

AMENDMENT 01: RFP 465.002_In-Country Distribution of Health Commodities – Lusaka-origin

RFP Posting Date: October 04, 2023

RFP Closing Date: November 01, 2023

1. Purpose of the Amendment:

- A. To clarify language around the **60% and 40% split** between primary and secondary vendors.
- B. To clarify language around offerors demonstrating financial capacity that they can meet the **50% threshold** for order lines to be serviced using **directly owned fleet** (as opposed to leased, hired, or second-tier subcontracted fleet) during implementation of any resulting IQS.
- C. To clarify language and evaluation criteria related to corporate capabilities, experience and past performance.
- D. To **respond to questions** received in response to the RFP – both those submitted in writing and those raised during the proposal conference.
- E. To provide a copy of the **proposal conference PowerPoint slides** used by Chemonics during the conference held on October 11, 2023.

11. Amendments:

1. By deleting under Section 1.1. Introduction:

“Chemonics anticipates having a primary and secondary vendor for each zone, with a split in order volume of approximately 60% and 40% respectively between the primary and secondary vendor.”

and replacing with:

“Chemonics anticipates having a primary and secondary vendor for each zone, with a split in **purchase order line items** of approximately 60% and 40% respectively between the primary and secondary vendor.”

2. By deleting under Section I.4, B, 2 Technical Proposal, Part 1, b:

“Documentation can reference currently owned fleet or documentation of financial capacity to procure vehicles to adhere to this requirement prior to any resulting award.”

and inserting in its place:

“Documentation can reference currently owned fleet or documentation of both (i) financial capacity to procure vehicles to adhere to this requirement prior to any resulting award, and (ii) a procurement plan demonstrating that this is achievable prior to any resulting award (which is estimated on December 1, 2023).”

3. By adding the following sentence under “Part 3: Corporate Capabilities, Experience and Past Performance” and under “Performance Capability” in the table under “I.9. Evaluation and Basis for Award”:

“Offerors may also include corporate capabilities, experience, and past performance references related to non-pharmaceutical/non-humanitarian commercial distribution activities, to the extent that the services provided demonstrate similarities to the scope and scale of services requested in the RFP.”

111. Questions and Answers

The following communication serves to notify all potential offerors that Chemonics has answered the following questions received (through both written communication and verbal communication during the proposal conference) in response to the subject RFP.

No	Question	Answer
1	What course should a firm take if it is unable to access a UEI number?	Offerors can find the guidelines for applying for a Unique Entity Identifier (UEI) in Annex # 6. If Offerors are unable to obtain a UEI number prior to proposal submission, they may submit a screenshot that verifies the application process is complete.
2	What would be the basis for us to quantify the total number of vehicles that should be able to represent the 50%? Is it, at a time when the order lines have been qualified for the operation, or there will be a specific volume of trucks of specific sizes?	The order lines will be shared using an approved distribution plan from ZAMMSA between a primary vendor (approximately 60% of order lines) and a secondary vendor (approximately 40% of order lines). Of the order lines allocated for each, a vendor should be capable of fulfilling 50% of order lines using directly-owned fleet. This amount will vary based on demand in the system and the approved distribution loading plans. Offerors should review historical information and the factsheet submitted in Annex 03 for an illustrative sense of fleet requirements.
3	Will the slides be shared to the participants	Please see section IV of this amendment.
4	Will there be a need to use non-insulated containerized vehicles since the cold chain will be handled by ZAMMSA itself?	Yes, you can use non-insulated, containerized vehicles, but they should conform to the WHO/ZAMRA standards for pharmaceutical distribution (see WHO and ZAMRA annexes).
5	Is there a soft copy application form to be filled by the applicants?	Kindly carefully read the instructions and requirements in the RFP, in particular Section B “Required Proposal Documents.”

IV. Proposal Conference Slides

USAID Program for Advancing Supply Chain Outcomes (PASCO)

Proposal Conference
RFP 465.002, In-Country
Distribution of Health
Commodities – Lusaka-origin

October 12, 2023



Agenda

1. Welcoming remarks/project overview
2. Geographical Scope of Work
3. What do we have to offer
4. Introduction of the RFP
5. Important dates to remember
6. Overview (Procurement Guidelines)
7. Proposal submission
8. General requirements
9. Subcontract type
10. Pricing
11. Annex 3 – Historical information
12. Technical Evaluation
13. KPIs
14. Vehicle Inspection Checklist
15. Purchase Order Process
16. Questions



Welcoming Remarks/Project Overview

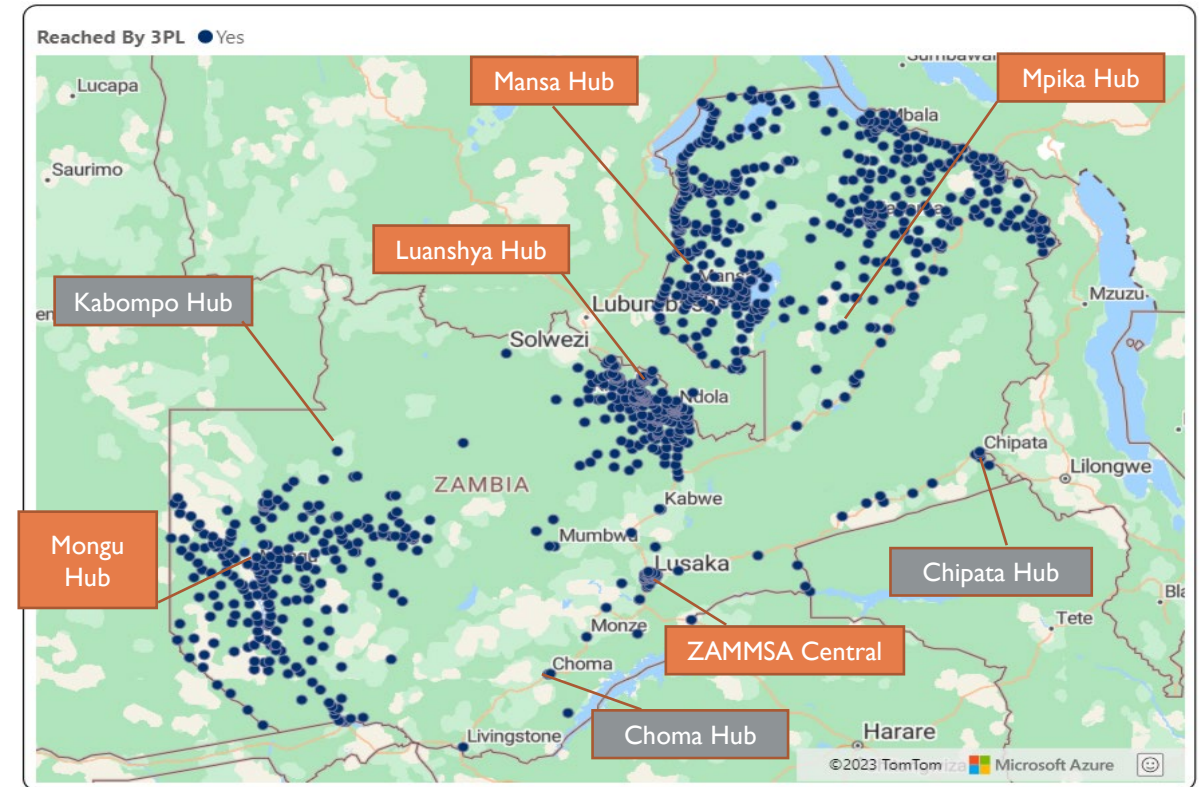
- USAID-funded project
- 22 staff in Zambia
- Based in Lusaka and ZAMMSA Hubs across 5 provinces
- 5-year project (November 2022 to November 2027)
- In collaboration with the Zambia Medicines and Medical Supplies Agency (ZAMMSA) and the Zambian Ministry of Health (MOH), USAID PASCO is a commodity distribution project that works to create sustainable access to health commodities at the last mile by enhancing the use of private sector, third-party logistics (3PL) providers in Zambia's national health supply chain.



A 3PL truck completes the distribution cycle from Luanshya Hub to Twapia Urban Health Center in Ndola.

Geographic scope of PASCO-supported last-mile distribution services

- USAID PASCO provides supplemental 3PL support in all ten provinces.
- USAID PASCO supports ZAMMSA Hubs with last-mile operations in the Copperbelt, Luapula, Muchinga, Northern, and Western provinces.
- USAID PASCO's support to Lusaka and Central Province is focused on bulk distribution from ZAMMSA Central to DHOs and high-volume sites.
- USAID PASCO's support to the Southern, Eastern, and North-Western regions is focused on bulk deliveries from Lusaka to hubs, DHOs, and high-volume sites.



What do we have to offer transportation firms as the USAID PASCO Project?

- The opportunity for a steady stream of business from points of origin in Lusaka, Luanshya, Mansa, Mpika, and Mongu.
- Long-term business continuity – with clearly outlined framework subcontracts of 1-2 years with clear pricing terms.
- Payment terms that are commensurate with the commercial sector.
- Business expansion and brand recognition in a public-private forum.

Introduction of the RFP

- The USAID PASCO is soliciting offers from companies to submit proposals for the provision of 3PL distribution services from ZAMMSA's warehouse in Lusaka to destinations around the country.
- Chemonics anticipates having a primary and secondary vendor with an approximately 60% - 40% split in order lines, respectively.
- The awardees will be responsible for ensuring a full-time logistics person is based at the Lusaka warehouse.
- The time period for the delivery of distribution services under resulting IQSs will last for one year, from approximately December 15, 2023 to December 14, 2024, with an optional one-year extension period.

Introduction of the RFP (2)

- Successful offerors will be required to ensure a minimum of 50% - 75% of order lines are serviced using directly-owned fleet during implementation.
 - Preference in technical points will be given to offerors that can show existing, directly-owned fleet available to meet an estimated minimum of 50% of line-item orders as either a primary vendor (~60% of order lines) or secondary vendor (~ 40% of order lines).
 - However, offerors who do not meet existing fleet demands as per historical data under Annex 03 may instead show documentation of financial capacity to scale their fleet to meet the requirements, along with a procurement plan to implement this prior to subcontract award (which is estimated on Dec 1, 2023).

Important Dates To Remember

RFP published	October 4, 2023
Deadline for written questions	October 11, 2023
Proposal conference pre-registration deadline	October 11, 2023
Proposal conference	October 12, 2023
Answers provided to questions/clarifications	October 16, 2023
Proposal due date	November 1, 2023
Pre-selected companies / competitive range(estimated)	November 13, 2023
Fleet evaluation (estimated)	November 20, 2023
Subcontract Award/s Notification (estimated)	December 1, 2023

Overview- Procurement guidelines (3PL)

USAID PASCO's procurement guidelines and procedures utilized are;

- Transparent,
- Well-documented, and
- In compliance with USAID regulations and Chemonics' Standards of Business Conduct.

Established an evaluation methodology that is clear and transparent (page 16-18)

- **Administrative review**
 - *Compliance with RFP requirements*
- **Technical evaluation**
 - *In-depth interrogation*
- **Cost evaluation**
 - *Determination of price reasonability*

Overview- Procurement guidelines (3PL) Cont'd

- Obtain clarifications from offerors, as needed and applicable
- Select the best value for award based on the evaluation criteria in the solicitation

Proposal Submission

- Technical proposal and Cost proposal with all relevant support documentation must be submitted separately electronically and clearly labeled as such
- Technical proposal MUST NOT have ANY costing data/information in it.
- The prescribed deadline of 17:00hrs on November 1, 2023 must be adhered to unless advised otherwise through an amended RFP

General Requirements

- Please refer to Section 1.4A and 1.4B of the RFP for minimum general requirements
 - Full names of members of the Board of Directors and Legal Representative.
 - Taxpayer Identification Number.
 - UEI Number.
 - Official bank account information.
 - Recent financial statements that verify that the organization has sufficient operating capital to undertake the work outlined in its Offer.
- ***Disclaimer:*** *It is the offerors' responsibility to ensure that all regulations, legal and any other statutory requirements that govern the transportation and distribution of public health commodities in Zambia are adhered.*

Subcontract Type

- Indefinite Quantity Subcontract (IQS) (minimum of two for primary and secondary vendor)
- The total maximum value of this procurement (all IQSs combined) for the base period of performance is not expected to exceed **ZMW 23,400,000**

Central Zone #	Origin / Point of Dispatch	Destination / Recipient
1	ZAMMSA central warehouse complex in Lusaka	(i) Bulk deliveries to hubs, district health offices, and high-volume sites throughout the country. (ii) Direct and multi-drop destinations to district health offices and health facilities in/near Lusaka Province and Central Province.

Pricing

- The IQS will establish fixed price per kilometer rates for different vehicle types, with fuel included as a variable rate.
- For more information on pricing and how it will be included in POs, refer to section B.3 Cost Proposal and **Annex 2** Guide to Creating Cost Proposal and Establishing Budget.
- “In order to prepare a table of prices showing costs per vehicle type per kilometer (as requested in the sample tables under Annex 2), an offeror must first consider all its **organizational costs** (perhaps in a different detailed budget) and then translate those costs into the sample table as provided under Annex 2 of this RFP. Chemonics will not provide technical assistance to offerors on budget preparation. Chemonics expects offerors to consider all their organizational costs by preparing their own detailed budgets separately, and to then translate the costs of the detailed budget into prices as requested in the sample price tables under Annex 2.”

Pricing cont'd: Reference Annex 19 for details

ZONE NAME / POINT OF ORIGIN: LUSAKA							
A			B	C	D	E	F
Vehicle Size	Vehicle Description	Minimum Required Enclosed Storage Capacity (cubic meters, cbm)	Total Rate per Km (ZMW)	Fixed base Cost per km(ZMW)	Fuel economy (Litres/Km)	Fuel price (ZMW)	Proposed variable fuel cost per km (ZMW)
			(C+F)	Vendor to propose base	Vendor to denote	Per Energy Regulation Board pricing	(D * E)
SUV, single-cab truck, or van (4x2)	Vehicles must have fully enclosed cabs that meet storage volume. Two-wheel drive vehicles are acceptable in this cost category. Vehicles must meet ZAMRA requirements as per Annex 007 b.	2.71	TBD	TBD	TBD	Per latest ERB Pricing	TBD
SUV or single-cab truck (4x4)	Land Cruiser 76 series or similar models of vehicles required. Functioning four-wheel drive required. Single-cab trucks must have fully enclosed cabs that meet storage volume. Vehicles must meet ZAMRA requirements as per Annex 007 b.	2.71	TBD	TBD	TBD	Per latest ERB Pricing	TBD
3.5-ton	Vehicle storage must be containerized and otherwise meet ZAMRA requirements as per Annex 007 b.	18.48	TBD	TBD	TBD	Per latest ERB Pricing	TBD
5-ton	Vehicle storage must be containerized and otherwise meet ZAMRA requirements as per Annex 007 b.	19.18	TBD	TBD	TBD	Per latest ERB Pricing	TBD
10-ton	Vehicle storage must be containerized and otherwise meet ZAMRA requirements as per Annex 007 b.	31.5	TBD	TBD	TBD	Per latest ERB Pricing	TBD
15-ton	Vehicle storage must be containerized and otherwise meet ZAMRA requirements as per Annex 007 b.	34.65	TBD	TBD	TBD	Per latest ERB Pricing	TBD
20-ton	Vehicle storage must be containerized and otherwise meet ZAMRA requirements as per Annex 007 b.	47.25	TBD	TBD	TBD	Per latest ERB Pricing	TBD
30-ton	Vehicle storage must be containerized and otherwise meet ZAMRA requirements as per Annex 007 b.	63.32	TBD	TBD	TBD	Per latest ERB Pricing	TBD

Pricing cont'd: Cost Evaluation

- Using the table above, Chemonics will calculate the average monthly cost of distribution using the Offeror's proposed pricing and using historical average order data as per Annex 03.

Annex 3 – PASCO 3PL Historical information

- As the historical data is reviewed, please note:
 - Future iterations of this work will introduce different vehicle categories as compared to historical work, specifically segregating out two-wheel drive vs four-wheel drive SUVs and also providing an option for a 3.5-ton vehicle.
 - Future iterations of this work are expected to have two vendors at each point of origin - a primary and secondary vendor with a split in line item orders of approximately 60% and 40% respectively.

Technical evaluation

- Please refer to sections 1.8 and 1.9 of the RFP for the proposal validity period and technical evaluation criteria:
- Each proposal will be evaluated and scored against the evaluation criteria and evaluation sub-criteria, which are stated in the table on pages 16 – 17.
- Evaluation points will not be awarded for cost.
- If technical scores are determined to be equal or nearly equal, cost will become the determining factor.
- This RFP utilizes the tradeoff process set forth in FAR 15.101-1. Chemonics will award a subcontract to the offeror whose proposal represents the best value to Chemonics.
- Chemonics may award to a higher-priced offeror if a determination is made that the higher technical evaluation of that offeror merits the additional cost/price.

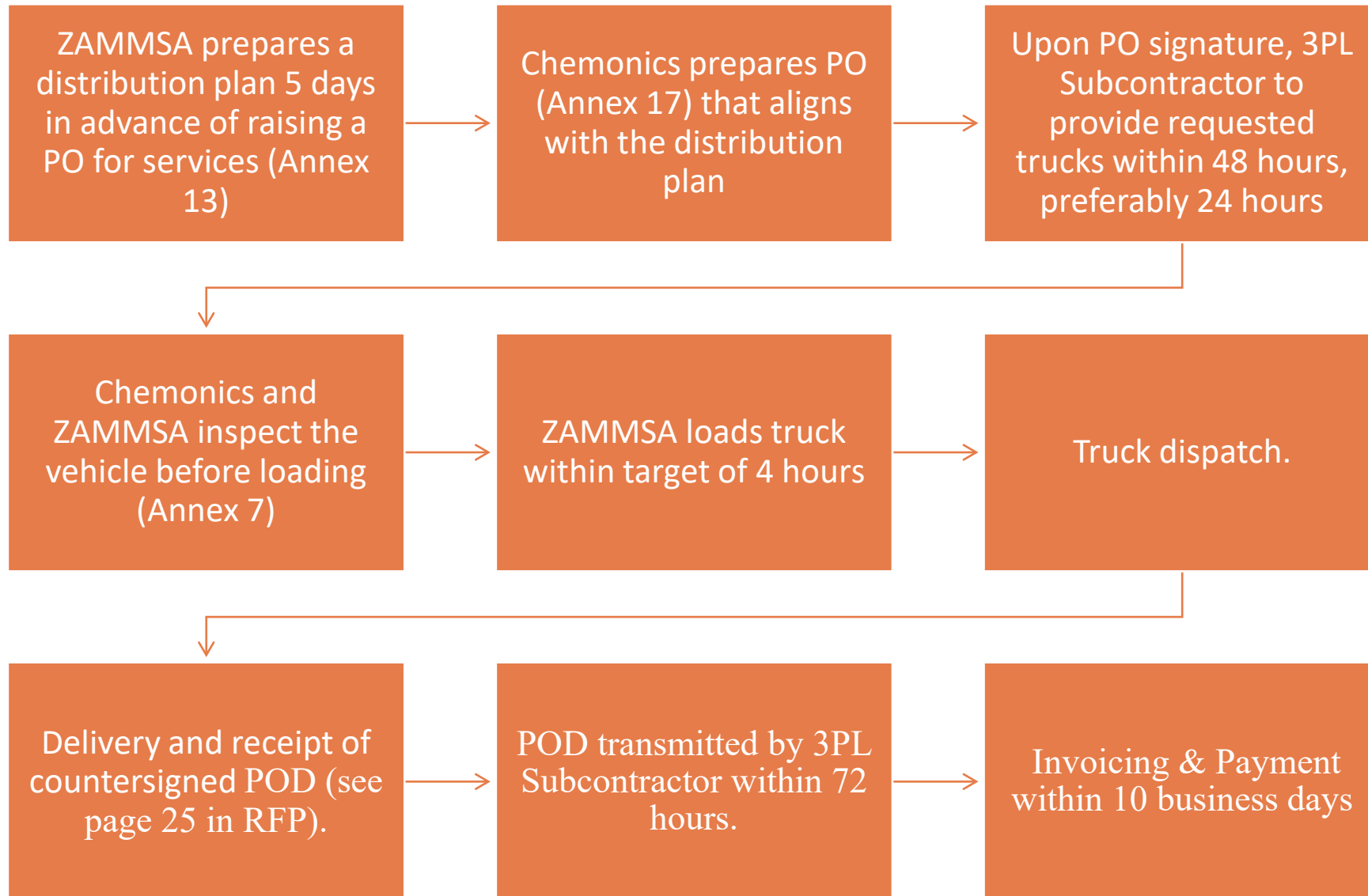
KPIs

#	Indicator Name
1	On-time arrival of trucks for loading
2	Truck condition
3	Notification of incidents that have the potential to delay or compromise a shipment.
4	On-time delivery
5	Off-loading time
6	Delivery notes indicate the quantity dispatched matching the quantity received.
7	Delivery notes signed as received by an authorized staff member of the designated facility.
8	Orders received in full
9	Customer Service Rating

Annex 7 – Vehicle Inspection Checklist

USAID/Zambia Program for Advancing Supply Chain Outcomes (PASCO)		
Vehicle Adherence to ZAMRA / WHO Good Storage and Distribution Practices		
Vehicle Inspection Checklist		
Inspection Type (New Inspection/Re-Inspection): _____		
ZAMRA Reference	Inspection Item	Inspection Result (Yes/No)
Pre-loading Checklist		
Section 9.1 and 9.18	Vehicle is containerized, sealed from the elements, and is fit for purpose.	
	Vehicle has essential safeguards such as a fire extinguisher, triangles, and a first aid kit.	
	ZAMMSA has confirmed it will apply a safety seal and/or the vehicle is capable of being fully locked.	
Sections 9.2, 9.5, 9.10 and 9.11	Vehicle and container are clean and free of debris and contaminants prior to loading and during distribution.	
	Vehicle and container are free of pests and free of any visual / olfactory (smell) signs of adverse cleaning agents.	
	No other items beyond those specified on the distribution list are placed in the container after loading.	
Sections 9.6, 9.7, and 9.8	Vehicle has been ordered in accordance with an approved Purchase Order.	
	Vehicle has valid insurance, road tax/CES, and a certificate of fitness from RTSA.	
	The assigned driver has a valid license that corresponds to the appropriate vehicle class and all legally required certifications.	
Post-loading Checklist		
Section 9.14	The ZAMMSA dispatch team has been consulted regarding the loading of any temperature-sensitive products and has confirmed adherence to ZAMMSA SOPs for temperature-sensitive distribution (i.e. provision of cooler boxes and temperature monitors).	
Section 9.16	Cargo adequately fits in the vehicle and no cargo has been forced into the vehicle or stored on places such as roof racks.	
Section 9.17	If reverse logistics will be used, the 3PL driver has been briefed on the need to segregate rejected, recalled, and returned medicine, and adequate space/equipment is provided to implement the guidance.	
Overall Inspection Result		
Comment (s):		
Inspected by:	Date: _____	Signature: _____
	First Name	Last Name

Purchase Order Process Flow



Important!

- At the rates proposed, Offerors should be prepared, if awarded an IQS as a result of this solicitation, to meet the requirements of the technical scope of work at the proposed **fixed** rates.
- This includes, but is not limited to, providing the following at the fixed rates:
 - Clean, containerized, well-maintained vehicles that meet the requirements of the inspection checklists (Annex 7);
 - To be positioned **within 48 hours** of a request for vehicles issued under an approved purchase order;
 - With GPS tracking;
 - With a minimum of 50% of directly-owned fleet;
 - With qualified drivers that are proficient in English and can manage proof of delivery documentation;
 - With a qualified logistics person based at the hub that can support logistics management.
- Offerors are strongly encouraged to propose their best and most competitive prices for distribution services that meet the technical scope.

Instructions for the Submission of Electronic Copies

- Separate technical and cost proposals must be submitted by email to the point of contact and email address by no later than the time and date specified in I.2 Offer Deadline.
- The Offeror must submit the proposal electronically with up to three (3) attachments (5 MB limit per attachment) per email compatible with MS Word, MS Excel, readable format, or Adobe Portable Document (PDF) format in a Microsoft XP environment.
- Offerors must submit a separate cover email without any attachments to delineate the quantity and content of emails to expect with attachments, for clarity of submission.
- Offerors must not submit zipped files. Those pages requiring original signatures should be signed by using e-signatures.

Any Questions?

1. We have vehicles but not containerized now my question is can we be given chance or kind of documentation to represent it to CEEC citizen economic empowerment commission to facilitate acquire standard vehicles to be used for exercise and later we pay back CEEC?
2. Is there a soft copy application form to be filled by the applicants?
3. kindly help to get UEI Number.

Thank you



USAID Program for Advancing Supply Chain Outcomes (PASCO)