

REQUEST FOR QUOTATION (RFQ)

Consulting Services

External Auditor

for

AMWAJ of the Environment

(Lebanon)

Common Project

*COastal Management and Monitoring Network
for tackling marine litter in Mediterranean Sea*

<http://www.enicbcmed.eu/projects/common>

1. BACKGROUND

COMMON Project is funded by the European Union under the ENI CBC Med Program under the Thematic objective B.4. Environmental protection, climate change adaptation and mitigation and the Priority B.4.4: B.4.4 - Incorporate the Ecosystem-Based management approach to ICZM into local development planning, and aims at applying the ICZM principles to the marine litter management, improving the environmental performance of 5 pilot coastal areas, 2 in Ital, 2 Tunisia, and 1 in Lebanon, through engaging local communities, local and regional authorities, MPAs, and Turtles Rescue Centers in incorporating marine litter management and disposal in coastal planning with the ICZM approach.

This project is financed in the Framework of the ENI CBC Mediterranean Programme with a total project budget of € 2.2 million Euro.

The total contribution of the ENI CBC MED Program is 2 million Euro (a maximum of 90% of the total project cost).

The amount of budget managed by AMWAJ under this project is a total of 189,138.39 euros.

AMWAJ of the Environment is a non-profit organization established on July 1995, is looking for an External Auditor for COMMON project in Lebanon following the National Procedures of ENI CBC Med.

2. OBJECTIVE

The objective of this Request for Quotation (RFQ) is assigning an external auditor to ensure compliance of expenditures under the COMMON project with the domestic bypassing law as well as the Program requirements and provisions of the grant contract, including the valid version of the application form.

The audit is an expenditure and revenue verification procedure regarding the Individual Financial Report for the Grant Contract between AMWAJ, Legambiente Onlus and the Managing Authority of the program.

3. RESPONSIBILITIES

The Beneficiary shall:

- Provide the Auditor with the Financial Reports
- Give access to its accounting, supporting documents, project documentation and physical investments

This will allow the Auditor to submit deliverables in due time and without restrictions.

The Auditor shall

- Perform the agreed-upon procedures with due care and full respect of the Code of Ethics therein indicated, as well as submit the reports to the Beneficiary.
- notify irregularities in case of fraud or corruption
- Attend the specific trainings and meetings for Auditors organized by the competent Program bodies. The Managing Authority may request the termination of the auditors not attending to these events.

4. THE SCOPE OF VERIFICATION BY THE AUDITOR, INCLUDES IN PARTICULAR:

A. Budget and Expenditure

- a. Verify that the progress report/final report has been filled correctly with respect to formal and accounting aspects.
- b. Authenticate that the expenditure declared complies with the grant application form, grant contract, partnership agreement, i.e. whether it has been planned in the project and is settled in accordance with the eligibility rules and within the correct expenditure category.
- c. Check that the lead beneficiary has transferred funds to the project partner(s) in accordance with the grant application form, grant contract and partnership agreement.
- d. Make sure the costs, expenditure and revenue of the project as well as the equipment, intangible assets purchased, and the construction completed works have been delivered and correctly recorded in the financial/accounting system of the project beneficiary.
- e. Verify the compliance of the expenditure incurred with the national regulations and Program requirements (regulations on state aid, visibility, publicity, environment protection and equitable opportunities, if applicable).
- f. Check that the expenditure has been actually incurred and paid, except for simplified methods of expenditure settlement and no separate accounting system is kept.



g. Verify the method of archiving of project documentation.

h. Verify that the beneficiary has implemented recommendations following the controls and audits carried out and has remedied the irregularities if any.

B. Activities

a. Verify whether the substantive scope of the project is being implemented in accordance with the schedule of the grant contract.

b. Verify whether the project implementation progress has been clearly and fully reflected in the reports and whether there is immediate access to the record of activities that have been completed, verifying the appropriate documentation of goods deliveries, service provision and construction works both in progress and finished.

C. Procurement

a. Verify that the contractors of services, deliverables and works under the project have been selected through the appropriate tender procedures, including compliance with the national public procurement procedures.

b. Check the documentation confirming the delivery of co-financed goods, services and construction works.

c. Authenticate the complete tender documentation for contracts awarded under the project in accordance with the national bypassing law.

d. Verify the documentation of the selection of the subcontractor for contracts awarded under the project whose values are below the national thresholds for the application of public procurement procedures (considering the Program requirements for contracts).

e. Verify whether the award of contracts has complied with competition rules specified in Program documents.



The auditor shall verify expenditure based on audit procedures they are bound to observe, specified in the Program and in accordance with:

- 1) the International Standard on Related Services 4400, Engagements to Perform Agreed upon Procedures Regarding Financial Information, in the version issued by the International Federation of Accountants (IFAC).
- 2) the Code of Ethics for Professional Accountants developed and issued by the IFAC's International Ethics Standards Board for Accountants.

5. LANGUAGE

The language of the contract and of all written communications, including reports, between the Auditor and the Beneficiary shall be in English.

6. IMPLEMENTATION OF THE TASKS AND DELAYS

The starting date for implementation will be the date of signature of the contract between the auditor and the contracting project partner (expected from 1/10/2020 to 30/10/2022)

The period for delivery of the reports to the Beneficiary is 30 calendar days from submission of each financial report by the Beneficiary.

Four financial Audit Missions are requested during the project lifetime (at the end of each project year)

7. DELIVERABLES

The Auditor shall submit the expenditure and revenue verification reports to the Beneficiary, with its annexes, following the templates and procedures established by the lead beneficiary

The auditor shall submit a final report on the project to the managing authority.

The External Auditor may need to process the model forms online through a Management Information System (MIS), if requested, as a final result of the verification.

The MA may carry out quality control of the work carried out by the Auditor, including the examination of the working papers, at any moment during the execution period of the Grant Contracts.

8. AUDITOR QUALIFICATION

8.1. Auditor Independence

It is required that the auditors fulfil the independence requirements of the IFAC Code of Ethics for Professional Accountants. In addition, the auditor's independence is defined as their organizational independence from the institutional structures and the operations of the beneficiary, including activities carried out as part of the project. The objectivity and independence shall be infringed in case of provision of assurance, advisory or consulting services concerning the activities of the beneficiary within two years preceding the start of providing the project verification service, with the exception of providing services concerning the verification of projects financed by the European Neighborhood and Partnership Instrument and the European Neighborhood Instrument. The independence shall be breached by holding shares or other titles of ownership of the audit.

The objectivity shall be infringed by the occurrence of a conflict of interest, when the impartial and objective fulfilment of the function by the auditor is compromised due to family or emotional reasons, political sympathies or belonging to a state, an economic interest or any other common interest with the beneficiary being audited, providers of services to the verified project or entities involved in implementing the Program. Such situations shall include actions or relationships, which may be contrary to the beneficiary's interest. The auditor's independence and objectivity are seen as the need to avoid any situation that could lead to a conflict of interest, including the avoidance of situations in which even only a theoretical possibility exists that the personal interest may outweigh the result of the verification being conducted.

8.2. Auditors' qualifications

The expenditure verification required by ENI Implementing Rules (Article 32) shall be carried out by private external audit firms only.

The External financial Auditor/Auditing Firm must be registered at the Lebanese Association of Certified Public Accountants according to the requirements set by ENI Implementing Rules (Article 32) and in compliance with the national requirements.



The auditor must fulfil at least one of the following requirements:

- Be a member of the national authority or body for accounting and audit, which is the member of the IFAC,
- Be a member of a national accounting or audit authority or entity. If this organization is not an IFAC member, the auditor must undertake to execute work in accordance with IFAC standards and codes of ethics and must hold at least one of the following certificates: CIA, CGAP, ACCA, CIMA.,

When verifying public procurement, the auditor must, in addition, fulfil at least one of the following requirements:

- have carried out controls of the correctness of at least 10 public procurement procedures covered by the public procurement law,
- have provided at least 10 legal advisory services concerning the application of the public procurement law, including, among others, issuing written legal opinions, representing before the National Appeals Chamber.
- has a knowledge of English at least at the B2 level according to the classification of the Common European Framework of Reference for Languages.

9. REQUIREMENTS FOR QUOTATION

A. Submission of Quotations

Interested consultants must provide information indicating that they are qualified to perform the services (brochures, description of similar assignments, experience in similar conditions, general qualifications, and number of key staff, and so forth). Consultants may associate to enhance their qualifications.

Technical and financial Proposals must be delivered to Mr. Malek Ghandour on the email address: amwajenvt@yahoo.com no later than the **2nd of October 2020**.

Any quotation received after the mentioned date and time will be rejected.

It is **also** required to submit:

- Company profile (short info up to 1 page).
- Copy of Company's Registration Certificate.

P.S: The documents shall be signed and stamped by a person duly authorized to bind the Auditor to the contract.

B. Quotation Details

The quotation must be submitted in Euro and exclusive of VAT and valid for 90 days starting the submission deadline date.

In exceptional circumstances, AMWAJ may request the extension of the validity of the quotation beyond what has been initially indicated in this RFQ. The Proposer shall then confirm the extension in writing, without any modification whatsoever on the quotation. During the validity of the quotation, no price variation due to changes in exchange rates or any other market factors shall be accepted by AMWAJ after receiving the quotation.

C. Selection of Auditor

A consultant will be selected in accordance with least cost (LC) selection method for consultancy service contracts and in compliance the requirements and specifications described in the RFQ.

Once selected and before signing the contract, the External Auditor has to be endorsed by the Control Contact Point (CCP) of ENI CBC Med in Lebanon.

CCPs are appointed in each participating country to support the Managing Authority (MA) in the control tasks related to project expenditure verification. CCPs endorse the Auditors selected by Lead Beneficiary and Partners and check the Expenditure Verification Reports (EVR) if needed.