

IDA Foundation Terms & Conditions

GOVERNING THE RELATIONSHIP BETWEEN IDA FOUNDATION (HEREINAFTER REFERRED TO AS "IDA FOUNDATION" OR "IDA") AND THE PRINCIPAL RECIPIENT OF THE GLOBAL FUND (HEREINAFTER REFERRED TO AS THE "PR")

Terms and Conditions (LLINs)

General

The Price Quote (PQ) and Purchase Order (PO) are subject to the terms and conditions based on (1) the framework agreement between the Global Fund & long lasting insecticide treated nets (LLINs) manufacturers, (2) the outcome of the RFQ for freight and insurance, (3) the IDA Foundation – Global Fund PSA Agreement and (4) these IDA terms and conditions, as amended for the purpose of the Global Fund Pilot Program. The Price Quote and Purchase Order are also subject to the letter of participation in the Pooled Procurement Mechanism sent by the PR to the Global Fund, and its annexes.

Costs

In the PQ, product costs are estimated based on the Global Fund reference price. Freight costs are based on an estimated number of containers/trucks to the destination(s) as indicated in the PQ form. Quality control and pre-shipment inspection costs are based on an estimated number of shipments. Insurance premium is based on the total value of the Price Quote. Other costs are estimates based on information provided in PQ form. A buffer of up to 30% of the estimated freight is added to cover fluctuations in shipping cost and/or additional costs that may occur. Therefore, only in the event of material changes (as defined by the Global Fund's Pooled Procurement Mechanism Operational Procedures, as modified from time to time) compared to this PQ will the PR be asked to re-confirm a revised PQ. In case of non-material change (as defined by the Global Fund's Pooled Procurement Mechanism Operational Procedures, as modified from time to time), the revised PQ will not be submitted to the PR for approval, but the PR will be notified of the changes.

After the PR signs or approves the PQ, a PO will be issued to IDA Foundation. PRs that do not recognize electronic approvals in wambo.org as legally binding shall, in addition to the electronic approval in wambo.org, attach a signed copy of the Price Quote in wambo.org. In the latter case, the copy of the PQ manually signed by the PR will constitute the legally binding agreement between the PR and IDA. In other cases, the electronic Purchase Order transmitted by wambo.org constitutes the legally binding agreement between the PR and IDA.

Manufacturers will be allocated by the Global Fund and the Purchase Order (PO) is updated with exact product costs and related costs such as procurement fee and insurance. Any additional costs that are incurred after this updated PO and that constitute a material change (as defined by the Global Fund's Pooled Procurement Mechanism Operational Procedures, as modified from time to time) will be reflected in a request for revised PO to be reviewed and approved by the PR and a subsequent PO revision.

Validity of Price Quote

The Price Quote has a validity period of 14 calendar days unless otherwise stated in the Quote.

Payment terms

100% pre-payment or a commitment letter from the Global Fund.

Specifications

Product specifications (shape, size, color, denier, accessories) as indicated in the PQ form are applicable. Standard label, bag and bale instructions as per the WHO guidelines for procuring public health pesticides (2012) apply. ISO 3758 pictograms are used for cleaning instructions. Bag type, label and bag language, specific logos and additional texts apply as indicated in and attached to the PQ form. Standard bale size of 50 nets per bale apply, unless otherwise indicated on the PQ form.

Delivery dates

The average procurement lead time for LLINs is 180 days from the initial request until delivery of the goods. In case the desired delivery date cannot be met, IDA will do its utmost to deliver the goods as close as possible to the desired delivery date. The delivery dates can only be confirmed once IDA has received the PR's confirmation of the order and the disbursement or the Global Fund's confirmation of funding availability (commitment) is received and the order is placed and confirmed by the manufacturers. Please note that the longer it takes to receive the PO, the more likely it is that there will be increases in delivery lead times and/or procurement costs. IDA will indicate in the quotation the requested PO submission date in order to be able to maintain the Estimated Delivery Date.

Incoterms

Incoterms indicated are based on Incoterms 2010. DAP1 and DAP2 are modified Incoterms, whereby DAP1 includes customs clearance and DAP2 includes customs clearance and offloading. In all cases the PR remains responsible for timely arrangement of the required import documents and storage space. Offloading means that IDA/IDA's freight agent is responsible for taking the LLINs from the containers/trucks, counting the bales and handing them over to the warehouse designated by the PR, after which both the responsible warehouse employee and IDA's freight agent sign a Proof of Delivery (PoD) for acceptance of the goods. The empty containers will be returned immediately to the carrier and will not be offloaded from the truck.

Requirements for importation:

Registration

- If the PR has informed IDA that registration of LLINs is required in the country, the products offered will be registered or submitted for registration before arrival of the goods. If a selected manufacturer has not yet confirmed registration, IDA will consult the PR to determine if it is possible to obtain a waiver for registration at least 2 weeks prior to shipment of the goods.
- If the PR has declared that registration of LLINs is not required in the country, the PR accepts full responsibility for this declaration.

Country mandated pre-shipment inspection

- If the PR has declared that a country mandated pre-shipment inspection has to be performed by SGS, Bureau Veritas or Intertek, the PR accepts responsibility for opening an inspection file on the basis of IDA's invoice in the country of origin and for sending the inspection file number to IDA at least 3 weeks prior to the goods' readiness.
- If the PR has declared that no other inspections are required (besides the pre-shipment inspection that IDA performs as a standard), the PR accepts full responsibility for this declaration.

Import duties and taxes

- If the PR has indicated that import duties and taxes can be waived, the PR accepts responsibility for obtaining and sharing the waiver with IDA at least two weeks prior to arrival of the goods. Costs deriving from the non-availability of such waiver will be applied to the account of the PR.
- If the PR has declared that no import duties and taxes are payable, the PR accepts full responsibility for this declaration.

Proceed to shipment

As soon as the goods are produced and released for shipment based on the inspection report and test results, IDA will immediately proceed with preparations for loading and shipment, unless the PR has confirmed well in advance that a green light to ship from PR is required before shipment. In such cases, IDA will not proceed with the shipment until an explicit confirmation in writing providing green light to ship is received from the PR.

Insurance

The goods will be insured for 110% of the invoice value from warehouse to warehouse. In countries with an increased country risk (WOL), any damage or loss resulting from country risk is not covered. We follow the official IHS Foresight Country Risk to determine if there is an increased country risk (WOL) in the countries of destination or countries of transit. If the country is rated as an elevated/high/severe risk country at the moment of quoting, IDA will include the additional premium applicable to the country to cover risk on-land. The PR should inform IDA if the WOL should not be applied.

In order to claim under the insurance, the PR is required to report any visible damage within 3 days upon receipt of the goods in the warehouse. Hidden damage is to be reported within 30 days after receipt of the goods in the warehouse. The PR can proceed with a claim using the Confirmation of Receipt Form that IDA sends along with the Shipping Advice.

In case of CIP/CIF (air)port/terminal deliveries: there is a maximum period of 60 days to move the goods from the (air)port of delivery to a warehouse for visual inspection, after which the abovementioned timelines apply.

Remarks

Any demurrage or detention charges deriving from a situation which is beyond the control of IDA Foundation, such as, but not limited to situations referred to as force majeure, port congestions, customs clearance delays, non-availability of warehouse space and delays in offloading, shall be borne by the PR.

The transit time will depend on the availability of all the waivers and documents needed for custom clearance and weather conditions.

In case a change to the PO or cancellation is required, IDA will, to the extent possible, accommodate those changes. However, PO's placed specifically for the PR may not be changed/cancelled. Changes to POs are managed according to section on Costs above. A cancellation fee can be charged.

Quality

All product/supplier combinations offered are on the List of WHO Prequalified Vector Control Products (see <https://www.who.int/pq-vector-control/prequalified-lists/en/>) and therefore comply with the Guide to Global Fund Policies on Procurement and Supply Management of Health Products (see https://www.theglobalfund.org/media/5873/psm_procurementssupplymanagement_guidelines_en.pdf). In line with the Global Fund policies, the consignments may be visually inspected and samples may be drawn and tested. Goods will only be shipped after release of the products based on the test reports.

Inspection reports and test results of an order will be shared with the manufacturer for its reference.

Confirmation of Receipt of Goods

The PR is requested to check boxes/bales and send a signed Confirmation of Receipt of Goods (CRG) form to IDA, outside of wambo.org, within 14 days after receipt of goods in which damage/discrepancies shall be reported. In case there are no discrepancies to be reported and Proofs of Deliveries (PoDs) were already signed and sent, the PR is still required to confirm receipt via the CRG form. If the CRG form is still not received after 30 days, IDA considers the goods as received and accepted in good condition.

Dispute Resolution

Any dispute, controversy or claim arising out of or in connection with the PQ, PO or these Terms and Conditions that cannot be settled amicably by the parties, shall be finally settled by arbitration under the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules in force from time to time. There shall be one arbitrator. The appointment authority for such arbitrator shall be the International Chamber of Commerce International Court of Arbitration. The place of arbitration shall be Geneva, Switzerland. The language to be used in the arbitral proceedings shall be English. The parties shall accept the arbitral award as final.

Terms and Conditions (non-LLIN Health Products)

General

The Price Quote (PQ) and Purchase Order (PO) are subject to the terms and conditions based on the (1) the IDA Foundation-Global Fund PSA Agreement (2) outcome of RFQ for freight and insurance and (3) these IDA terms and conditions. The PQ and PO are also subject to the letter of participation in the Pooled Procurement Mechanism sent by the PR to the Global Fund, and its annexes.

Costs

In the PQ, product costs are estimated based on IDA quoted prices. Freight costs are based on an estimated weight/volume to the destination(s). Insurance premium is based on the total value of the Price Quote. Other costs are estimates based on information provided in PQ form. A buffer of up to 30% of the estimated freight is added to cover fluctuations in shipping cost and/or additional costs that may occur. Therefore, only in the event of material changes (as defined by the Global Fund's Pooled Procurement Mechanism Operational Procedures, as modified from time to time) compared to this PQ will the PR be asked to re-confirm a revised PQ. In case of non-material change (as defined by the Global Fund's Pooled Procurement Mechanism Operational Procedures, as modified from time to time), the revised PQ will not be submitted to the PR for approval, but the PR will be notified of the changes..

After the PR signs or approves the PQ, a PO will be issued to IDA Foundation. PRs that do not recognize electronic approvals in wambo.org as legally binding shall, in addition to the electronic approval in wambo.org, attach a signed copy of the Price Quote in wambo.org. In the latter case, the copy of the PQ manually signed by the PR will constitute the legally binding agreement between the PR and IDA. In other cases, the electronic Purchase Order transmitted by wambo.org constitutes the legally binding agreement between the PR and IDA

IDA will proceed placing the orders with selected suppliers. Any additional costs that are incurred after this proforma invoice and that constitute a material change (as defined by the Global Fund's Pooled Procurement Mechanism Operational Procedures, as modified from time to time) will be reflected in a request for revised PO, to be reviewed and approved by the PR and a subsequent PO revision.

Validity of quote

The Price Quote has a validity period of 30 calendar days unless otherwise stated in the Quote.

Payment terms

100% pre-payment or a commitment letter from the Global Fund.

Offered products

For Diagnostics, depending on the nature of the product, IDA will:

- For products with a total shelf life equal to or longer than 18 months, strive to guarantee a remaining shelf life of minimum 75% at the moment of picking of the goods.
- For products with a total shelf life shorter than 18 months, strive to offer the best possible remaining shelf life. If needed, IDA will offer staggered deliveries according to the PR's consumption rate.

- Most controls and calibrators, due to the nature of these products, will be delivered according to the suppliers' production against the ordering schedule. The production and ordering schedule is available on request

If there are products available on stock with a lower remaining shelf life, IDA will ask for PR's acceptance before packing the goods.

In case a change to the PO or cancellation is required, IDA will, to the extent possible, accommodate those changes. However, PO placed specifically for the PR may not be changed/cancelled. Changes to POs are managed according to section on Costs above. A cancellation fee can be charged.

Rejection of a lower shelf life can lead to longer lead-time, and, in some cases, higher cost.

For pharmaceuticals IDA guarantees a remaining shelf life of minimum 75 % at the moment of picking of the goods. In case IDA has products on stock with a lower remaining shelf life, IDA will ask for PR's acceptance before packing the goods.

Special products

When the PQ contains cool items, which are marked (*, **, ***, *F), IDA Foundation will send a pre-shipment advice for immediate collection at the airport for these items.

When the PQ contains dangerous goods, the reference of the items will indicate a UN number.

When the PQ contains psychotropic and/or narcotic drugs, the items will be marked as (pt)/ (nt). These items are subject to international control and need an export license from the Dutch authorities. In order to obtain the export license, IDA needs to receive an import license issued by the health authorities of the country that requested the quote. The original of this import license has to be sent to the IDA office (IDA Foundation, Slochterweg 35, 1027AA Amsterdam). To cover the license fee and the extra administration costs, IDA charges €175 (please note that this cost can vary a bit depending on the exchange rate) per license. If PR's order contains psychotropic AND narcotic drugs, IDA will need to obtain two separate licenses – one for Pt & one for Nt products, so the extra charges in this case will be equal to €350 (please note that this cost can vary a bit depending on the exchange rate). The order for these items can only be processed after receipt of your import license.

Delivery dates

The average procurement lead time for different products is shown in the wambo.org platform. In case the desired delivery date cannot be met, IDA will do its utmost to deliver the goods as close as possible to the desired delivery date. The delivery dates can only be confirmed once IDA has received the PR's confirmation of the order and the order is placed and confirmed by the manufacturers. Please note that the longer it takes to receive the signed PQ, the more likely it is that there will be increases in delivery lead times and/or procurement costs.

Incoterms

Incoterms indicated are based on Incoterms 2010. DAP1 and DAP2 are modified Incoterms, whereby DAP1 includes customs clearance and DAP2 includes customs clearance and offloading. In all cases the PR remains

responsible for timely arrangement of the required import documents and storage space. Offloading means that IDA/IDA's freight agent is responsible for taking the products from the containers/trucks, counting the units and handing them over to the warehouse designated by the PR, after which both the responsible warehouse employee and IDA's freight agent sign a Proof of Delivery (PoD) for acceptance of the goods. The empty containers will be returned immediately to the carrier and will not be offloaded from the truck.

Requirements for importation:

Registration

- If the PR has declared that registration of the products is required in the country, the products offered will be registered or submitted for registration before arrival of the goods. If a selected supplier has not yet confirmed registration, IDA will consult the PR at least 2 weeks prior to shipment of the goods to determine if it is able to obtain a waiver for registration.
- If the PR declares that registration of the product is not required in the country, the PR accepts full responsibility for this declaration.

Country mandated pre-shipment inspection

- If the PR has declared that a country mandated pre-shipment inspection has to be performed by SGS, Veritas, Cotecna or another entity, the PR accepts the responsibility for opening an inspection file on the basis of IDA's invoice in the country of origin and sending the inspection file number to IDA at least 2 weeks prior to the goods' readiness.
- If the PR has declared that no other pre-shipment inspections are required (besides the pre-shipment inspection that IDA performs), the PR accepts full responsibility for this declaration.

Import duties and taxes

- The PR accepts responsibility to obtain an import duties and taxes waiver and to share the waiver with IDA at least 2 weeks prior to arrival of the goods. Costs deriving from the non-availability of such waiver will be for the account of the PR.
- In case the PR has declared that no import duties and taxes are payable, the PR accepts full responsibility for this declaration.

Proceed to shipment

As soon as the goods are produced and released for shipment, IDA will immediately proceed with preparations for loading and shipment, unless the PR has confirmed well in-advance that a green light to ship from PR is required before shipment. In such cases, IDA will not proceed with the shipment until an explicit confirmation in writing providing green light to ship is received from the PR.

Insurance

The goods will be insured for 110% of the invoice value from warehouse to warehouse. In countries with an increased country risk (WOL), any damage or loss resulting from country risk is not covered. We follow the official IHS Foresight Country Risk to determine if there is an increased country risk (WOL) in the country of destination or countries of transit. The PR should inform IDA if the WOL should not be applied.

In order to claim under the insurance, the PR is required to report any visible damage within 3 days upon receipt of the goods in the warehouse. Hidden damage is to be reported within 30 days after receipt of the goods in the warehouse. The PR can proceed with a claim using the Confirmation of Receipt of Goods form that IDA sends along with the Shipping Advice.

Remarks

IDA Foundation and the PR shall take all necessary actions to avoid demurrage or detention charges. Any demurrage or detention charges deriving from a situation which is beyond the control of IDA Foundation, such as, but not limited to situations referred to as force majeure, port congestions, customs clearance delays and delays in offloading, shall be borne by the PR. The PR will be informed in writing about these additional costs and be charged in the final invoice.

The transit time will depend on the availability of the waivers and/or documents needed for custom clearance and weather conditions.

Quality

IDA Foundation's products are of assured quality. Products that IDA procures and delivers to customers have passed through IDA comprehensive quality systems for approval. IDA's quality assurance covers the complete spectrum from approval of source materials, to thorough GMP audits of manufacturing sites, establishing specifications, and up to and including quality monitoring and analysis of the finished product.

IDA Foundation is ISO 9001:2000, GMP and GDP certified.

IDA Foundation provides accurate packaging to prevent damage of the goods during transportation. This packaging is designed to protect the goods from extreme temperatures and high humidity.

Confirmation of Receipt of Goods

The PR is requested to check boxes and send a signed Confirmation of Receipt of Goods (CRG) form to IDA, outside of wambo.org, within 14 days after receipt of goods in which damage/discrepancies shall be reported. In case there are no discrepancies to be reported and Proofs of Deliveries (PoDs) were already signed and sent, the PR is still required to confirm receipt via the CRG form. If the CRG form is still not received after 30 days, IDA considers the goods as received and accepted in good condition.

Dispute Resolution

Any dispute, controversy or claim arising out of or in connection with the PQ, PO or these Terms and Conditions that cannot be settled amicably by the parties, shall be finally settled by arbitration under the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules in force from time to time. There shall be one arbitrator. The appointment authority for such arbitrator shall be the International Chamber of Commerce International Court of Arbitration. The place of arbitration shall be Geneva, Switzerland. The language to be used in the arbitral proceedings shall be English. The parties shall accept the arbitral award as final.