
RFP (Request for Proposal)
Purpose: Consultancy services (Conducting feasibility assessment for commercial distributor)
RFP#: ASMO-KAB-19-01
Issue Date: 10 February 2019
Closing Date: 24 February 2019

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About ASMO:

The Afghan Social Marketing Organization (ASMO) is a social marketing and behavioral change communication organization established in August 2008. ASMO as a free-standing, not-for-profit Afghan organization aims to create positive health outcomes by giving Afghan households the information they need to make informed and healthy choices and expanding access to high quality health products through commercial markets.

The Sustaining Health Outcomes through the Private Sector Plus (SHOPS Plus) project led by Abt Associates awarded Afghan Social Marketing Organization (ASMO) a project that improves the delivery of high quality family planning and maternal and child health products to target populations in Afghanistan through the private sector.

SHOPS Plus will provide technical assistance to ASMO in designing and implementing high quality social marketing interventions which leads to increased access to affordable priority health products and increased demand for priority health products and services. In addition, SHOPS Plus will collaborate with ASMO in developing a vision and roadmap for ASMO sustainability.

1. Purpose & Intent:

ASMO is soliciting proposals from qualified Consulting firms and individuals of similar business specialized to deliver the scope described below. See the scope below.

2. Proposal Contents:

This RFP requests proposal in the following manner:

2.1. Technical Proposal:

Technical proposal should include all of the following and the contents:

- a) Understanding of the assignments objectives and scope
- b) Past performance and highlights of similar experience
- c) Proposed design and methodology
- d) Draft assessment tool
- e) Tentative action plan
- f) Final report

2.2. Cost Proposal:

Cost proposal should be prepared on breakdown basis as per list of deliverables in the scope. See the scope section. Cost proposal should include narrative to detail the extent of work to perform, level of efforts to engage and unit cost as per list of deliverable.

ASMO will accept cost proposal in USD & AFN. USD cost proposal will be converted into AFN at daily exchange rate that will be used for evaluation purpose.

3. Pre Bid Submission:

Questions of technical matters on the scope will be responded through Emails only. If needed, send your written request no later than Thursday 19th February to Senior Social Marketing Manager at: kkhishki@asmo.org.af and include in the cc the Procurement Manager's email: kahmadzai@asmo.org.af.

4. Submission:

Three printed copy of proposal produced in English, sealed in envelop and deliver to: ASMO main office at following address:

House # 101, Qala-E- Fathullah Street, Lane 1 on the right, District 10, Kabul

Envelop should contain the following references:

- RFP (see top page)
- Recipient name: Mr. Khalid Ahmadzai
- Envelop should be dropped into the RFQ box made available at the gate

5. Statement of Work (SoW)

The Afghan Social Marketing Organization (ASMO) is looking for a professional consultant to perform the tasks given below.

Background Information:

Afghan Social Marketing Organization (ASMO) has been undertaking social marketing of a range of family planning, child survival and maternal health products to achieve behavior change among married men and women in reproductive age as well as the parents of under 5 children with special emphasis on those living in urban areas and urban slums using principles of commercial marketing. ASMO has been successful in establishing a competent sales and distribution infrastructure in a rather problem-stricken country like Afghanistan to ensure regular supply of the products of both pharmaceutical and non-pharmaceutical nature to the wholesalers and retailers as well as private hospitals and clinics. The current direct distribution system covers 177 cities and districts in 27 out of 34 provinces through five regional offices/warehouses including Kabul, Balkh, Herat, Kandahar and Ningarhar. A team of seven sales agents regularly supply around 4,500 traditional and non-traditional outlets within the coverage territory. This scope of work is developed for individual consultant to assess feasibility of outsourcing distribution of ASMO products, either at the national or regional scale to a commercial distribution partners to better achieve its social marketing goals and objectives.

The partnership will be aimed at increasing both width and depth of distribution of ASMO's products in five regions (central, north, west, east and south) with special emphasis on saturating urban markets and expanding the distribution services to urban slums, rural and other underserved areas.

Objectives:

By involving a commercial distributor in distribution of ASMO social marketed products, the entity aims to realize the following objectives:

- Expand distribution coverage for ASMO products thus increasing health products access and availability
- Reduce stock outs, client servicing time and sales and distribution operations cost

Description of Work:

The consultant will conduct a feasibility assessment of involving commercial distributor(s) in distribution of ASMO health products at the national or regional level. The assessment will be conducted in five major cities of Afghanistan including Kabul, Herat, Mazar, Kandahar and Jalalabad. The consultant might use an assessment tool that will jointly be developed with the RM&E team of ASMO and Abt. Associates, if applicable.

The consultant may source the potential distributors through individual distributor's interview and/or in collaboration with coordinating bodies like Afghan National Medicine Services Organization (ANMSO) who enrolls distributors as associates or members. ANMSO being a body for pharmaceutical players may be able to offer assistance for identifying potential pharma-distributors. Similarly, other entities might be reached out to identify an appropriate FMCG distributor for non-prescription products. Specific tasks include:

1. Hold a Kick-Off meeting with ASMO Social Marketing and RM&E team to understand the scope and expectations
2. Develop and assessment tool to be used during approaching the distributors jointly with ASMO and Abt Associates RM&E teams
3. Develop criteria for selecting potential distributors for interview. Evaluation criteria for selection of distributors could be the followings:

- Business Strength: Type of business ownership, legal status, years in operation, financial security & minimal float.
- Reputation: among customers, other vendors, peers, bankers
- Professional background of key executives
- Cash management: cash on hand, systems and capacity to accept and disburse cash
- Sales revenue performance: overall sales, complementary product line sales and competitive product lines represented
- Number of active customer accounts
- Knowledge of local market conditions
- Customer support capabilities
- Present territorial coverage: overlap with intended market, proximity to banking infrastructure, convenient for clients, level of commercial activity
- Branch network: number of outlets serviced; urban/ rural locations
- Sales performance and financial management information system followed

- Willingness to share data and local market information
 - Inventory management expertise
4. Conduct the feasibility assessment through interviews with potential customer in the above mentioned five cities to explore their willingness as well as eligibility to be engaged in distributing ASMO products
 5. Produce a list of interested/eligible distributors by province/region and recommend potential distributors by region for future partnership with ASMO
 6. Prepare and submit final draft of feasibility assessment report for review and comments of ASMO and Abt. Associates
 7. Incorporate comments and deliver the final report
 8. Deliver the final presentation

Term of Agreement:

We anticipate that this assignment will take approximately 45 calendar days. The term will be counted from the date of signing the consultancy agreement.

Distribution Partnership Details:

Commercial distributors are bulk customers who act as exclusive agents of the marketers offering sales and distribution services using their own sales team at a margin with support and supervision of the marketers in terms of demand generation and merchandising. ASMO will sign a MoU with commercial distributor with clear deliverables, reporting requirements, financial and other terms and conditions. Commercial distributor would be given mutually agreed annual sales targets to achieve with reporting requirements. On achievement of the sales targets and successful delivery of outputs the party can be reimbursed as per agreed norms.

While the distributor(s) will be given independent charge of the ready urban markets with appropriate supervision by ASMO's sales team, for rural and other low demand areas, initially ASMO's sales team will be responsible for generating sales and pass on the orders to the distributors to ensure timely supply and collection of payments.

1. Commercial Distributor's Responsibilities:

The commercial distributor will have the following responsibilities:

- Commercial distributor will have an annual target broken down to quarterly targets for each ASMO product to be sold in the coverage territory
- Pay a nominal amount as an advance against the quarterly target. The balance could be paid with a credit term of 30 – 45 calendar days depending on the amount of payment
- Have a warehouse to stock ASMO products that meets minimum storage requirements

- Supply products to the wholesale and retail outlets (distributor and ASMO registered outlets) within the coverage territory on regular basis using push sales strategy. The list of registered outlets will be provided by ASMO.
- Open new outlets and facilitate registration process of ASMO
- Develop, suggest and implement attractive promotional schemes to increase sale of ASMO products
- Fill the orders raised by ASMO sales executive(s)
- Maintain enough stock of products to meet the market demand
- Place the order for stock replenishment considering 30 day lead time
- Adhere to ASMO pricing structure for wholesale and retail
- Produce monthly sales report at the time and format requested by ASMO

2. ASMO Responsibilities: ASMO will have the following responsibilities:

- Ensure timely supply of products to the distributor according to the minimum quarterly targets
- Supply additional orders initiated by the distributor within 30 days of initiation
- Take orders for products and refer them to the distributor for supply
- Provide complete profile of outlets (wholesalers and retailers) to the distributor
- Promote and generate demand for products using 360 degree communication means
- Provide outlets with IEC and point of sales materials and maintain visibility (for both products and IEC materials)
- Open new markets (rural) for products and gradually hand over them to the distributor
- Visit registered outlets within the coverage territory and ensure regular supply is provided by the distributor.

Progress Reporting and Communications:

The consultant shall provide weekly status reports in a form and with content approved by ASMO. The status reports shall track each activity separately and identify delays, challenges and completed milestones for each activity, and shall identify any problems or concerns consultant believes should be documented. Additional reports shall be provided by consultant as requested by ASMO from time to time.

Deliverables:

The consultant will be responsible to submit the following deliverables on due date and time:

- | | |
|--|---------------------------------------|
| • Detailed assessment plan and schedules | One week after signing the agreement |
| • Final assessment tool | Two weeks after signing the agreement |
| • Status reports | On weekly basis |
| • List of potential distributors by region | At the end of assignment |
| • Final feasibility assessment report | At the end of assignment |

Requirements for professional:

Proposed professionals should have technical and professional experience in conducting quantitative and qualitative research and they should demonstrate past experiences of conducting feasibility assessments and/or market research.

6. Evaluation & Mark:

Proposals received will be reviewed and evaluated to determine responsiveness with respect to the requirements. They will be reviewed and evaluated on the following basis.

6.1.1. Cost (reasonable and lower):

Proposal(s) that passed technical conditions will achieve 30 mark for cost if cost determined reasonable (the lower, the full mark).

6.1.2. Technical:

Proposal(s) that met eligibly conditions (set under technical part of this RFP) will achieve 70 marks. Technical components must be complete. See technical proposal section.

7. Post Evaluation:

If more than one proposal met the requirement with the same results, will be negotiated to achieve the optimal benefits. The most competitive proposal will be selected for award.

8. Compliances

This RFP sets out certain donors procumbent and other regulations requirements. ASMO will not issue award to or will not engage in any contract the individuals or companies that are either involved in or are non-compliant with all of the following.

8.1. Executive Order on Terrorism Financing

Contracting company expected to be engaged in contractual relationship with ASMO should be aware that U.S. Executive Orders and U.S. law prohibits transactions with and the provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the company representative to ensure strict and full compliance with these Executive Order and laws.

8.2. Prohibited Source Countries

For the purpose of this work, no goods/resources to be procured/supplied from countries that are classified by USAID as 'prohibited sources' such as Cuba, Iran, Laos, North Korea, Sudan and Syria.

8.3. Anti-Human Trafficking

ASMO is committed to a work environment that is free from human trafficking, which for purposes of this policy, includes forced labor and unlawful child labor. ASMO will not tolerate or condone human trafficking in any part of organization. This policy is consistent with ASMO's Code of Ethics and Business Conduct and our core values to protect and advance human dignity and human rights in our business practices.

ASMO employees, contractors, subcontractors, vendors, suppliers, partners and others through whom ASMO conducts business must avoid complicity in any practice that constitutes trafficking in persons. Action involving, suspension and termination will be taken if vendor or contractor evidenced for non-compliant.

Trafficking for this purpose includes but not limited to the following:

Trafficking in persons" shall mean the recruitment, transportation, transfer, harboring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labor or services, slavery or practices similar to slavery, servitude or the removal of organs.