

2010 Tender Overview

LLIN Suppliers' Meeting

UNICEF Supply Division

Copenhagen, 23rd October, 2009

unite for
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Overview of plans for 2010 Tender

One RFP for period Mar 2010 to Feb 2011

Basis for this year's tender are:

- Request for Proposals (same as last year)
- Request for total number of nets, with indication of main types identified in forecast.
- Long Term Arrangements to be for a forecasted quantity of nets instead of open quantities
- The total forecasted quantity will include requirements identified for the first quarter of 2011

Overview of 2010 Tender

Main Parts

1- Purpose of Tender and Objectives

2- Background, including forecast

3- Terms and Conditions

4- Instructions to Proposers

5- Answer sheets

Annexes

Overview of 2010 Tender

1- Purpose of Tender

The purpose of the RFP is to establish supply arrangements with manufacturers to ensure an uninterrupted and sustainable supply of affordable and quality assured nets.

This purpose reflects UNICEF's support to increasing access to LLINs through enabling a healthy market for manufacturers and users.

While UNICEF advocates for the utilization of standard nets sizes and colors, due to the need to respond to demand for specific sizes and colors when appropriate, this tender includes all types of nets that can be offered.

Overview of 2010 Tender

2- Background: Forecast

Forecasting methodologies

- The forecast is informed by country inputs to the annual UNICEF forecast (conducted in Aug-Oct 2009).
- This forecast is conducted in coordination with National Malaria Programmes and aims at identifying needs (quantities and timing) as well as funding sources.
- Forecast identifies the quantity of nets that is projected to be procured by UNICEF.
- Clarifications are sought after comparison of information with other sources (RBM, PMI, etc).
- Review of forecast is ongoing, and further clarification on plans for 2010 are expected before issuance of tender. An update of the forecast and tender quantities will be included in the tender document

2- Background: Forecast (cont.)

Projections

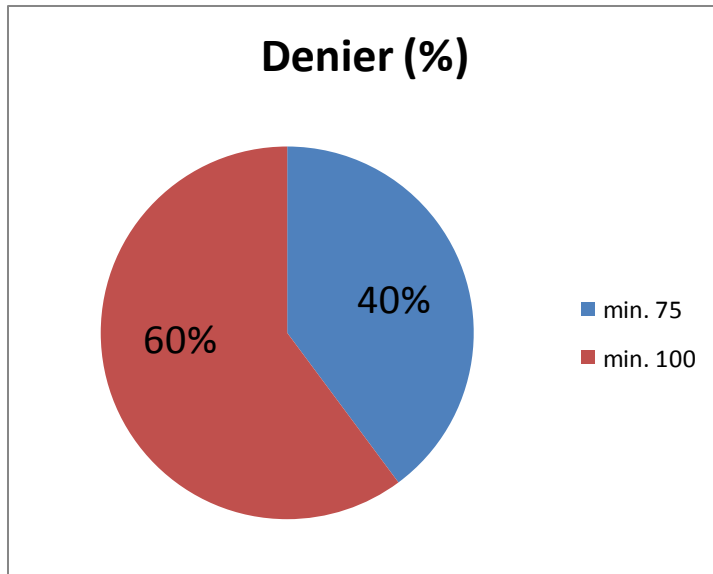
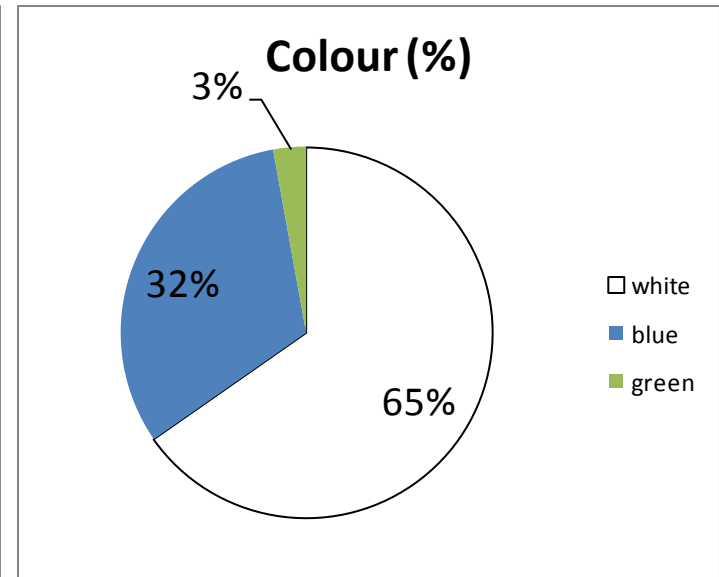
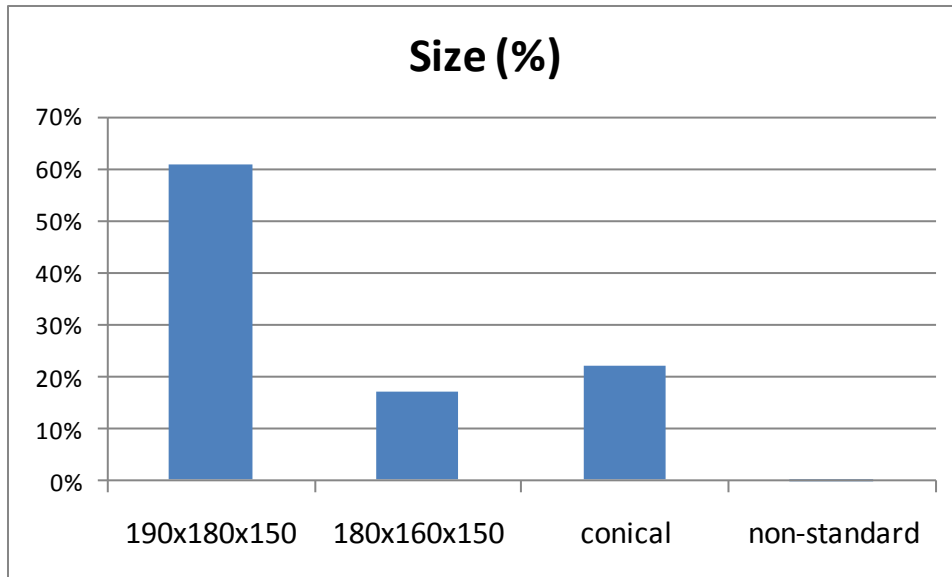
Initial analysis of the input received from 35 countries in 5 regions covers majority of countries for which procurement by UNICEF is expected.

Total quantity in forecast (2010): 181 M nets

UNICEF forecast total is for 26 million nets (Q2 2010 to Q1 2011)

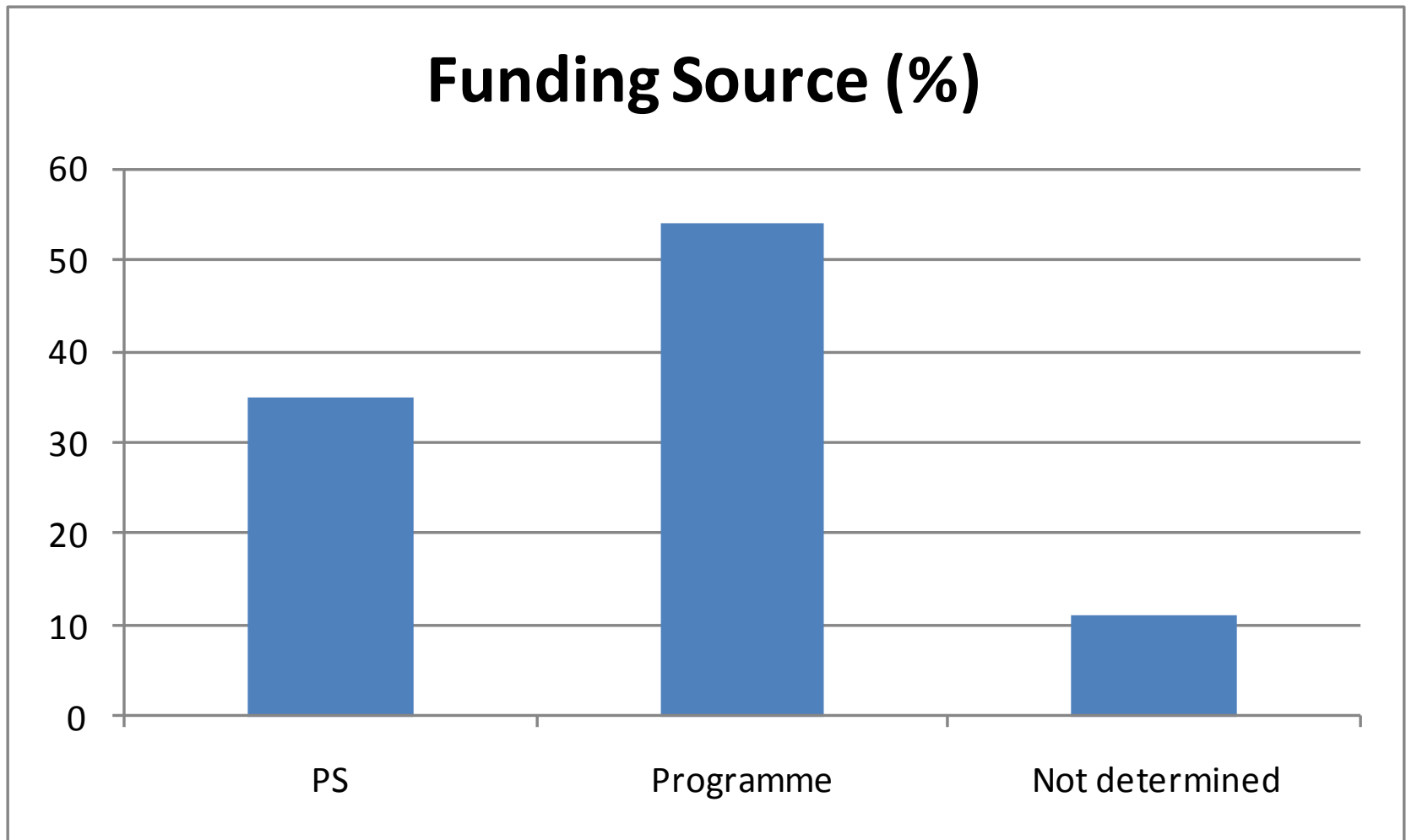
1st Quarter of 2010 (current LTA) 15.5 million

2- Background: Forecast (cont.)

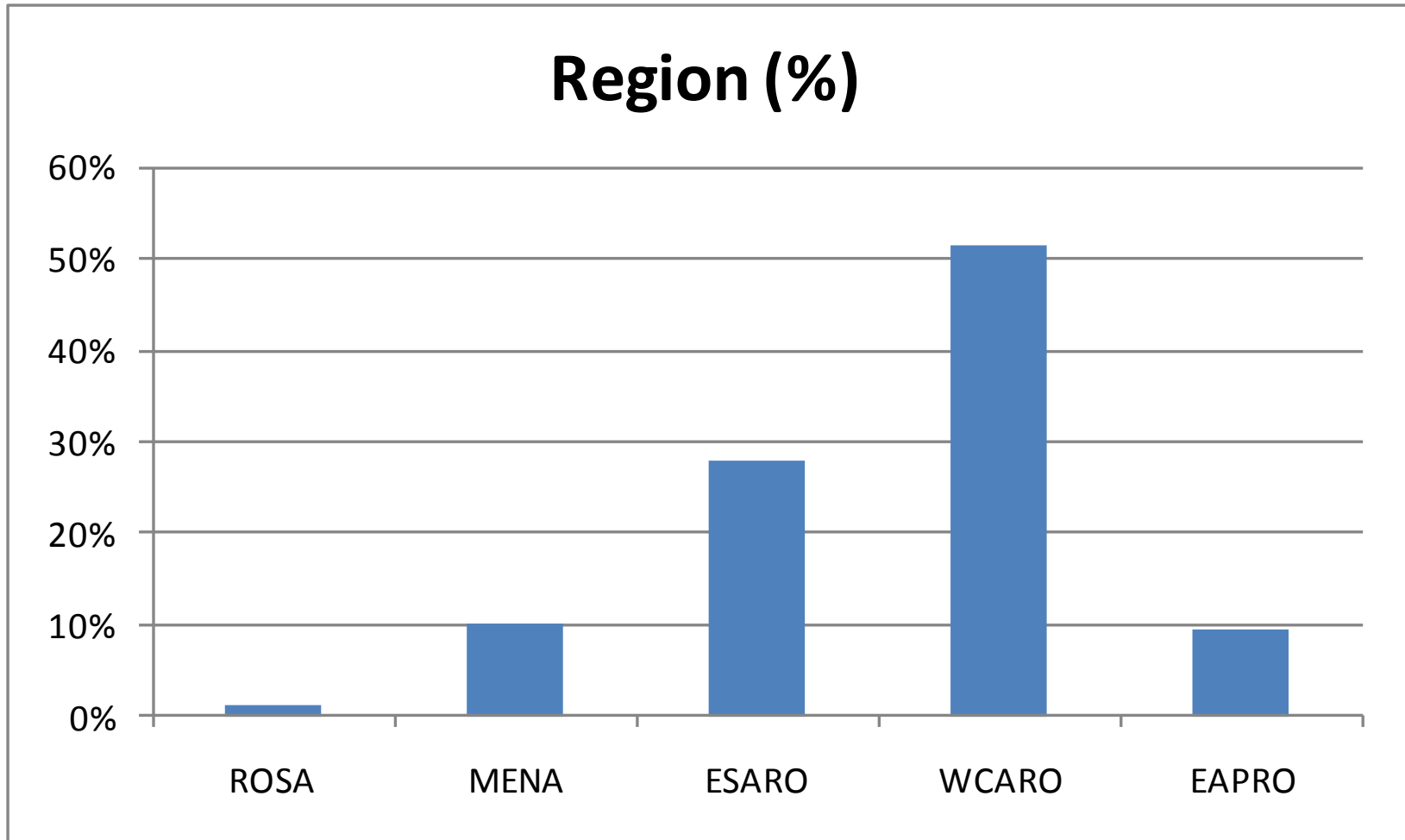


Forecast indicates main demand for standard sized nets (with increase in conical nets), white and blue color and high denier

Forecast by Funding Source



Forecast per Region



2- Background: Forecast (cont.)

Projections

Key trends identified are:

- Increased uncertainty of funding
- Requirement of standard sizes
- Requirement for closer follow-up on funding and time-lines for implementation
- Schedule of shipments is still provisional due to tentative country plans. Additional clarifications to take into account these together with funding availability and delivery lead times is needed.

Overview of 2010 Tender

3- Terms and Conditions

Products Requested

Technical Requirements (general requirements, specifications, conformity with quality system standards, product documentation)

Contractual Provisions (LTA, Term, Prices and discounts, Delivery, Destinations, Incoterms, Samples, Subcontracting, Packing, Packing List, Bidder Representation, Supplier Registration and Evaluation, Liquidated Damages, UNICEF General Terms and Conditions, Dangerous Goods, Unethical Behaviour, Corrupt and Fraudulent Practices, Officials not to Benefit, Guidelines on Gifts and Hospitality, Most Favoured Customer Price Certification, Award Notification)

Shipping Instructions (*included in Annex*)

Account management, experience in LN supply

Medium and long term plans

Affordability of prices offered

Products Requested

Proposals should be for the full range of nets manufactured i.e. all sizes and colours. Sizes not offered cannot be included retroactively in resulting LTAs

UNICEF will focus the commercially and technical evaluation of the offers based on the sizes most commonly procured by institutional buyers:

Rectangular Nets:

190(L)x180(W)x150(H) cm

180(L)x160(W)x150(H) cm

Conical Nets:

1250(C)x250(H) cm

1050(C)x220(H) cm

While we have not experienced an increase in requests for rectangular nets with larger height (170 to 210 cm), suppliers are encouraged to offer these for these sizes.

Details should be included in forms provided, in addition to any other full product list available.

Technical Requirements

Specifications

WHOPES approved (phase II)

Technical specifications will not change for current products. To be specified by manufacturers for new products.

Products Documentation

Proposers must provide comprehensive documentation for each product offered, including:

Subcontractor's name (if applicable)

Manufacturing site (country(ies) of manufacture)

Manufacturer's quality system standards

Product shelf life in months and storage conditions

Product hazardous classification

Complete technical specification, including technical data sheet with photo and/or design

Supporting documentation for any claims about the product must be submitted in the proposal.

Contractual Provisions

Long Term Agreements (LTAs)

- Long Term Agreements resulting from this RFP will be for forecast quantities.
- This means that UNICEF will award all or part of the requested quantity among proposers, and will plan to allocate demand according to LTA targets.
- While the resulting LTA remains a non-binding agreement and final quantities to be procured under them are subject to changes depending on demand, all efforts are made to maintain the original allocation resulting from the RFP.

Term

The proposed LTA will be for a duration of 12 months.

Contractual Provisions

Prices and Discounts

Unit prices should be in USD or EUR.

Proposers are encouraged to indicate staircase pricing (discounts applicable to ranges in quantities to be awarded) and other discounts offered for cumulative purchases during the LTA period.

INCOTERMS

Quoted unit prices are to be in accordance to FCA nearest Main Sea/Airport(s).

UNICEF may purchase nets from alternative locations proposed by manufacturers, to which prices or commitment to sell at LTA prices + transport costs.

Overview of 2010 Tender Document

4- Instructions to Proposers

Marking and returning of offers

Time for receiving offers

No Public opening

Request for information

Changes from specifications

Corrections

Modification and withdrawal

Errors in bid

Validity of bids

Delivery period

Gross weight/volume

Discounts

Quality Assurance

Supplier registration

Country of origin

Rights of UNICEF

Proposal evaluation method and evaluation criteria

Basis for Award

Proposals for products not yet WHOPES approved

Answering sheets

Award notification

Debriefings

Proposal Evaluation Process

The merits of each Proposal will be evaluated to assess its ability to support the objective of establishing multiple supply arrangements with manufacturers that provide affordable, sustainable and uninterrupted supply of LNs of assured quality.

Notwithstanding anything contained in the INSTRUCTIONS TO PROPOSERS, Long Term Agreements will be awarded to the Proposers whose Proposal best meets the criteria.

EVALUATION METHODOLOGY:

The evaluation consists of two main reviews:

- a) Review of Mandatory Requirements, and**
- b) Evaluation of Quantitative and Qualitative Data of the Bid.**

In addition to the requested information, the Proposer may supply other information as deemed appropriate.

Proposal Evaluation Process

a) Review of Mandatory Requirements

Proposals will first be evaluated for compliance with the Mandatory requirements of this RFP including:

Compliance with Instructions to Proposers

Compliance with Financial Requirement

UNICEF General Terms and Conditions

WHOPES status

Currency of offer

Fixed and firm pricing

Compliance with packing and shipping marking requirements

Compliance with inspection requirements

Submission of samples to UNICEF Supply Division Quality Inspection Unit (QIU)

Failure to comply with the mandatory terms and conditions contained in this RFP, including the provision of all required information, may result in a Proposal being considered non-responsive and rejected without further consideration.

Proposal Evaluation Process

b) Review of Quantitative and Qualitative Data

In order to ascertain to what extent a proposal is found acceptable, all quantitative data will be evaluated together with the qualitative data. Below is an overview of factors that will be included in the evaluation:

Price

Payment Terms and Discounts

Responsiveness to RFP

Delivery times

Offered production quantity

Product and packaging marking

Award of WHOPES recommendation

Past performance on-time delivery which is measured by ability to meet agreed upon delivery dates

Account Management

Proposal Evaluation Process

BASIS FOR AWARDS

Awards for the full projected quantity defined herein will be made to multiple manufacturers on the basis of “most responsive evaluated proposal” as per evaluation criteria.

Evaluation of Quantitative Information

Detailed information on each of the evaluation criteria is provided in the Instructions to Proposers, Answering Sheets and Terms and Conditions

Evaluation criteria

Procurement Objective

- Price FCA containerised nearest main seaport
- Payment terms and discounts

Affordable product

• Characteristics of product offered

Quality Product

- WHOPES Approval
- Weight/Volume
- Durability
- Packaging and labelling

• Quantity offered

Uninterrupted,
sustainable supply

• Conditions of quantity offered

• Demonstration of capacity to provide quantities offered

• Alternative delivery points

• Lead-time

• Total production capacity

• Validity of bid

Evaluation of Qualitative Information

Evaluation criteria

- **Factors that influence the decision to offer UNICEF prices**
- **Experience in supply and delivery:**
 - Numbers of years of production and delivery (quantity)
 - Customer reference list
 - Realistic lead-time offered
- **Account Management resources**
- **Past performance record:**
 - Proven capacity to supply offered and forecasted quantities
 - Sharing of information regarding plans and availability
 - On time deliveries
 - Reliable and firm forecasted supply
 - Realistic quantity offered

Procurement Objective

Affordable product

**Uninterrupted,
sustainable supply**

Evaluation of Qualitative Information (cont.)

Evaluation criteria

Maintenance of reliable product quality, including:

- **Maintained quality level per WHO requirements**
- **Approval of samples by UNICEF Quality Assurance Center**
- **Successful plant inspection by UNICEF Quality Assurance Center**
- **Adherence to current packing and shipping requirements**
- **Country feedback/Customer acceptance**
- **Initiative to resolve problems in a satisfactory and fast manner**

Procurement Objective

Quality product

Evaluation of proposals for products not yet WHOPEs approved at the time of award

1. In order to allow for the **entrance of new manufacturers in the market** conditions are set under which award(s) would be considered after the initial award(s).
2. If the supplier is not WHOPEs approved for the product offered at time of tender, their proposal must have included a **detailed plan on the timeline to obtain WHOPEs approval**.
3. If the manufacturer's proposal was **deemed of commercial interest** to UNICEF, UNICEF should be kept informed about the progress of the submitted timeline.
4. If the proposed LLIN obtained WHOPEs approval and upon confirmation that the mandatory requirements of the RFP are met, **UNICEF considers establishing an awarded/re-allocated quantity to the manufacturer under one or more of the following conditions:**
 - Lack of performance of current manufacturer(s); or*
 - Insufficient supply from current manufacturer(s); or*
 - Additional needs.*
5. The **quantities considered for award** would be those not met under established contracts or quantities that could be reallocated from existing arrangements after negotiation with the corresponding suppliers.

Award Notification

All Proposers will receive a written notification regarding the results of their proposal.

Letters will be sent to all Proposers after awards are made, including the following information.

- Total LN quantity awarded to supplier

- Total contract value awarded to supplier (based on size 190x180x150cm and larger denier offered)

- Number of suppliers awarded

- Total LN quantity awarded

UNICEF will make each award public by publishing the following information on the UNICEF web-site

- The supplier name and total award value (based on size 190x180x150cm and larger denier offered).

Post-award Debriefings

- All manufacturers are advised of the outcome of their proposal
- Manufacturers receiving an award are invited to a formal debriefing
- Manufacturers not receiving an award may request a debriefing
- During a debriefing session, the strengths and weakness of the manufacturer's proposal may be discussed. Details concerning the evaluation, results of a competitor will not be discussed, other than to indicate that which is publicly available on UNICEF web-site

Planned LLIN Tender Timeline

Pre-Tender Meeting:	23 October 2009
Issuance of Tender:	4 November 2009
Closing of tender:	30 November 2009
Clarifications and evaluation:	Dec 2009 & Jan 2010
Announcement of Awards:	End-January 2010
LTA commence:	End-February 2010



UNICEF Procurement Standards

Control and Oversight of Procurement Function

Internal Oversight

- UNICEF Financial Rules and Regulations

- UNICEF Procurement Procedures

- Ethical Code

- Contracts Review Committee (independent from contracting staff)

- Procurement Training and Certification of contracting staff

External Oversight

- UN External Audit

- UNICEF Internal Audit

Ensuring equal treatment, maintaining ethical standards and no bias

- Contracting staff are governed by Financial Rules and Regulation and procedures related to ethical behaviour
- During tender period- communication is more formal and written, in accordance with tender instructions
- Bids/proposals are received and validated by an independent 'Bid Section' (QA) and then transferred to Contracting staff
- UNICEF does not accept manufacturers to fund trips, hotels, etc. or gifts
- Business should be conducted during normal working hours
- Meetings should be with min. two UNICEF staff members
- Suppliers not invited to UNICEF staff offices

Thank you !



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