The Global Fund
To Fight AIDS, Tuberculosis and Malaria

Issue Date: 20 January 2015

Subject: REQUEST FOR PROPOSAL (RFP) TGF 014-063

Questions and Responses

Please note where questions included a company name these have been modified for anonymity.

	Question	Response
1	Order Management – How is the PSA/PPM operational management done in countries with predominantly distributors?	Where PPM is the procurement channel, the main role of the PPM Procurement agent would be to facilitate the transaction and to place purchase orders and ensure delivery. The PPM is not normally operated through distributors, and so we welcome comments and/or proposals that outline the roles and responsibilities of the distributor, vis-a-vis the supplier, cost implications if any, etc.
2	Pricing – When does pricing/contracting terms of the new contract take effect for legacy countries?	This should be as soon as practicable. We also welcome proposals on how this can be implemented as soon as possible.
3	Total cost of ownership – Can a cost per patient result calculation be included in the cost template?	This can be provided in the submission as supplementary information. Please provide a detailed breakdown of all cost components included in the calculation
4	Collaboration – How to provide consultation for capacity utilization, waste reduction?	We would welcome any narrative on how to bring better utilization and efficiencies into the end users' processes.
5.	**Rows 43-58** (In country costs) We feel the PR should be responsible for all import costs, duties, shipping, tariffs, (incoterms apply) and this will be true for all countries – therefore these expenses should be paid by the PRs. Gov't based PRs should have best ability to be exempts from many of these types of fees, thereby reducing total costs in-country. Considering we requested these be covered by the PRs, but yet are still in the cost calculator, it is assumed you would like us to provide the costs we would incur into these countries as a point of reference, while understanding that governments may still be able to gain exemptions if they were to handle.	This question is answered in terms of filling the cost template. There is currently ambiguity and complexity about the actual total cost of delivering and offering viral load testing services in different countries and the purpose of the cost template is to better understand pricing and costs - and any constraints in achieving uniform pricing and will be more of a reference point for all suppliers.
6	2.7.2. Does the RFP cover in-country PEPFAR-linked procurement of the assays as well or will PEPFAR create a parallel process. How is this being managed between GF/PEPFAR in terms of coverage of funding. Similarly the same question applies for the buyers defined in 2.7.2.	Clause 2.7 enables different financing and procurement channels to choose to utilize the outcomes of this RFP.
7	Page 7 and 14 of the RFP are empty pages – is this deliberate?	The pages 7 and 14 are not empty – this could be a page size format issue
8	Is there any scope being considered for a distinction in pricing proposals to reflect	The Global Fund values a single transparent pricing scheme for all its recipients in different

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	differing income status and/or demand forecasts between countries wrt instrument / reagent procurement, especially as the final decision remains with country? Alternatively, the question: to what extent can we price differently based on income status / geography the instrument /reagent component.	regions. If this not be feasible, the proposed tiered pricing proposal should be as simple and equitable as possible.
9	2.2.5: Define "performance of their agents and/or distributors" in more detail as this relationship is an arms-length relationship with the company having limited ability to determine the nature of the operations of their agent /distributor (principle also applies for 2.8.2)	We expect to establish contracts with the manufacturers and manufacturers can decide to directly manage their relationship and performance, or through distributors. If a manufacturer wants to manage this directly, they should indicate the mechanism for this performance management. If a manufacturer selects to use an agent or distributor, we expect them to manage their respective supply chain risks, as they are better placed to manage these risks than the Global Fund. We would expect this to encompass any risks associated with their respective agents and / or distributors, where appropriate. A company that is able to demonstrate greater ability to manage the performance of its equipment directly and /or associated agents and/or distributors will be rated higher in the tender evaluation and in the countries selection decision.
10	2.3.1. Are countries that have submitted their "initial concept notes" incorporating their plans for viral load scale up obliged to utilize the manufacturer that they considered in drafting these "initial concept notes"	No
11	2.3.3. Will the pricing provided by manufacturers be applicable for a pre-determined period of time, to what extent can manufacturers deviate from their initial pricing provided in their engagement with countries, considering procurement is ultimately driven by in-country processes (independent of GF)? What constitutes "exceptional circumstances".	See section 4 of the Framework Contract posted on the Business Opportunities Section of our website on 9 January 2015 Whilst procurement for some countries may be driven by in-country processes, it is not correct to say that this will be independent of the Global Fund. Countries will be strongly encouraged to leverage the framework contracts agreed through this tender.
12	2.3.4. Can manufacturers provide initial pricing and commit to revise pricing once economies of scale has been realized that enables GF to formally commit to global volumes of tests	Yes. Schedule B1 allows for submission of both volume threshold discounts and discounts for committed volumes. Please provide volume threshold pricing as part of the submission e.g. in row 22 and/or the additional discounts tab of the cost template; and/or in schedule B1
13	2.6.2. Can a breakdown be provided on which countries the 500,000 VL tests in 2014 were funded by GF. Our internal data suggests substantially more tests were conducted in the	500,000 tests is our aggregate estimate of tests performed financed by the Global Fund. We do not have further information including that requested at this time.

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	105 countries. / Alternatively: What percentage of VL testing does GF expect to fund in the 105 countries based on current and future total usage	
14	2.7.1 The predicted "defined term" is fairly wide ranging from 3 to 7 years. We prefer to provide a pricing proposal for 3 years only and revise thereafter depending on volumes realized.	The cost template provides options for submissions for 3, 5 and 7 years. Whilst we encourage responses for the three durations, you can decide to limit your response. This item will also be discussed during the Stage 2 for the bidders selected.
15	2.10.6. "legacy countries or machines" are bound by contracts with differing pricing or service strategies, this may be problematic to break or adapt to fall within the scope of GF	We welcome proposals on how this can be best implemented
16	2.10.7 Please provide list of non-PPM countries and other agencies being considered?	Please refer to 2.7.2
17	2.10.8 ' most favoured customer" – does this mean ultimately GF can get access to SA pricing – is it "in-country" most favoured customer or "global" most favoured customer ? – check website for draft TAs	Please refer to 4.3 of the Framework Agreement posted on the Business Opportunities Section of our website on 9 January 2015
18	3.7: From the way the cost template is structured we assume it is ok to provide two pricing proposals – being contingent or not on the requirement of a volume commitment by GF?	Yes
19	Should we assume that the price proposal covers all of the countries listed in schedule Bi?	Yes (see also response to question 8)
20	Can Global Fund confirm that the costs requested are to only include manufacturer's proprietary equipment, reagents and consumables. General lab equipment such as pipette tips, centrifuges etc are not to be included	Yes. All other third party equipment required (as required but not provided) should be listed in row 12 of the cost template
21	In schedule B2 (the cost template) can Global Fund confirm that from row 85 on there is only a need to list any country that may have a significantly different cost structure and there is no requirement to complete for all countries in schedule Bi?	Yes
22	If the supplier is successful in this process does the Global Fund expect the prices quoted to come into effect with current business on April 1st 2005 (page 13 section 6c)	1 April 2015 or as soon as practical after that