SUBJECT: Request for Applications/RFA No. POPC001
Title: Accelerating e-Commerce for Health Commodity Supply Chains Fund

Abt Associates Inc. requests a full application from organizations to support the acceleration of a market-based health commodity supply chain intervention. We anticipate issuing two to four awards for the subject solicitation. Each award is estimated to be between US dollars 30,000 to 50,000 in equivalent local currency. Awards will be made in local currency only.

The RFA is comprised of five (5) sections as listed below:

   Section 1 Instructions to the Applicant
   Section 2 Background and Award Purpose
   Section 3 Business Plan
   Section 4 Evaluation Factors
   Section 5 Attachments

Your application must be received in electronic format at the following e-mail address not later than 11:59 pm EST (US) on November 30, 2020: info@shopsplusproject.com

Questions concerning this request for applications should be submitted in writing via email to info@shopsplusproject.com by November 13, 2020. No questions will be answered by phone. Answers to the questions received will be shared with all applicants.

Issuance of this solicitation does not constitute an award commitment on the part of Abt Associates, nor does it commit Abt Associates to pay for any costs incurred in the preparation or submission of an application. Abt Associates reserves the right to accept or reject any application without assigning any reason whatsoever.
SECTION 1 - INSTRUCTIONS TO THE APPLICANT

1. **RFA Issued By:**
   Abt Associates, Inc.
   Address: 6130 Executive Blvd,
   Rockville, MD 20852

2. **Project**
   Abt Associates Inc. has entered into a cooperative agreement with the United States Agency for International Development (USAID) for the Sustaining Health Outcomes through the Private Sector (SHOPS) Plus project.

   SHOPS Plus aims to uncover innovative and scalable solutions that address critical barriers to private sector health commodity supply chains, particularly getting quality family planning (FP) products to country level importers (e.g. wholesalers and distributors). Successful applicants will be those that can demonstrate the potential for the proposed solution to contribute substantially to sustainability, scale, and replication of the business model and its impact. The selection committee will aim to identify enterprises that have the potential to improve health outcomes through increased provision of, or access to health products.

3. **Activity Name:** Accelerating and Supporting e-Commerce to Strengthen Health Commodity Supply Chains

4. **Period of Performance**
   The activities proposed in the application must be completed during the period December 2020- June 2021.

5. **Special Considerations**
   A. Applicants are informed that by submitting a response to this RFA, they agree to abide by the Terms and Conditions of this solicitation.

   B. Applicants are informed that Abt Associates Inc. complies with U.S. Executive Order #13224 on Terrorist Financing, which effectively prohibits transactions with persons who commit, threaten to commit or support terrorism. Any person or entity that participates in this award process, either as a prime or sub to the prime, must certify as part of the proposal that it is not on the U.S. Department of Treasury Office of Foreign Assets Control (OFAC) Specially Designated Nationals (SDN) List and is eligible to participate. Any application received by a person or entity that is found to be on the List or otherwise ineligible will be disqualified.

   C. Requirement for Data Universal Numbering System (DUNS) number: The Applicant selected for the award must be registered with DUNS and must provide the DUNS number to Abt Associates before the award can be issued. If the organization doesn’t have a DUNS number at the time of submission of the proposal, indicate on the cover page that you will apply for it.
D. Abt Associates will issue two to four (2 to 4) awards resulting from this solicitation to the responsible Applicants whose applications conform to the solicitation and provides the best value to Abt Associates. These awards will be for co-creation and TA design phase of the activity described in Section 2 of this RFA. Funding for the implementation phase may likely be available from other mechanisms for which Abt Associates makes no commitments.

E. USAID Standard Provisions will be flowed down to the resulting awards. For details visit: https://www.usaid.gov/ads/policy/300/303mab
SECTION 2: BACKGROUND & AWARD PURPOSE

BACKGROUND

The private sector supply chain (made up of commercial entities, NGOs, social enterprises) in Sub-Saharan Africa is fragmented and inefficient. It is characterized by uncoordinated intermediary distributors, wholesalers, and sub-wholesalers resulting in multiple price mark-ups from the point of manufacturing. There can be poor quality controls, poor information about product source and intra-country leakage. Limited information about product sourcing, availability and demand results in unreliable supply. GMP-certified suppliers of generic medicines from Asian markets lack efficient opportunities and incentives to market approved pharmaceutical products.

Digital technology is beginning to transform and address many of these market barriers. Digital technology has the potential to improve supply chains efficiencies with mutual benefits for both sellers (manufacturers) and purchasers (importers and distributors). Digital communications can eliminate information disparities, increase market entrants and competition and provide transparent side-by-side comparisons. Digital payment technologies can reduce burdensome, often duplicative, verification and prequalification requirements and exchange rate issues, and expand access to credit. Big data techniques can identify bottlenecks in real time. Tracking technologies such as QR codes can reduce risks of counterfeit products, leakage, and non-standard dosages.

e-Commerce – the buying and selling of goods via the internet – consists of multiple functions to enable the transfer of money and data to execute transactions. e-Commerce sites can be created at various points along the supply chain: establishing direct links between manufacturers and consumers, between manufacturers and retailers, between manufacturers and importers, and/or between importers and distributors. In each case, traditional intermediaries may be cut out and new intermediaries brought in. e-Commerce models evolve and adapt to market conditions, integrating upstream and downstream processes as needed. In recent years, dozens of organizations have aimed to disrupt commodity procurement by applying e-commerce solutions. Many of these solutions are in early stages of development, each with unique challenges in terms of partnering, financing, marketing, scaling and evaluating success.

SCOPE

SHOPS Plus aims to issue two to four awards to provide funding and technical assistance to e-commerce firms across Sub-Saharan Africa in order to accelerate solutions to improve pharmaceutical supply at scale. Private sector non-profit and for-profit firms based in Sub-Saharan Africa are eligible for these awards. Awards will be valid through June of 2021.

Solutions should increase innovation and/or scale of existing e-commerce approaches. Applicants should demonstrate how solutions will improve health outcomes by improving efficiency of the pharmaceutical systems, while increasing access and quality (safety). Solutions can also increase access to GMP-certified drugs, increase market entrants and competition and
eliminate information disparities. A primary goal of an ecommerce partnership is to facilitate efficient connections between GMP-certified manufacturers and ISO-9001 certified distributors.

This solicitation does not commit Abt Associates to make an award. Abt Associates reserves the right to reject any or all applications.

GUIDING PRINCIPLES

1. USAID seeks to address gaps in supply of all essential medicines with a priority on family planning commodities. Contraceptive supply is critical but applicants can identify product categories from all health areas that present particularly notable gaps and opportunities to drive the success of an e-commerce platform.

2. The focus of this award is on the commercial supply chain serving retail pharmacies, drug shops, and other private sector outlets rather than on the public sector supply chain managed through central medical stores. This focus does not preclude opportunities for collaborating and coordinating with public sector supply chain digitization efforts such as those led by the Global Fund, the Reproductive Health Supplies Coalition, and USAID’s GHSC project.

3. e-Commerce platforms perform a range of discrete functions. These functions include sourcing, procurement, financing, fulfillment, inventory management and information management. Platform providers may provide one, many or all of these functions. The focus of the e-commerce partnership envisioned here is open to solutions that address any of these functions, with a priority on sourcing, financing and fulfillment. One assumption to be validated is that smoothing and expanding entry of products at import has the potential to cascade expanded choice of quality-assured medicines throughout distribution pipeline.

4. Local context is critical: each country has unique pharmaceutical regulations, registration and licensing structures, and stakeholders. For this reason, regional approaches have been a challenge. Regional approaches for procurement are needed, however, to create economies of scale, to address needs of smaller countries, and to expand economic opportunities for African companies. Regional bodies in East, West and Southern Africa are separately working to harmonize regulation, and create or strengthen economic trading areas but these efforts are still nascent.

5. e-Commerce solutions should be private sector-led and sustainable. Award funds should be used to accelerate or catalyze solutions by increasing scale, developing new technologies, address policy barriers, prototype and test new solutions, etc. Variable business related costs will not be considered.
SECTION 3: **BUSINESS PLAN**

Interested applicants should submit a business plan (maximum 7 pages total, excluding the cover page and annexes). The Business Plan shall be in the English language, typed, on white paper, single-spaced, with each page numbered consecutively. A maximum number of pages for each component of the Business Plan is given below. The Business Plan shall contain the following sections:

A. **Cover Page including:**
   1) Statement that the application is made to Abt Associates Inc. in response to RFA No. POPC 001
   2) Full legal name, address, telephone and fax number of the organization submitting the application, and the date of submission.
   3) Statement that the application is valid for 90 days.
   4) Signature of Applicant’s duly authorized representative.

B. **Technical Approach (not to exceed 7 page) including the following subsections:**

1) **Provide a brief description of your company (2 page maximum)**
   - Company history
   - Company legality (where it is registered and as what type of entity)
   - Business model of the enterprise:
     - Describe your business model. What is the product/service being offered?
     - To whom is the product/service being offered? (Target audience)
     - What is the value/need that is being met for the customer?
     - Estimated market size
     - Geographic scope
     - Is the service provided at scale? If not, what would be needed to bring it to scale?
     - Is the business model currently profitable? Provide volume and revenue estimates. If not yet profitable, what is needed?

2) **Problem Statement (1 page maximum)**
   - Describe the problem your e-Commerce solution is tackling

3) **Proposed Solution/Intervention (2 pages maximum):**
   - Describe the proposed intervention (e.g. change to your business model, new product/service)
   - What business challenges does the proposed intervention address? For instance, does it open new markets? New customers? Address policy or regulatory barriers? Increase long term profitability?
   - What systemic supply chain challenges does the proposed intervention address? This might include some or all of the following:
     - The solution increases utilization or provision of priority health products
The solution improves supply chain efficiency or reduces price
- The solution improves transparency or access to data
- The solution improves access to quality, safe products?
- Other social or economic impacts

4) Activity Plan (1 page)
- What are the core activities that will be funded by the award?
- How will these activities be sequenced? Include a timeline or Gantt chart
- What technical assistance will be needed during the implementation of these activities
  - Technical assistance (please describe specific functional or technical areas that require support) E.g. Expert training in supply chain management, research or other tools or trainings
- Describe policy/ regulatory barriers that would need to be addressed to achieve success

5) Organizational Capacity & Partnerships (1 page)
- Describe the enterprise’s financial and administration systems
  - Does the enterprise produce audited financial statements?
  - How does the enterprise track financial and programmatic data? E.g. accounting platforms, HMIS systems
  - Are financial and programmatic data systems linked or synchronized?
  - Describe organizational structure, size and key human resources required to implement the activities
- Identify any key gaps in organizational capacity (systems, processes or human resources)
- Provide management information including ownership and key personnel

6) Financial Plan (1 page + budget template)
- Detailed Budget for Year 1 (See section 5 below for detailed instructions on preparing a budget in the correct format)
  - Show how the funding will be deployed
  - Identify significant partner, vendor or subcontract relationships that will result in the transfer of part of the award to a third party
- Projected income and expenditure for Years 2 - 3
  - Demonstrate when breakeven is expected
SECTION 4 - EVALUATION FACTORS

4.1 The criteria below will serve as the basis upon which the SHOPS Plus selection committee will evaluate the applications.

An application will be rejected if it does not satisfy the following criteria:

a) Sufficient level of detail to enable reasonable determination of the merits of the application
b) Adherence to the instructions and templates provided herein
c) Submission of the application in the appropriate format and by the deadline posted

The applications will be scored according to the following criteria:

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Problem Statement</td>
<td>20</td>
</tr>
<tr>
<td>Proposed Solution</td>
<td>25</td>
</tr>
<tr>
<td>Activity Plan</td>
<td>20</td>
</tr>
<tr>
<td>Organizational Capacity and Partnerships</td>
<td>15</td>
</tr>
<tr>
<td>Proposed Budget</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.2 Proposed budget elements will be evaluated for reasonableness, allowability, and overall cost realism. The application must be fully completed in all aspects. The Cost Proposal shall include:

a) The Offeror shall, as part of the Proposal, provide budget breakdown denominated in local currency in the format shown in Annex 1, Proposal Budget Template.

b) The Offeror shall provide a complete budget, in local currency, by the cost elements described in the budget Application template provided in attached excel sheet. The Excel template must be unlocked, with no hidden cells. Formulae should be used for calculating costs rather than calculating costs elsewhere and typing values into cells.

c) The Offeror shall also provide a Budget Narrative (indicated in the budget proposal template) further include any methodology used for calculating a proposed cost. Include a description on which resources the firm already possesses.

An application will not be considered if it is received after the submission deadline. Costs associated with preparation of the application shall be at the expense of the Applicant. Oral and written discussions may be conducted with the Applicant. All aspects of the application are subject to discussions, including but not limited to costs, technical approach, and terms and conditions related to the subaward of any portion of the award to a third party.
SECTION 3 – ATTACHMENTS

Attachment A – Budget Template