

REQUEST FOR PROPOSALS (RFP)
#UKRSAFEMED144A

Name of the RFP	Information Technology Audit for the State enterprise “Medical Procurement of Ukraine” (MPU)
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"Management Sciences for Health, Inc." (MSH), implementing the USAID Safe, Affordable, and Effective Medicines for Ukrainians (SAFEMed) Project, invites you to submit a proposal following the requirements of this request.

Proposals must be received no later than the date and time listed in the table below:

Date of request for proposal:	March 1, 2024
Final date for submitting questions:	March 8, 2024, by 6:00 pm Kyiv time
Final date and time of submission of the proposal:	March 15, 2024, by 6:00 pm Kyiv time
Contact Information:	ua-safemed-procure@safemedua.org

Full description of needs / Terms of reference / Specifications
<p>1. Background</p> <p>MSH, an implementing partner of USAID technical assistance project SAFEMed, calls for the submission of quotes for Information Technology (IT) audit for the State enterprise “Medical Procurement of Ukraine” (MPU). As part of technical assistance, the USAID SAFEMed project supports the sustainable development of MPU to improve national procurement practices and improve public access to much needed medicines.</p> <p>In the rapidly evolving landscape of technology and digital transformation, the MPU recognizes the critical role of developing the IT ecosystem in achieving its organizational objectives. The MPU relies on a sophisticated IT infrastructure that encompasses information systems, out-of-the-box solutions, and established business processes to streamline operations, ensure a high level of transparency and compliance, and provide reliable delivery of medical resources.</p> <p>The digital transformation path of MPU focuses on developing and implementing both external and internal information technology solutions aimed at enhancing the medical supply system. This initiative seeks to guarantee the provision of timely and high-quality healthcare services to the citizens of Ukraine.</p> <p>The following systems function within the MPU:</p> <p>MedData: in-house development bringing transparency through the digitalization of processes and data, introduced at the beginning of healthcare reform (2018).</p>

MedData system includes the following modules:

- demand collection module (2018);
- internal analytics module (2019);
- humanitarian aid accounting module (2022);
- blood accounting module at the national level (2022);
- public auctions module (2022);
- COVID-19 (2020) and vaccination (2021) modules;
- module of claim-lawsuit work (2023);
- functionality of distribution orders (2022);
- module of the budget and financial department (2023);
- supplier qualification module in the e-catalog (2023);
- functionality for demand accounting according to ARV methodology (2023), etc.

e-Stock: in early 2023, the functional demand collection module and nonfunctional user management module were launched. The system will function as a central database that integrates overall processes of accounting for medical goods in the field of health care, covering:

- Demand collection (developed);
- Procurement process (developed);
- Logistics operations (Technical specifications are prepared);
- Accounting (Technical specifications are prepared);
- Back office (Technical specifications are prepared);
- Reporting, analytics, Open Data (Technical specifications are prepared).

Within the framework of the system, the demand collection module and the procurement module were implemented.

MedSupply: the system will function based on data obtained from MedData and e-Stock to cover the following processes: stock management, delivery forecasting, distribution, and redistribution. A productive environment has been prepared using a central service for managing organizations and users, which allows for effective interaction between the existing IT systems (MedData and e-Stock). Currently in pilot phase - deployed to PROD and running for 5 suppliers.

SAP Ariba: In 2022, MPU implemented a cloud-based solution utilizing the SAP Business Network to swiftly engage suppliers for delivering critical goods within hospitals. These days, MPU has implemented an upstream end-to-end process, based on SAP Ariba, fostering entering a global supplier market. The subsequent phase in the procurement cycle involves the integration of SAP Ariba with Prozorro and MPU's IT landscape.

Objectives of the project

The strategic objectives include optimizing the availability and responsible utilization of safe and effective medicines, ensuring the populace of Ukraine has access to high-quality healthcare services aligned with healthcare development strategy. The audit seeks to evaluate the efficacy, efficiency, and security of the existing IT infrastructure of the MPU, pinpointing areas for enhancement in the existing processes and systems and aligning IT processes with MPU's overarching goals. The results will be pivotal in making well-informed management decisions, guiding resource allocation, and providing recommendations on improvements to existing processes and systems, ultimately fostering a resilient and sustainable healthcare ecosystem. The engagement of an IT auditor is imperative for several reasons:

1. **Expertise and objectivity:** An external IT auditor brings a wealth of expertise and a fresh perspective to the organization's IT processes. Their impartial assessment can identify blind spots and inefficiencies that may be overlooked by internal stakeholders.
2. **Risk mitigation:** The procurement of medical goods using budgetary funds involves sensitive data and critical processes. An IT auditor will help mitigate risks by identifying security vulnerabilities, ensuring data privacy compliance, and recommending security enhancements.
3. **Operational efficiency:** The assessment will uncover process bottlenecks and inefficiencies in the development and implementation of information systems. By streamlining these processes, the organization can achieve higher operational efficiency and faster time-to-market.
4. **Optimal solution implementation:** Out-of-the-box solutions must align with the organization's specific needs. An IT auditor can evaluate whether these solutions are effectively configured, customized, and integrated to maximize their benefits.
5. **Digital transformation:** An IT auditor's engagement will be invaluable in verifying and procedurally evaluating the way the MPU's ecosystem is actually digitized to build high-quality IT infrastructure.
6. **Compliance and regulation:** The MPU must adhere to various regulations and standards. An IT auditor can ensure that the organization's IT practices align with these requirements, minimizing legal and regulatory risks.
7. **Strategic planning:** The IT auditor will provide a roadmap for improvements, enabling the organization to strategically invest in IT infrastructure, skills development, and process enhancements.

2. Project Scope

The project scope is limited to Healthcare Supply Chain Management systems, modules and their associated processes, infrastructure, and resources. A comprehensive list of these systems and modules is specified in the section # 1. Background.

Audit Phases:

1. Initial examination of existing IT infrastructure, business processes, and internal audit planning;
2. Conducting the audit and analysis;
3. Compilation of the audit report;
4. Forming an act of acceptance as confirmation of the contractor's performance of deliverables within the IT audit.

The audit scope includes assessing developed information systems and their modules, out-of-the-box solutions, and established business processes.

The audit scope should encompass the following areas:

- Evaluating the effectiveness of building business processes within systems.
- Ensuring resource inventory, hardware and software evaluation, and identification of network resources.
- Checking the relevance and sufficiency of licenses.
- Assessing all project portfolios.
- Identifying deficiencies and gaps in IT systems and obtaining recommendations for their elimination to facilitate the strategic development of information and analytical technologies in the MPU.
- Evaluating the rationale behind IT development costs and determining strategies to reduce maintenance and service expenses for IT systems.
- Evaluating current projects and their alignment with the organization's goals.
- Checking the effectiveness of project management.
- Analyzing the financial aspects of IT projects.
- Checking the compliance of the IT infrastructure with laws and regulations.
- Audit of compliance with safety standards (e.g., ISO 27001).
- Assessing the effectiveness of IT team management, determining their added value, and establishing a critical list of IT specialists crucial for ensuring the sustainable functioning of the ecosystem.
- Auditing the organizational structure of the MPU for duplication of roles, subordinate relationships, and distribution of duties and responsibilities in two IT departments.
- Scrutinizing existing working documents and procedures within the established IT infrastructure to verify their alignment with the Software Development Life Cycle (SDLC).

In conclusion, the ultimate goal of an IT audit for MPU is to ensure compliance with legal and regulatory standards, assess the effectiveness and efficiency of IT systems and processes, safeguard critical data, and optimize resource allocation. The audit aims to identify potential risks, weaknesses, and areas for improvement in IT infrastructure and operations, ensuring that the enterprise's IT framework aligns with its strategic objectives and enhances its capacity to support the healthcare supply chain effectively and securely.

Period of provision of services: expected maximum 5-month term.

Contract type: it will be a fixed-price contract in UAH without VAT.

3. Qualification requirements

To participate in this tender process, the bidder must comply with the following requirements:

- Legal Ukrainian registration.
- Minimum 5-year experience in the sphere of IT auditing.
- Experience of successful execution of IT audit projects.
- Validity of the proposal for 30 calendar days.
- Acceptable payment terms (payment on delivery without VAT during 10 bank days after completion of services).

4. Terms of payment and requirements for VAT exemption

The SAFEMed project is entitled to tax benefits and is exempt from VAT on goods (works, services) purchased in the customs territory of Ukraine, so payment for services is made without VAT. Applicants who are VAT payers must be ready, in case of acceptance of the tender offer, to go through the procedure of exemption from value-added tax (see "Requirements for exemption from VAT").

SAFEMed project address	3 Ivan Franko street, office 29, Kyiv 01030, Ukraine
Payment terms	Bank transfer without VAT. Payment during 10 business days after execution of IT audit.
Requirements for exemption from VAT	<p>The Safe, Affordable and Effective Medicines for Ukrainians (Safe and Affordable Medicines) - SAFEMed project is an international technical assistance project implemented in Ukraine with the financial support of the United States Agency for International Development (USAID), Agreement No. AID-121-C -17-00004, following the Agreement between the Government of Ukraine and the Government of the United States of America on humanitarian and technical and economic cooperation of May 7, 1992 (hereinafter - the "Agreement").</p> <p>The project purchases goods, works and services from the Tender Winner following the above Agreement and the Procedure for Attracting, Using and Monitoring International Technical Assistance, approved by the Resolution of the Cabinet of Ministers of Ukraine of February 15, 2002, N 153 (153-2002-п) "On creation of a unified system for attracting, using and monitoring international technical assistance". The cost of such goods, works and services is exempt from value-added tax.</p> <p>Procurement of goods, works and services is carried out at the expense of the international technical assistance project and corresponds to the category (type) of goods, works and services specified in the procurement plan.</p> <p>The winner will be provided with a package of documents for exemption from VAT, namely:</p> <ol style="list-style-type: none"> 1. Copy of the registration card of the Project, within which the purchase of goods, works, services are provided, certified by the seal of the Project. 2. Copy of the procurement plan, certified by the seal of the Project. 3. Copy of the contract for the provision of services, certified by the signature and seal of the Project. <p>The SAFEMed Project Accountant upon request can provide additional clarifications on the VAT exemption procedure.</p>

5. Submission of proposals

To participate in the tender, please submit your proposal in electronic form to the address: ua-safemed-procure@safemedua.org until **March 15, 2024, by 6:00 pm local time**. The copies of the documents provided must be legible and of good quality. The participant is responsible for the accuracy of the information provided in his price offer.

6. Content of the proposal

Proposals submitted must be valid for consideration for at least 30 calendar days.

Proposals should be submitted by two separate files with the following information:

1. Technical Proposal.
2. Cost Proposal.

Proposals should be submitted in English. Registration documentation does not require translation and should be submitted in the origin language.

7.1. Technical Proposal

7.1.1. Required copies of documents under the qualification requirements:

- Registration documents of a legal entity.
- Confirmation of compliance with qualification requirements (Appendix #1).

7.1.2. Full contact information of the offeror:

- Legal name, physical and legal addresses.
- VAT payer registration number, EDRPOU identification code.
- Contact details for explanations and clarifications.

7.1.3 Company's capacity and experience:

- Information on successful implementation of similar IT audit projects (at least two examples of Transfer and Acceptance Certificates should be provided).
- CV of the proposed team for project implementation.
- If you have not provided services for MSH in the last 3 years, please provide contact information of 3 current/former customers for recommendations or reference letters;

The following shall be significant additional advantage:

- Experience of project implementation in the field of IT audit for complex IT landscape.
- Experience of execution IT audits in governmental institutions.

7.1.4. Project methodology and schedule

The bidder should submit description of approach to the project and its timelines.

7.2. Cost Proposal

Information on the total cost of services following the scope of work:

- Overall summary budget.
- Budget with detailed breakdown into stages of the project implementation.

Prices must be offered in UAH without VAT.

8. Evaluation criteria

Technical and cost proposals will be evaluated according to the following criteria:

Evaluation criteria	Maximum possible points
Compliance with qualification requirements	
<ul style="list-style-type: none"> - Legal Ukrainian registration. - Minimum 5-year experience in the sphere of IT auditing. - Experience of successful execution of IT audit projects. - Validity of the proposal for 30 calendar days. - Acceptable payment terms (payment on delivery without VAT during 10 bank days after completion of services). 	<p>YES / NO</p> <p>If there is at least one "NO" answer, the tender offer will be rejected</p>
A. Assessment of the bidder's ability and experience	
<ul style="list-style-type: none"> - Experience in implementing similar IT audit projects - Qualification of the proposed team for project implementation - Positive feedbacks from current/previous clients - Experience of project implementation in the field of IT audit for complex IT landscape - Existing experience of working with government projects 	50
B. Assessment of the bidder's methodology and schedule	
<ul style="list-style-type: none"> - IT audit approach - Calendar plan 	20
C. Cost of services	
Costing realism and best value principle	30
Maximum Total Score	100

When conducting tenders/competitions, the SAFEMed Project, implemented in Ukraine by MSH, works on the principle of "value for money", so none of the criteria is preferable. All price proposals will be considered and evaluated according to a set of criteria.

A request for a commercial offer does not in any way oblige SAFEMed to enter any contract. SAFEMed reserves the right to purchase any or all ordered services, change their number if necessary, or cancel them altogether. The intention to purchase a service/product is official only upon receipt of a written order from SAFEMed. SAFEMed will not reimburse the company for the preparation of the commercial offer.

SAFEMed Procurement staff is prohibited from making any requests or accepting commission offers related to the order placed; SAFEMed has a procedure for tracking such payments. Please do not offer or pay such commissions, as this may result in the rejection of your commercial offer. If any SAFEMed representative requests such payments, please notify auditcommittee@msh.org