Double click the Goods Receipt you want to open.



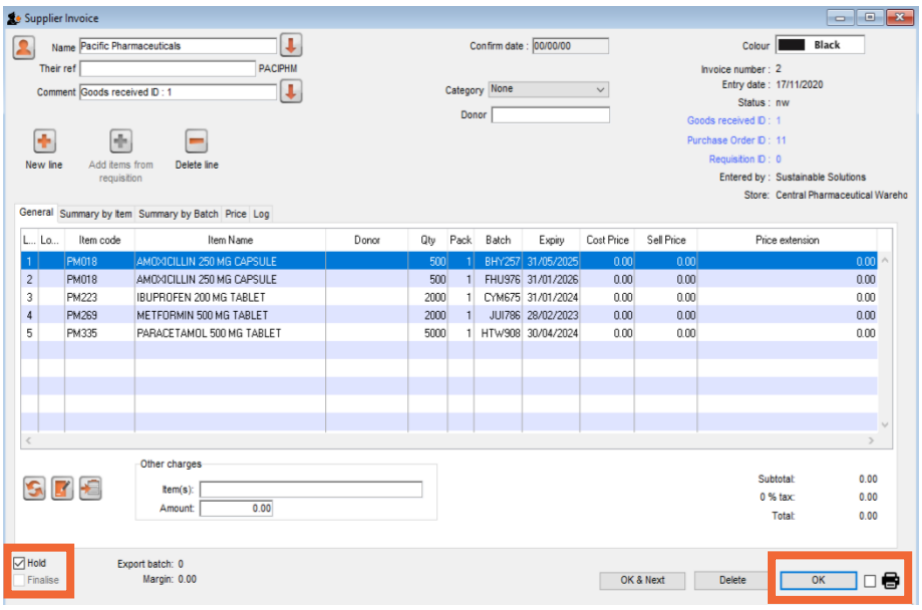
13. Once the items have been verified, review the goods receipt carefully, then check the **Finalise** box and click **OK**.



14. Click **Finalise** when prompted.

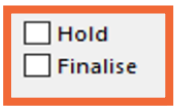


15. A **Supplier Invoice** will automatically open. If necessary, you can edit item details by double clicking on the line.

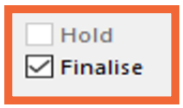


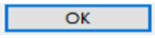
Items received only get entered into stock when the supplier invoice is confirmed. You must confirm the supplier invoice for goods received, even if you are not actually paying any money for the stock!

16. *Uncheck* the **Hold** box and click **OK** to add the items into stock. **Confirm** when prompted.



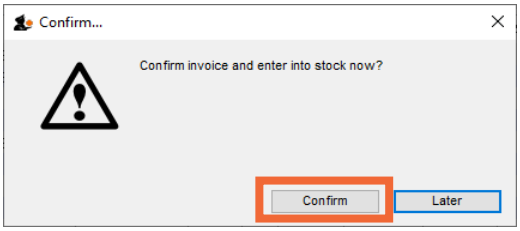
If you are sure you don't want to make any further changes, check the **Finalise** box before clicking **OK**.





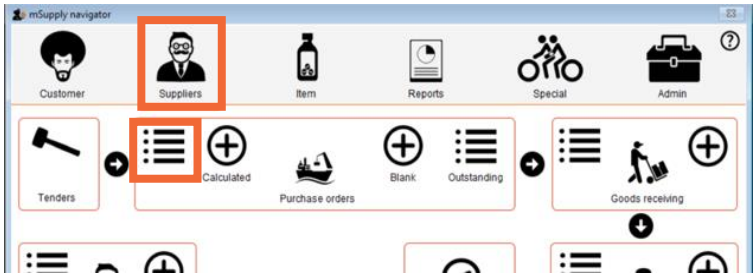
You can also print the supplier invoice by checking the **Print** box before clicking **OK.**

17. Click **Confirm** when prompted.

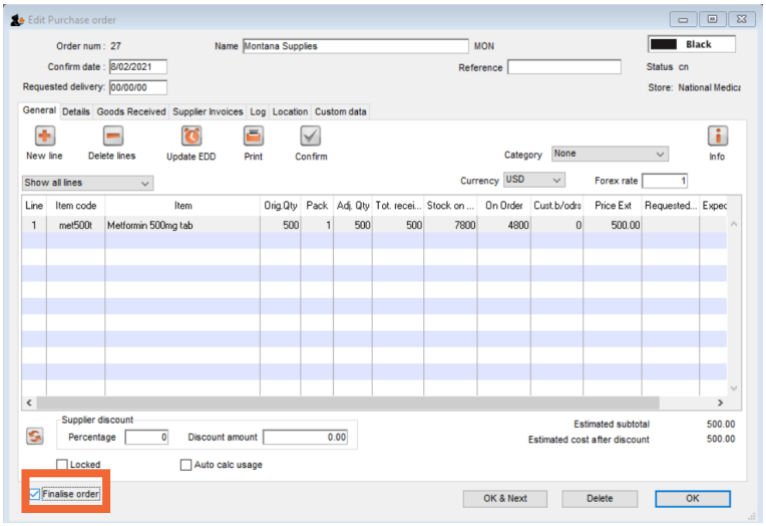


18. Once all goods have been received from the Purchase order, you can finalise it.

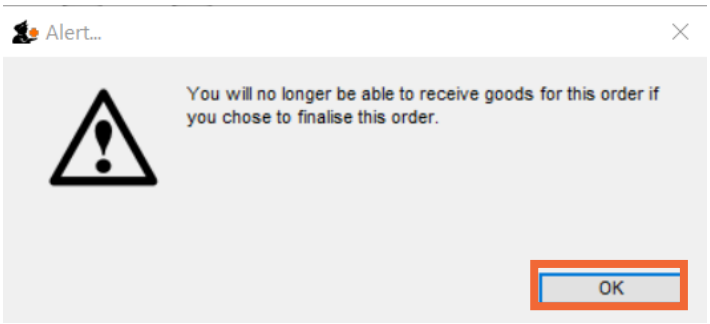
    Click on the **Purchase Order list** icon and select the Purchase order you want to finalise.



19. Check the Finalise order box.



20. Click **OK** when prompted



4.5 Accounts Payment

Preamble

It is critical that Accounts are paid against the amounts specified in the original Purchase Orders within the Contracts. Responsibility for this lies with the *[National Warehouse or MOH]* Accounts Unit and the *[National Warehouse or MOH]* Procurement Unit.

Persons responsible

- *[insert relevant unit/department]*

Procedure

1. After a Purchase Order is generated and issued, a hard copy is put in the Tender file.

   The payment terms on international orders may vary and are subject to negotiation, based on a range of factors, including previous orders, supplier performance and the size of the current order. The standard payment terms with prequalified suppliers are 10% up-front, and the remainder when the final delivery has been receipted and all items have passed inspection.

2. Payment should not be made until received goods have been inspected and passed. Once the goods have been received and verified (see 4.4 Receiving orders), *[National Medical Stores]* gives the Supplier invoice and purchase order to the *[National Warehouse or MOH]* Accounts Unit.

3. The *[National Warehouse or MOH]* Accounts Unit will verify the invoice against the original purchase.

4. *[National Warehouse or MOH]* Accounts Unit will process payment.

5. All payment documentation is filed by the *[National Warehouse or MOH]* Accounts Unit according to the Purchase Order number.

6. The *[National Warehouse or MOH]* Accounts Unit should update the *[National Medical Stores]* Budget Lines appropriately.

7. The *[National Warehouse or MOH]* Accounts Unit should go back into mSupply and enter the payment details.

DOCUMENTATION
Copy of Purchase Order; Requisition; Explanatory Notes; Amendment to contract (where applicable); Bank Remittance. All filed together

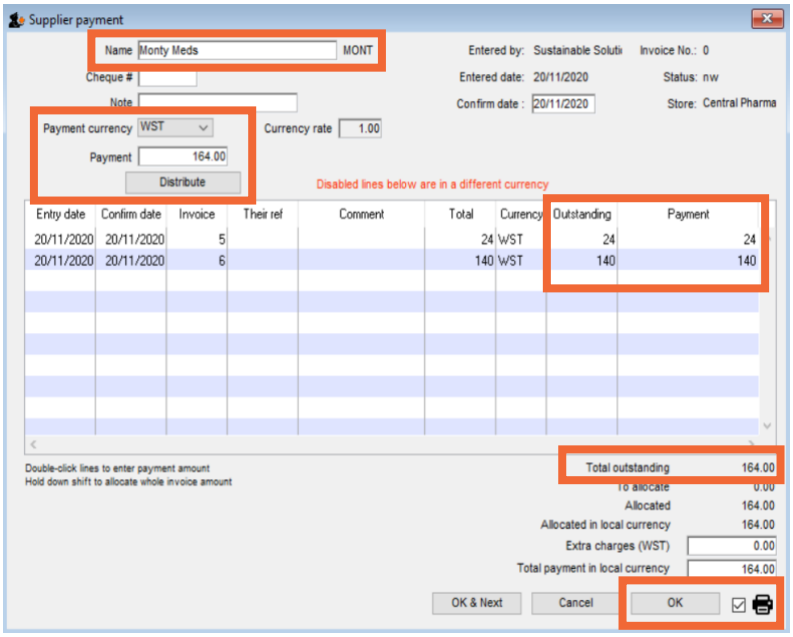
mSupply processes

1. Navigate to the **Suppliers** tab.

2. Click the **New Payment** button.

3. Enter the **Name** of the supplier you are paying.

4. View the outstanding invoice payments in the table and the **Total Outstanding** below. An alert will appear if there are no outstanding payments due.



5. Choose the **Payment Currency** from the dropdown list, if applicable.

6. Enter the **Payment** amount and press **tab.**

7. Click **Distribute**. This will automatically distribute the payment to each outstanding invoice.

8. To print, check the **Print** box.

4.6 Additional Orders

Preamble

For regular items, where additional stock is required, *[National Medical Stores]* might hold a Standing Offer Arrangement with a supplier. A Standing Offer Arrangement (SOA) is a form of contract (described below). Other items may need to be purchased in the absence of an SOA and this process is also described below. It is up to the *[Contract Manager]* to determine if an item is subject to an SOA and if that SOA is still valid.

Persons responsible

- *[insert relevant unit/department]*

Procedure—where a Standing Offer Arrangement exists

1. The *[National Medical Stores]* determines the need and quantification for a supplementary order as per *Phase 1: Planning.*

2. The *[National Medical Stores]* forwards the item specifications onto the Contract Manager. The Contract Manager determines the current Standing Offer Arrangements (SOA) and respective prices for those items.

   Note: A Standing Offer Arrangement (SOA) is an agreement between a purchasing organisation such as [National Medical Stores] and one or more suppliers. It allows [National Medical Stores] to buy specified goods or services from a supplier at predetermined prices and conditions on an "as and when required" basis. SOAs operate over a defined period of time and are sometimes known as framework agreements. For example, if additional Amoxicillin needs to be ordered, [National Medical Stores] will hold an SOA with a supplier that states the price at which it may be purchased. It is therefore not necessary to put the item out to an additional tender or bidding process; it may be ordered immediately.

3. The Contract Manager sends this information back to the *[National Medical Stores]*, with the relevant supplier and current price listed against each item.

4. The *[National Warehouse or MOH]* Accounts Unit will also confirm that sufficient funds are available in the relevant budget lines. That information is included on the subsequent requisition.

5. The *[National Medical Stores]* Procurement Unit generates a purchase order for the item in mSupply and also prints out a copy of the existing SOA.

6. When the invoice is received, payment is made.

7. The order is monitored by the *[National Medical Stores]* Procurement Unit, who is responsible for entering the Estimated Time of Arrival (ETA) into mSupply.

Procedure—where a Standing Offer Arrangement does not exist, value ≤ [$XXXXXX]

1. As above, the *[National Medical Stores]* determines the need for an item and seeks relevant approvals. For major purchases, the department head (e.g. Laboratory) should meet with the *[National Medical Stores]* to discuss the budget and timeframe for the purchase.

2. *[National Medical Stores]* will then issue a Request for Quotation (RFQ), using a standardised template (see Annex 7: Request for Quotation Template). For normal stock lines, the RFQ is issued to all pre-qualified suppliers electronically. For specialist stock lines or one-off orders, a minimum of three suppliers must be identified through consultation with the relevant department and the *[National Medical Stores]*.

3. The RFQ is advertised with a timeframe on quotations (usually 5 to 7 days) and the RFQ is closed once three bids have been received. Where three suppliers cannot be identified, RFQ advertisement may be extended. However, permission may be granted to override this requirement in urgent situations. Where an identified supplier is unable to provide a full quotation, all correspondence with the company must be included with the explanatory note.

4. Bids may be uploaded directly to the mSupply Tender Module by suppliers, or can be submitted manually (email or paper). If the latter, they are compiled by the *[National Medical Stores]* and uploaded to the mSupply tender module.

5. Normal stock line bids are evaluated by the *[National Medical Stores]* and *[insert other staff/units involved]* based on price, item specification and the performance history of the supplier.

6. Bids for stock lines not on the EML or EMSL must be assessed by the relevant department, who must meet to determine the chosen bid. The *[National Medical Stores]* may nominate a member to help facilitate this process but they should remain impartial during the selection process, offering only objective advice.

7. All meetings should be documented (see Annex 8: RFQ Meeting Minutes Template) and this documentation should be attached to all subsequent paperwork.

8. Once a bid is selected, the decision is communicated to the *[National Medical Stores]* Procurement Unit, who then generates a Purchase Order (Refer to the *[National Medical Stores]* Standard Operating Procedures).

9. Every RFQ, regardless of bid type, should be entered into the mSupply Tender Module.

Procedure—where a Standing Offer Arrangement does not exist, value >[$XXXXX]

New Tender process to be carried out (Refer to the *[National Medical Stores]* Standard Operating Procedures).

ANNEXES

Annex 1: Supplier Prequalification Questionnaire

MINISTRY OF HEALTH

PREQUALIFICATION DOCUMENT AND APPLICATION FORMS FOR SUPPLIERS FOR PHARMACEUTICAL AND MEDICAL SUPPLIES PROCUREMENT

This document contains 7 sections:
Section I—Instructions to Applicants
Section II—Prequalification data sheet
Section III—Qualification criteria and requirements
Section IV—Application forms
Section V—Additional information and manufacturer documentation
Section VI—Indicative list of medical consumables
Section VII—Product specifications

Prequalification documentation should be submitted electronically to:
[*insert email*]
With the subject heading '*Prequalification application for the supply of medicines and/or medical supplies to [National Medical Stores], [country]*'

Hard copies of documentation should be sent to the following address:

[Name]
[National Medical Stores]
[Address]
[country]

General queries on this application or specific questions relating to the documentation should be addressed to:

[Name]
Email: _____
Phone: _____

Section I—Instructions to Applicants (ITA)

A. General

1. Scope of application

1.1. In connection with the Invitation for Prequalification indicated in Section II, Prequalification Data Sheet (PDS), the Purchaser, as defined in the PDS, issues this Prequalification Document ("Prequalification Document") to prospective applicants ("Applicants") interested in submitting applications ("Applications") for prequalification to bid on tenders for medicines and consumables issued by the Purchaser. The list of medicines and medical consumables is indicated in the PDS.

1.2. Prequalification grants the right to 'Prequalified' companies – and only prequalified companies – to participate in restricted tenders subsequently issued by the Purchaser for medicines and medical consumables. The Purchaser reserves the right to purchase other commodities through non-prequalified companies (where such purchases are in compliance with local laws).

1.3. General information on the delivery terms, frequency of shipments, Goods' registration and packaging/marking requirements, expected places of delivery and contract validity period, and other relevant data for each contract will be indicated in the relevant bidding documents issued with each respective tender.

2. Source of funds

2.1. The Purchaser indicated in the PDS receives financing (hereinafter called "funds") from the source indicated in the PDS towards the cost of tenders for medicines and medical consumables conducted by the Purchaser. The Purchaser intends to apply a portion of the funds to eligible payments under the contract(s) resulting from the bidding for which this prequalification is conducted.

3. Corrupt and Fraudulent Practices

3.1. Debarment lists of the International Institutions listed in the PDS apply.

3.2. The Purchaser requires that Applicants observe the highest standard of ethics. In pursuance of this policy, the Purchaser:

(a) defines, for the purposes of this provision, the terms set forth below as follows:

(i) "corrupt practice" is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;

(ii) "fraudulent practice" is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;

(iii) "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;

(iv) "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;

(v) "obstructive practice" is

(aa) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Purchaser investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or

(bb) acts intended to materially impede the exercise of the Purchaser's inspection and audit rights provided for under sub-clause 3.3 below.

(b) will reject an Application if it determines that the Applicant recommended for prequalification or any of its personnel or subcontractor has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in applying for the prequalification in question; and

(c) will sanction a firm or individual, including declaring ineligible, either indefinitely or for a stated period of time, to be prequalified if it at any time determines that the firm has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in applying for the prequalification in question.

3.3. In further pursuance of this policy, Applicants shall permit and shall cause its agents to permit the Purchaser to inspect all accounts, records and other documents relating to the submission of the Application, bid submission (in case prequalified), and contract performance (in the case of award), and to have them audited by auditors appointed by the Purchaser.

4. Eligible Applicants

4.1. Applicants shall meet the eligibility criteria as per this clause. For the purpose of applying the eligibility criteria listed in this clause, references to the "Applicant" include all entities involved or intended to be involved with the proposed prequalification (including all partners and any of their affiliates that directly or indirectly control, or are controlled by or are under common control with the firm), specialized sub-contractors, consultants, manufacturers or suppliers (as mentioned in Applicant's JV Member's Information Form), and the personnel of each, for any part of the contract including related services.

4.2. An Applicant may be a firm that is a private entity, a government-owned entity or a combination of such entities in the form of a joint venture ("JV") under an existing agreement or with the intent to enter into such an agreement

supported by a letter of intent. In the case of a JV, all members shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms. The JV shall nominate an authorized representative who shall have the authority to conduct all business for and on behalf of any and all the members of the JV during the prequalification process, bidding (in the event the JV submits a bid) and during contract execution (in the event the JV is awarded the Contract). The maximum number of members that can participate in a JV is indicated in the PDS.

4.3. A firm and any of its affiliates (that directly or indirectly control, are controlled by or are under common control with that firm) may apply for prequalification both individually, and as part of a joint venture. If prequalified, it will not be permitted to bid for the same contract both as an individual firm and as a part of the JV or as a sub-contractor. Bids submitted in violation of this procedure will be rejected.

4.4. An Applicant may have the nationality of any country.

4.5. Applicants shall not have a conflict of interest according to the criteria specified in the PDS.

4.6. An Applicant that has been sanctioned by the Purchaser in accordance with the above ITA 3.1 and 3.2, shall be ineligible to be prequalified, or to bid for, during such period of time as the Purchaser shall have determined.

4.7. Government-owned enterprises or institutions in the Purchaser's Country may participate only if they can establish that they (i) are legally and financially autonomous (ii) operate under commercial law, and (iii) are not dependent agencies of the Purchaser. To be eligible, a government-owned enterprise or institution shall establish to the Purchaser's satisfaction, through all relevant documents, including its Charter and other information the Purchaser may request, that it: (i) is a legal entity separate from the government (ii) does not currently receive substantial subsidies or budget support; (iii) operates like any commercial enterprise, and, inter alia, is not obliged to pass on its surplus to the government, can acquire rights and liabilities, borrow funds and be liable for repayment of its debts, and can be declared bankrupt; and (iv) is not bidding for a contract to be awarded by the department or agency of the government which under their applicable laws or regulations is the reporting or supervisory authority of the enterprise or has the ability to exercise influence or control over the enterprise or institution.

4.8. An Applicant shall not be under suspension from bidding by the Purchaser as the result of the execution of a Bid–Securing Declaration.

4.9. An Applicant shall provide such evidence of eligibility satisfactory to the Purchaser, as the Purchaser shall reasonably request.

4.10. Prequalification will be based on Applicants meeting all of the following minimum pass–fail criteria regarding their general and particular production and distribution experience and capacities, quality assurance, and other relevant information as demonstrated by the Applicant's responses in the

Application Forms.

4.11. The Applicant shall provide evidence that it meets the qualification criteria specified in Section III, Qualification Criteria & Requirements.

4.12. Applicants wishing to prequalify for products that they do not manufacture must submit the information corresponding to the primary manufacturer of the goods who shall comply with the manufacturing requirements specified in Sections IV and V. In addition, the Applicant shall submit a notarized letter of authority prepared in accordance with the Manufacturer's Authorisation Form (Section IV, Application Form) from the primary manufacturer designating the agent for and on behalf of the primary manufacturer.

4.13. The Applicant should provide proof of experience with and knowledge of modes of packing, distribution, and transportation of pharmaceuticals similar to those subject to bidding under logistical and climatic conditions similar to the ones in the purchaser's country.

4.14. The Applicant must provide evidence of license for pharmaceutical products trade in and out of the Country of Operation. This license shall provide evidence that the Applicant was inspected and qualifies to carry out wholesale, distribution, retail, import or export of pharmaceuticals.

4.14.1. Local Applicants in *[country]* must be registered under the *[country]* Medicinal Products Board with a valid annual licence.

B. Contents of the Prequalification Document

5. Contents of the prequalification document

5.1. Sections contained in this document:

- Section I Instructions to Applicants (ITA)
- Section II Prequalification Data Sheet (PDS)
- Section III Qualification Criteria & Requirements
- Section IV Application Forms
- Section V Additional Information and Manufacturer Documentation
- Section VI Indicative List of Medical Consumables
- Section VII Product Specifications

5.2. Unless obtained directly from the Purchaser, the Purchaser accepts no responsibility for the completeness of the document, responses to requests for clarification, the minutes of the pre-Application meeting (if any), or Addenda to the Prequalification Document in accordance with ITA 8. In case of any discrepancies, documents issued directly by the Purchaser shall prevail.

5.3. The Applicant is expected to examine all instructions, forms, and terms in the Prequalification Document and to furnish with its Application all information or documentation as is required by the Prequalification Document.

6. Clarification of prequalification documentation

6.1. A prospective Applicant requiring any clarification of the Prequalification Document shall contact the Project Manager for the Purchaser in writing at the Purchaser's address indicated in the PDS. The Purchaser will respond in writing to any request for clarification provided that such request is received no later than fourteen (14) days prior to the deadline for submission of the applications. The Purchaser shall forward a copy of its response to all prospective Applicants who have obtained the Prequalification Document directly from the Purchaser, including a description of the inquiry but without identifying its source. Should the Purchaser deem it necessary to amend the Prequalification Document as a result of a clarification, it shall do so in writing to all prospective Applicants and if necessary, may extend the deadline for submissions at the Purchaser's discretion, in accordance with ITA 17.

6.2. A non-mandatory meeting may be held in accordance with the details contained in the PDS fourteen (14) days after the advertising date of these prequalification documents.

7. Amendment of prequalification documentation

7.1. Until the date indicated in the PDS (before the deadline for submission of Applications), the Purchaser may amend the Prequalification Document by issuing an Addendum.

7.2. Any Addendum issued shall be part of the Prequalification Document and shall be communicated in writing to all prospective Applicants who have obtained the Prequalification Document from the Purchaser.

7.3. To give prospective Applicants reasonable time to take an Addendum into account in preparing their Applications, the Purchaser may, at its discretion, extend the deadline for the submission of Applications in accordance with ITA 17.

C. Preparation of Applications

8. Cost of application

8.1. The Applicant shall bear all costs associated with the preparation and submission of its Application. The Purchaser will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the prequalification process.

9. Language of application

9.1. This prequalification documentation has been prepared and issued in English.

9.2. The Application as well as all correspondence and documents relating to the prequalification exchanged by the Applicant and the Purchaser, shall be written in English. Supporting documents and printed literature that are part

of the Application may be in another language, provided they are accompanied by an accurate translation in English, in which case, for purposes of interpretation of the Application, the English translation shall govern.

10. Documents comprising the application

10.1. The Application shall comprise the following:
(a) Application Submission Form, in accordance with ITA 11;
(b) documentary evidence establishing the Applicant's eligibility, in accordance with ITA 12;
(c) documentary evidence establishing the Applicant's qualifications, in accordance with ITA 13; and
(d) any other document required as specified in the PDS.

10.2. The Applicant shall furnish information on commissions and gratuities, if any, paid or to be paid to agents or any other party relating to this Application.

D. Submission of Applications

11. Application submission form

11.1. The Applicant shall complete an Application Submission Form as provided in Section IV, Application Forms. This Form must be completed without any substantive alteration to its format.

12. Documents establishing the eligibility of the applicant

12.1. To establish its eligibility in accordance with ITA 4, the Applicant shall complete the eligibility declarations in the Application Submission Form and Forms ELI 1.1 & ELI 1.2, included in Section IV (Application Forms).

13. Documents establishing the qualifications of the applicant

13.1. To establish its qualifications to perform the contract(s) in accordance with Section III, Qualification Criteria and Requirements, the Applicant shall provide the information requested in the corresponding Information Sheets included in Section IV, Application Forms.

13.2. Wherever an Application Form requires an Applicant to state a monetary amount, Applicants should indicate the USD equivalent using the rate of exchange taken from the publicly available source identified in the PDS. Any error in determining the exchange rates in the Application may be corrected by the Purchaser.

14. Signing of the application, format and number of copies

14.1. The Applicant shall prepare one original of the documents comprising the Application as described in ITA 10 and clearly mark it "ORIGINAL". The original

of the Application shall be signed by a person duly authorized to sign on behalf of the Applicant. In case the Applicant is a JV, the Application shall be signed by an authorized representative of the JV on behalf of the JV and so as to be legally binding on all the members as evidenced by a power of attorney signed by their legally authorized signatories.

14.2. The Applicant shall submit the original and one (1) copy of the signed Application (to the address listed in the PDS ITA 1.1), and clearly mark them "ORIGINAL" and "COPY". In the event of any discrepancy between the original and the copy, the original shall prevail.

14.3. The original of the Application shall be submitted electronically and the copy of the Application shall be provided by CD or USB memory drive (to the addresses listed in the PDS ITA 1.1).

15. Sealing and identification of applications

15.1. The original and the copy of the Application shall:
- (a) bear the name and address of the Applicant;
- (b) be addressed to the Purchaser, in accordance with the address for submission detailed in PDS (ITA 1.1); and
- (c) bear the specific identification of this prequalification process indicated in the PDS (ITA 1.1).

15.2. The Purchaser will accept no responsibility for not processing any application that was not identified as required in ITA 15.1 above.

16. Confidentiality

16.1. Information relating to the Applications, their evaluation and result shall not be disclosed to Applicants or any other persons not officially concerned with the prequalification process until the notification of prequalification results is made to all Applicants.

16.2. From the deadline for submission of Applications to the time of notification of the results of the prequalification, any Applicant that wishes to contact the Purchaser on any matter related to the prequalification process, may do so only in writing in accordance with ITA 6.1.

17. Deadline for submission of applications

17.1. Applications shall be received by the Purchaser at the address indicated in PDS (ITA 1.1) and no later than the deadline indicated in the PDS.

17.2. The Purchaser may, at its discretion, extend the deadline for the submission of Applications by amending the Prequalification Document in accordance with ITA 7, in which case all rights and obligations of the Purchaser and the Applicants subject to the previous deadline shall thereafter be subject to the deadline as extended.

17.3. The Purchaser reserves the right to re-advertise for submission of applications, pursuant to the PDS (ITA 1.2).

E. Procedures for Evaluation of Applications

18. Opening of applications

18.1. The Purchaser shall open all Applications at the date, time and place specified in the **PDS**.

18.2. The Purchaser shall prepare a record of the opening of Applications to include, as a minimum, the name of the Applicants. A copy of the record shall be distributed to all Applicants.

19. Clarification of application

19.1. To assist in the evaluation of Applications, the Purchaser may, at its discretion, ask an Applicant for a clarification (including missing documents) of its Application, to be submitted within a stated reasonable period of time. Any request for clarification from the Purchaser and all clarifications from the Applicant shall be in writing.

19.2. If an Applicant does not provide clarifications and/or documents requested by the date and time set in the Purchaser's request for clarification, its Application shall be evaluated based on the information and documents available at the time of evaluation of the Application.

20. Subcontractors

20.1. Unless otherwise agreed, the Purchaser will not execute any elements of future contracts by sub-contractors who have not been submitted prequalification documentation as part of this process and been accepted.

F. Evaluation of Applications and Prequalification of Applicants

21. Evaluation of applications

21.1. The Purchaser shall use the factors, methods, criteria, and requirements defined in Section III, Qualification Criteria and Requirements, to evaluate the qualifications of the Applicants, and no other methods, criteria, or requirements shall be used. The Purchaser reserves the right to waive minor deviations from the qualification criteria if they do not materially affect the technical capability and financial resources of an Applicant to perform the contract.

21.2. Only the qualifications of the Applicant shall be considered. In particular, the qualifications other affiliated company that is not party to the Applicant under a JV in accordance with ITA 1.3 shall not be considered.

22. Purchaser's right to accept or reject applications

22.1. The Purchaser reserves the right to accept or reject any Application, and to annul the prequalification process and reject all Applications at any time, without thereby incurring any liability to the Applicants.

23. Prequalification of applicants

23.1. All Applicants whose Applications substantially meet or exceed the specified qualification requirements will be prequalified by the Purchaser.

23.2. An Applicant may be "conditionally prequalified," that is, qualified subject to the Applicant submitting or correcting certain specified nonmaterial documents or deficiencies to the satisfaction of the Purchaser.

23.3. Applicants that have not been prequalified may write to the Purchaser, at the address listed in the PDS, to request, in writing, the grounds on which they were disqualified.

24. Notification to applicants

24.1. Applicants that are conditionally prequalified will be so informed in writing, along with the statement of the condition(s) which must be met to the satisfaction of the Purchaser before or at the time of submitting their bids.

24.2. Applicants will be notified of the outcome of their application within the timeframe specified in the PDS.

25. Changes in qualifications or status of applicants

25.1. Any change in the structure or formation of an Applicant after being prequalified in accordance with ITA 23 and invited to bid (including, in the case of a JV, any change in the structure or formation of any member thereto) shall be subject to the written approval of the Purchaser prior to the deadline for submission of bids. Such approval shall be denied if (i) a prequalified applicant proposes to associate with a disqualified applicant or in case of a disqualified joint venture, any of its members; (ii) as a consequence of the change, the Applicant no longer substantially meets the qualification criteria set forth in Section III, Qualification Criteria and Requirements; or (iii) in the opinion of the Purchaser, the change may result in a substantial reduction in competition. Any such change should be submitted to the Purchaser not later than fourteen (14) days after the date of the partial invitation for bids or request for quotations.

25.2. Successful applicants (prequalified suppliers) are encouraged and required to give notice of any change to their list of manufacturers, regulatory status of themselves or any supplier they have listed or any other material change under the terms of Section III, Qualification Criteria and Requirements. Such changes will not affect their prequalified status if the new manufacturers or regulatory status is in accordance with the prequalification criteria set out in these application documents.

Section II—Prequalification Data Sheet (PDS)

A. General

1.

ITA 1.1 The name of the activity is:
PQ/[Tender Category]/[Year]: Invitation for prequalification for supply of medicines and medical consumables to *[National Medical Stores]*, *[country]* for [Year].

The Purchaser is:
[country] Ministry of Health (MOH)

Address for prequalification documents submission:

Electronic submission:
[Insert email] — With the subject heading '*Prequalification application for the supply of medicines and/or medical supplies to [National Medical Stores], [country] - ORIGINAL*'

Postal address:
[Insert Name]
[National Medical Stores]
[Address]
[country]

ITA 1.2 Scope:
Prequalified companies are granted permission to participate in tenders for medicines and/or medical consumables issued by the Purchaser for a five-year period from the date of the application being made.

Only prequalified companies will be eligible to bid on standard tenders issued by the Purchaser in this five-year period. The Purchaser reserves the right to advertise tenders to non-prequalified companies for the procurement of medicines and medical consumables in emergency situations.

The Purchaser reserves the right to re-advertise for companies to become prequalified (using the same criteria) at any time during the five-year period. Companies that have been prequalified according to the criteria in this documentation will not need to re-submit applications in these circumstances.

The medicines procured by *[National Medical Stores]* are listed in the *[country]* Essential Medicines List (EML) available from *[National Medical Stores]* or the Ministry of Health (MOH). This prequalification activity does NOT include vaccines, medicines for the treatment of HIV and TB or Artemisinin-Combination Therapies. These will be covered by separate prequalification mechanisms:

- Finished pharmaceutical products that are prequalified under the WHO Pre-Qualification Programme for the treatment of HIV, Malaria & Tuberculosis will be considered for supply to the Ministry of Health. (https://extranet.who.int/prequal/content/prequalified-lists/medicines)
- Manufacturers of vaccines will be prequalified only if the manufacturing facilities have been prequalified under the UN/WHO pre-qualification system for vaccine manufacturers.

All other medicines on the *[country]* EML are included. Potential applicants may apply to be prequalified for all or a subset of this list of medicines and this should be clearly indicated in their Application Forms (Section IV).

The medical consumables procured by *[National Medical Stores]* are listed in Section VI (this is an unpublished indicative list and is subject to change). Potential applicants may apply to be prequalified for all or a subset of this list of medical consumables and this should be clearly indicated in their Application Forms (Section IV).

Consumables not listed in Section VI may be procured through tenders which do not require the participants to be prequalified.

2.

ITA 2.1 The primary source of funding is the *[country]* Government.
Funding for individual tenders may be supplemented by external donors—the source of funding for each tender will be indicated in the respective tender documents.

3.

ITA 3.1 Debarment lists of the following International Financial Institutions apply:

- World Bank's debarment process on Fraud and Corruption: Listing of Ineligible Firms and Individuals: http://www.worldbank.org/debarr
- EBRD's Procurement Policies and Rules: Fraud and Corruption: www.ebrd.com/ineligible-entities.html
- Asian Development Bank (ADB): Anticorruption and Integrity: https://lnadbg4.adb.org/oga0009p.nsf
- Inter-American Development Bank (IDB) Group: Integrity: http://www.iadb.org/en/topics/transparency/integrity-at-the-idb-group/sanctioned-firms-and-individuals,1293.html
- African Development Bank Group: Institution's procurement rules and procedures: http://www.afdb.org/en/projects-and-operations/procurement/debarment-and-sanctions-procedures/
- Australian Department of Foreign Affairs & Trade's 'Consolidated List':http://dfat.gov.au/international-relations/security/sanctions/pages/consolidated-list.aspx

4.

ITA 4.2 The maximum number of participants in a JV is three (3).

ITA 4.5 Applicants shall be considered to have a conflict of interest, if they participated as a consultant in the preparation of the design of technical specifications or have been hired or proposed to be hired by the Purchaser.

Companies are required to declare other relevant conflicts of interest to *[National Medical Stores]*. These may include but are not limited to:

- State ownership
- Existing commercial arrangements with any partner of MOH or other government entities in *[country]*.

Conflicts of interest will be assessed and may be communicated to other authorities and government entities in *[country]*.

Conflicts of interest within MOH form part of the commercial relationship between Suppliers and MOH and do not need to be communicated to MOH.

B. Contents of the Prequalification Document

5. This section is blank

6.

ITA 6.1 For clarification purposes, the Project Manager's address is:
Attention:
[Name]
[Address]
[Email]
[Phone]

ITA 6.2 Prequalification meeting: Pre-Application Meeting will be held on
Date: [Day], [DD/MM/Year]
Time: [XX:XX am/pm] (Local Time)
Venue: _____
Attendance at this meeting is not mandatory for applicants. Login details for virtual details will be provided on request.

7.

ITA 7.1 The last date for *[National Medical Stores]* to issue an addendum to this prequalification documentation is [Day] [Date] [Month] [Year].

C. Preparation of Applications

8. This section is blank

9. This section is blank

10.

ITA 10.1 The Applicant shall submit with all Application Forms (contained in Section IV), the following additional documents, along with any additional supporting information they wish to submit:

- Financial statements for the last three (3) years
- Certificate of GDP (if relevant)

Manufacturer documentation outlined in Section IV, including:

- Manufacturer authorization forms
- Evidence of incorporation in Country of Origin
- Evidence of license for pharmaceutical products trade in and out of the Country of Operation
- License to manufacture, issued by relevant authority in Country of Origin
- GMP Certificate
- Evidence of manufacture of product for past 2 years and similar products for minimum of 5 years
- Details of onsite quality control and testing results
- All other documentation necessary to meet the requirements of Sections III, IV and V.

D. Submission of Applications

11. This section is blank

12. This section is blank

13.
ITA 13.2 The source for currency conversions will be the Reserve Bank of *[country]*

14. This section is blank

15. This section is blank

16. This section is blank

17.
ITA 17.1 **Deadline date:**
The deadline date for submission in this round is [Date]
The address for submissions is indicated in PDS 1 (ITA 1.1)

E. Procedures for Evaluation and Publication of Applications

18.
ITA 18.1 Applications shall be opened at *[National Medical Stores]* offices on [Date] at [Time].

19. This section is blank

20. This section is blank

21.

ITA 21.1 *[National Medical Stores]* may use external technical support to assess documentation for completeness and veracity and to help determine if the applicant meets basic eligibility and qualification criteria.
The evaluation of suppliers, pre-qualification for supply into *[country]* and participation in tenders are the ultimate responsibility of *[National Medical Stores]*.

22.

ITA 22.1 *[National Medical Stores]* reserves the right to accept or reject applications based on eligibility criteria contained in this document.

23.

ITA 23.3 The address for written requests for the grounds on which applicants were disqualified is the Project Manager:
Attention:
[Name]
[Address]
[Email]

24.

ITA 24.2 Applicants will be notified no later than 8 weeks after the deadline date for submissions. *[National Medical Stores]* reserves the right to extend this deadline, depending on the number of submissions received. If this date is extended, all applicants will be informed in writing.

25.

ITA 25.2 The time allowed for the review of subsequent changes to prequalification information impacting on eligibility (e.g. change of manufacturers) by *[National Medical Stores]* should be sufficient for *[National Medical Stores]* to assess all the information required—this is a minimum of eight weeks. Companies wishing to participate in tenders held by *[National Medical Stores]* should take this into account.
Minor changes impacting on eligibility may be assessed faster than this. *[National Medical Stores]* will not be held responsible for assessments extending beyond this time, impacting on a company's eligibility to bid on tenders at *[National Medical Stores]*.

Section III—Qualification Criteria and Requirements

This Section contains all the methods, criteria, and requirements that *[National Medical Stores]* shall use to evaluate Applications for completeness and eligibility. The information to be provided in relation to each requirement and the definitions of the corresponding terms are included in the respective Application Forms.

Contents:

Eligibility and Qualification Criteria			Compliance Requirements				Documentation
No.	Subject	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
				All Parties Combined	Each Member	One Member	
3.1. Eligibility							
3.1.1	**Conflict of Interest**	No conflicts of interest pursuant to ITA 4.5 (PDS)	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Application Submission Form
3.1.2	**General Eligibility**	Not having been declared ineligible due to debarment by an organization pursuant to ITA 3	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Application Submission Form
3.1.3	**Government Owned Entity of any Participating Country**	No Government Owned entity; subject to discussion with *[National Medical Stores]*	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Forms ELI 1.1 and ELI 1.2, with attachments
3.1.4	**Meets minimum standards outlined in relevant sections of the WHO Good Distribution Practices for Pharmaceutical Products** (Relevant to the products being supplied)	Has demonstrated compliance with WHO standards and guidelines during the past two years	Must meet requirement	Must meet requirement	N/A	N/A	Copy of Certificate of GDP *or equivalent evidentiary documentation*
3.2. Historical Contract Non-Performance							
3.2.1	**History of Non-Performing Contracts**	Non-performance of a contract[1] did not occur as a result of contractor's default since 1st January *[preceding year]*	Must meet requirement	Must meet requirements	Must meet requirement[2]	N/A	Form CON 2.1

[1] Non performance, as decided by *[National Medical Store]*, shall include all contracts where (a) non performance was not challenged by the contractor, including through referral to the dispute resolution mechanism under the respective contract, and (b) contracts that were so challenged but fully settled against the contractor. Non performance shall not include contracts where Purchasers decision was overruled by the dispute resolution mechanism. Non performance must be based on all information on fully settled disputes or litigation, i.e. dispute or litigation that has been resolved in accordance with the dispute resolution mechanism under the respective contract and where all appeal instances available to the applicant have been exhausted.

[2] This requirement also applies to contracts executed by the Applicant as JV member.

3.2.2	Suspension Based on Execution of Bid Securing Declaration by any government entity in *[country]*	Not under suspension based on execution of a Bid Securing Declaration with any government entity in *[country]*	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Application Submission Form
3.2.3	Pending Litigation	Applicant's financial position and prospective long-term profitability still sound according to criteria established in Section 3.3.1 and assuming that all pending litigation will be resolved against the Applicant	Must meet requirement	N/A	Must meet requirement	N/A	Form CON 2
3.2.4	Litigation History	No consistent history of court/arbitral award decisions against the Applicant[3] in the last three years before the application is made.	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Form CON 2
3.3. Financial Situation and Performance							
3.3.1	Financial Capabilities	(i) The Applicant shall demonstrate that it has access to, or has available, liquid assets, unencumbered real assets, lines of credit, and other financial means (independent of any contractual advance payment) of USD 1 million, calculated as being sufficient to meet the minimum cash flow requirements for a maximum estimated contract value of USD 1 million, net of the Applicants other commitments	Must meet requirement, except for specialist item providers who can demonstrate at least three (3) years history supplying specific products into multiple markets.	Must meet requirement	Must meet 25% of the requirements for Financial Capabilities	N/A	Form FIN 3.1, with attachments
		(ii) The Applicant shall also demonstrate, to the satisfaction of *[National Medical Stores]*, that it has adequate sources of finance to meet the cash flow requirements on works currently in progress and for future contract commitments.	Must meet requirement.	Must meet requirement	Must meet 25% of the requirements for Financial Capabilities	N/A	Form FIN 3.1, with attachments

[3] The Applicant shall provide accurate information on the related Application Form about any litigation or arbitration resulting from contracts completed or ongoing under its execution over the last three years. A consistent history of awards against the Applicant or any member of a joint venture may result in failure of the application.

		(iii) The audited balance sheets or, if not required by the laws of the Applicant's country, other financial statements acceptable to MOH, for the last three (3) years shall be submitted and must demonstrate the current soundness of the Applicant's financial position and indicate its prospective long-term profitability.	Must meet requirement	N/A	Must meet requirement	N/A	Form FIN 3.1, with attachments
3.3.2	Average Annual Turnover	Provide evidence of average annual turnover of USD 2 million in last three years. Turnover to be calculated as total certified payments received for contracts completed, within the last three (3) years	Must meet requirement, except for specialist item providers who can demonstrate at least three (3) years history supplying specific products into multiple markets.	N/A	Must meet 25% of the requirements for Average Annual Turnover	N/A	Form FIN 3.2
3.4. Experience							
3.4.1	General Experience	Experience in the role of prime contractor, Joint Venture (JV) member, sub-contractor, or management contractor for the supply of medicines or medical supplies for at least the last five (5) years, preceding the application.	Must meet requirement	N/A	Must meet requirement	N/A	Form EXP 4.1
3.4.2	General Experience (Contextually appropriate)	Experience in the role of prime contractor, Joint Venture (JV) member, sub-contractor, or management contractor for the supply of medicines or medical supplies for supply into **multiple low or middle-income countries** for at least the last two years, preceding the application.	Must meet requirement	N/A	Must meet requirement	N/A	Form EXP 4.1

Section IV—Application Forms

Table of Forms

Application Submission Form

Date: *[insert day, month, and year]*

To: *[National Medical Stores]*

We, the undersigned, submit our prequalification documentation to *[National Medical Stores]* and declare that:

a. We have examined and have no reservations to the Prequalification Documentation, including Addendum(s).

b. We have no conflict of interest in accordance with ITA 4.5;

c. We meet the eligibility requirements as stated in Section III and we have not been suspended by any Participating Country based on execution of a Bid Securing Declaration or Contract.

d. We declare that the following commissions, gratuities, or fees have been paid or are to be paid with respect to the prequalification process.

Name of Recipient	Address	Reason	Amount
[insert full name for each occurrence]	*[insert street/ number/city/ country]*	*[indicate reason]*	*[specify amount currency, value, exchange rate and US$ equivalent]*

[If no payments are made or promised, add the following statement: "No commissions or gratuities have been or are to be paid by us to agents or any third party relating to this Application"]

e. We understand that you may cancel the prequalification process at any time and that you are neither bound to accept any Application that you may receive nor to publish the documentation of any Applicant, without incurring any liability to the Applicants. In this event, all application fees will be returned.

f. All information, statements and description contained in the Application are in all respect true, correct and complete to the best of our knowledge and belief.

Signed *[insert signature(s) of an authorized representative(s) of the Applicant]*

Name [insert full name of person signing the Application]

In the capacity of *[insert capacity of person signing the Application]*

Duly authorized to sign the Application for and on behalf of: Applicant's Name *[insert full name of Applicant or the name of the JV]*

Address *[insert street number/town or city/country address]*
Dated on *[insert day number]* day of *[insert month], [insert year]*

[For a joint venture, either all members shall sign or only the authorized representative, in which case the power of attorney to sign on behalf of all members shall be attached]

ELI 1.1—Applicant Information Form

Date: *[insert day, month, year]*
Page *[insert page number]* of *[insert total number]* pages

Applicant's name *[insert full name]*
Applying to supply (please tick): MEDICINES ☐ MEDICAL CONSUMABLES ☐ *Please provide a full list of medicines you propose to supply and the nominated manufacturer/s for each item. Each manufacturer should sign manufacturer authorization forms and you will need to supply Manufacturer Documentation as indicated in Section V.* *The full list of medicines procured by [National Medical Stores] is available in the [country] Essential Medicines List but applicants may apply to be prequalified for a subset of this list.* *An indicative list of medical consumables to be covered by this prequalification is included in Section VI but applicants may apply to be prequalified for a subset of this list.*
In case of Joint Venture (JV), name of each member: *[insert full name of each member in JV]*
Applicant's actual or intended country of registration: *[indicate country of Constitution]*
Applicant's actual or intended year of incorporation: *[indicate year of Constitution]*
Applicant's legal address [in country of registration]: *[insert street/ number/ town or city/ country]*
Applicant's authorized representative information Name: *[insert full name]* Address: *[insert street/ number/ town or city/ country]* Telephone numbers: *[insert telephone numbers, including country and city codes]* E-mail address: *[indicate e-mail address]*

1. Attached are copies of original documents of ☐ Articles of Incorporation (or equivalent documents of constitution or association), and/or documents of registration of the legal entity named above. ☐ In case of JV, letter of intent to form JV or JV agreement. ☐ In case of Government-owned enterprise or institution, documents establishing: • Legal and financial autonomy • Operation under commercial law • Establishing that the Applicant is not a dependent agency of any Participating Country. 2. Included are the organizational chart, a list of Board of Directors, and the beneficial ownership.

ELI 1.2—Applicant's JV Information Form

[The following form is additional to Form ELI 1.1., and shall be completed to provide information relating to each JV member (in case the Applicant is a JV) as well as any Specialized Sub-contractor proposed to be used by the Applicant for any part of the Contract resulting from this prequalification]

Date: *[insert day, month, year]*
Page *[insert page number]* of *[insert total number]* pages

Applicant name: *[insert full name]*
Applicant's JV Member's name: *[insert full name of Applicant's JV Member]*
Applicant's JV Member's country of registration: *[indicate country of registration]*
Applicant JV Member's year of constitution: *[indicate year of constitution]*
Applicant JV Member's legal address in country of constitution: *[insert street/ number/ town or city/ country]*
Applicant JV Member's authorized representative information Name: *[insert full name]* Address: *[insert street/ number/ town or city/ country]* Telephone numbers: *[insert telephone numbers, including country and city codes]* E-mail address: *[indicate e-mail address]*
1. Attached are copies of original documents of ☐ Articles of Incorporation (or equivalent documents of constitution or association), and/or registration documents of the legal entity named above. ☐ In case of a Government-owned enterprise or institution, documents establishing legal and financial autonomy, operation in accordance with commercial law, and absence of dependent status. 2. Included are the organizational chart, a list of Board of Directors, and the beneficial ownership.

CON 2.1—Historical Contract Non-Performance, Pending Litigation and Litigation History

[The following table shall be filled in for the Applicant and for each member of a Joint Venture]

Applicant's Name: *[insert full name]*
Date: *[insert day, month, year]*
Joint Venture Member Name: *[insert full name]*
Page *[insert page number]* of *[insert total number]* pages

Non-Performed Contracts in accordance with Section III, Qualification Criteria & Requirements			
(Choose one option) ☐ Contract non-performance did not occur since 1st January *[insert year]* specified in Section III, Qualification Criteria & Requirements (Requirement: 3.2.1) ☐ Contract(s) not performed since 1st January *[insert year]* specified in Section III, Qualification Criteria & Requirements (Section 3.2.1), as indicated below:			
Year	Non-performed portion of contract	Contract Identification	Total Contract Amount (current value, currency, exchange rate and USD equivalent)
[insert year]	*[insert amount and percentage]*	Contract Identification: *[indicate complete contract name/ number, and any other identification]* Name of Purchaser: *[insert full name]* Address of Purchaser: *[insert street/city/country]* Reason(s) for nonperformance: *[indicate main reason(s)]*	*[insert amount]*
Pending Litigation, in accordance with Section III, Qualification Criteria & Requirements			
☐ No pending or completed litigation in accordance with Section III, Qualification Criteria & Requirements, Section 3.2.3. ☐ Pending litigation in accordance with Section III, Qualification Criteria & Requirements, Section 3.2.3 as indicated below.			
Year of dispute	Amount in dispute (currency)	Contract Identification	Total Contract Amount (currency), USD Equivalent (exchange rate)
[insert year]	*[insert amount]*	Contract Identification: *[indicate complete contract name, number, and any other identification]*	*[insert amount]*

		Name of Purchaser: *[insert full name]* Address of Purchaser: *[insert street/city/country]* Matter in dispute: *[indicate main issues in dispute]* Party who initiated the dispute: *[indicate "Purchaser" or "Contractor"]* Status of dispute: *[Indicate if it is being treated by the Adjudicator, under Arbitration or being dealt with by the Judiciary]*	

☐ Completed litigation in accordance with Section III, Qualification Criteria & Requirements, Section 3.2.4 as indicated below.

Year of award	Outcome as percentage of Net Worth	Contract Identification	Total Contract Amount (currency), USD Equivalent (exchange rate)
[insert year]	*[insert percentage]*	Contract Identification: [indicate complete contract name, number, and any other identification] Name of Purchaser: *[insert full name]* Address of Purchaser: *[insert street/city/country]* Matter in dispute: *[indicate main issues in dispute]* Party who initiated the dispute: *[indicate "Purchaser" or "Contractor"]* Status of dispute: *[Indicate if it is being treated by the Adjudicator, under Arbitration or being dealt with by the Judiciary]*	*[insert amount]*

FIN 3.1—Financial Situation and Performance

[The following table shall be filled in for the Applicant and for each member of a Joint Venture]

Applicant's Name: *[insert full name]*
Date: *[insert day, month, year]*
Joint Venture Member Name: *[insert full name]*
Page *[insert page number]* of *[insert total number]* pages

1. Financial data

Type of Financial information in (currency)	Historic information for previous three (3) years *(please provide more if available* (amount in currency, currency, exchange rate*, USD equivalent)				
	Year 1	Year 2	Year 3	Year4	Year 5
Statement of Financial Position (Information from Balance Sheet)					
Total Assets (TA)					
Total Liabilities (TL)					
Total Equity/Net Worth (NW)					
Current Assets (CA)					
Current Liabilities (CL)					
Working Capital (WC)					
Information from Income Statement					
Total Revenue (TR)					
Profits Before Taxes (PBT)					
Cash Flow Information					
Cash Flow from Operating Activities					

2. Sources of Finance

[The following table shall be filled in for the Applicant and all parties combined in case of a Joint Venture]

Specify sources of finance to meet the cash flow requirements on works currently in progress and for future contract commitments.

No.	Source of finance	Amount (USD equivalent)
1		
2		
3		
4		

3. Financial documents

The Applicant and its parties shall provide copies of financial statements for three (3) years pursuant Section III, Qualification Criteria & Requirements, Sections 3.3.1 & 3.3.2. The financial statements shall:

a. reflect the financial situation of the Applicant or in case of JV member, and not an affiliated entity (such as parent company or group member).

b. be independently audited or certified in accordance with local legislation.

c. be complete, including all notes to the financial statements.

d. correspond to accounting periods already completed and audited.

☐ Attached are copies of financial statements for the 3 years required above; and complying with the requirements
[If the most recent set of financial statements is for a period earlier than 12 months from the date of application, the reason for this should be justified.]

FIN 3.2—Average Annual Turnover

[The following table shall be filled in for the Applicant and for each member of a Joint Venture]

Applicant's Name: *[insert full name]*
Date: *[insert day, month, year]*
Joint Venture Member Name: *[insert full name]*
Page *[insert page number]* of *[insert total number]* pages

Annual turnover data			
Year	Amount & Currency	Exchange rate*	USD equivalent
[indicate calendar year]	*[insert amount and indicate currency]*		
		Average Annual Turnover **	

* Refer XX for date and source of exchange rate.

** Total USD equivalent for all years divided by the total number of years. See Section III, Qualification Criteria and Requirements, Clause 3.3.2.

EXP 4.1—General Experience

[The following table shall be filled in for the Applicant and in the case of a JV Applicant, each Member]

Applicant's Name: *[insert full name]*
Date: *[insert day, month, year]*
Joint Venture Member Name: *[insert full name]*
Page *[insert page number]* of *[insert total number]* pages

[Identify contracts that demonstrate continuous, relevant work in similar contexts to [country], over the past five (5) years pursuant to Section III, Qualification Criteria and Requirements, Requirement 3.4.1 & 3.4.2]

List contracts chronologically, according to their commencement (starting) dates.

(Contextually appropriate)*: For **at least** two contracts in the last two years, indicate briefly why they are contextually similar to [country].*

Starting Year	Ending Year	Contract Identification	Role of Applicant
[indicate year]	*[indicate year]*	Contract name: *[insert full name]* Brief Description of the Works performed by the Applicant: *[describe works performed briefly]* Amount of contract: *[insert amount in currency, mention currency used, exchange rate and USD equivalent*]* Name of Purchaser: *[indicate full name]* Address: *[indicate street/number/town or city/country]*	*[insert "Prime Contractor" or "JV Member" or "Sub-contractor" or "Management Contractor"]*

* *Refer XX for date and source of exchange rate.*

Manufacturer's Authorisation Form

(To be completed for EVERY manufacturer potentially supplying products to [National Medical Stores] on behalf of the Applicant)

(Manufacturer's or Producer's letterhead)

To:

WHEREAS *[insert:* ***name of the manufacturer or producer*** *]* (hereinafter, "we" or "us") who are established and reputable manufacturers or producers of *[insert:* ***name and/or description of the Goods requiring this authorization*** *]* (hereinafter, "Goods") having production facilities at *[insert:* ***address of factory*** *]* do hereby authorise *[insert:* ***name and address of Applicant****]* (hereinafter, the "Applicant") to submit a Letter of Application, and subsequently negotiate with *[National Medical Stores]*, including the above Goods produced by us.

For and on behalf of the Manufacturer or Producer

Signed: _____
Date: _____

In the capacity of *[insert:* ***title, position, or other appropriate designation*** *]* and duly authorize to sign this Authorization on behalf of *[insert:* ***name of manufacturer or producer*** *]*

Section V—Additional Information and Manufacturer Documentation

[The following shall be provided for every manufacturer the Applicant proposes to potentially contract to provide products to [National Medical Stores]. Manufacturers may be added or removed on request].

5.1 Goods your company proposes to supply *(for medicines, the full list is published in the [country] Essential Medicines List; for medical consumables, the full list is contained in Section VI*:

5.2 Please list all countries in which these specific goods are registered for use (if >2, please list 2 only):

Please describe all relevant packing/marking information, such as warning labelling and barcoding details (note that the Purchaser reserves the right to include specific labelling details under the contract terms of individual tenders):

Other relevant information:

5.3 Qualification requirements for Applicants are:

Quantifiable qualification criteria for experience and/or financial viability:

The Applicant should provide the following documents with its application:

(i) that, in the case of an Applicant offering to supply Goods that the Applicant manufactures or otherwise produces (using ingredients supplied by primary manufacturers) evidence that the Applicant:

(a) is incorporated in the country of manufacture of the Goods;

(b) has been licensed by the regulatory authority in the country of manufacture to supply the Goods;

(c) has manufactured and marketed the specific goods covered by this Application, for at least two (2) years, and for similar Goods for at least five (5) years;

(d) has received a satisfactory GMP inspection certificate in line with the WHO certification scheme on pharmaceuticals moving in International Commerce from the regulatory authority (RA) in the country of manufacture of the goods or has been certified by the competent authority of a member country of the Pharmaceuticals Inspection Convention (PIC)/International council for harmonization of technical requirements for registration of pharmaceuticals for human use (ICH), and has demonstrated compliance with the quality standards during the past two years

prior to bid submission. The results of any and all quality testing should be included.

(e) is certified by a competent authority in the country of manufacture according to resolution WHA 28 65 of the World Health Organization's Certificate Scheme on the Quality of Pharmaceutical Products Moving in International Commerce.

(ii) that, in the case of an Applicant offering to supply Goods that the Applicant does not manufacture or otherwise produce, evidence:

(a) that the Applicant has been duly authorized by a manufacturer of the Goods that meets the criteria under (i) above to supply the Goods in the Purchaser's country; and
(b) that the Applicant meets the requirements for a Good Distribution Practice (GDP) Certificate, where appropriate.
(c) The applicant supplies all the documents listed in (5.3 (i)) above for each manufacturer it proposes to use.

The Applicant shall also submit the following additional information for each manufacturer:

(a) a statement of installed manufacturing capacity;

(b) details of on-site quality control laboratory facilities and services and range of tests conducted;

(c) list of major supply contracts conducted within the last five years.

(d) list of pharmaceuticals being manufactured by the Applicant with product registration/license number and date.

(e) a Certificate of Pharmaceutical Product as recommended by the WHO for each item offered.

(f) list of vaccines being manufactured with product registration/license number and date.

(g) copy of loan license, if applicable

(h) ISO 9001 certificate where applicable

Applicants are required to inform [National Medical Stores] of any changes to manufacturers, regulatory statuses or any other material change pertaining to their original submission with the potential to impact on their prequalification status as soon as they become aware of the change.

5.4 Applicant should provide names of countries to which each manufacturer has supplied (including packaged, distributed, and transported) health products.

Section VI—Indicative List of Medical Consumables

Note: Items not on this list may be procured through non-prequalified suppliers at *[National Medical Stores]* discretion.

Section VII—Product Specifications

1. The required packing standards and labelling must meet the latest requirements of the World Health Organisation (WHO) good manufacturing practices (GMP) standards in all respects. (These standards are contained in "Good Practices in the Manufacture and Quality Control of Drugs.")

2. Product specifications indicate dosage form (e.g., tablet, capsules, dry syrup, liquid, ointment, injectable, emulsion, suspension, etc.) and the drug content (exact number of mg or international units [IU] or % v/v, w/w or v/w acceptable range). The Goods should conform to standards specified in one of the following compendia: British Pharmacopoeia, the United States Pharmacopoeia and the International Pharmacopoeia. The standards will be the latest edition unless otherwise stated by the Purchaser or other if applicable.

3. Not only the pharmaceutical item, but also the packaging and labelling components (e.g., bottles, closures, and labelling) should also meet specifications suitable for distribution, storage, and use in a climate similar to that prevailing in *[country]*. All packaging must be properly sealed and tamper-proof, and packaging components must meet the latest compendium standards and be approved for pharmaceutical packaging by the manufacturer's national regulatory authority.

4. The Supplier shall ensure that all labels and package inserts are in the English language. All numbers are to be standard arabic numerals (European digits)

5. The Supplier shall ensure that light- or temperature-sensitive items are clearly identified as such, and packed in containers that allow maximum protection from light and heat.

6. Packaging requirements:

    6.1. Double ended ampoule will not be accepted and packaging presentation must be fully described

    6.2. Ampoules must have either break-off necks, or sufficient files must be provided.

    6.3. Tablets and capsules should be packaged in sealed waterproof containers with replaceable lids, protecting the contents against light and humidity.

    6.4. Liquids should be adequately sealed to prevent leakage.

    6.5. Where blister packs are offered, each blister pack shall have the contents and expiry date clearly labelled

7. Labelling requirements:

7.1. The Supplier must ensure that labels are affixed in such a manner so as not to become detached.

7.2. The label of the primary container for each pharmaceutical product shall meet the W210 GMP standard and include:

a. package size
b. dosage form
c. generic name (e.g. the International Nonproprietary Name, INN)
d. strength
e. storage conditions
f. pharmacopoeial quality or standards (e.g. BP) if applicable
g. batch number
h. name of manufacturer
i. manufacturing date
j. expiration date

7.3. The outer case or carton should also display the information specified in 7.2 above.

7.4. External preparations must state on the label 'EXTERNAL USE ONLY'

7.5. All drug names must comply with International Non-Proprietary Names as published by the WHO.

8. Special requirements:

8.1. Gluten free tablets are desirable

8.2. All oral preparations must maintain a minimum of 7 days shelf-life after reconstitution with water

Annex 2: Tender Documents Template

TENDER SAMPLE BIDDING DOCUMENTS

Restricted Tender: Prequalified bidders only, following prequalification activity.

[country] Ministry of Health

Tender Number: _____.

Contract for pharmaceuticals & medical supplies for the *[country]* Ministry of Health

Closing at C.O.B. [*Day/Month/Year]*

Enquiries: [Name] [Email] [Phone]

Contents

1. Preamble

This tender is intended to result in a contract with *[country]* Ministry of Health (MOH) to purchase a set quantity of items (specified in the Schedule of Requirements) over a 12-month period. At MOH's option, a Standing Offer Arrangement (SOA) will then remain in place for a further 12 months (total 24 months) allowing MOH to purchase more of the same items using the same pricing and delivery terms.

A Standing Offer Arrangement (SOA) is an agreement between a purchasing organisation such MOH and one or more suppliers. It allows MOH to buy specified goods or services from a supplier at predetermined prices and conditions on an "as and when required" basis. SOAs operate over a defined period of time and are sometimes known as framework agreements or period contracts.

Under this SOA, MOH is not obligated to purchase a further amount of goods or services (beyond the original set quantities) and there is no financial commitment until another purchase order is placed. MOH also reserves the right to cancel the SOA (having purchased the original set quantity) and re-advertise a new tender for further quantities. Notwithstanding this differentiation, the term Contract is used widely in this document and is synonymous with Standing Offer Arrangement.

An SOA does define the nature and details of the goods or services to be provided, including the terms and conditions of sale, price and price basis (firm or variable), delivery and payment terms.

A minimum amount to be purchased has been calculated by MOH based on existing (known) or predicted requirements. These are contained in the Schedule of Requirements and MOH intends to purchase these amounts.

The SOA will then be in place for a (total) period of two (2) years. Purchase orders will be raised as required against the SOA over the period of the arrangement for the minimum estimated requirement and part amount/s thereafter.

The SOA creation process is very similar to the creation of a contract and is conducted through an open tender process where Requests for Tender are extended to prequalified suppliers. Tender evaluations are similar to a contract, taking account of all factors that make up best value for money, including price, quality and supplier performance.

In summary, an SOA offers the same certainty of pricing and terms and conditions of supply that a standard contract provides with the added flexibility of being able to place purchase orders as and when required during the period of the arrangement.

2. Request for Tender—Information

1. The Ministry of Health (MOH) has an ongoing requirement to procure pharmaceuticals and medical supplies to support the operation of *[country]* healthcare system.

2. On behalf of the MOH, *[National Medical Stores]* invites sealed Tenders for a range of pharmaceuticals and medical supplies to be supplied to *[National Medical Stores]* in *[country]* under a Standing Offer Arrangement (SOA) which will be for a period of two (2) years.

3. A minimum purchase will be made for the quantities described in the Schedule of Requirements in the first year of the SOA. Additional quantities may be then purchased during the course of the arrangement in accordance with agreed terms and conditions. The MOH shall not be under any legal obligation to purchase any additional quantity of the Goods tendered and the Contractor shall be bound to supply the additional quantity ordered from time to time during the currency of the arrangement.

4. The Tender will be conducted through restricted international competitive bidding procedures and is open to all companies prequalified by *[National Medical Stores]* during the prequalification process. The prequalification process has now been completed for this tender and no additional companies may be deemed prequalified after the advertising of this tender. All suppliers will receive a complete set of tender documents in English, in electronic form.

5. MOH may cancel a Standing Offer Arrangement irrespective of whether any orders are still outstanding if it is not satisfied with the manner in which the Arrangement is being performed.

6. In the event of any failure by the Supplier to comply with the provisions of the SOA, MOH reserves the right to authorize for the supply and delivery of the relevant goods or services from an alternative source. Any expenses incurred as a result thereof shall be a debt due and recoverable from the Supplier.

7. MOH reserves the right to purchase or receive the same items from an alternative source for any other reason or to re-tender for the same items for the purpose of establishing a new SOA at any time (having purchased the original minimum quantity).

8. Suppliers will receive login information for the online portal via email. Bids must be entered into the mSupply online portal before 4.30 PM (C.O.B.) *[country]* time on 25th JUNE, 20XX. Late Bids will be rejected. Bids will be opened in the presence of the *[National Medical Stores]* Tender Evaluation Committee, with representatives from the *[country]* Procurement Office.

9. Bids shall be valid for a period of 90 days from the bid submission date, i.e. until 23rd SEPTEMBER, 20XX.

10. Note that no domestic preference will be granted for the purposes of evaluating the Tenders.

11. Bidders are required to submit their total bid price and prices for each individual line item. The tender will be awarded on an item-by-item basis. Following assessment, those Bidders who have been awarded less than $*[XXXXX local currency]* or 10% of the total value of all line items will have all their bids removed from consideration and those items previously allocated to them will be re-allocated to the next best bidders for those items.

3. Instructions to Tenderers

A. INTRODUCTION

1. Scope of Tender

1.1. The Purchaser, as specified in the Tender Data Sheet and in the Special Conditions of Contract (SCC), invites Tenders for the supply of Goods (pharmaceuticals and other medical supplies as specified in the Tender Data Sheet) described in the Schedule of Requirements. The name and identification number of the Contract is provided in the Tender Data Sheet and in the SCC.

1.2. The duration of the Standing Offer Arrangement that arises from this Tender is two (2) years.

1.3. Throughout these Tender documents, the terms "writing" means any handwritten, typewritten, or printed communication, including electronic mail and facsimile transmission, and "day" means calendar day. Singular also means plural.

2. Source of Funds

2.1. The Purchaser receives funding from the *[country]* Government and sufficient funds are now allocated to meet the estimated contract prices for this tender. The Purchaser named in the Tender Data Sheet may receive financial support (called a "grant" in these Tender Documents) from donor partners or other funding mechanisms. The Purchaser may apply a part of the proceeds of these grants to eligible payments under the Contract for which these Tender documents are issued.

2.2. No payment may be made to persons or entities, or for any import of Goods, if such payment or import is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.

3. Fraud and Corruption

3.1. It is the policy of the *[country]* Government to require that Suppliers under *[country]* Government-financed contracts observe the highest standard of ethics during the procurement and execution of such Contracts. In pursuance of this policy, the *[country]* Government:

(a) defines, for the purposes of this provision, the terms set forth below as follows:

(i) "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in Contract execution; and

(ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a Contract;

(iii) "collusive practice" means a scheme or arrangement between two or more tenderers, with or without the knowledge of the Purchaser,

designed to establish Tender prices at artificial, noncompetitive levels;

(iv) "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement process or affect the execution of contract;

(b) will not accept a Purchaser's proposal for award if it determines that the tenderer recommended for award has engaged in corrupt or fraudulent practices in competing for the Contract in question.

(c) will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded a *[country]* Government-financed Contract if it at any time determines that the firm has engaged in corrupt or fraudulent practices in competing for, or in executing, a contract.

3.2. Furthermore, tenderers shall be aware of the provision stated in Sub-Clauses 5.4 and 23.1 (d) of the General Conditions of Contract.

4. Eligibility

4.1. This Restricted Tender process is open to those firms prequalified by *[National Medical Stores]* to supply the goods specified. Notification of prequalification must take place prior to the Tender advertising date in order for entities to participate. Prequalification is valid for two years from the date of notification

5. Documents Establishing Eligibility of Goods and Conformity to Tender Documents

5.1. Pursuant to ITT Clause 12, the Tenderer shall furnish, as part of its Tender, documents establishing, to the Purchaser's satisfaction, the eligibility of the Goods to be supplied under the Contract.

5.2. The documentary evidence of conformity of the Goods to the Tender Documents may be in the form of literature, drawings, and data and shall consist of:

(a) a detailed description of the essential technical and performance characteristics of the Goods;

(b) an item-by-item commentary on the Purchaser's Technical Specifications demonstrating substantial responsiveness of the Goods to those specifications, or a statement of deviations and exceptions to the provisions of the Technical Specifications;

(c) the manufacturer for each item in the bid, which must match the information supplied in the bidder's prequalification documentation;

(d) any other procurement-specific documentation requirement as stated in the Tender Data Sheet.

5.3. There is no requirement for the Goods to be supplied under the Contract to be registered with the relevant authority in the Purchaser's country

5.4. For purposes of the commentary to be furnished pursuant to ITT Clause 5.2 (b) above, the Tenderer shall note that standards as well as references to brand names designated by the Purchaser in its Technical Specifications are intended to be descriptive only and not restrictive. The Tenderer may substitute alternative brand names (except where this is specifically not allowed), and/or catalogue numbers in its Tender, provided that it demonstrates to the Purchaser's satisfaction that the substitutions ensure substantial equivalence to those designated in the Technical Specifications. Where specific Standards are specified (e.g. BP, USP), the Tenderer may not substitute products with different Standards, except by prior arrangement.

6. One Tender per Tenderer

6.1. A firm shall submit only one Tender either individually or as a partner of a joint venture (other than in cases of alternatives pursuant to ITT Clause 18). A firm that submits, either individually or as a member of a joint venture, more than one Tender will cause all the proposals with the firm's participation to be disqualified.

7. Cost of Tender

7.1. The Tenderer shall bear all costs associated with the preparation and submission of its Tender, and the Purchaser will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the Tender process.

B. THE TENDER DOCUMENTS

8. Contents of Tender Documents

8.1. The Tender Documents are those stated below and should be read in conjunction with any addendum issued in accordance with ITT Clause 10.

1. Standing Offer Arrangements - Preamble
2. Request for Tender—Information
3. Instructions to Tenderers (ITT)
4. Tender Data Sheet (TDS)
5. General Conditions of Contract (GCC)
6. Special Conditions of Contract (SCC)
7. Schedule of Requirements
8. Technical Specifications
9. Sample Forms (including Contract Agreement)

+ Any addenda issued by the Purchaser, prior to the closing date for bids

8.2. The "Request for Tender" does not form part of the Tender Documents and is included as a reference only. In case of discrepancies between the Request for Tender and the Tender Documents listed in ITT Clause 8.1 above, said Tender Documents will take precedence.

9. Clarification of Tender Documents

9.1. A prospective Tenderer requiring any clarification of the Tender Documents shall contact the Purchaser in writing by electronic mail at the Purchaser's address indicated in the Tender Data Sheet. The Purchaser will respond in writing to any request for clarification received as soon as possible and no later than five (5) calendar days prior to the deadline of submission of Tenders. Copies of the Purchaser's response shall be sent to all prospective Tenderers, including a description of the inquiry but without identifying its source.

10. Amendment of Tender Documents

10.1. At any time prior to the deadline for submission of Tenders, the Purchaser may amend the Tender Documents by issuing Addenda.

10.2. Any addendum thus issued shall be part of the Tender Documents pursuant to ITT Sub-Clause 8.1 and shall be communicated in writing to all Tenderers and will be binding on them. Tenderers are required to immediately acknowledge receipt of any such amendment, and it will be assumed that the information contained in the amendment will have been taken into account by the Tenderer in its Tender.

10.3. To give prospective Tenderers reasonable time in which to take the amendment into account in preparing their Tenders, the Purchaser shall extend, at its discretion, the deadline for submission of Tenders, in which case, the Purchaser will notify all Tenderers by email of the extended deadline.

C. PREPARATION OF TENDERS

11. Language of Tender

11.1. The Tender, as well as all correspondence and documents relating to the Tender exchanged by the Tenderer and the Purchaser, shall be written in the English language as specified in the Tender Data Sheet. Supporting documents, correspondence and printed literature furnished by the Tenderer may be in another language provided they are accompanied by an accurate translation of the relevant passages in the English language as specified in the Tender Data Sheet, in which case, for purposes of interpretation of the Tender, the translation shall govern.

12. Documents Constituting the Tender

12.1. The Tender submitted by the Tenderer shall comprise the following:
(a) duly filled-in Form of Tender and Price Schedule, in accordance with the forms indicated in section 9;
(b) alternative offers, at the Tenderer's option, when permitted;
(c) written power of attorney authorising the signatory of the Tender to commit the Tenderer; and
(d) any other documentation as requested in the Tender Data Sheet.

(e) electronic submission of their bid through a secure online portal, (described in the addenda to these Tender documents)

13. Tender Form

13.1. The Tenderer shall complete the Tender Form and the appropriate Price Schedule furnished with the Tender Documents as both an Excel spreadsheet and uploaded in electronic form via the secure online portal, indicating all the information required by the spreadsheet, including, but not limited to, the Goods to be supplied, pack sizes, prices, manufacturer, delivery schedule, lead times and any additional comments required.

14. Tender Prices

14.1. The Tenderer shall indicate on the appropriate Price Schedule, as applicable, the unit prices of each item and the total Tender price of the Goods it proposes to supply under the Contract.

14.2. Prices indicated on the Price Schedule shall be entered separately in the following manner:

(i) the price of the Goods shall be quoted CIF named place of destination, in the Purchaser's country, as specified in the Tender Data Sheet.

(ii) the price of incidental Services, if any, listed in the Tender Data Sheet.

14.3. The term CIF shall be governed by the rules prescribed in the current edition of Incoterms published by the International Chamber of Commerce, Paris.

14.4. Prices quoted by the Tenderer shall be fixed for the first twelve (12) months of the Contract and not subject to variation on any account. Price variations may be considered after the first twelve months and for each extension of the Contract in accordance with Tender Data Sheet.

14.5. Pursuant to Sub-Clause 14.1 above, Tenders are being invited for a Standing Offer Arrangement (SOA) for a range of goods. Each item offered must comprise the full quantity required under that item. Tenderers wishing to offer any price reduction for the award of more than specified percentages of the business shall specify in their Tender the price reductions applicable to the percentages of business so awarded or, alternatively, to individual items within the Tender. The tender will be awarded on an item-by-item basis. The Purchaser is not bound to select the cheapest or any bidder for any line.

15. Currencies of Tender

15.1. The Tenderer must express the Tender price of the Goods to be supplied from outside the Purchaser's Country in *[local currency]*. The Purchaser will make payments entirely in *[local currency]*.

16. Period of Validity of Tenders

16.1. Tenders shall remain valid for the period stipulated in the Tender Data Sheet after the date of Tender submission specified in ITT Clause 21. A Tender valid for a shorter period shall be rejected by the Purchaser as nonresponsive.

16.2. In exceptional circumstances, prior to expiry of the original Tender validity period, the Purchaser may request that the Tenderers extend the period of validity for a specified additional period. The request and the responses thereto shall be made in writing.

17. Alternative Tenders by Tenderers

17.1. Unless specified in the Tender Data Sheet, alternative Tenders shall not be accepted.

18. Format and Signing of Tender

18.1. The Tenderer shall prepare an electronic copy of the Tender using the standard Excel Spreadsheet (Microsoft Office compatible) prepared and made available by the Purchaser with the Tender Documents. This will be duly completed with the required information entered into the correct cells.

18.2. The Tender, consisting of the documents listed in ITT Sub-Clause 12.1, shall be typed or written in indelible ink and shall be signed by the Tenderer or a person or persons duly authorised to bind the Tenderer to the Contract. The later authorisation shall be indicated by written power of attorney, which pursuant to ITT Sub-Clause 12.1 (d) shall accompany the Tender. These documents may be scanned and submitted in digital format.

18.3. Any interlineation, erasures, or overwriting to correct errors made by the Tenderer should be initialled by the person or persons signing the Tender.

18.4. The Tenderer shall furnish in the Tender Form (a sample of which is provided in the Sample Forms Section of the Tender Documents) information regarding commissions or gratuities, if any, paid or to be paid to agents relating to this Tender and to the execution of the Contract if the Tenderer is awarded the Contract.

18.5. The Tenderer will upload their tender in electronic form onto a secure online portal (described in the addenda to these Tender documents)

D. SUBMISSION OF TENDERS

19. This clause has been removed

20. Deadline for Submission of Tenders

20.1. Tenders must be received by the Purchaser specified in the Tender Data Sheet no later than the time and date specified in the Tender Data Sheet.

20.2. The Purchaser may, at its discretion, extend the deadline for the submission of Tenders by amending the Tender Documents in accordance with ITT Sub-Clause 10.3, in which case all rights and obligations of the Purchaser and Tenderers previously subject to the deadline will thereafter be subject to the deadline as extended.

21. Late Tenders

21.1. Tenders cannot be uploaded after the deadline for submission of Tenders prescribed by the Purchaser in the Tender Data Sheet pursuant to ITT Clause 20.

22. Modification and Withdrawal of Tenders

22.1. The Tenderer may modify or withdraw its Tender after submission, provided that the modification, or withdrawal, is received by the Purchaser prior to the closing date and time for submission of Tenders.

22.2. This clause has been removed.

22.3. A Tenderer wishing to withdraw its Tender must withdraw the Tender via the mSupply online portal by the closing date and time. Any bids that have not been withdrawn by the closing date and time will be considered to have been formally submitted.

22.4. Tenders requested to be withdrawn in accordance with ITT Sub-Clause 22.3, shall be returned unopened to the Tenderers.

E. OPENING AND EVALUATION OF TENDERS

23. Tender Opening

23.1. The Purchaser will open all tenders, at the time, on the date, and at the place specified in the Tender Data Sheet.

23.2. This clause has been removed.

23.3. Tenders shall be initially reviewed one at a time, recording the name of the Tenderer; the Tender price in total, as the case may be, including discounts and alternative offers, if allowed in the Tender Data Sheet; the presence or absence of requisite powers of attorney; and any other such details as the Purchaser may consider appropriate. No Tender shall be rejected at Tender opening except for late Tenders pursuant to Sub-Clause 21.1.

23.4. Tenders that are not received by Tender closing date and time shall not be considered further for evaluation, irrespective of the circumstances.

23.5. The Purchaser will prepare minutes of the Tender opening at the end of the opening session, including, as a minimum: the name of the Tenderer; the total Tender price; including any discounts or alternatives offered if permitted in the Tender Data Sheet; the presence or absence of requisite powers of attorney.

24. Clarification of Tenders

24.1. During evaluation of the Tenders, the Purchaser may, at its discretion, ask the Tenderer for a clarification of its Tender. The request for clarification and the response shall be in writing, and no change in the prices or substance of the Tender shall be sought, offered, or permitted, except to correct arithmetic errors identified by the Purchaser in the evaluation of the Tenders, in accordance with ITT Sub-Clause 27.1.

25. Confidentiality

25.1. Information relating to the examination, clarification, evaluation, and comparison of Tenders, and recommendations for the award of a Contract shall not be disclosed to Tenderers or any other persons not officially concerned with such process until the notification of Contract award is made to all Tenderers.

25.2. Any effort by the Tenderer to influence the Purchaser in the Purchaser's Tender evaluation, Tender comparison, or contract award decisions may result in the rejection of the Tenderer's Tender.

25.3. From the time of Tender opening to the time of Contract award, if any Tenderer wishes to contact the Purchaser on any matter related to its Tender, it should do so in writing. Verbal communications to the Purchaser, either in person, by telephone or through any other medium, shall not be responded to by the Purchaser. The Tenderer shall be directed to put any verbal communication in writing.

26. Examination of Tenders and Determination of Responsiveness

26.1. The Purchaser will examine the Tenders to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the Tenders are generally in order.

26.2. The Purchaser may waive any minor informality, nonconformity, or irregularity in a Tender that does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Tenderer.

26.3. Prior to the detailed evaluation pursuant to ITT Clause 29, the Purchaser will determine whether each Tender is of acceptable quality, is complete, and is substantially responsive to the Tender Documents. For purposes of this determination, a substantially responsive Tender is one that conforms to all the terms, conditions, and specifications of the Tender Documents without

material deviations, exceptions, objections, conditionalities, or reservations. A material deviation, exception, objection, conditionality, or reservation is one:

(i) that limits in any substantial way the scope, quality, or performance of the Goods to be supplied;

(ii) that limits, in any substantial way that is inconsistent with the Tender Documents, the Purchaser's rights or the successful Tenderer's obligations under the Contract; and

(iii) that the acceptance of which would unfairly affect the competitive position of other Tenderers who have submitted substantially responsive Tenders.

26.4. If a Tender is not substantially responsive, it will be rejected by the Purchaser and may not subsequently be made responsive by the Tenderer by correction of the nonconformity. The Purchaser's determination of a Tender's responsiveness is to be based on the contents of the Tender itself.

26.5. Tenderers are not required to bid on a minimum number of line items.

27. Correction of Errors

27.1. Arithmetical errors will be rectified as follows. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit or subtotal price shall prevail. If there is a discrepancy between subtotals and the total price, the total price shall be corrected. If there is a discrepancy between words and figures, the amount in words will prevail. If a Tenderer does not accept the correction of errors, its Tender may be rejected or its bid for the single line where the error has occurred may be rejected.

28. Conversion to Single Currency

28.1. To facilitate evaluation and comparison, the Purchaser will convert all Tender prices expressed in the various currencies in which they are payable to *[local currency]* at the selling exchange rate established for similar transactions by the Reserve Bank in the Purchaser's country.

28.2. The currency selected for converting Tender prices to a common base for the purpose of evaluation, along with the source and date of the exchange rate, are specified in the Tender Data Sheet.

29. Evaluation and Comparison of Tenders

29.1. The Purchaser will evaluate and compare the Tenders that have been determined to be substantially responsive, pursuant to ITT Clause 26.

29.2. The Purchaser's evaluation of a Tender will take into account any allowance for price discounts offered on the basis of the quantum of the contracts being awarded as provided for in ITT Sub-Clause 14.5.

29.3. The comparison shall be between the CIF named place of destination price of the Goods offered.

29.4. The Purchaser's evaluation of a Tender will take into account, in addition to the Tender price quoted in accordance with ITT Sub-Clause 14.2, one or more of the following factors as specified in the Tender Data Sheet, and quantified in ITT Sub-Clause 29.5:
(a) delivery capability; and
(b) other specific criteria indicated in the Tender Data Sheet and/or in the Technical Specifications.

29.5. For factors retained in the Tender Data Sheet pursuant to ITT Sub-Clause 29.4, the following quantification methods will be applied, as detailed in the Tender Data Sheet:
(a) Deliveries – the Goods covered under these Tender Documents are required to be delivered on an "as required" basis, as soon as practicable following the issue of a valid Purchase Order by the Purchaser. Goods are not to be supplied until and unless a Purchase Order has been issued.
(b) Other specific additional criteria to be considered in the evaluation and the evaluation method shall be detailed in the Tender Data Sheet and/or in the Technical Specifications.

30. Domestic Preference

30.1. No domestic preference will be granted for the purposes of evaluating the Tenders. The Purchaser is required by law however, to withhold *[X%]* of the total cost of any contract with suppliers or individuals outside of *[country]* (as per GCC 32.3). Bidders based outside of *[country]* should factor this withholding tax into their prices

F. AWARD OF CONTRACT

31. Prequalification – material changes since prequalification data

31.1. The Purchaser will determine in the manner described in ITT clause 5 that no material changes have occurred after they were prequalified that negatively affect the ability of the Tenderer that has submitted the lowest evaluated Tender to perform the Contract.

32. Award Criteria

32.1. Pursuant to ITT Clauses 29, 30, and 31, the Purchaser will award Contracts to those Tenderers whose Tender has been determined to be substantially responsive and has been determined to be the lowest evaluated bid for each item line, provided further that the Tenderer is determined to be still qualified to perform the Contract satisfactorily, pursuant to ITT Clause 4.

32.2. The Purchaser reserves the right to award some items to a non-lowest bidder, where they wish all items in a clinical category or of a particular type to come from the same source, for clinical or patient safety reasons (e.g. where bioavailability is known to vary between different manufacturers). In

that case, the entire group of items may be awarded to the cheapest bidder for that group of items.

32.3. If, after the evaluation of bids for each-and-every item, a single bidder has been awarded less than *[$ XXXXX local currency]* or 10% of the total value of all line items, their bids will be removed from consideration and each item previously allocated to them will be awarded to the next lowest bidder for that line.

33. Purchaser's Right to Accept Any Tender and to Reject Any or All Tenders

33.1. The Purchaser reserves the right to accept or reject any Tender, or to annul the Tender process and reject all Tenders at any time prior to contract award, without thereby incurring any liability to the affected Tenderer or Tenderers.

34. Purchaser's Right to Vary Quantities

34.1. The Purchaser reserves the right to increase or decrease by 10% the minimum estimated quantity of goods to be purchased in the Schedule of Requirements after bid opening, without any change in unit price or other terms and conditions.

35. Notification of Award

35.1. Prior to the expiration of the period of Tender validity, the Purchaser will notify the successful Tenderer by email, to be subsequently confirmed in writing by registered letter, that its Tender has been accepted and which lines have been awarded to them.

35.2. Upon the successful Tenderer's furnishing of the signed Contract Form, the Purchaser will promptly notify each unsuccessful Tenderer.

35.3. If, after notification of award, a Tenderer wishes to ascertain the grounds on which its Tender was not selected, it should address its request in writing to the Purchaser. The Purchaser will promptly respond in writing to the unsuccessful Tenderer.

36. Signing of Contract

36.1. Promptly after the Purchaser notifies the successful Tenderers that their Tender has been accepted, the Purchaser will send each successful Tenderer the Contract Form provided in the Tender Documents, incorporating all agreements between the parties.

36.2. Within fourteen (14) days of receipt of the Contract Form, the successful Tenderer shall sign and date the Contract Form and return it to the Purchaser. This deadline may be extended at the Purchaser's discretion.

4. Tender Data Sheet

The following specific data for the Goods to be procured shall complement, supplement, or amend the provisions in the Instructions to Tenderers (ITT). Whenever there is a conflict, the provisions in the Tender Data Sheet (TDS) shall prevail over those in the ITT.

A. GENERAL

ITT 1.1 - Name of Purchaser:

MINISTRY OF HEALTH
[COUNTRY]

Type of goods: Pharmaceuticals and Medical Supplies
Name and identification number of the Contract: _____

ITT 2.1 Name of the Beneficiary: *[Country National Medical Stores]*
Name of Project: *[insert YEAR]* Annual Medicines Tender

ITT 5.2 (d) Documentation requirements for eligibility of Goods. In addition to the documents stated in ITT Clause 5.2 (a), (b) and (c), the following documents should be included with the Tender:

If the proposed manufacturer for an individual item has changed due to unforeseen circumstances, the supplier must furnish full documentation on the new manufacturer and item, in accordance with the requirements of *[National Medical Stores]* prequalification application forms.

The Goods offered should meet the specified pharmacopoeial standards as stated in the Technical Specification.

ITT 5.3 The *[country]* Government does not require registration of the Goods to be supplied under the Contract.

B. THE TENDER DOCUMENTS

ITT 9.1 Purchaser's address:

Ministry of Health
[Address]
[COUNTRY]
Email: _____
Ph: _____

Questions of clarification must be sent by email to the following address: _____

C. PREPARATION OF TENDERS

ITT 11.1 The language of all correspondence and documents related to the Tender is: English. Moreover, the key passages of all accompanying printed literature in any other language must be translated into the English language.

ITT 12.1 (a) In addition to the documents stated in Paragraphs 12.1 (a) through (e), the Tender must include a Certificate of Pharmaceutical Product as recommended by the WHO for each pharmaceutical item offered.

ITT 13.1 The Column Headings required in the Excel spreadsheet are:

- Item code
- Item name
- Quantity
- Pack size
- Currency
- Price per pack
- Expiry date
- Delivery time
- Manufacturer code
- Comments

Excel spreadsheets in this format can be used to upload to the secure online portal, using the instructions contained in the Annex to these Bid documents.

ITT 14.2 (i) Prices for Goods shall be quoted as: "CIF, *[country]*"

ITT 14.4 Prices quoted by the Tenderer shall be fixed for the twenty-four (24) months of the SOA.

ITT 16.1 The Tender validity period shall be ninety (90) days after the deadline for Tender submission, as specified below in reference to ITT Clause 20.

ITT 18.1 Alternative Tenders will not be accepted.

D. SUBMISSION OF TENDERS

ITT 20.1 Deadline for Tender submission is: 4:30 PM *[country]* time on 25th JUNE *[YEAR]*

ITT 22.1 See the above data for ITT Sub-Clause 20.1 for the deadline for Tender submission.

E. TENDER OPENING AND EVALUATION

ITT 23.1 Time, date, and place for Tender opening are: 10:30 AM *[country]* time on MONDAY, 28th JUNE, *[YEAR]*, *[National Medical Stores]*, *[country]*

ITT 28.2 The currency to be used the purpose of converting to a common currency is: *[local currency]*
The source of the exchange rate is: Selling rate at the Reserve Bank of *[country]* at the close of business on the day of the Tender opening.
The date of exchange rate determination is the opening day for bids on this Tender.

ITT 29.4 (b) The Purchaser's evaluation will take into account.

(i) Confirmation of information provided at time of prequalification, i.e. list of approved manufacturers
(ii) Price for stated quantities
(iii) Price discounts offered
(iv) Ability and commitment to meeting delivery requirements

ITT 29.5 (b) Other factors to be used in the evaluation and their evaluation method.
Evaluation criteria
(a) Tenderers can tender for all or any items in the tender quote for the entire quantity of each item.
(b) Tender evaluation will be based on the lowest priced item that offers best value for money and compliance with quality requirements.

ITT 30.1 A margin of domestic preference will not apply.

5. General Conditions of Contract

1. Definitions

1.1. In this Contract, the following terms shall be interpreted as indicated:

(a). "The Contract" means the agreement entered into between the Purchaser and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein and is synonymous with the Term Standing Offer Arrangement".

(b) "The Contract Price" means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.

(c) "Day" means calendar day.

(d) "Effective Date" means the date on which this Contract becomes.

(e) "End User" means the organisation(s) where the goods will be used, as named in the SCC.

(f) "GCC" means the General Conditions of Contract contained in this section.

(g) "The Goods" means all of the pharmaceuticals including nutritional supplements, and medical supplies that the Supplier is required to supply to the Purchaser under the Contract.

(h) "The Purchaser" means the organisation purchasing the Goods, as named in the SCC.

(i) "The Purchaser's country" is the country named in the SCC.

(j) "SCC" means the Special Conditions of Contract.

(k) "The Services" means those services ancillary to the supply of the Goods, such as transportation and insurance, and any other incidental services, such as provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.

(l) "The Site," where applicable, means the place or places named in the SCC.

(m) "The Supplier" means the individual or firm supplying the Goods and Services under this Contract, as named in the SCC.

2. Application

2.0 These General Conditions shall apply to the extent that they are not superseded by provisions of other parts of the Contract.

3. Country of Origin

3.1. For purposes of this Clause, "origin" means the place where the Goods were mined, grown, or produced, or from which the Services are supplied. Goods are produced when, through manufacturing, processing, or substantial and major assembly of components, a commercially recognised new product results that is substantially different in basic characteristics or in purpose or utility from its components.

3.2. The origin of Goods and Services is distinct from the nationality of the Supplier.

4. Standards

4.1. The Goods supplied under this Contract shall conform to the standards mentioned in the Technical Specifications and, when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods' country of origin. Such standards shall be the latest issued by the concerned institution.

5. Use of Contract Documents and Information; Inspection and Audit by the *[country]* Government

5.1. The Supplier shall not, without the Purchaser's prior written consent, disclose the Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Purchaser in connection therewith, to any person other than a person employed by the Supplier in the performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2. The Supplier shall not, without the Purchaser's prior written consent, make use of any document or information enumerated in GCC Sub-Clause 5.1 except for purposes of performing the Contract.

5.3. Any document, other than the Contract itself, enumerated in GCC Sub-Clause 5.1 shall remain the property of the Purchaser and shall be returned (all copies) to the Purchaser on completion of the Supplier's performance under the Contract if so required by the Purchaser.

5.4. The Supplier shall permit the *[country]* Government to inspect the Supplier's accounts and records relating to the performance of the Contract and to have them audited by auditors appointed by the *[country]* Government, if so required by the *[country]* Government.

6. Patent Rights

2.1. The Supplier shall indemnify the Purchaser against all third party claims of infringement of patent, trademark, or industrial design rights arising from use of the Goods or any part thereof in the Purchaser's country.

7. This clause has been removed.

8. Inspections and Tests

7.1 The Purchaser or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications. The SCC and the Technical Specifications shall specify what inspections and tests the Purchaser requires and where they are to be conducted. The Purchaser shall notify the Supplier in writing, in a timely manner, of the identity of any representative samples retained for these purposes.

(a) Said inspection and testing is for the Purchaser's account. In the event that inspection and testing is required prior to dispatch, the Goods shall not be shipped unless a satisfactory inspection and quality control report has been issued in respect of those Goods.

(b) The Supplier may have an independent quality test conducted on a batch ready for shipment. The cost of such tests will be borne by the Supplier.

(c) Upon receipt of the Goods at place of final destination, the Purchaser's representative shall inspect the Goods or part of the Goods to ensure that they conform to the condition of the Contract and advise the Purchaser that the Goods were received in apparent good order.

7.2 Where the Supplier contests the validity of the rejection by the Purchaser or his representative, of any inspection as required by 8.1 above conducted before shipment or at ultimate destination, whether based on product or packing grounds, a sample drawn jointly by the Supplier and Purchaser or his or her representative and authenticated by both, will be forwarded for umpire analysis within four weeks of the time the Supplier contests to an independent agency of international stature mutually agreed by the Purchaser and Supplier. The umpire's finding, which will be promptly obtained, will be final and binding on both parties. The up-front cost of umpire analysis will be borne by the Supplier. All costs will be reimbursed by the losing party.

9. Pedigree

9.1 At the Purchaser's request, the Supplier shall establish the "Pedigree" of any product supplied.

10. Packing

10.1. The Supplier shall provide such packing of the Goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the Contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt, and precipitation during transit and open storage. Packing case size and weights shall take into consideration, where appropriate, the

remoteness of the Goods' final destination and the absence of heavy handling facilities at all points in transit.

10.2. The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract, including additional requirements, if any, specified in the SCC or Technical Specifications, and in any subsequent instructions ordered by the Purchaser.

11. Delivery and Documents

11.1 The Supplier will deliver the Goods in accordance with the terms specified in the Schedule of Requirements. The details of shipping and/or other documents to be furnished by the Supplier are specified in the SCC.

11.2 For purposes of the Contract, "CIF" and other trade terms used to describe the obligations of the parties shall have the meanings assigned to them by the current edition of Incoterms published by the International Chamber of Commerce, Paris. Incoterms provides a set of international rules for the interpretation of the more commonly used trade terms.

11.3 The Supplier will submit documents as specified in the SCC.

12. Insurance

12.1. The Goods supplied under the Contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage, and delivery in the manner specified in the SCC.

12.2. The Supplier shall arrange and pay for cargo insurance, naming the Purchaser as beneficiary.

13. Transportation

13.1 Transport of the Goods to the port of destination or such other named place of destination in the Purchaser's country, as shall be specified in the Contract, shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price.

13.2 No restriction shall be placed on the choice of carrier.

14. Incidental Services

14.1 The Supplier shall provide such incidental services, if any, as are specified in the SCC.

14.2 Prices charged by the Supplier for incidental services, if not included in the Contract Price for the Goods, shall be agreed upon in advance by the parties

and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.

15. Warranty

15.1 All goods must be of fresh manufacture and must bear the dates of manufacture and expiry.

The Supplier further warrants that all pharmaceutical products, and other products as applicable:

(i) will have a minimum shelf life of eighteen (18) months remaining upon arrival in *[country]* or those having an inherent short shelf life of eighteen (18) months or less will be delivered with at least seventy-five percent (75%) of their shelf life still available, unless otherwise specified in the SCC;

(ii) are not subject to recall by the applicable regulatory authority due to unacceptable quality or an adverse drug reaction; and

(iii) in every other respect will fully comply in all respects with the Technical Specifications and with the conditions laid down in the Contract.

15.2 The Purchaser shall have the right to make claims under the above warranty for three (3) months after the Goods have been delivered to the final destination indicated in the Contract. Upon receipt of a written notice from the Purchaser, the Supplier shall, with all reasonable speed, replace the defective Goods without cost to the Purchaser. The Purchaser shall have the right to require the Supplier to remove, at the Supplier's own risk and cost, the defective Goods once the replacement Goods have been delivered.

15.3 In the event of a dispute by the Supplier, a counter-analysis will be carried out on the manufacturer's retained samples by an independent neutral laboratory agreed by both the Purchaser and the Supplier. If the counter-analysis confirms the defect, the cost of such analysis will be borne by the Supplier as well as the replacement and disposal of the defective goods. In the event of the independent analysis confirming the quality of the product, the Purchaser will meet all costs for such analysis.

15.4 If, after being notified that the defect has been confirmed pursuant to GCC Sub-Clause 15.2 above, the Supplier fails to replace the defective Goods within the period specified in the SCC, the Purchaser may proceed to take such remedial action as may be necessary, including removal and disposal, at the Supplier's risk and expense and without prejudice to any other rights that the Purchaser may have against the Supplier under the Contract. The Purchaser will also be entitled to claim for storage in respect of the defective Goods for the period following notification and deduct the sum from payments due to the Supplier under this Contract.

15.5 In the event any of the Goods are recalled, the Supplier shall notify the Purchaser within twenty-four (24) hours, providing full details of the reason for the recall and promptly replace, at its own cost, the items covered by the recall with Goods that fully meet the requirements of the Technical Specification and arrange for collection or destruction of any defective

Goods. If the Supplier fails to fulfill its recall obligation promptly, the Purchaser will, at the Supplier's expense, carry out the recall.

15.6 No more than three (3) batches will be supplied to fulfil an order for an individual item on a single delivery except with the prior written agreement of the Purchaser (in exceptional circumstances).

16. Payment

16.1. The method and conditions of payment to be made to the Supplier under this Contract shall be specified in the SCC.

16.2. The Supplier's request(s) for payment shall be made to the Purchaser in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and Services performed, and by documents submitted pursuant to GCC Clause 11, and upon fulfillment of other obligations stipulated in the Contract.

16.3. Payments shall be made promptly by the Purchaser, but in no case later than sixty (60) days after submission of an invoice or claim by the Supplier.

16.4. The currency or currencies in which payment is made to the Supplier under this Contract shall be specified in the SCC subject to the following general principle: Payment will be made in the currency or currencies in which the payment has been requested in the Supplier's Tender.

16.5. All payments shall be made in the currency or currencies specified in the SCC pursuant to GCC 16.4.

17. Prices

17.1 Prices charged by the Supplier for Goods delivered and Services performed under the Contract shall not vary from the prices quoted by the Supplier in its Tender, with the exception of any price adjustments authorised in the SCC or in the Purchaser's request for Tender validity extension, as the case may be.

18. Change Orders

18.1 The Purchaser may at any time, by a written order given to the Supplier pursuant to GCC Clause 31, make changes within the general scope of the Contract in any one or more of the following:

(a) specifications, where Goods to be furnished under the Contract are to be specifically manufactured for the Purchaser;
(b) the method of shipment or packing;
(c) the place of delivery; and/or
(d) the Services to be provided by the Supplier.

18.2 If any such change causes an increase or decrease in the cost of, or the time required for, the Supplier's performance of any provisions under the Contract, an equitable adjustment shall be made in the Contract Price or delivery

schedule, or both, and the Contract shall accordingly be amended. Any claims by the Supplier for adjustment under this clause must be asserted within thirty (30) days from the date of the Supplier's receipt of the Purchaser's change order.

19. Contract Amendments

19.1 Subject to GCC Clause 18, no variation in or modification of the terms of the Contract shall be made except by written amendment signed by the parties.

19.2 Sub-contracting to other wholesalers and/or suppliers is not allowed. Invoices will be paid only to the supplier listed on the contract.

20. Assignment

20.1 The Supplier shall not assign, in whole or in part, its obligations to perform under this Contract, except with the Purchaser's prior written consent.

21. Delays in the Supplier's Performance

21.1 Delivery of the Goods and performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Purchaser in the Schedule of Requirements.

21.2 If at any time during performance of the Contract, the Supplier should encounter conditions impeding timely delivery of the Goods and performance of Services, the Supplier shall promptly notify the Purchaser in writing of the fact of the delay, its likely duration, and its cause(s). As soon as practicable after receipt of the Supplier's notice, the Purchaser shall evaluate the situation and may at its discretion extend the Supplier's time for performance, with or without liquidated damages, in which case the extension shall be ratified by the parties by amendment of Contract.

21.3 Except as provided under GCC Clause 24, a delay by the Supplier in the performance of its delivery obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of liquidated damages.

22. Liquidated Damages

22.1. Subject to GCC Clause 24, if the Supplier fails to deliver any or all of the Goods or to perform the Services within the period(s) specified in the Contract, the Purchaser shall, without prejudice to its other remedies under the Contract, deduct from the Contract Price, as liquidated damages, a sum equivalent to the percentage **specified in the SCC** of the delivered price of the delayed Goods or unperformed Services for each week or part thereof of delay until actual delivery or performance, up to a maximum deduction of the percentage **specified in the SCC**. Once the maximum is reached, the Purchaser may consider termination of the Contract pursuant to GCC Clause 23.

23. Termination for Default

23.1. The Purchaser, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Supplier, may terminate this Contract in whole or in part:

(a) if the Supplier fails to deliver any or all of the Goods within the period(s) specified in the Contract, or within any extension thereof granted by the Purchaser pursuant to GCC Clause 21; or

(b) if the Goods do not meet the Technical Specifications stated in the Contract; or

(c) if the Supplier fails to provide any registration or other certificates in respect of the Goods within the time specified in the Special Conditions.

(d) if the Supplier, in the judgment of the Purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.
For the purpose of this clause:
"corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in Contract execution.
"fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a Contract to the detriment of the Purchaser, and includes collusive practice among Tenderers (prior to or after Tender submission) designed to establish Tender prices at artificial non-competitive levels and to deprive the Purchaser of the benefits of free and open competition.

(e) if the Supplier fails to perform any other obligation(s) under the Contract.

23.2. In the event the Purchaser terminates the Contract in whole or in part, pursuant to GCC Clause 23.1, the Purchaser may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Purchaser for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of the Contract to the extent not terminated.

24. Force Majeure

24.1. Notwithstanding the provisions of GCC Clauses 21, 22, and 23, the Supplier shall not be liable for forfeiture of its liquidated damages, or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

24.2. For purposes of this clause, "Force Majeure" means an event beyond the control of the Supplier and not involving the Supplier's fault or negligence and not foreseeable. Such events may include, but are not restricted to, acts of the Purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

24.3. If a Force Majeure situation arises, the Supplier shall promptly notify the Purchaser in writing of such condition and the cause thereof. Unless

otherwise directed by the Purchaser in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

25. Termination for Insolvency

25.1. The Purchaser may at any time terminate the Contract by giving written notice to the Supplier if the Supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy that has accrued or will accrue thereafter to the Purchaser.

26. Termination for Convenience

26.1. The Purchaser, by written notice sent to the Supplier, may terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the Purchaser's convenience, the extent to which performance of the Supplier under the Contract is terminated, and the date upon which such termination becomes effective.

26.2. The Goods that are complete and ready for shipment within thirty (30) days after the Supplier's receipt of notice of termination shall be accepted by the Purchaser at the Contract terms and prices. For the remaining Goods, the Purchaser may elect:

(a) to have any portion completed and delivered at the Contract terms and prices; and/or

(b) to cancel the remainder and pay to the Supplier an agreed amount for partially completed Goods and Services and for materials and parts previously procured by the Supplier.

27. Settlement of Disputes

27.1. If any dispute or difference of any kind whatsoever shall arise between the Purchaser and the Supplier in connection with or arising out of the Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2. If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Purchaser or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.

27.2.1. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be finally settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under the Contract.

27.2.2. Arbitration proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.3. Notwithstanding any reference to arbitration herein,
(a) the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and
(b) the Purchaser shall pay the Supplier any monies due the Supplier.

28. Limitation of Liability

28.1. Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6,
(a) the Supplier shall not be liable to the Purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the Supplier to pay liquidated damages to the Purchaser and
(b) the aggregate liability of the Supplier to the Purchaser, whether under the Contract, in tort or otherwise, shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing Language

29.1. The Contract shall be written in the English language. Subject to GCC Clause 30, the version of the Contract written in the specified language shall govern its interpretation. All correspondence and other documents pertaining to the Contract that are exchanged by the parties shall be written in the same language.

30. Applicable Law

30.1. The Contract shall be interpreted in accordance with the laws of the Purchaser's country, unless otherwise specified in the SCC.

31. Notices

31.1. Any notice given by one party to the other pursuant to this Contract shall be sent to the other party in writing or by email or facsimile and confirmed in writing to the other party's address specified in the SCC.

31.2. A notice shall be effective when delivered or on the notice's effective date, whichever is later.

32. Taxes and Duties

32.1. A Supplier supplying Goods from abroad shall be entirely responsible for all taxes, stamp duties, licence fees, and other such levies imposed outside the Purchaser's country.

32.2. A Supplier supplying Goods offered locally shall be entirely responsible for all taxes, duties, licence fees, etc., incurred until delivery of the contracted Goods to the Purchaser.

32.3. The Purchaser is required to withhold a *[X%]* tax for any payments on contracts to companies or individuals based outside of *[country]*. International bidders should factor this withholding tax into account when preparing bid prices.

32.4. If any tax exemptions, reductions, allowances or privileges may be available to the Supplier in the Purchaser's Country, the Purchaser shall use its best efforts to enable the Supplier to benefit from any such tax savings to the maximum allowable extent.

6. Special Conditions of Contract

The following Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, the provisions herein shall prevail over those in the General Conditions of Contract. The corresponding clause number of the GCC is indicated in parentheses. Where a GCC clause is not mentioned, there are no Special Conditions of Contract applicable.

1. Definitions (GCC Clause 1)

GCC 1.1 (e) - The end user is:

[National Medical Stores]
[country]

GCC 1.1 (h) - The Purchaser is:

[country] Ministry of Health
[country]

GCC 1.1 (i) - The Purchaser's country is: *[country]*

GCC 1.1 (l) - The Site is:

[National Medical Stores]
Ministry of Health
Address
[country]
Email: _____
Phone: _____

GCC 1.1 (m) - The Supplier is: *[insert name and address once awarded]*

2. This clause has been removed.

3. Inspections and Tests (GCC Clause 8)

GCC 8.1 –
The Purchaser will conduct basic visual inspections on all products to ensure the packaging and labelling is of high quality and is fully intact and meets with the technical requirements of the contract; that the description of the product provided by the Supplier is correct; there are no obvious manufacturing defects, the product's appearance, colour, shape and markings are all normal and uniform and that no spillages have occurred.

The Purchaser shall use both the German Pharma Health Fund (GPHF) Mini-lab's range of tests and/or High Pressure Liquid Chromatograph (HPLC) methods to test samples of pharmaceutical products at its discretion at a laboratory chosen by the Purchaser. The Purchaser reserves the right to subject all products to random

testing using either or both of these methods. The cost of such tests shall be borne by the Purchaser.

1 Pharmaceutical products not falling within at least one of the following categories will be subject to special scrutiny by Purchaser and samples may be taken upon receipt at the Purchaser and subject to full pharmacopoeial testing:
   a. From a manufacturer prequalified by WHO, or
   b. From a company supplying to USAID health programmes, or
   c. Registered in countries that are members of ICH or PIC/S

   The cost of such tests shall be borne by the Purchaser.

2. Should any product fail any of the GPHF Mini-lab tests, samples will be sent for full pharmacopoeial testing at a lab of international stature chosen by the Purchaser, such as the Therapeutic Goods Administration (TGA) in Australia. The Supplier will replace any and all batches failing full pharmacopoeial testing. The cost of replacement shall be borne by the Supplier.

3. Upon request from the Purchaser, the Supplier shall withdraw all unused stocks of any rejected batch from the Purchasers' stock at the Suppliers' expense.

4. If the Supplier contests the validity of the rejection of a product or products by the Purchaser, a sample or samples drawn jointly by the Supplier and the Purchaser or their representative and authenticated by both, will be forwarded for umpire analysis to the TGA in Australia, or a laboratory of equal international stature as mutually agreed by both Purchaser and Supplier. The cost of the analyses to be borne by the losing party.

5. Any and all products failing Quality Control tests shall be replaced by the Supplier at the contract price.

6. In the event that a product supplied by the Supplier must be recalled as a result of a documented quality problem, adverse reactions to the pharmaceutical, or any other reason, the Supplier will notify the Purchaser, and provide full details, in writing, of the reason(s) leading to the recall within 24 hours. The Supplier will take immediate steps to replace the product in question at no additional cost to Purchaser. In the event that a suitable replacement Product is not immediately available, the Supplier will, at the discretion of Purchaser, provide a full refund to Purchaser within twenty-eight (28) days of the recall of the Product. If replacement supplies are required, the Supplier will also bear the expense of clearance fees on subsequent supplies, which will be refunded to the Purchaser.

7. The Supplier will provide credit to the Purchaser for all recalled products.

8. Upon request from Purchaser, the Supplier will provide:
   a. a certificate of quality assurance test results in conformity with the WHO Certification Scheme concerning quantitative assay, chemical analysis,

sterility, pyrogen content, uniformity, microbial limits and other tests, as applicable to the product being supplied;

b. assay methodology of any or all tests if requested;
c. Evidence of bioavailability and/or bioequivalence for certain critical pharmaceuticals or related supplies; and
d. Evidence of the basis for expiration dating and other stability data concerning the commercial final package upon request.

4. Pedigree (GCC Clause 9)

GCC 9 - At the Purchasers request, the Supplier shall provide documentation such as original invoices, or notarised copies, that establishes the full and complete trading history of the product back to the original manufacturer. In the case where a Pedigree is requested by the Purchaser, but is not established by the Supplier to the satisfaction of the Purchaser, the Supplier will replace the products at the contract price.

5. Packing (GCC Clause 10)

GCC 10.2 –

1. The Supplier shall, at its own cost, provide such packing of the Goods as is required to prevent their damage or deterioration during transit to their final destination.

2. The Supplier shall ensure that packing of the Goods shall be in such acceptable packaging material so as to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, and other conditions that are likely to cause damage or deterioration during transit.

3. The Supplier shall, in regard to packing case size and weights, take into consideration, where appropriate, the remoteness of the Goods' final destination and the absence of heavy handling facilities at Purchaser-supported stores and health facilities.

4. The Supplier shall ensure that the containers are sealed in a manner that makes tampering with the pack during transit easily detectable.

5. The Supplier shall ensure that all labels and package inserts are in the English language.

6. The Supplier shall ensure that all outer cartons and boxes consigned to the Purchaser consist of one type of item only and must be labelled with quantity and description, the batch number and expiry date of the contents.

7. The Supplier must ensure that labels are affixed in such a manner so as not to become detached.

8. The Supplier will be required to replace containers without labels at no cost to the Purchaser.

9. The Supplier shall ensure that heat-labile items are clearly identified as such, and are packed and transported in an appropriately cooled environment. Cold chain monitors must be included to facilitate evaluation of the status of the items at the time of delivery.

10. Liquid items should be adequately sealed to prevent leakage and packaged as follows:

Bottle size	Number of bottles per carton
100ml	Not more than 100
200ml	Not more than 50
500ml	Not more than 24
1 litre	Not more than 12
2.5 litre	Not more than 6
5 litre	Not more than 4

11. This clause has been removed

12. Light sensitive products must be packed in containers that allow maximum protection from light.

13. This clause has been removed

14. The label for each Pharmaceutical Product shall follow the instructions provided in "Technical Specifications" sub-section 2 "Labelling Instructions"

15. In addition to requirements described in the Technical Specifications, outer cartons should have the following printed clearly on them:

[National Medical Stores]
Ministry of Health
[Address]
[Country]

6. Delivery and Documents (GCC Clause 11)

GCC 11.1 – Delivery of all goods shall be completed within 120 days from the date of contract signing, unless longer-term periodic delivery schedules are requested by the Purchaser for specific products. These delivery terms shall be the same for all purchase orders placed under this SOA.

GCC 11.1 & 11.3 - Upon shipment, the Supplier shall notify the Purchaser and the insurance company in writing the full details of the shipment including Contract number, description of the Goods, quantity, date and place of shipment, mode of transportation, and estimated date of arrival at place of destination. In the event of Goods sent by airfreight, the Supplier shall notify the Purchaser a minimum of forty-eight (48) hours ahead of dispatch, the name of the carrier, the flight number, the expected time of arrival, and the waybill number. The Supplier shall email and then

send by courier the following documents to the Purchaser, with a copy to the insurance company:

(i) three originals and two copies of the Supplier's invoice, showing Purchaser as
- *[National Medical Stores]*
  On Account of Government
  Order No: _____
  Ministry of Health
  [country]
- the Contract number
- Goods description
- quantity
- unit price
- and total amount.

(ii) Invoices must be signed in original, stamped, or sealed with the company stamp/seal;

(iii) one original and two copies of the negotiable, clean, on-board through bill of lading, or airway bill, marked "freight prepaid" and showing Purchaser as
- *[National Medical Stores]*
  On Account of Government
  Order No: _____
  Ministry of Health
  [country]

(iv) four copies of the packing list identifying contents of each package;

(v) copy of the Insurance Certificate, showing the Purchaser as the beneficiary;

(vi) one original of the manufacturer's or Supplier's Warranty Certificate covering all items supplied;

(vii) one original of the Supplier's Certificate of Origin covering all items supplied;

(viii) any other procurement-specific documents required for delivery/payment purposes.

In the event that the documents presented by the Supplier are not in accordance with the Contract, then payment will be made against issue of the confirmation of acceptance, to be issued in accordance with GCC 8.1 (c).

(ix) Evidence from the appropriate national regulatory authority that products are registered or have marketing authorisation in the country

of manufacture.

(x) Evidence from the appropriate national regulatory authority that products are registered or have marketing authorisation in all export markets where products are sold.

(xi) Where evidence of registration or marketing authorisation is not available in either the country of manufacture and/or an export market a Certificate of Pharmaceutical Product and/or a Free Sales Certificate will be made available to the Purchaser.

7. Insurance (GCC Clause 12)

GCC 12.1 - The insurance shall be in an amount equal to 110 percent of the CIF value of the Goods from "warehouse" to "warehouse" on "All Risks" basis, including war risks and strikes.

8. Incidental Services (GCC Clause 14)

GCC 14.1 - The Supplier shall provide all necessary licences and permissions for use of the Goods in the Purchaser's country that may be required for the Goods. The cost shall be deemed included in the Contract Price.

GCC 15.4 - The period for the replacement of defective goods is two weeks. All such replacements shall be air freighted, CIP, at a price no higher than the contracted price for the said item.

9. Payment (GCC Clause 16)

GCC 16.1 & 16.4 - The method and conditions of payment to be made to the Supplier under this Contract shall be as follows:
Payment shall be made in the currency of the contract price in the following manner:

(i) Advance Payment: Ten (10) percent of the Contract (purchase order) Price shall be paid within thirty (30) days of the issuance of purchase order of Contract, upon submission of an invoice (showing Purchaser's name; the Contract number, description of payment and total amount, signed in original, stamped or sealed with the company stamp/seal) and a bank guarantee in the form provided in "Sample Forms" - Advance Payment Bank Guarantee. This Advance Payment shall be deducted from the invoice for the first scheduled quantity shipment. Payment for all subsequent shipments will follow clauses GCC 16.1 and 16.4 (ii) and (iii) below.

(ii) On Shipment: Eighty (80) percent of the Contract Price of the Goods shipped shall be paid through irrevocable confirmed letter of credit opened in favour of the Supplier in a bank in its country, upon submission of documents specified in GCC Clause 11 or, alternatively, at the Supplier's option, within thirty (30) days of submission of documents specified in GCC Clause 11 by direct bank transfer to the Supplier's nominated bank account. Opening charges and charges for

amendment of the letter of credit at the request of or due to a fault or default of the Purchaser are for the account of the Purchaser. Confirmation charges and charges for amendment to letters of credit at the request of or due to a fault or default on behalf of the Supplier are for the account of the Supplier.

(iii) On Acceptance: The balance of the Contract Price of Goods received shall be paid within thirty (30) days of receipt of the Goods upon submission of an invoice (showing Purchaser's name; the Contract number, description of payment and total amount, signed in original, stamped or sealed with the company stamp/seal) supported by the confirmation of acceptance issued by the Purchaser.

10. Prices (GCC Clause 17)

GCC 17.1 - Supplier prices shall be fixed for the twenty-four (24) months of the standing offer arrangement.

11. Blank Clause

12. Liquidated Damages (GCC Clause 22)

GCC 22.1 - The applicable rate will be one-half percent (0.5%) per week of the invoiced value. The maximum deduction shall not exceed ten percent (10%) of the invoiced value.

13. Settlement of Disputes (GCC Clause 27)

GCC 27.2.2 - The dispute resolution mechanism to be applied pursuant to GCC Sub-Clause 27.2.2 shall be as follows:

(a) Contracts with Supplier from abroad

GCC 27.2.2 - Any dispute, controversy, or claim arising out of or relating to this Contract, or breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force.

14. Governing Language (GCC Clause 29)

GCC 29.1 - The governing language shall be English.

15. Applicable Law (GCC Clause 30)

GCC 30.1 - The Contract shall be interpreted in accordance with the laws of *[country]*.

16. Notices (GCC Clause 31)

GCC 31.1 - For the purpose of notices, the Purchaser's address will be:

[National Medical Stores]
Ministry of Health
[Address]
[country]
Email: _____
Phone: _____

7. Schedule of Requirements

Preamble to Schedule of Requirements

Suppliers shall offer their best price based on the quantities provided in the Schedule of Requirements.

Preferred pack sizes are stipulated for each product where appropriate. Where preferred pack sizes are not available tenderers should offer suggested alternative sizes.

Delivery times and expiry dates should be entered where known. If these are not known, these sections should be left blank, but the Purchaser may seek clarification before awarding those lines.

The Manufacturer should correspond to the manufacturer the supplier has identified for that item during the prequalification process. If the manufacturer has changed, the supplier must furnish full documentation on the new manufacturer and item, in accordance with the requirements of *[National Medical Stores]* prequalification process.

Item Code	Item Name	Total Quantity	Pack Size	Currency	Price per Pack	Expiry Date	Delivery time	Manufacturer Code	Comment
Enter the full schedule of requirements here, using these column headings.									

8. Technical Specifications—Pharmaceuticals

1. Product and Package Specifications

1.1 The Goods to be purchased by the Purchaser under this Request for Tender are included in the Purchaser's current national essential medicines list or national formulary. The required packing standards and labelling must meet the latest requirements of the World Health Organisation (WHO) good manufacturing practices (GMP) standards in all respects. (These standards are contained in "Good Practices in the Manufacture and Quality Control of Drugs.")

1.2 All pharmaceutical products must have documentary evidence from the national regulatory authority in the country of manufacture demonstrating that they have met GMP standards in line with the WHO Certification Scheme on Pharmaceuticals Moving in International Commerce.

1.3 For pharmaceutical products manufactured outside of ICH and PIC/S countries, the Supplier performs an independent GMP inspection to verify that GMP standards of production are met.

1.4 For pharmaceutical products manufactured outside of ICH and PIC/S countries, the Supplier performs on-going monitoring of the quality of the finished product including testing of drug samples.

1.5 Product specifications indicate dosage form (e.g., tablet, capsules, dry syrup, liquid, ointment, injectable, emulsion, suspension, etc.) and the drug content (exact number of mg or international units [IU] or % v/v, w/w or v/w acceptable range). The Goods should conform to standards specified in one of the following compendia: British Pharmacopoeia, the United States Pharmacopoeia and the International Pharmacopoeia. The standards will be the latest edition unless otherwise stated by the Purchaser or other if applicable. In case the pharmaceutical product is not included in the specified compendium the Supplier, upon award of the Contract, must provide the reference standards and testing protocols to allow for quality control testing.

1.6 Not only the pharmaceutical item, but also the packaging and labelling components (e.g., bottles, closures, and labelling) should also meet specifications suitable for distribution, storage, and use in a climate similar to that prevailing in *[country]*. All packaging must be properly sealed and tamper-proof, and packaging components must meet the latest compendium standards and be approved for pharmaceutical packaging by the manufacturer's national regulatory authority.

1.7 The Supplier must ensure that all products, and their packaging, meet the requirements specified in GCC section 10 as well as the requirements contained in the SCC to GCC Clause 10.2.

1.8 Goods requiring refrigeration or freezing or those that should not fall below a certain minimum temperature for stability must specifically indicate storage requirements on labels and containers and be shipped in special containers to ensure stability in transit from point of shipment to port of entry.

1.9 Cold chain monitors must be included to facilitate evaluation of the status of the items at the time of delivery.

1.10 Upon award, the successful Supplier shall, on demand, provide a translated version in the language of the Tender of the prescriber's information for any specific goods the Purchaser may request.

1.11 Products must be delivered to the Purchaser with a minimum of seventy-five present (75%) of their original expiration date remaining. Where this is less than two years, the manufacturing date must be clearly stated on the product packaging or in supporting documentation.

2. Labelling Instructions

2.1 The label of the primary container for each pharmaceutical product shall meet the W210 GMP standard and include:

a. package size
b. dosage form
c. generic name (e.g. the International Nonproprietary Name, INN)
d. strength
e. storage conditions
f. pharmacopoeial quality or standards (e.g. BP) if applicable
g. batch number
h. name of manufacturer
i. manufacturing date
j. expiration date

2.1 The outer case or carton should also display the information specified in 2.1 above.

2.2 All labelling and packaging inserts shall be in the English. All numbers are to be standard arabic numerals (European digits)

2.3 All drug names must comply with International Non-Proprietary Names as published by the WHO.

3. Case Identification

3.1 All cases should prominently indicate the following:

(a) Purchaser's name as indicated in SCC 10.2;
(b) the generic name of the product;
(c) the dosage form (tablet, ampoule, syrup);
(d) date of manufacture and expiry (in clear language not code);
(e) batch number;
(f) quantity per case;
(g) special instructions for storage (including temperature requirements, 'Fragile' and 'This Side Up' if necessary);
(h) name and address of manufacture;
(i) any additional cautionary statements.

3.2 No case should contain pharmaceutical products from more than one batch.

3.3 Items may not be re-packaged into the packaging of other products. Outer cases must correctly display their contents.

4. Standards of Quality Control for Supply

4.1 At the Purchaser's request, the successful Supplier will be required to furnish:

(a) a WHO certificate of quality control test results concerning quantitative assay, chemical analysis, sterility, pyrogen content uniformity, microbial limit, and other tests, as applicable to the Goods being supplied and the manufacturer's certificate of analysis for that batch.

(b) Assay methodology of any or all tests.

(c) Evidence of bioavailability and/or bioequivalence for certain critical Goods upon request. *This information would be supplied on a strictly confidential basis only.*

(d) Evidence of basis for expiration dating and other stability data concerning the commercial final package upon request. *This information would be supplied on a strictly confidential basis only.*

4.2 At the Purchaser's request, the Supplier will also be required to provide the Purchaser, or its appointed representatives, with access to its manufacturing facilities, or shall facilitate such access to those of its manufacturing suppliers, to inspect the compliance with the GMP requirements and quality control mechanisms.

4.3 Evidence from the appropriate national regulatory authority that products are registered or have marketing authorisation in country of manufacture.

4.4 Evidence from the appropriate national regulatory authority that products are registered or have marketing authorisation in all export markets where products are sold.

4.5 Where registration is not available in either the country of manufacture and/or an export market a Certificate of Pharmaceutical Product and/or a Free Sales Certificate must be held by the Supplier and made available to the Purchaser upon request.

The Supplier shall further guarantee and provide documentary evidence to the Purchaser as requested that:

4.6 Samples of all manufactured batches are retained by the manufacturer.

4.7 Antiretrovirals and HIV/AIDS test kits have WHO prequalification and/or product registration and/or documented approval by the statutory regulatory authority in an ICH country.

The Supplier shall further guarantee the Purchaser that:

4.8 The Supplier shall establish the "Pedigree" of any product supplied to the Purchaser as requested by the Purchaser.

9. Sample Forms

Notes to Tenderers on the Preparation of Forms

The Purchaser has prepared the forms in this section of the Tender Documents to suit the specific requirements of the procurement. In its Tender, the Tenderer MUST use these forms (or forms that present in the same sequence substantially the same information). If the Tenderer has a question regarding the meaning or appropriateness of the contents or format of the forms and/or the instructions contained in them, these questions should be brought to the Purchaser's attention as soon as possible during the Tender clarification process, by addressing them to the Purchaser in writing pursuant to ITT Clause 9.

The Purchaser has provided explanatory text and instructions to help the Tenderer prepare the forms accurately and completely. The instructions that appear directly on the forms themselves are indicated by use of typographical aides such as italicised text within square brackets.

In preparing its Tender, the Tenderer MUST ensure all such information is provided and that the typographical aides are removed.

Sample Forms

1. Tender Form
2. Price Schedule for Goods
3. Form of Contract Agreement
4. Bank Guarantee Form for Advance Payment
5. Manufacturer's Authorisation Form
6. Specimen Certificate of Pharmaceutical Product
7. Notification of Award of Contract

1. Tender Form

Date: [insert: **date of Tender**]
[insert: **name of Contract**]

To: *[National Medical Stores]*
Ministry of Health
[country]

Dear Sir or Madam:

Having examined the Tender Documents, including Addenda Nos. [*insert* **numbers**], the receipt of which is hereby acknowledged, we, the undersigned, offer to supply and deliver the Goods under the above-named Contract in full conformity with the said Tender Documents for the sum of:

	*[insert: **amount of local currency if any, in words**]*	*([insert: **amount of local currency if any, in figures**])*
plus	*[insert: **amount of foreign currency A in words**]*	*([insert: **amount of foreign currency A in figures**])*
[as appropriate, include the following]		
plus	*[insert: **amount of foreign currency B in words**]*	*([insert: **amount of foreign currency B in figures**])*
plus	*[insert: **amount of foreign currency C in words**]*	*([insert: **amount of foreign currency C in figures**])*

(hereinafter called "the Total Tender Price") or such other sums as may be determined in accordance with the terms and conditions of the Contract. The above amounts are in accordance with the Price Schedules attached herewith and are made part of this Tender. We understand that the Tender may be awarded in part or whole, with each item line to be awarded separately.

We undertake, if our Tender is accepted in part or whole, to deliver the Goods in accordance with the delivery schedule specified in the Schedule of Requirements.

We agree to abide by this Tender, for the Tender Validity Period specified in Clause 18.1 of the Tender Data Sheet and it shall remain binding upon us and may be accepted by you at any time before the expiration of that period.

Until the formal final Contract is prepared and executed between us, this Tender, together with your written acceptance of the Tender and your notification of award, shall constitute a binding Contract between us. We understand that you are not bound to accept the lowest or any Tender you may receive.

Commissions or gratuities, if any, paid or to be paid by us to agents relating to this Tender, and to contract execution if we are awarded the Contract, are listed below:

Name and Address of Agent	Amount and Currency	Purpose of Commission or Gratuity

(if none, state "none")

Dated this *[insert: **number**]* day of *[insert: **month**]*, *[insert: **year**]*.

Signed: _____
Date: _____
In the capacity of *[insert: **title or position**]*
Duly authorised to sign this Tender for and on behalf of *[insert: **name of Tenderer**]*

2. Price Schedule for Goods

Suppliers are referred to the Excel Spreadsheet provided with the Tender documents. This format must be adhered to for the electronic upload of bids to the secure online portal. The column headings must be retained in that order, though some columns may be left blank.

3. Form of Contract Agreement

THIS CONTRACT AGREEMENT is made
the *[insert: **number**]* day of *[insert: **month**]*, *[insert: **year**]*.

BETWEEN

(1) The Ministry of Health of the *[country]* Government and having its principal place of business at *[insert: **address of Purchaser**]* (hereinafter called "the Purchaser"), and

(2) *[insert: **name of Supplier**]*, a corporation incorporated under the laws of *[insert: **country of Supplier**]* and having its principal place of business at *[insert: **address of Supplier**]* (hereinafter called "the Supplier").

WHEREAS the Purchaser invited Tenders for certain goods and ancillary services, viz., Pharmaceutical and Medical Supplies and has accepted a Tender by the Supplier for the supply of those goods and services in the sum of *[insert: **contract price in words and figures**]* (hereinafter called "the Contract Price").

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.

2. The following documents shall constitute the Contract between the Purchaser and the Supplier, and each shall be read and construed as an integral part of the Contract:

   (a) This Contract Agreement

   (b) Special Conditions of Contract

   (c) General Conditions of Contract

   (d) Technical Requirements (including Technical Specifications)

   (e) The Supplier's Tender and original Price Schedules

   (f) The Purchaser's Notification of Award

   (g) Signed confirmation of adherence to prequalification phase commitments and standards *[Add here: **any other documents**]*

3. In consideration of the payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Purchaser to provide the Goods and Services and to remedy defects therein in conformity in all respects with the provisions of the Contract.

4. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the Goods and Services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the

provisions of the Contract at the times and in the manner prescribed by the Contract.

For and on behalf of the Purchaser

Signed:_____
in the capacity of the Director, *[National Medical Stores]*

in the presence of _____

For and on behalf of the Supplier

Signed:_____
in the capacity of *[insert: **title or other appropriate designation**]*

in the presence of _____

CONTRACT AGREEMENT

dated the *[insert: **number**]* day of *[insert: **month**]*, *[insert: **year**]*

BETWEEN

[country] Ministry of Health, *[country]* Government, "the Purchaser"

and

*[insert: **name of Supplier**]*, "the Supplier"

4. Bank Guarantee Form for Advance Payment

_____ *[insert: **Bank's Name, and Address of Issuing Branch or Office**]*

Beneficiary: Ministry of Health, *[country]* Government,
[Address], [Country]

Date:_____

ADVANCE PAYMENT GUARANTEE No.: _____

We have been informed that *[insert: **name of Supplier**]* (hereinafter called "the Supplier") has entered into Contract No. *[insert: **reference number of the contract**]* dated _____ with you, for the supply of *[insert: **description of goods**]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum *[insert: **amount in figures**]* (_____) *[insert: **amount in words**]* is to be made against an advance payment guarantee.

At the request of the Supplier, we *[insert: **name of Bank**]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert: **amount in figures**]* (___) *[insert: **amount in words**]* upon receipt by us of your first demand in writing accompanied by a written statement stating that the Supplier is in breach of its obligation under the Contract because the Supplier used the advance payment for purposes other than toward delivery of the goods.

It is a condition for any claim and payment under this guarantee to be made that the advance payment referred to above must have been received by the Supplier on its account number _____ at _____ *[insert: **name and address of Bank**]*.

This guarantee shall expire, at the latest, upon our receipt of copy(ies) of _____[4], or on the ___ day of _____, 2___,[5] whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date. The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [six months][one year], in response to the Purchaser's written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.

_____
[signature(s)]

[4] Insert documents establishing "delivery" of the goods in accordance with the particular Incoterm selected. (See SCC.)
[5] Insert the delivery date stipulated in the original delivery schedule.

5. Manufacturer's Authorisation Form

Note to Tenderer: This form need only be provided if one was not provided as part of the prequalification process and/or if a new source is being used for supplying this product that meets all other quality requirements and has been accepted by the Purchaser.

(Manufacturer's or Producer's letterhead)

To: *[insert: **name of the Purchaser**]*

WHEREAS *[insert: **name of the manufacturer or producer**]* (hereinafter, "we" or "us") who are established and reputable manufacturers or producers of *[insert: **name and/or description of the Goods requiring this authorisation**]* (hereinafter, "Goods") having production facilities at *[insert: **address of factory**]* do hereby authorise *[insert: **name and address of Tenderer**]* (hereinafter, the "Tenderer") to submit a Tender, and subsequently negotiate and sign the Contract with you against IFB *[insert: **title and reference number of the Request for Tender**]* including the above Goods produced by us.

We hereby extend our full guarantee and warranty for the above specified Goods against these Tender Documents.

For and on behalf of the Manufacturer or Producer

Signed: _____
Date: _____

In the capacity of *[insert: **title, position, or other appropriate designation**]* and duly authorise to sign this Authorisation on behalf of *[insert: **name of manufacturer or producer**]*

6. Specimen Certificate of a Pharmaceutical Product

Certificate of a Pharmaceutical Product[1]

This certificate conforms to the format recommended by the World Health Organisation *(general instructions and explanatory notes attached).*

No. of certificate: _____

Exporting (certifying) country: _____

Importing (requesting) country:_____

1. Name and dosage form of product:

_____

1.1 Active ingredients[2] and amount(s) per unit dose.[3]

_____

_____

_____

For complete qualitative composition including excipients, see attached.[4]

1.2 Is this product licensed to be placed on the market for use in the exporting country?[5] yes/no (*key in as appropriate*)

1.3 Is this product actually on the market in the exporting country? yes/no/unknown *(key in as appropriate)*

If the answer to 1.2 is yes, continue with section 2A and omit section 2B.

If the answer to 1.2 is no, omit section 2A and continue with section 2B.[6]

2A. 1 Number of product licence[7] and date of issue:

_____

2A.2 Product-licence holder (name and address):

_____

_____

_____

2A.3 Status of product-licence holder:[8] a/b/c *(key in appropriate category as defined in note 8)*

2A.3.1 For categories b and c the name and address of the manufacturer producing the dosage form are: [9]

_____

_____

_____

2A.4 Is Summary Basis of Approval appended?[10] yes/no *(key in as appropriate)*

2A.5 Is the attached, officially approved product information complete and consonant with the licence?[11] yes/no/not provided *(key in as appropriate)*

2A.6 Applicant for certificate, if different from licence holder (name and address):[12]

2B. 1 Applicant for certificate (name and address):

2B.2 Status of applicant: a/b/c *(key in appropriate category as defined in note 8)*

2B.2.1 For categories b and c the name and address of the manufacturer producing the dosage form are:[9]

_____

_____

_____

2B.3 Why is marketing authorisation lacking?
not required/not requested/under consideration/refused *(key in as appropriate)*

2B.4 Remarks:[13]

3. Does the certifying authority arrange for periodic inspection of the manufacturing plant in which the dosage form is produced?

yes/no/not applicable[14] *(key in as appropriate)*

If no or not applicable proceed to question 4.

6.1 Periodicity of routine inspections (years):_____

3.2 Has the manufacture of this type of dosage form been inspected? yes/no *(key in as appropriate)*

3.3 Do the facilities and operations conform to GMP as recommended by the World Health Organisation?[15]

yes/no/not applicable[16] *(key in as appropriate)*

4. Does the information submitted by the applicant satisfy the certifying authority on all aspects of the manufacture of the product? [11]

yes/no *(key in as appropriate)*

If no, explain: _____

_____

Address of certifying authority: _____
Telephone number: _____ Email: _____

Name of authorised person:

_____

Signature:

_____

Stamp and date:

_____

General instructions

Please refer to the guidelines for full instructions on how to complete this form and information on the implementation of the Scheme.

The forms are suitable for generation by computer. They should always be submitted as hard copy, with responses printed in type rather than handwritten.

Additional sheets should be appended, as necessary, to accommodate remarks and explanations.

Explanatory notes

1 This certificate, which is in the format recommended by WHO, establishes the status of the pharmaceutical product and of the applicant for the certificate in the exporting country. It is for a single product only since manufacturing arrangements and approved information for different dosage forms and different strengths can vary.

2 Use, whenever possible, international nonproprietary names (INNs) or national nonproprietary names.

3 The formula (complete composition) of the dosage form should be given on the certificate or be appended.

4 Details of quantitative composition are preferred, but their provision is subject to the agreement of the product-licence holder.

5 When applicable, append details of any restriction applied to the sale, distribution, or administration of the product that is specified in the product licence.

6 Sections 2A and 2B are mutually exclusive.

7 Indicate, when applicable, if the licence is provisional or if the product has not yet been approved.

8 Specify whether the person responsible for placing the product on the market:
(a) manufactures the dosage form;
(b) packages and/or labels a dosage form manufactured by an independent company; or
(c) is involved in none of the above.

9 This information can be provided only with the consent of the product-licence holder or, in the case of non-registered products, the applicant. Non-completion of this section indicates that the party concerned has not agreed to inclusion of this information. It should be noted that information concerning the site of production is part of the product licence. If the production site is changed, the licence must be updated or it will cease to be valid.

[10] This refers to the document, prepared by some national regulatory authorities, that summarises the technical basis on which the product has been licensed.

[11] This refers to product information approved by the competent national regulatory authority, such as a Summary of Product Characteristics (SPC).

[12] In this circumstance, permission for issuing the certificate is required from the product-licence holder. This permission must be provided to the authority by the applicant.

[13] Please indicate the reason that the applicant has provided for not requesting registration:
(a) The product has been developed exclusively for the treatment of conditions—particularly tropical diseases—not endemic in the country of export.
(b) The product has been reformulated with a view to improving its stability under tropical conditions.
(c) The product has been reformulated to exclude excipients not approved for use in pharmaceutical products in the country of import.
(d) The product has been reformulated to meet a different maximum dosage limit for an active ingredient.
(e) Any other reason, please specify.

[14] Not applicable means that the manufacture is taking place in a country other than that issuing the product certificate and inspection is conducted under the aegis of the country of manufacture.

[15] The requirements for good practices in the manufacture and quality control of drugs referred to in the certificate are those included in the thirty-second report of the Expert Committee on Specifications for Pharmaceutical Preparations (WHO Technical Report Series, No. 823, 1992, Annex 1). Recommendations specifically applicable to biological products have been formulated by the WHO Expert Committee on Biological Standardisation (WHO Technical Report Series, No. 822, 1992, Annex 1).

[16] This section is to be completed when the product-licence holder or applicant conforms to status (b) or (c) as described in note 7 above. It is of particular importance when foreign contractors are involved in the manufacture of the product. In these circumstances the applicant should supply the certifying authority with information to identify the contracting parties responsible for each stage of manufacture of the finished dosage form, and the extent and nature of any controls exercised over each of these parties.

The layout for this Model Certificate is available from the Division of Medicines Policy and Standards under the Assistant Director General of Health Technology and Pharmaceuticals, World Health Organisation, 1211 Geneva 27, Switzerland.

7. Notification of Award of Contract

[National Medical Stores]
Ministry of Health
[Address]
[Country]

Date:

Company Name:

Address:

To Whom It May Concern

Notification of Award of Contract, *[tender reference number]*

We are pleased to inform you that following the evaluation of Tender Standing Offer Arrangement *[tender reference number]*, you have been selected to supply the Goods listed in the attached Schedule of Requirements (Schedule A).

Within fourteen (14) days of the email notification sent on *[DATE]*, you are required to return the Contract Form duly signed as acknowledgement of your acceptance of the Terms and Conditions of Contract, which formed a part of the Invitation to Tender.

Yours faithfully,

[Name]
[Position]
[National Medical Stores]

Annex 3: Sample—Lowest Bid Not Selected Report

LOWEST ITEM NOT SELECTED REPORT: CTN27_2020 - Tender Evaluation Committee Report

Item name	Packs	Pack size	Quantity	Chosen price	Lowest supplier	Lowest price	Our Comment
ACRIFLAVINE 0.2% IN SPIRIT 70% BOT/50ML	8200	1	8200	$6.71	BOUCHER & MUIR P/L	$2.47	Code: 1.1
ACYCLOVIR OPHTHALMIC OINTMENT 3% TUBE/4.5G	50	1	50	$11.66	BOUCHER & MUIR P/L	$2.61	Code: 1.1
AMOXYCILLIN SUSP 125MG IN 5ML BOT/100ML	15000	1	15000	$3.82	BOUCHER & MUIR P/L	$3.32	Code: 1.2
AMOXYCILLIN TABS/CAPS 250MG	7000000	1	7000000	$0.09	BOUCHER & MUIR P/L	$0.09	Code: 1.2
ATROPINE EYEDROPS 1% BOT/5ML	400	1	400	$34.95	BOUCHER & MUIR P/L	$2.47	Code: 2.2 Code: 1.1
BROMOCRIPTINE TABS 2.5MG	15000	1	15000	$2.38	SOUTH AUSTRAL P/L	$1.71	Code: 3.1
CARBACHOL INJ 0.01% 1.5ML	100	1	100	$96.96	SOUTH AUSTRAL P/L	$35.33	Code: 1.1
CARBOPLATIN INJ 150MG IN 15ML	50	1	50	$199.64	SOUTH AUSTRAL P/L	$180.18	Code: 3.1 Pfizer selected for reliability as this is a high-risk injectable item
CHLORAMPHENICOL EYE DROPS 0.5% BOT/10ML	5000	1	5000	$4.95	BOUCHER & MUIR P/L	$1.77	Code: 1.1
CHLORHEXIDINE 0.5% IN SPIRIT 70% BOT/1L	2850	1	2850	$31.73	BOUCHER & MUIR P/L	$23.25	Code: 1.1
CHLORHEXIDINE OBSTETRIC CREAM 1% BOT/100GM	4300	1	4300	$9.54	BOUCHER & MUIR P/L	$7.63	Code: 1.1
CHLORHEXIDINE SKIN CREAM 0.5% TUBE/20GM	5300	1	5300	$4.95	BOUCHER & MUIR P/L	$2.76	Code: 1.1
CLOMIPHENE TABS 50MG	350	1	350	$22.85	SOUTH AUSTRAL P/L	$11.73	Code: 3.1 Unfamiliar with PAR: Sanofi chosen for reliability (small order so cost difference minor)
CLOTRIMAZOLE SKIN CREAM 1% TUBE/20GM	10600	1	10600	$2.19	BOUCHER & MUIR P/L	$1.77	Code: 1.1
DEXAMETHASONE 0.1%+ NEOMYCIN EYE DROPS BOT/10ML	1700	1	1700	$8.16	BOUCHER & MUIR P/L	$2.47	Code: 1.1
DEXTROSE 3.3% + SODIUM CHLORIDE 0.3% INFUSION 1000ML	13200	1	13200	$10.83	SOUTH AUSTRAL P/L	$7.77	Code: 4.1 All IV fluids are to come from the same supplier: BBraun selected
DEXTROSE 5% INFUSION 500ML	3600	1	3600	$7.22	SOUTH AUSTRAL P/L	$6.36	Code: 4.1 All IV fluids are to come from the same supplier: BBraun selected
DISINFECTANT HAND ETHANOL BASED AQIUM BOT/1 LITRE	1500	1	1500	$35.11	BOUCHER & MUIR P/L	$32.43	Code: 5.1 Ethanol-based handwash required (not propanol) - Jaychem selected
ENALAPRIL TABS 5MG	813000	1	813000	$0.02	BOUCHER & MUIR P/L	$0.02	Code: 1.2
ERYTHROMYCIN TABS 250MG	670000	1	670000	$0.23	BOUCHER & MUIR P/L	$0.10	Code: 1.7
FENTANYL CITRATE INJ 100MCG IN 2ML	1400	1	1400	$7.77	SOUTH AUSTRAL P/L	$6.92	Code: 5.1 South Austral only quoted on 50mcg/2ml - not on the EML
GAVISCON TABS (or EQUIVALENT)	4000	1	4000	$1.12	SOUTH AUSTRAL P/L	$0.37	Code: 5.1 South Austral product is not equivalent to Gaviscon
GENTIAN VIOLET PAINT 0.5% BOT/50ML	13000	1	13000	$7.07	BOUCHER & MUIR P/L	$2.33	Code: 1.1
GLIBENCLAMIDE TABS 5MG	450000	1	450000	$0.02	BOUCHER & MUIR P/L	$0.01	Code: 1.7
GLOVES SURGEON SIZE 7	66000	1	66000	$1.55	BOUCHER & MUIR P/L	$1.48	Code: 3.1 Unfamiliar with Hebei - Minor price difference, so Finesse selected
GLOVES SURGEON SIZE 8.5	5000	1	5000	$1.55	BOUCHER & MUIR P/L	$1.48	Code: 3.1 Unfamiliar with Hebei - Minor price difference, so Finesse Selected
HYPROMELLOSE 0.5% EYE DROPS	100	1	100	$33.57	BOUCHER & MUIR P/L	$7.00	Code: 1.1
INDOMETHACIN TABS/CAPS 25MG	1200000	1	1200000	$0.02	BOUCHER & MUIR P/L	$0.02	Code: 1.2 Code: 1.7
LABELCOMPUTER DISPENSINGBLANKROLL/5000	6000	1	6000	$40.43	SOUTH AUSTRAL P/L	$38.86	Code: 6.1 Required to select second bid as these thermo-coated labels are compatible with our printers.
LACTULOSE SYRUP BOT/500ML	4200	1	4200	$45.07	BOUCHER & MUIR P/L	$19.13	Code: 5.1 All top bids are on 200ml which is too small. Bid selected is the cheapest that meets the minimum size of 500ml.
MELPHALAN TABS 2MG	800	1	800	$9.62	SOUTH AUSTRAL P/L	$8.82	Code: 3.1 Unfamiliar with Arvato and minor price difference to second bid so Boucher & Muir selected
NYSTATIN ORAL DROPS 100000U IN 1ml BOT/30ML	2000	1	2000	$7.42	BOUCHER & MUIR P/L	$4.17	Code: 1.1
ORAL REHYDRATION SALTS STERILE PACK	100000	1	100000	$0.85	BOUCHER & MUIR P/L	$0.49	Code: 1.2 Code: 6.1 KBI provide the NEW formulation of ORS which is recommended. KBI (Boucher & Muir) therefore selected
PARACETAMOL TABS 500MG	13500000	1	13500000	$28.76	BOUCHER & MUIR P/L	$25.01	Code: 1.2
PENICILLIN V TABS 250MG	320000	1	320000	$0.11	BOUCHER & MUIR P/L	$0.09	Code: 1.2
PETHIDINE INJ 100MG IN 2ML	4500	1	4500	$10.12	SOUTH AUSTRAL P/L	$5.33	Code: 5.1 South Austral specifications do not match tender (1ml vs 2ml) therefore rejected
PILOCARPINE EYE DROPS 2% BOT/5ML	200	1	200	$14.08	BOUCHER & MUIR P/L	$10.25	Code: 1.1
PILOCARPINE EYE DROPS 4% BOT/15ML	200	1	200	$65.75	BOUCHER & MUIR P/L	$21.13	Code: 1.1 Code: 5.1 South Austral bid does not meet specifications (10ml vs 15ml)
PREDNISOLONE EYE DROPS 1% IN 5ML	800	1	800	$8.95	BOUCHER & MUIR P/L	$6.29	Code: 1.1
SCALP VEIN SET 23G	1000	1	1000	$0.57	SOUTH AUSTRAL P/L	$0.39	Code: 1.13
SCALP VEIN SET 25G	3000	1	3000	$0.57	SOUTH AUSTRAL P/L	$0.39	Code: 1.13
TIMOLOL MALEATE EYE DROPS 0.5% BOT/5ML	100	1	100	$7.73	BOUCHER & MUIR P/L	$7.00	Code: 1.1
TROPICAMIDE EYE DROPS 1%	300	1	300	$10.90	BOUCHER & MUIR P/L	$6.71	Code: 1.1
WARFARIN TABS 1MG - COUMADIN	20000	1	20000	$0.66	SOUTH AUSTRAL P/L	$0.58	Code: 4.1 Coumadin must be supplied from the same manufacturer across the product range to ensure bioavailability. Aspen therefore selected as reliable manufacturer.
WARFARIN TABS 2MG - COUMADIN	20000	1	20000	$0.75	MULTICHEM EXPORTS LTD	$0.71	Code: 4.1
WARFARIN TABS 3MG - MAREVAN	25000	1	25000	$0.60	SOUTH AUSTRAL P/L	$0.58	Code: 4.1 Marevan must come from the same manufacturer across the product range. GSK selected as reliable manufacturer.
WARFARIN TABS 5MG - MAREVAN	10000	1	10000	$0.77	SOUTH AUSTRAL P/L	$0.58	Code: 4.1 Marevan must come from the same manufacturer across the product range. GSK selected as reliable manufacturer
					Total value of chosen prices		$2,798,401.60
					Total value if lowest prices chosen		$2,174,332.76
					Difference		$624,068.84
					Total value of tender		$12,038,431.56
					% of value of tender (non-lowest)		5.18%

Annex 4: Sample—Line-by-Line Selection Summary

TEC Tender Assessment Report: CTN27_2020

2020

Proposed supplier contract summary

Supplier	Total	Currency	Conv	USD	
South Austral	$216,328.50	AUD	6.57	$1,421,278.25	
Boucher & Muir	$69,830.16	AUD	6.57	$458,784.15	
Boucher & Muir	$34,100.70	NZD	5.52	$188,235.86	
Alphamed	$18,543.90	AUD	6.57	$121,833.42	
Multichem	$126,791.40	USD	7.06	$895,147.28	
Boucher & Muir	$958.80	EUR	8.52	$8,168.98	
Makan's	$44,834.30	AUD	7.06	$316,530.16	
IDA Foundation	$670,264.34	USD	7.06	$4,732,066.24	
South Austral	$762,453.60	USD	7.06	$5,382,922.42	
Boucher & Muir	$591,642.50	USD	7.06	$4,176,996.05	
Imres B.V.	$222,423.20	USD	7.06	$1,570,307.79	
				$19,272,270.60	

Supplier Totals	USD	% of Total
Boucher & Muir	$4,832,185.04	25.07%
Multichem	$895,147.28	4.64%
South Austral	$6,804,200.66	35.31%
Makan's	$316,530.16	1.64%
IDA Foundation	$4,732,066.24	24.55%
Imres B.V.	$1,570,307.79	8.15%
Alphamed	$121,833.42	0.63%
	$19,272,270.60	100.00%

This year's tender is more well balanced than previous years, with 3 suppliers (Boucher & Muir, South Austral, IDA) sharing 25.07%, 35.31% and 24.55% respectively. A new supplier – Imres – has been awarded 8.15% of the contract and this share would be expected to grow over the next few years as the relationship builds. The more even split between wholesalers mitigates supply risks, limiting the impact if one company performs poorly (as happened with Boucher & Muir in 2019). Of particular note is Multichem, whose share has reduced sharply this year, to 4.64%; this was due mainly to quality concerns over several of their manufacturers, which meant several of their major bids were excluded; we have communicated this to them. EBOS chose not to participate in this year's tender, having received only 0.06% of the total tender value last year. This has slightly reduced competition but this has been more than mitigated by the entry of Imres, who price far more competitively.

Note: No bid received from EBOS, who were invited to participate

Items not awarded	Reason
Bandage, Elastic Adhesive Plaster 15cm	Wrong specifications
Bandage, Elastic Adhesive Plaster 7.5cm	Wrong specifications
Bandage, Elastic Adhesive Plaster 5cm	Wrong specifications
Blood Glucose Meter, Omnitest	Too expensive
Blood Glucose Meter Strips, Omnitest	Too expensive
Dexamethasone 0.5mg tabs	Wrong quantification
Gauze, 90cm roll 100m	Wrong quantification
Morphine inj 15mg/ml	Removed from EML
Plastic Sheeting 95cm wide, 50m	Wrong quantification
Syringe AD 0.5ml	Not required

Exclusion Criteria (Coding System)

Exclusion Code	Reason	Company
1.1	Primary Manufacturer Suspension	Sunways
1.2	Primary Manufacturer Suspension	Ningbo
1.3	Primary Manufacturer Suspension	Viva Laboratories
1.4	Primary Manufacturer Suspension	Piramal Healthcare
1.5	Primary Manufacturer Suspension	Sarmath Life Science
1.6	Primary Manufacturer Suspension	NI Pharm Work LTD
1.7	Primary Manufacturer Suspension	Alkem Lab LTD
1.8	Primary Manufacturer Suspension	Biochem Pharma LTD
1.9	Primary Manufacturer Suspension	Lancer Pharm
1.10	Primary Manufacturer Suspension	NCPC
1.11	Primary Manufacturer Suspension	Grand Pharma
1.12	Primary Manufacturer Suspension	Chandra Bhagat
1.13	Primary Manufacturer Suspension	Zhanjiang Star
1.14	Primary Manufacturer Suspension	Phar & Vide
1.15	Primary Manufacturer Suspension	Alves
1.16	Primary Manufacturer Suspension	Goldwin
2.1	Banned from bidding and supplying	Borneo Pacific
3.1	Unknown Manufacturer	
4.1	Same supplier across range	
5.1	Incorrect specifications supplied on tender line bid	
6.1	Specific product required on tender line	

Lowest item not selected

% Value to tender	5.18%	
All non-lowest value items coded and available for inspection		
Total value of chosen prices		$2,798,401.60
Total value if lowest prices chose		$2,174,332.76
Difference		$624,068.84
Total value of tender		$12,038,431.56
% of value of tender (non-lowest)		5.18%

Annex 5: Acceptance Letter Template

[National Medical Stores]
Ministry of Health
[Address]
[country]

To: *(Insert Supplier)*
(Insert Supplier address)

Issue Date *DD/MM/YYYY*

Response required by *DD/MM/YY 72hours of issue date)*

Dear Sir/Madam

LETTER OF ACCEPTANCE FOR (*TENDER NUMBER*)

Your bid to supply the following items has been provisionally accepted and we intend to issue you a contract for supply of those items (detailed in the table below). The purpose of this letter is to establish that **if issued a contract for these items, you will accept under the terms detailed in the original tender documents.** This will allow us to commence the internal Government process for issuing purchase orders without the risk of Suppliers then requesting modifications or withdrawing their bid based on the line items awarded.

This letter is non-binding and *[National Medical Stores]* is under no obligation to place a purchase order.

Please respond in writing to *[insert email].* Please note that at this stage, no material changes to the contract terms will be allowed from those outlined in the original tender documents. You must entirely accept or reject the terms unless it can be demonstrated that there is a mistake or conflict in those terms.

Line	Item	Quantity	Price	Pack Size	Total

Yours faithfully,

[Name]
[Position]
[National Medical Stores]

Annex 6: Tender Evaluation Committee Report

Tender Evaluation Committee Summary
[Insert Tender Details]
[National Medical Stores]

Item	Response
Tender Details:	
Agency:	*[National Medical Stores]*
Scope of purchase:	
Tender close date:	
Evaluation methodology:	
Recommended or preferred supplier/s:	
Contract term:	
Estimated cost (before tender):	
Total contract value (after evaluation):	
Budget Details	$ xxxxx
Issues to be resolved:	YES/NO. [If 'YES' refer to Issues to be Resolved.]

TENDER EVALUATION COMMITTEE REPORT

[CONTRACT FOR [STATE TENDER DETAILS]

(For Endorsement)

1. Background

1.1. This procurement relates to the purchase of *[insert].*

1.2. The key objective of the procurement is *[insert].*

1.3. The outcomes that the procurement aims to achieve are *[insert].*

2. Administrative Requirements and Due Diligence

2.1. Each supplier must be prequalified to bid.

2.2. Qualification criteria includes:

- Eligibility
- Historical Contract Non-Performance
- Financial Situation and Performance
- Experience

2.3. The following prequalified suppliers were considered for evaluation:

Name of supplier
1.
2.
3.
4.
5.

3. Line-by-line Evaluation

3.1. The TEC applied a Line-By-Line selection process in determining the awarding of contracts.

3.2. The TEC evaluated items according to pre-defined Standard conditions outlined in *Appendix 1: Line-by-line selection summary, Appendix 2: Exclusion criteria.*

3.3. When possible, each line was awarded to the lowest bidder. All instances of 'non-lowest bid selection' are documented in *Appendix 3: Lowest bid not selected.*

3.4. Items not awarded are documented in *Appendix 1: Line-by-line selection summary.*

3.5. The TEC agreed that the preferred suppliers documented in *Appendix 1: Line-by-line selection summary* met the administrative requirements and Standard conditions of the tender.

4. Panel Discussions

[Insert relevant panel discussion in relation to the above]

5. Recommendation

In view of the above, the Board is invited to consider the following:

i) THAT the tender be awarded to the preferred suppliers documented in *Appendix 1* for a period of [*contract period*], at a total cost of *[$XXXX].*

ii) THAT the agency put in place a proper contract with a copy of the same submitted to *[country] Procurement office* within 14 days of signing the contract

This report is respectfully submitted for consideration.

6. TEC Endorsement

We confirm the following:

- the evaluation is in order and as per Procurement Regulations & Procurement Policy

  and

- no conflict of interest was identified (Refer *Appendix 4: Conflicts of Interest*)

Attendee Full name	Signature	Date

Annex 7: *[National Medical Stores]* Request for Quotation Template

[insert country's RFQ template]

Annex 8: RFQ Meeting Minutes Template

[insert country's RFQ Meeting Minutes template]