

GDF Indicative Reference Costs for Budgeting Purposes: Freight, Insurance and Quality Assurance

August 2022

This document lays out the indicative costs for freight, insurance, and quality assurance (QA) for GDF's key product categories and is intended for budgeting purposes. The costs are presented as a percentage of product value¹.

The indicative costs are generalized for all countries and regions. **We strongly recommend that you contact your GDF focal point for more tailored guidance on specific countries.** The information may be updated periodically, with the latest made available [here](#).

General advice for clients:

- Plan your orders well in advance to benefit from the most cost-effective ways of delivery (e.g., consolidated and/or split deliveries)².
- Prioritize deliveries by sea, when possible, to minimize transport costs.
- **Communicate with your GDF focal point for additional information and tailored guidance.**
- Allocate sufficient budget according to the selected incoterms³.

Freight

The table below summarizes GDF's indicative freight costs for deliveries by air and sea.

- The costs are presented as a percentage of the product value.
- Each product category may contain products with different transport requirements, such as cool cargo, dangerous cargo, large items, special packaging, etc. which have different impacts on transport costs.
- In addition to the median costs (in red), the 25th/75th percentiles are also included.
- Other factors may influence GDF's freight cost estimations, including, but not limited to:
 - Weight and volume
 - Origin and destination
 - Transport modality (air/sea, incoterms)
 - Transport requirements based on product characteristics (cool cargo, dangerous cargo, large items, special packaging, etc.)
 - Other factors such as seasonality, container availability, port congestion, lockdowns, impacts of the pandemic on the global supply chain, and rising fuel prices.

Indicative freight costs as proportion of product value: by freight modality							
		TRANSPORT MODE: SEA			TRANSPORT MODE: AIR		
	Product Categories	25 th Percentile	Median	75 th Percentile	25 th Percentile	Median	75 th Percentile
Medicines	First-line Medicines	4%	7%	13%	11%	19%	37%
	Second-line Medicines	3%	6%	6%	5%	7%	13%
Diagnostics and Medical Devices	Biosafety and Waste Handling	2%	10%	24%	17%	42%	49%
	Conventional Culture and DST	2%	21%	27%	17%	19%	45%
	Detection of COVID-19	N/A	N/A	N/A	2%	9%	15%
	Detection of Latent TB	N/A	N/A	N/A	13%	28%	84%
	Detection of MTB and Resistance	16%	28%	55%	12%	27%	71%
	Infection Prevention Products	3%	16%	31%	54%	69%	80%
	Laboratory Equipment	8%	27%	31%	19%	42%	71%
	Molecular Testing	N/A	27%	N/A	15%	19%	19%
	Sample and Media Preparation	10%	27%	29%	19%	56%	72%

¹ For more information on budgeting prices for TB Products, please use the GDF Budgeting prices for TB medicines and GDF Budgeting prices for TB Diagnostics <https://www.stoptb.org/buyers/plan-order>

² See the Category and Product-level Procurement and Delivery Planning Guide <https://www.stoptb.org/buyers/plan-order>

³ Additional costs may include, but are not limited to, warehousing, in-country distribution, duties, and taxes, etc.

N/A: not sufficient data available to provide a guidance. Please consider your historical mode of shipment.

GDF Indicative Reference Costs for Budgeting Purposes: Freight, Insurance and Quality Assurance

Insurance

The table below summarizes GDF's indicative insurance costs as proportion of product value and freight costs. Additional country risk insurance surcharge for high-risk countries may apply to the below percentages.

Indicative insurance costs as proportion of product value and freight costs	
Product Categories	Insurance
Anti-tuberculosis Medicines	0,132%
Diagnostics and Medical Devices	0,13%

Quality Assurance/Quality Control (QA/QC) costs

The table below summarizes GDF's indicative QA/QC costs as proportion of product value.

Indicative QA/QC costs as proportion of product value	
Product Categories	Quality Assurance
Anti-tuberculosis medicines	0,05%