



MANAGEMENT SCIENCES FOR HEALTH (MSH)

AMENDMENT One (1)

REQUEST FOR PROPOSALS: RFP-HS4TB-2024-01; HS4TB GLOBAL -

Working Capital Loan Facility Guarantee Financing Mechanism March 4, 2024

Subject: Amendment No. One (01) to Request for Proposal No. RFP-HS4TB-2024-01, issued by Management Sciences for Health, Inc. on March 4, 2024

The purpose of this amendment is to respond to the offeror's questions that have been received in writing, as outlined in the updated Attachment A.

- 1) The revised closing/submission date of the RFP is **March 15, 2024, 5pm EDT.**
- 2) The revised submission date for questions regarding the RFP is **March 6, 2024, 5pm EDT.**

Unless specifically stated herein, all other terms and conditions of the subject RFP remain unchanged.

Sincerely,

DocuSigned by:

Carla D. Goncalves

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Carla D. Goncalves
Senior Contract Officer
Management Sciences for Health, Inc.

**Attachment A – Answers to Offeror’s Questions Related to RFP-HS4TB-2024-01
Updated March 4, 2024**

Question 1: Can the Offeror apply under a consortium of 2-3 partners which bring together a rich experience of blended finance consulting, working with financial institutions for loan enablement, healthcare expertise, and assessment for TB projects?

MSH Response: *A consortium will not be considered. Proposals with second tier subcontractors and consultants will be considered.*

Question 2: Can the offeror fulfill the technical criteria by bringing in experts from areas such as public health experience or managing loan processes if it doesn’t have the overall expertise?

MSH Response: *This would be allowed, however if the offeror would need to bring in external technical expertise it may be viewed as an indication that the offeror is not qualified to fulfil the scope of work.*

Question 3: To fulfill the three years financial statements for the indirect cost, can a consortium partner/lower tier-subcontractor share these financial statements as the lead offeror is a startup consulting firm with less than 1 year of financials?

MSH Response: *Sharing 3 years of financial statements is a requirement if the offeror proposes to charge an indirect rate.*

Question 4: Is there a list of PPSAs, or their qualification framework, basis on which any entity is chosen to serve as a PPSA?

MSH Response: *A list of PPSAs will be provided to the successful offeror. PPSA’s are selected by the state government based on criteria defined by the government.*

Question 5: Given that the structure of the PPSAs are not-for-profit, their entity structure also needs to be known, to enable them to be able to raise funding through debt or other structures, as financing for not-for-profits is not easily available across the financing institutions as of date.

MSH Response: *Most PPSAs are NGOs and allowed to take loans. It is correct that NGOs seeking loans from financial institutions is not common. This is what makes this project unique and interesting.*

Question 6: What is the present working capital cycle/receivable cycle for existing PPSAs? Any track record or data over the past few months/years will be useful to understand the scenario.

MSH Response: *We have all the relevant data/balance sheets of PPSAs etc that will be required to implement the project. There are delays in payment to PPSAs from the state government, hence the need for the working capital loan. Expected loans size estimated between \$30,000-\$50,000 (max of \$50,000).*

Question 7: Is MSH India or its Advisory Committee open to evaluating other blended finance structures that may be clubbed or used in replacement to ensure effective availability of working capital/other types of financing to the PPSA?

MSH Response: Yes, however we need to pilot the WCLF and make this a success. In parallel, discussions on other blended financing structure will be welcome.

Question 8: In terms of pricing for the project – it is mentioned as disbursement of 3 or more loans, and repayment of the slated tranche(s) are mentioned as outcomes – given that drawdown and repayment are subjective and entity driven – would request an understanding on possibility to consider some other tangible and controllable milestones for the payment and deliverables.

MSH Response: We welcome innovative solutions and ideas in the proposal.

Question 9: We would like to further understand the roles, and composition, of the advisory committee – as each transaction needs specific approval and this may have an impact on the transaction, its timelines and possibility.

MSH Response: The Advisory Committee will be made up of experienced professionals and practitioners. The team needs to present a business case to the Committee with their recommendations. Keeping to timelines will be a key consideration and all efforts should be made to keep them.

Question 10: After a thorough review of the RFP, we wanted to seek clarity on particular aspects related to the timelines of the proposed activities and expected outcomes. Given the scope of the proposal and level of financial structuring involved, we believe that timeline and deliverable stated for the first year are highly optimistic.

Drawing upon our extensive experience in structuring similar instruments and facilities within various projects, we believe that the envisaged process, beginning from the identification of PPSAs, through the structuring of a loan guarantee program, to the disbursement of loans to PPSAs under the proposed mechanism, and ultimately expecting full or partial payment within 7 months from initiation, may be slightly aggressive.

MSH Response: As this is the first of its kind project for PPSAs, we will have to be ambitious. The India team along with the advisory committee will work closely with the selected offeror to address the challenges as they arise.

Question 11: Also, the selected offeror can only ensure that the loan payment schedule of PPSAs has provision of full/partial payment within project period but them making the full/partial payment is not in OPs control.

MSH Response: This is correct. If there is delay/default the guarantee funds can be utilized.

Question 12: We request you to confirm if our understanding is correct and provide necessary clarification, if required. Additionally, we would appreciate if you could provide extension of at least 1 week for submission for final proposal. This extension would allow us the requisite time to ensure the quality and comprehensiveness of our submission.

MSH Response: The team in India has done significant amount of background work with the prospective PPSAs and will share their understanding with the selected agency. In addition, deadlines for questions and proposals submission have been extended per modification number one to RFP

END OF ATTACHMENT A

