TERMS OF REFERENCE

PROCUREMENT, WAREHOUSING AND DISTRIBUTION SERVICES FOR HEALTH PRODUCTS (HIV PREVENTION PROGRAMME)

PROJECT	Provision of procurement, warehousing, and distribution services for health products and other commodities (HIV Prevention Programme)		
REFERENCE	CFP-NACOSA-05-2026	**DATE**	10 April 2026
SUMMARY	Centre for Community Impact (CCI), The Aurum Institute (AURUM) and NACOSA (Three Principal Recipients of a Global Fund HIV grant in South Africa) seek to appoint a 3rd Party Logistics (3PL) service provider(s) to procure for the PR's, warehouse and deliver health products to their sub-recipient sites.		
BRIEFING	A Compulsory Briefing Session will be held virtually via Microsoft Teams on **20 April 2026 from 11h00-12h00**. Contact Queries@nacosa.org.za as an expression of interest to attend.		
QUESTIONS	Questions can be addressed by email only to Queries@nacosa.org.za with the reference in the subject line on or before **22 April 2026**		
DEADLINE	All proposals to be submitted to proposals@nacosa.org.za no later than **13h00** on **30th of April 2026**.		
DOCUMENTS	1. Terms of Reference 2. Annex 1: Bidding Form (Including Declaration of Interest and Pricing Schedule) 3. Annex 2: Supporting information (Project volume, values and areas of distribution) 4. Global Fund Supplier Code of Conduct		

CONTENTS

ACRONYMS

3PL	Third-Party Logistics
ART (ARV)	Antiretroviral therapy
AIDS	Acquired Immune Deficiency Syndrome
AYP	Adolescents and young people
AGYW	Adolescent Girls and Young Women
CCI	Centre for Community Impact
DOH	Department of Health
GDP	Good Distribution Practice
GPP	Good Pharmacy Practice
GWP	Good Warehousing Practice
Health products	(i) pharmaceutical products e.g., scheduled medicines, (ii) durable and non-durable in-vitro diagnostic products, e.g., rapid diagnostic tests (iii) vector control products; and (iv) consumable/single-use health products (e.g., condoms, general laboratory items and injection syringes).
HIV	Human Immunodeficiency Virus
HIVSS	HIV self-screening
HTS	HIV testing services
KPI	Key Performance Indicators
LMIS	Logistics management and Information System
MSM	Men who have Sex with Men
NACOSA	Networking HIV & AIDS Community of Southern Africa
NDoH	National Department of Health
NSP	National Strategic Plan on HIV, TB and STIs, 2023-2028
POD	Proof of delivery
PR	Principal Recipient
PrEP	Pre-exposure prophylaxis
RDT	Rapid diagnostic test
SAHPRA	South African Health Products Regulatory Authority
SAPC	South African Pharmacy Council
SW(s)	Sex worker(s)
TG	Transgender
WHO	World Health Organization

1. BACKGROUND

CCI, AURUM and NACOSA are three principal recipients (PRs) of the Global Fund to fight AIDS, TB and Malaria investments that will implement HIV and TB preventative programmes in South Africa over a 2-and-a-half-year period from 1 October 2025 to 31 March 2028. HIV prevention and treatment programmes implemented by these PRs and their sub-recipients include Adolescent and Young People's (AYP) Programme, Male Sexual Partners Programme (MSP), Sex Worker Programme (SW), People who use/inject drugs (PWUD/PWID) Programme, Men who have sex with men (MSM) Programme, Transgender Programme (TG) and Human Rights and Gender Programme. The programmes are implemented by contracted local sub-recipients (SR's) across 30 District Municipalities in all nine provinces of South Africa.

The health products offered and used in the grant programmes include but are not limited to rapid diagnostic tests (RDTs) for HIV, pre-exposure prophylaxis (PrEP), HIV self-screening (HIVSS), and Personal Protective Equipment (PPE). The rationale is to ensure optimisation of the UNAIDS 95-95-95[1] strategy to end the AIDS epidemic as a public health threat by 2030. The programmes align with the following National Strategic Plan (NSP) on HIV, TB and STIs, 2023-2028 goals:

- Goal 1: Accelerate Prevention: Expanding access to comprehensive, rights-based HIV, TB, and STI prevention services, focusing on key populations and addressing underlying social determinants like gender-based violence.
- Goal 2: Enhance Treatment and Care: Improving uptake, coverage, and adherence to treatment for HIV, TB, and co-infections, integrating mental health and viral hepatitis care, and reducing barriers to services.
- Goal 3: Strengthen Systems and Partnerships: Building resilient health and social systems, fostering multi-sectoral collaboration, and ensuring robust data for evidence-based responses.
- Goal 4: Empower Communities and Protect Human Rights: Tackling stigma, discrimination, and human rights violations, empowering communities to lead, and ensuring equitable access for all.

2. SCOPE OF WORK

The purpose of this request for proposals is to invite reputable service providers who comply with South African regulations including South African Pharmacy Council (SAPC), SAHPRA and NDOH to bid their services to procure, warehouse and distribute health products on behalf of the three PRs from the date of contracting to March 2028. This may include the possibility of a 6-month extension from April 2028 to September 2028 subject to funding availability.

2.1. Procurement of HIV Prevention commodities and pharmaceuticals

The PRs will procure health products directly from the manufacturers/suppliers or they may request the service provider to procure on their behalf. The PRs will procure PrEP, contraceptives and other health products. The Service Provider may be required to assist the PRs to open accounts and place orders with the suppliers/manufacturers.

The frequency of procurement will be dependent on the demand plan and stock volumes in the warehouse, however, in a 12-month period it is anticipated that the PRs will place orders as needed.

2.2. Storage and Stock Management of HIV Prevention health products

Each PR is responsible for implementing a specific programme under the grant. As such the mix of health products that each PR will procure will differ.
Inbounding of stock will therefore need to be separated for each PR. On receipt of the stock the Service Provider must sign and stamp the Proof of Delivery (POD) documentation. The POD should include the number of cartons received, name of the person receiving the shipment, the date and time of receipt. Any signs of visible damage should be recorded on the POD and further investigated.

The suppliers will be required to submit copies of Certificate of Analysis and Quality Assurance testing post product importation for the batch delivered to the Service Provider. The Service Provider will be required to verify that the batch number on the QA results is the same batch number of the stock received.

In cases where there are shortages, damages or discrepancies are noted in the QA documentation in comparison to the Batch received, the Service Provider will be expected to generate an Incident Reference Report within 24 Hours and alert the PR before further escalating to the supplier who is implicated. Photos will be required as evidence to be attached to the incident report.

During inbounding the Service Provider will be expected to also check the expiry date of the stock received. Stock with an expiry date of less than 12 months should be rejected. If the product has a short shelf life from the manufacturer, supporting documentation should accompany the health product. A product with a shelf life of less than 12 months, may be received if authorized by the PR.

All stock needs to be uploaded on the Service Provider's warehouse management system within 12 Hours of receipt.

The Service Provider is responsible for maintaining appropriate receiving, storage, and dispatching conditions to protect the health products from contamination and deterioration, including protection from excessive local heating undue exposure to direct sunlight, dirt, dust, and moisture in line with the South African Guide on Good Warehousing Practices for Wholesalers (GWP).

The Service Provider will be liable for any stock that is damaged while in their possession.

For every stock adjustment, the Service Provider will send a request to the PR with the reason for the adjustment. Only the signature of the PR can authorise the stock adjustment in the stock management system. Every authorised stock adjustment must be registered.

2.3. Distribution of health products

The selected Service Provider will be required to distribute the health products to local implementing sub-recipients as required by the PRs. Distribution will likely take place as needed by the PR.

The Service Provider will be required to distribute health products from the warehouse to different points of delivery (authorized facilities/ SRs) throughout the country as provided in ***Annex 2: Supporting information***. Every order will be accompanied by a detailed distribution plan.

PRs will send a written instruction/order for all deliveries. The Service Provider will not be allowed to initiate deliveries without a written order from PRs.

Service Provider is expected to deliver the health products within 72 hours of receiving the order as agreed with the PR.

PRs retain the right to ask for shipment of any quantity.

In the event that the original manufacturer's packaging for the health product are damaged or inappropriate for distribution, alternative packaging e.g. Corrugated carton boxes of good quality must be used by the Service Provider. The packaging should be able to withstand the mechanical hazards of handling and transport, prevent leakage, and provide an appropriate level of protection from environmental conditions.

All cold chain items will be packed using appropriate methods and/or devices to control and monitor and maintain the temperature during transport.

Shipment and deliveries – each shipper pack will carry a label with the following minimum information:

- Shipment or delivery note number
- Name or code of point of delivery
- Weight of carton
- Carton number
- Total number of cartons in shipment

The health products will be transported in secure and safe conditions whereby "secure" and "safe" are defined as follows:

- Secure: The Service Provider has taken reasonable measures to minimize the risk of theft during transport.
- Safe: The transporter has taken reasonable measures to minimize the risk that the health products or their packaging will be adversely affected during transport.
- The conditions of the container must be acceptable to the recipient at the point of delivery; (ensure package was still sealed; in good condition and ensure it was not tampered with).
- The transport must be in to maintain the integrity of the health products in compliance with the regulatory requirements.

Delivery documentation: Each delivery must be accompanied by the following documentation:

- Delivery note, 3 copies. The delivery note should contain at least the following information:
    - Invoice number
    - PR order/instruction number
    - Date of packing
    - Date of dispatch
    - Name of dispatcher
    - List of health products with quantities, batch numbers and expiry dates
    - Date of receipt
    - Full name and Designation of Recipient
    - The need for any special transport and/or storage conditions should be stated on the label.
    - Space for delivery comments, if necessary, by the recipient, on the delivery
- For each completed delivery, the following documentation must be sent to the PR:
    - One e-copy of the signed and stamped delivery note, with the name of the recipient or name of the facility.
    - One hard copy of the signed delivery note from Service Provider.

- The Service Provider and the PR will agree in the contract on the frequency of exchange of these documents.

2.4. Contracting

Each PR will sign a separate contract with the Service Provider. As such, in each contract between the PR and the service provider, details of the procurement process will be outlined.

The specific lists of health products per PR will be outlined in the separate contract that each PR will sign with the Service Provider.

Where procurement is undertaken by the Service Provider, the Service Provider should not add mark up to the health product's cost.

Any procurement fee will be charged separately.

3. BIDDER REQUIREMENTS

The successful Service Provider must have an existing, operating warehousing with the demonstrated ability to procure, store, warehouse and distribute health products as described in Section 2 by complying with the following requirements.

3.1. Licensed by the:

- NDoH as a pharmacy wholesaler to be recorded by the South African Pharmacy Council (SAPC).
- South African Health Products Regulatory Authority (SAHPRA) to render pharmaceutical warehousing and distribution.
- SAHPRA to render medical device warehousing and distribution.

3.2. Implement and comply with the following South African good practice guidelines and legislation:

- Good Wholesaling Practice for Wholesalers (GWP) guidelines for wholesalers
- Good Pharmacy Practice (GPP) rules and standards
- South African Pharmacy Council (SAPC) legislative and human resources regulations and rules
- Good Distribution Practice (GDP) guidelines
- Occupational Health and Safety Act.
- PRs retain the right to apply the World Health Organisation's (WHO) rules and regulations on good warehousing practices
- SAHPRA rules and regulations.

3.3. The Service Provider should have a standard operating procedures (SOPs) manual in place describing the procedures that are in place in its organisation and covering all aspects required under GWP, GPP and GDP. The PRs reserve the right to verify the existence and validity of the SOPs.

3.4. The Service Provider should use an industry-acceptable warehouse management system to reduce warehousing errors. The Service Provider will be expected to undertake cyclical counts to ensure inventory accuracy. A record of all cyclical counts should be in file for review by the PRs during site visit which could be announced or unannounced. The Service Provider will grant PRs access to this software, if possible. The Service Provider will submit receipt, storage, and dispatch and distribution data reports with PRs at least once a month

or as requested by PRs. The format and the detailed contents of the management information report will be defined in the contract.

3.5. The Service Provider must have systems in place for recalls, returns and quality assurance.

3.6. The Service Provider will be required to have a Quality Management System in place.

3.7. The Service Provider should have a fleet management system that complies with all regulations under Fleet Requirements.

3.8. The service provider should demonstrate experience in undertaking projects of a similar scope of work that is required in this project.

4. PRICING INSTRUCTIONS

- State the rates and prices in Rands (R).
- Include in the rates or prices all duties, taxes (except Value Added Tax (VAT), and other levies payable by the successful bidder.
- All prices tendered must include all expenses, disbursements and costs that may be required for the execution of the tenderer's obligations in terms of the provision of services, and shall cover the cost of all general risks, liabilities and obligations set forth or implied in the provision of services as well as overhead charges and profit (in the event that the bidder is successful).
- Pricing should be provided in accordance with the Annex 1: Bidding Form.
- All prices tendered will be final and binding.
- Provide fixed rates and prices for the duration of the contract that are not subject to adjustments.

5. ADMINISTRATIVE REQUIREMENTS

Submissions must be made using ***Annex 1 – Bidding Form*** together with the required supporting documents.

6. EVALUATION CRITERIA

Only submissions that meet the technical specifications in all aspects as stipulated in these terms of reference will be considered. Evaluation will be split into 3 stages.

STAGE 1 CORRECTNESS AND COMPLETENESS

Bidders must provide the mandatory documents as specified as per administrative requirements and non-submission will lead to disqualification.

STAGE 2 TECHNICAL EVALUATION

Once the proposals have been evaluated on Correctness and Completeness, an evaluation panel will allocate points (on a points scale specified per function) according to the criteria set out in the table on the following page.

Bidders must meet the minimum threshold of **70 points** to qualify on technical evaluation to proceed to final stage. Also, site visits will be conducted on bidders that meet the minimum score prior finalisation.

TECHNICAL EVALUATION CRITERIA AND SCORING

CATEGORY	CRITERIA	SCORING					POINTS
INDUSTRY EXPERIENCE	**Organisational maturity and stability** delivering pharmaceuticals, providing warehousing and distribution demonstrated by a list of projects and high-level detailed scope, purchase orders and/or tenders awarded. Advantage: History of provision of services to the Department of Health and donor-funded organisations.	**0**	**5**	**10**	**15**		**15**
		Less than 4 years experience delivering pharmaceuticals, warehousing and distribution with evidence of tenders awarded	At least 4 years experience delivering pharmaceuticals, warehousing and distribution with evidence of tenders awarded	At least 5 years experience delivering pharmaceuticals, warehousing and distribution with evidence of tenders awarded	At least 5 years experience delivering pharmaceuticals, warehousing and distribution with evidence and Department of Health or donor-funded experience		
SCOPE OF REQUIREMENTS	**Understanding of requirements** Proposal demonstrating a clear understanding, methodology and operational approach for pharmaceutical warehousing and distribution services. Value added benefits proposed.	**0**	**5**	**10**	**15**	**20**	**20**
		Insufficient information provided or proposal does not meet the requirements	Poor proposal with major reservations on bidders' abilities and understanding of requirements	Satisfactory demonstration of ability and understanding of requirements with minor reservations	Good demonstration of relevant ability and understanding of requirements	Good demonstration of ability, understanding of requirements with proposed value-added benefits	
CAPACITY TO DELIVER	**Infrastructure and capacity** Storage capacity and scalability, ability to handle stockouts or delays, Warehouse Management System (Batch/expiry tracking & reporting capabilities), Capability of Key Personnel including responsible pharmacist. Value added benefits proposed.	**0**	**5**	**10**	**15**	**20**	**20**
		Insufficient information provided or does not meet requirements	Poor proposal with major reservations on bidders' capacity to deliver the required services	Satisfactory demonstration of relevant capacity to deliver the required services with minor reservations	Good demonstration of relevant capacity to deliver the required services	Good demonstration of relevant capacity to deliver the required services with proposed value-added benefits	
	Distribution and Transport Demonstrated capacity to distribute health products nation-wide (see Annex 2), including evidence of a relationship with a courier company/network(s) or have own capacity to support the delivery plan to all sites.	**0**	**5**	**10**			**10**
		No proof provided of distribution and transport capacity	Adequate proof provided of distribution but concerns around volume and/or geographic reach limitations	Demonstrated relationship with a courier company or own fleet to deliver to all sites			
QUALITY ASSURANCE SYSTEMS	**Demonstrable Quality Assurance Systems** including Standard Operating Proceedures (receiving, storage, dispatch), Documented Quality Management System aligned to GDP/GWP, Business Continuity Plan	**0**	**5**	**5**	**5**		**15** *(cumulative)*
		No evidence of systems	Relevant SOPs in place	Documented Quality Management System	Business Continuity Plan in place		

TECHNICAL EVALUATION CRITERIA AND SCORING

CATEGORY	CRITERIA	SCORING						POINTS
CONTACTABLE REFERENCES	**Recent references** Letters from recent or existing clients not older than 2 years clearly detailing supply of health products, warehousing and distribution services, provided on the clients' letterhead with contact details including email.	**0** No reference letters		**5** Three (3) relevant reference letters submitted not older than 2 years with insufficient information		**10** Three (3) relevant reference letters or more submitted not older than 2 years with all the sufficient information		**15**
PRESENTATION	**Site visit presentation demonstrates:** • Clear understanding of needs • Practicality of warehousing, distribution and ability to handle stockouts and delays • Capability and experience of proposed team • Warehouse management system, tracking tools, reporting dashboards • Quality Management Systems in place	**0** Criteria not met	**2** Understanding of scope & requirements	**2** Proposed operational approach	**2** Team competence and key personnel	**2** Systems demonstration	**2** Risk mitigation strategies	**10** *(cumulative)*
							TOTAL AVAILABLE POINTS	**100**

STAGE 3 PRICE

Bidders whose quotations meet the specifications as detailed in this Terms of Reference will be evaluated on price. Also, bidders who do not submit a valid B-BBEE certificate or valid affidavit will be regarded as non-compliant and thus score zero (0) points for Broad-Based Black Economic Empowerment.

Preference Point system applicable to this bid is 80/20 (PPS).

A maximum of 80 points is allocated for price on the following basis:

CRITERIA	POINTS
Price	80
B-BBEE	20
Total Points	**100**

Price points calculation formula as follows:
The calculation for price points will be conducted as follows:

$$PS = P\left[(1 - \frac{(Pt - Pmin)}{Pmin})\right]$$

Where:
PS = Points scored for comparative price of tender/offer under consideration
P = Maximum points
Pt = Comparative price of tender/offer under consideration
Pmin = Comparative price of lowest acceptable tender/offer. Points scored will be rounded-off to the nearest 2 decimal places.

B-BBEE points calculation as follows:

B-BBEE STATUS LEVEL OF CONTRIBUTOR	POINTS
1	20
2	18
3	16
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

Allocation of points

- Management accounts or financial statements will be used for B-BBEE Affidavit validation, non-submission will result in zero points being awarded)
- The points scored by a bidder in respect of points indicated above will be added to the points scored for price.
- Points scored will be rounded off to the nearest two (2) decimals.
- In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for B-BBEE status. Should two (2) or more bids be equal in all respects, preference will be given to bidders with women or youth representation in their senior management teams (Directors/ Members).

- A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.
- A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

7. TERMS AND CONDITIONS

Invitation not an offer

This bid serves as an invitation to facilitate a requirement-based decision and not an offer to do business with the PRs (NACOSA, CCI and Aurum). Bidders making enquiries on the tender information may notify NACOSA by email only at the email address provided for communication.

Bid Validity

The prices quoted shall remain firm for a period of at least 90 days after the closing date of this bid.

Language

The submission prepared by the bidder including correspondences and documents relating to this bid shall be written in the English language.

Preparation Costs

The bidder shall be responsible for all its costs incurred in preparing, submitting and presenting any response to this bid and all other costs incurred by it throughout the bidding process.

Due Diligence

The PRs reserve the right to conduct due diligence on the prospective bidder prior to final award of the contract. This may include requests for additional information.

Compulsory Briefing Session

The briefing session is compulsory and only bidders who attend the session will be considered eligible to submit proposals.

Awarding of Contract

The PRs will jointly award the contract to the successful bidder subject to proven relevant experience providing the required services including the ability to deliver effective and reliable services. The successful bidder shall not be insolvent, in dissolution, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to such matters.

Discretion

The PRs reserve the right to accept or reject any bid and to cancel the bidding process and reject all bids at any time, whether before or after the closing date of this bid without attracting any liability. Also, the PRs are not bound to accept the lowest price(s) quotation.

Information Validity

The PRs have made reasonable efforts to ensure accuracy in compiling the terms of reference for this project. The bidder is deemed to have examined the terms of reference and any other information supplied by the PRs to the bidder and have satisfied itself as to the correctness and sufficiency of such before submitting its proposal. Also, neither one of the PRs nor its employees or agents will be held liable to the bidder or any third party for any inaccuracy or omission in this bid.

Taxation

It is a condition of this tender, that the tax matters of the successful bidder be in order, or that satisfactory arrangements have been made with the South African Revenue Service (SARS) to meet the bidder's tax obligations.

Joint Ventures, Consortiums and Trusts

Bidders must provide solid proof of the existence of the joint ventures and /or consortium arrangements. The joint venture and /or consortium agreements must clearly set out the roles and responsibilities of the Lead Partner and who shall be given the power of attorney to bind the other party/ parties in respect of matters pertaining to the joint venture and /or consortium arrangement.

Sub-Contracting

The bidder awarded the contract may only enter a subcontracting arrangement with the approval of the PRs.

8. TIMEFRAMES

Please be advised the dates below are indicative and subject to change.

ACTION	RESPONSIBLE	DATE
Compulsory Briefing Session	NACOSA	20 April 2026 from 11h00 - 12h00.
Deadline for Submission of questions	Service Provider/ NACOSA	22 April 2026 at 15h00
Responses to questions	NACOSA	23 April 2026
Closing Date for Bid submissions	Service Provider	30 April 2026 at 13h00

9. SUBMISSION REQUIREMENTS

APPLICATIONS MUST BE SUBMITTED ELECTRONICALLY FOLLOWING THE INSTRUCTIONS BELOW. NO LATE APPLICATIONS WILL BE CONSIDERED.

STEP 1

Upload all documents to **We Transfer** (https://wetransfer.com). The documents should be clearly marked in the following order:

1. Cover letter (signed by Head of Organisation)

2. Completed Annex 1-Bidding Form (signed by Head of Organisation)
3. Supporting documents in the **order** specified in the Bidding Form.

Before submitting please note:

- Make sure your application is complete (including the attachment of all necessary supporting documents/Annexes) in one submission.
- The WeTransfer application documents link must be received at the specified email address by the submission deadline and should remain active for a minimum of 3 day after submission.
- The documents in your WeTransfer file will be moved to a central repository and any documents added to your WeTransfer file at a later stage will not be accepted by NACOSA.

STEP 2

Submit the application WeTransfer link by e-mail to Proposals@nacosa.org.za with the reference in the subject line. Double check that the link is working before submitting.