



**REQUEST FOR PROPOSAL: PROVISION OF INTERNAL AUDIT SERVICES**

**RFP NO. ENHI 025 of 2021/22**

**CLOSING DATE AND TIME : Wednesday 14<sup>th</sup> July, 2021 @ 1200hours**

Eswatini Nazarene Health Institutions  
P. O. Box 14  
Manzini



**INVITATION**  
**REQUEST FOR PROPOSAL FOR THE PROVISION OF INTERNAL AUDIT**  
**SERVICES RFP NUMBER: 025 of 2021/2022**

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Eswatini Nazarene Health Institutions invites sealed Proposals for the provision of **semi- annual internal audit** Services. The purpose of this Request for Proposal is to establish a service agreement to cover a period of 3 (three) years commencing in the year under review that is 2021/2022 financial year.

Interested audit firms are expected to have acquired at least ten years practical internal audit experience and be appropriately registered with the Eswatini Institute of Accountants (ESIA). The firm must have adequate resources in terms of qualified and experienced staff to carry out the audit assignments.

Detailed information regarding the terms of reference can be obtained at the Raleigh Fitkin Memorial (FRM) Hospital, Finance Department, Purchasing offices above ICU, or downloaded from the ESPPRA's website at [www.sppra.co.sz](http://www.sppra.co.sz) from Wednesday, 16<sup>th</sup> June 2021 for a non-refundable fee of **E300.00** (Three Hundred Emalangen) per tender. The method of payment shall be cash payable to the Purchasing department.

The Proposal shall consist of a Technical Proposal and a Financial Proposal, which shall be in separate sealed envelopes marked "**Technical Proposal - RFP NO. ENHI 025 of 2021/2022**" and "**Financial Proposal - RFP NO. ENHI 025 of 2021/2022**", respectively. The two envelopes must be enclosed in a sealed outer envelope, which shall be marked: "**Request for Proposal: Provision of Internal Audit Services - Do Not Open before 12.00 (noon) on Wednesday 14<sup>th</sup> July 2021**" and addressed to "**The Secretary of the Tender Board, Eswatini Nazarene Health Institutions**". Failure to mark the envelope clearly and accurately may result in rejection of the application.

To be eligible for consideration for this proposal, a tenderer should provide in its proposal the documents specified in "Instructions to Tenderers", including the following;

1. **Certified copy of valid Trading License**
2. **Certified copy of valid Tax Compliance Certificate**



3. **Certified copy of current Labour Compliance Certificate**
  4. **Certified copy of current Form J (Company Ownership) or equivalent**
  5. **Certified copy of current Form C (Company Shareholding) or equivalent**
  6. **Certified copy of Eswatini National Provident Fund Certificate or equivalent**
  7. **Certified copies of professional qualifications for key personnel.**
  8. **Signed Declaration of Eligibility**
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9. **Company profile, which shall clearly show experience of the company and personnel.**
  10. **General receipt (E300.00) for proof of payment of the tender document.**

The Tender envelope should be deposited in the “Tender Box” situated at Raleigh Fitkin Memorial Hospital Switchboard latest by 12:00 hours on **Wednesday 14<sup>th</sup> July 2021**. Tenders received in time by the latest date and time for submission will be opened at the RFM Hospital Boardroom immediately at 12:15 hours on the **Wednesday 14<sup>th</sup> July 2021**. Late tenders, as well as tenders received by telegram, facsimile, email or similar medium will not be considered. Tenderers may attend the opening procedure.

Requests for clarifications, which must be in writing, should be addressed, via email, to [cfo@enhicare.com](mailto:cfo@enhicare.com) and copied to [s.accountant@enhicare.com](mailto:s.accountant@enhicare.com). Eswatini Nazarene Health Institutions will strive to promptly respond in writing via e-mail to any requests for clarification up until close of business on **02<sup>nd</sup> July 2021**. Written copies of the ENHI’s response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective Bidders.



**ESWATINI NAZARENE HEALTH INSTITUTIONS  
REQUEST FOR PROPOSAL (RFP)**

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## SECTION A

### 1. HIGHLIGHTS ON OPERATIONS

The Institution comprise of the Raleigh Fitkin Memorial Hospital and 20 Nazarene Community clinics spread across the country. On average a total of **500** (Five Hundred) Patients are serviced daily at the Outpatient department and **200** (Two Hundred) Patients are admitted at RFM Hospital.

The staff compliment currently stands at 744 Employees. There are 30 (Thirty) departments at the RFM Hospital.

The Eswatini Nazarene Health Institutions seeks to engage a reputable Audit Firm which is registered with the Eswatini Institute of Accountants (ESIA) to provide Internal audit services to the Institution.

Detailed information regarding the terms of reference is available in the 'Request for Proposals' document. The Institution shall continuously review the performance of the Audit Firm and, if the performance is not satisfactory, ENHI shall have the right to terminate the service agreement in line with the agreed terms and conditions.

Proposals will be evaluated on a **Quality and Cost basis selection (QCBS)** and the resulting contract will be a Unit Price contract (i.e. agreed fee rates for a specified period, with reimbursable items being on the basis of actual expenses or agreed unit prices).

### 1.2 MISSION

ENHI exists to provide high quality health care services to all people in an affordable, equitable and accessible manner, in line with the Eswatini National Health Policy and a Christian environment and commitment to the Great Commission adopted by the Church of the Nazarene.



### 1.3 TENDER RECEIPT

All participating companies in this Bid are expected to purchase the tender document at the RFM Hospital, Purchasing Office for a non-refundable fee of **E300.00** (Three Hundred Emalangeneni). The receipt shall form part of the compliance documents during tender submission.

### 1.4 GENERAL OBJECTIVES

The objective of the internal audit services is to strengthen the internal controls by avoiding risk and fraud and to utilize the available resources economically and efficiently. The Internal audit will also assist the Institution to accomplish good governance processes.

The Institution is looking to enter into a long term agreement of three (3) years with an internal audit service provider. At the discretion of the Institution, the contract may be extended for a further three **(3) years** on the same terms and conditions.

In preparing the semiannual internal audit plan the Internal Auditor shall utilize the following but not limited types of audit – departmental audits, financial audits, operational audits, human resource audits, contract audits, fraud and financial irregularity audits and follow up audits.

## 2. SCOPE OF WORK

The audit will be carried out in accordance with International Standards on Auditing (ISA) and regulations promulgated by the Eswatini Institute of Accountants (ESIA) using a risk-based approach. The key audit focus areas are; but not are limited to the following:

- 2.1 Develop, document, implement, test and maintain a comprehensive internal audit plan and system of internal controls to help provide assurance that applicable laws, regulations and the Institution policies and procedures are complied with at all times.
- 2.2 Examine financial transactions for accuracy and compliance with institutional policies and applicable laws and regulations.



- 2.3 Evaluate financial and operational procedures to assure adequate internal controls are present.
- 2.4 Identify, assess and evaluate the Institution risk areas; make appropriate recommendations for improved internal controls and accounting procedures; and research and adopt best practice where applicable.
- 2.5 Work with management to identify key risks, assess those risks and establish risk management procedures and practices based on industry best practices.
- 2.6 Ensure compliance of the statutory requirements with respect to financial matters.
- 2.7 Offer timely and quality advice to the Management, Chief Executive Officer, Finance & Audit Risk Committee and the Board of Trustees with no significant oversights.
- 2.8 Ensure reduced number of queries from external auditors.
- 2.9 Evaluate, review and monitor effectiveness of financial management system in accordance with up-to-date practice;
- 2.10 Monitoring and reporting on operational systems of the Institution departments.
- 2.11 Ensure compliance to stores regulations and proper utilization of Institutions' assets, equipment and materials.
- 2.12 Carry out investigations and other assignments and timely reporting on them as required by the Chief Executive Officer, the Finance & Audit Committee and the Board of Trustees.

### **3. EXPECTED OUTPUTS**

- 3.1 An audit charter or mission statement that sets forth the audit purpose, objectives, authority and responsibilities.
- 3.2 Carrying out audits as per the audit program.
- 3.3 Conducting internal control and risk assessment of the area being audited and document accordingly.
- 3.4 Draft the audit report based on the findings raised
- 3.5 Discussing audit findings with the Senior Management Team



- 3.6 Ensuring compliance with policies, plans procedure, laws and regulations;
- 3.7 Detailing procedures to safeguard the Institutions' assets;
- 3.8 Detailing processes to ensure economical and efficient use of resources;
- 3.9 A program for training management on basic facts and elements of internal auditing
- 3.10 A quality assurance program, including the efforts of internal and external parties, to evaluate the operations of the Council and its management.
- 3.11 Decline in concerns from external auditing function.



## **SECTION B**

### **1. INSTRUCTIONS TO AUDIT FIRMS**

### **2. DEFINITIONS**

- (a) “Coercive practices” means harming or threatening to harm, directly or indirectly, persons, or their property, to influence their participation in a procurement process or affect the execution of a contract.
- (b) “Collusive” practices mean a scheme or arrangement between two or more Audit firms, with or without the knowledge of the procuring entity, designed to establish tender prices at artificial, non-competitive levels.
- (c) “Contract” means the Contract signed by the Parties and all the attached documents, i.e. the General Conditions (GCC), the Special Conditions (SCC), and the Appendices.
- (d) “Corrupt practice” means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence the action of a public officer in the procurement process or in contract execution.
- (e) “Data Sheet” means such part of the Instructions to Audit firm(s) used to reflect specific assignment conditions.
- (f) “Day” means calendar day.
- (g) “ENHI” means Eswatini Nazarene Health Institutions
- (h) “Fraudulent practice” means a misrepresentation or omission of facts in order to influence a procurement process or the execution of a contract. Falsifying of documents.
- (i) “Institution” means Eswatini Nazarene Health Institutions.



- (j) “Personnel” means professionals and support staff provided by the Audit firm and assigned to perform the Services or any part thereof; “Foreign Personnel” means such professionals and support staff who at the time of being so provided had their domicile outside Eswatini; “Local Personnel” means such professionals and support staff who at the time of being so provided had their domicile inside Eswatini.
- (k) “Proposal” means the Technical Proposal and the Financial Proposal.
- (l) “RFM” means Raleigh Fitkin Memorial Hospital
- (m) “Community clinics” means Nazarene 20 Community Clinics
- (n) “RFP” means this REQUEST FOR PROPOSAL.
- (o) “Services” means the work to be performed by the Audit firm pursuant to the Contract.
- (p) “Sub-Consultancy Firm” means any person or entity with whom the Audit firm subcontracts any part of the Services.
- (q) “Terms of Reference” (TOR) means the document included in the RFP which explains the objectives, scope of work, activities, tasks to be performed, respective responsibilities of the Institution and the Audit firm, and expected results and deliverables of the assignment.
- (r) “Family Relationships” immediate family

- 3.1 The Institution will select an Audit firm or organization in accordance with the method of selection specified in the Data Sheet.
- 3.2 Audit firm(s) are invited to submit a Technical Proposal and a Financial Proposal for the provision of Audit services required for the assignment named in the Data Sheet. The Proposal will be the basis for contract negotiations and ultimately for a signed Contract with the selected Audit firm.
- 3.3 Audit firm(s) should familiarize themselves with local conditions and take them into account in preparing their proposals.
- 3.4 Audit firm(s) will make timely available relevant data, information and reports upon signing of contract.
- 3.5 Audit firm(s) shall bear all costs associated with the preparation and submission of their proposals and contract negotiation. The Institution is not bound to accept any proposal, and reserves the right to annul the selection process at any time prior to Contract award, without thereby incurring any liability to the firm(s).

#### **4. Conflict of Interest**

The bidder is requested to fully comply with the requirements stated below.

- 4.1 Audit firm (s) are required to provide professional, objective, and impartial service at all times and hold ENHI's interests paramount, strictly avoid conflicts with other assignments or their own corporate interests and act without any consideration for future work.
- 4.2 Without limitation on the generality of the foregoing, Audit firm (s), and any of their affiliates, shall be considered to have a conflict of interest and shall not be eligible for selection, under any of the circumstances set forth below:



4.2.1 Audit firm (s) (including its Personnel and Sub-Consultancy firm (s) that has a business or family relationship with a member of the Institutions staff who is directly or indirectly involved in any part of:

4. 2.1.1 The preparation of the Terms of Reference of the assignment,

4.2.1.2 The selection process for such assignment,

or

4.2.1.3 The supervision of the Contract.

4.3 Audit firm (s) have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of the Institution, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the Audit firm or the termination of the Contract.

## **5. Association**

5.1 If a shortlisted Audit firm could derive a competitive advantage from having provided Audit services related to the assignment in question, the Institution shall make available to all shortlisted Audit firm(s) together with this RFP all information that would in that respect give such Audit firm any competitive advantage over competing Audit firm (s).

## **6. Commissions**

6.1 Audit firm (s) shall furnish information on commissions and gratuities, if any, paid or to be paid to agents relating to this proposal and during execution of the assignment if the Audit firm is awarded the Contract, as requested in the Financial Proposal submission form.



## **7. One Proposal**

- 7.1 Audit firm(s) shall submit **one** original proposal only and the required number of copies as stipulated in the Data Sheet.

## **8. Validity**

- 8.1 Proposals must remain valid after the submission date. During this period, Audit firm (s) shall maintain the availability of Professional staff nominated in the Proposal. The Institution will make its best effort to complete negotiations within this period. Should the need arise, however, the Institution may request Audit firm (s) to extend the validity period of their proposals.
- 8.2 Audit firm (s) who agree to such extension shall confirm that they maintain the availability of the Professional staff nominated in the Proposal, or in their confirmation of extension of validity of the Proposal, Audit firm(s) can submit new staff in replacement, who would be considered in the final evaluation for contract award. Audit firm (s) who do not agree have the right to refuse to extend the validity of their Proposals.

## **9. Clarification and Amendment of RFP Documents**

- 9.1 Audit firm(s) may request a clarification of any of the RFP documents up to the number of days indicated in the Data Sheet before the proposal submission date. Any request for clarification must be sent in writing, through standard electronic means to the Institutions' e-mail address indicated in the Data Sheet. The Institution will respond in writing or by standard electronic means and will send written or electronic copies of the response (including an explanation of the query but without identifying the source of inquiry) to all Audit firm(s) that have shown interest to submit a proposal. Should the Institution deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure detailed below.
- 9.2 At any time before the submission of Proposals, the Institution may amend the RFP by issuing an addendum in writing or by standard



electronic means. To give Audit firm(s) reasonable time in which to take an amendment into account in their Proposals the Institution may, if the amendment is substantial, extend the deadline for the submission of Proposals.

## **10. Modification or withdrawal of tenders**

10.1 Tenderers may modify, or withdraw the tender prior to the deadline for the submission of tenders.

10.2 The modification or notice of withdrawal shall be effective if it is received by the Institution prior to the deadline for submission of tenders.

## **11. Preparation of Proposals**

11.1 The Proposal, as well as all related correspondence exchanged by the Audit firm (s) and the Institution, shall be written in the English language.

11.2 In preparing their Proposal, Audit firm (s) are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the information requested may result in rejection of a Proposal.

## **12. Preparation of the Technical Proposal**

12.1 As required in Form TECH-4, tenderers who are Audit firms are to submit the specified documents which must be attached to the Technical Proposal as Appendices.

12.2 Audit firm (s) are required to submit a full Technical Proposal. The Technical Proposal shall provide the information indicated in the



following paragraphs, from (a) to (f) using the attached Standard Forms:

- 12.2.1 Form TECH-1 requires the tenderer to complete the tender submission form and append the authorized signature of the Audit firm.
- 12.2.2 Form TECH-2 requires the tenderer to provide adequate and concise responses to the questionnaire regarding the Audit firms overall capabilities.
- 12.2.3 Form TECH-3 requires the tenderer to give a description of the approach, methodology to be applied for conducting Audit services.
- 12.2.4 Form TECH-4 requires the tenderer to include certified copies of legal documents.
- 12.2.5 Form TECH-5 requires the tenderer to complete the Declaration of Eligibility confirming that the Audit firm meets the criteria for eligibility to participate in public procurement.
- 12.2.6 Form TECH-6 requires the tenderer to complete the team composition and task assignments.
- 12.2.7 Form TECH-7 requires the tenderer to complete the curriculum vitae for proposed professional staff
- 12.2.8 Form TECH-8 requires tenderer to complete the work schedule

### **13. Preparation of the Financial Proposal**

- 13.1 The Financial Proposal shall be prepared using the attached Standard Forms, which prescribe the required minimum data and information. Audit firm (s) may provide additional details if appropriate. It shall list all costs associated with the assignment
- 13.2 The Audit firm shall be subject to local taxes (such as: value added or sales tax, social charges or income taxes on non-resident Foreign Personnel, duties, fees, and levies) on amounts payable by the Institution under the Contract.



- 13.3 Audit firm(s) must express the price of their services in Emalangeni unless otherwise specified in the Data Sheet. Commissions and gratuities, if any, paid or to be paid by Audit firm(s) and related to the assignment will be listed in the Financial Proposal Form FIN-1.

#### 14 **Packing and Submission of Proposal**

- 14.1 The original proposal (Technical Proposal and Financial Proposal) shall contain no interlineations or overwriting, except as necessary to correct errors made by the Audit firm(s) themselves. The person who signed the proposal must initial such corrections. Submission letters for both Technical and Financial Proposals should respectively be in the format of TECH-1 and FIN-1. Failure to adhere to this will lead to disqualification.
- 14.2 An authorized representative of the Audit firm(s) shall initial all pages of the original Technical and Financial Proposals. The authorization shall be in the form of a written power of attorney accompanying the Proposal or in any other form demonstrating that the representative has been dully authorized to sign. The signed Technical and Financial Proposals shall be marked **“Original”**.
- 14.3 The Technical Proposal shall be marked **“Original” or “Copy”** as appropriate. All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original governs.
- 14.4 If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated in the Data Sheet, this will constitute grounds for declaring the Proposal non-responsive and disqualified.

#### 15 **Latest Date for Submission**

- 15.1 The Proposals must be sent to the address/addresses indicated in the Data Sheet and received by the Institution no later than the date and time indicated in the Data Sheet or any extension to this date. Any





proposal received by the Institution after the deadline for submission shall be returned unopened.

## **16 Opening of Technical Proposals**

16.1 The Institution shall open the Technical Proposal immediately after the deadline for their submission. The envelopes with the Financial Proposal shall remain sealed and securely stored.

16.2 From the time the Proposals are opened to the time the contract is awarded, the Audit firm(s) should not contact the Institution on any matter related to its Technical and/or Financial Proposal. Any effort by Audit firm(s) to influence the Institution in the examination, evaluation, ranking of Proposals, and recommendation for award of Contract may result in the rejection of the Audit firm s' Proposal. Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded.

16.3 The evaluation committee shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub-criteria, and point system specified in the Data Sheet. Each responsive Proposal will be given a technical score (St). A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP, and particularly the Terms of Reference or if it fails to achieve the minimum technical score indicated in the Data Sheet.

## **17. Access to Financial Proposal**

Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded.

## **18. Opening of Financial Proposals**



Financial Proposals shall be opened publicly in the presence of the Audit Firms Provider s' representatives who choose to attend. The name of the Service Provider(s) and the technical scores of the Service Provider's shall be read aloud. The Financial Proposal of the Service Provider(s) who met the minimum qualifying mark will then be inspected to confirm that they have remained sealed and unopened. These Financial Proposals shall be then opened, and the total prices read aloud and recorded. A Copy of the record shall be sent to all Service Provider(s) who request it.

## **19. Evaluation of Financial Proposals**

19.1 The financial evaluation of the tenders will follow the following process:

The evaluation team will review the financial bids and determine the evaluation price for each proposal. The Evaluation Committee will correct any computational errors. When in case of discrepancy between a partial amount and the total amount, or between word and figures the formers will prevail. Activities and items described in the Technical Proposal but not priced, shall be assumed to be included in the prices of other activities or items. In case an activity or line item is quantified in the Financial Proposal differently from the Technical Proposal, no corrections are applied to the Financial Proposal in this respect.

## **20. Evaluation of Quality and Cost based Proposals**

20.1 The lowest evaluated Financial Proposal (Fm) will be given the maximum financial score (Sf) of 100 points. The financial scores (Sf) of the other Financial Proposals will be computed as indicated in the Data Sheet. Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T = the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; T + P = 1) indicated in the Data Sheet :
$$(s) = St \times T\% + Sf \times P\%.$$
 The firm achieving the



highest combined technical and financial score will be invited for negotiations.

## **21. Contract Award Procedures**

- 21.1 The awarding of contract shall be recommended to the best evaluated tenderer, as determined by the evaluation methodology and criteria specified in the invitation document.
- 21.2 The contract award decision shall be taken by the appropriate approvals authority, but the award decision does not constitute a contract.
- 21.3 Following the contract award decision, ENHI shall prepare a notice indicating the name of the best evaluated tenderer, the value of the proposed contract and any evaluation scores. The notice shall be:-
  - 21.3.1 Sent directly to all tenderers who submitted tenders by letter, published on the Public Procurement Agency website and, where appropriate, by fax or email.
  - 21.3.2 The Institution shall allow a period of at least ten working days to elapse from the date of dispatch of the notice before a contract is awarded.

## **22 Place and Time for Negotiations**

- 22.1 Negotiations will be held at the date and address indicated in the Data Sheet. The invited Audit firm will, as a pre-requisite for attendance at the negotiations, confirm availability of all staff. Failure in satisfying such requirements may result in the Institution proceeding to negotiate with the next-ranked Audit firm. Representatives conducting negotiations on behalf of the



Audit firm must have written authority to negotiate and conclude a Contract.

## **23 Technical Negotiations**

23.1 Negotiations will include a discussion of the Technical Proposal, the proposed technical approach and methodology, work plan, and organization and staffing, and any suggestions made by the Audit firm to improve the Terms of Reference. The Institution and the Audit firm(s) will finalize the Terms of Reference, staffing schedule, work schedule, logistics, and reporting. These documents will then be incorporated in the Contract as “Description of Services”. Special attention will be paid to clearly defining the inputs and facilities required from the Institution to ensure satisfactory implementation of the assignment. The Institution shall prepare minutes of negotiations which will be signed by the Institution and the Audit firm.

## **24 Financial Negotiations**

24.1 If applicable, it is the responsibility of the Audit firm, before starting financial negotiations, to contact the local tax authorities to determine the local tax amount to be paid by the Audit firm under the contract. The financial negotiations will include a clarification (if any) of the firm’s tax liability in the Institution country, and the manner in which it will be reflected in the Contract; and will reflect the agreed technical modifications in the cost the services. Unless there are exceptional reasons, the financial negotiations will involve neither the remuneration rates for staff nor other proposed unit rates.

24.2 The Institution will not consider substitutions during contract negotiations unless both parties agree that undue delay in the



selection process makes such substitution unavoidable or for reasons such as death or medical incapacity. If this is not the case and if it is established that Professional staff were offered in the proposal without confirming their availability, the Audit firm may be disqualified. Any proposed substitute shall have equivalent or better qualifications and experience than the original candidate and shall be submitted by the Audit firm within the period of time specified in the letter of invitation to negotiate.

24.3 Negotiations will conclude a review of the draft contract. To complete negotiations, the Institution and the Audit firm will initial the agreed Contract. If negotiations fail, the Institution will invite the Audit firm whose Proposal received the second highest score to negotiate a Contract.

24.4 After completing negotiations the Institution shall award the Contract to the selected Audit firm and after Contract signature, promptly notify all Audit firm(s) who have submitted proposals.

24.5 Information relating to evaluation of Proposals and recommendations concerning awards shall not be disclosed to the Audit firm(s) who submitted the Proposals or to other persons not officially concerned with the process, until the publication of the award of Contract.

## **25 Commencement of Assignment**

25.1 The Audit firm is expected to commence the assignment on the date and at the location specified in the Data Sheet.



## **26 Corrupt, collusive, fraudulent or coercive practices**

26.1 Audit firm(s) should be aware that a firm who engages in corrupt, collusive, fraudulent or coercive practices will have their proposals rejected and may further be subject to the prosecution under the laws of Eswatini.



## SECTION C: PROPOSAL DATA SHEET

#	Reference	
1.	<b>Eligibility</b>	The Eligibility criteria are provided on the Declaration of Eligibility which forms part of this Invitation to Tender.
2.	<b>Qualification</b>	Tenderers must be qualified to perform a contract by demonstrating that they have the capacity, capabilities and resources together with the level of experience required to perform the contract.
3.	<b>Method of Selection</b>	Quality and Cost based Selection (QCBS)
4.	<b>Tender Validity</b>	The validity shall be 120 days from the date for tender submission.
5.	<b>Documentary Requirements</b>	The number of copies required is: <b>One (1) original and four (4) copies.</b>
6.	<b>Taxes</b>	<p><b>Information on taxes may be obtained from the following:</b></p> <p>The Commissioner General  P.O. Box 186  Mbabane  Eswatini  Tel. +268 2406 4000 (Contact centre)</p>
7.	<b>Documents comprising the tenderers offer</b>	<p>In addition to the documents stated in the Instructions to Tenderers the following are required;</p> <p>7.1 Certified copy of valid Trading License  7.2 Certified copy of valid Tax Compliance Certificate  7.3 Certified copy of current Labour Compliance Certificate  7.4 Certified copy of current Form J (Company Ownership) or equivalent  7.5 Certified copy of current Form C (Company Shareholding) or equivalent  7.6 Certified copy of Eswatini National Provident Fund Certificate or equivalent</p>



		<p>7.7 Certified copies of professional qualifications for key personnel.</p> <p>7.8 Signed Declaration of Eligibility</p> <p>7.9 Company profile, which shall clearly show experience of the company and personnel.</p> <p>7.10 General receipt (E300.00) for proof of payment of the tender document.</p>
8	<b>Prices</b>	<p>No price variation will be permitted. No increase in prices will be considered prior to the expiry of the tender validity,</p> <p>Tenderers shall offer in Emalangeni or South African Rand.</p> <p>Tenders will be evaluated in Emalangeni.</p>
9	<b>Packing and Submission of the Proposal</b>	<p>The Audit firms must submit <b>One (1)</b> original and <b>four (4)</b> copies of the Technical Proposal, and <b>One (1)</b> original and <b>four (4)</b> copies of the Financial Proposal.</p> <p>The proposal shall consist of a Technical Proposal and a Financial Proposal, which shall be in separate sealed envelopes marked “<b>Technical Proposal – RFP NO. ENHI 025 of 2021/2022</b>” and Name of tenderer and “<b>Financial Proposal – RFP NO. ENHI 025 of 2021/2022</b>, and Name of tenderer respectively. The two envelopes must be enclosed in a sealed outer envelope, which shall be marked:</p> <p><b>“Request for Proposal: Provision of Internal Audit Services – Tender NO. ENHI 025 of 2021/2022- Do Not Open before 12.00pm on the 14<sup>th</sup> July 2021”</b> and addressed to:</p> <p><b>The Secretary of the Tender Board</b>  <b>Eswatini Nazarene Health Institution</b>  <b>P.O. Box 14</b>  <b>Manzini</b></p> <p>Failure to mark the envelope clearly and accurately may result in rejection of the application.</p>



10	<b>Tenderers Request for Clarifications</b>	Clarifications may be requested in writing (email only), but not later than Friday <b>02<sup>nd</sup> July 2020</b> . The address for requesting clarifications is: <a href="mailto:cfo@enhicare.com">cfo@enhicare.com</a> copied to <a href="mailto:s.accountant@enhicare.com">s.accountant@enhicare.com</a>						
11	<b>Tender Submission</b>	<p>The Location for submission of Tenders is: Tender box below</p> <p><b>RFM HOSPITAL</b> <b>SWITCHBOARD WINDOW</b> <b>Manzini</b> <b>Eswatini</b></p> <p>The date and time for submission of tenders is <b>Wednesday 14<sup>th</sup> July 2021</b>. The Outer envelope must be marked as follows:</p> <p><b>The Secretary to the Tender Board</b> <b>ENHI</b> <b>P.O. Box 14</b> <b>MANZINI</b> <b>ESWATINI</b></p> <p>The Envelope must be clearly marked with the following words; <b>“RFP NO. ENHI 025 of 2021/2022</b> <b>“Do not open before the Wednesday 14<sup>th</sup> July 2021”</b> <b>Tenders must be deposited in the ENHI Tender Box.</b></p>						
12	<b>Tender Opening</b>	Tenders will be opened at <b>on Wednesday 14<sup>th</sup> July 2021 immediately after 12:15 hours</b>						
13	<b>Evaluation criteria</b>	<p>The following criteria will form part of the evaluation criteria</p> <p><b>Technical Evaluation</b></p> <table border="1"> <thead> <tr> <th>Technical Criteria</th><th>Technical Sub-criteria</th><th>Maximum</th></tr> </thead> <tbody> <tr> <td></td><td></td><td><b>Weighted Score</b></td></tr> </tbody> </table>	Technical Criteria	Technical Sub-criteria	Maximum			<b>Weighted Score</b>
Technical Criteria	Technical Sub-criteria	Maximum						
		<b>Weighted Score</b>						

		<b>Overall Response</b>	1. Completeness of response	5	
			2. Overall concurrence between RFP requirements and proposal	5	
		<b>Maximum Points</b>			<b>10</b>
		<b>Company and Key Personnel</b>	3. Range and depth of experience with similar audits, including with other public enterprises	10	
			4. Adequate staffing for service. Support staff must have a degree in a business discipline such as accounting, finance, information systems etc	10	
			5. Client references	10	
			6. Relevant experience and qualifications. Lead Consultant must be a qualified Internal Auditor and Registered Chartered Accountant	10	
		<b>Maximum Points</b>			<b>40</b>
		<b>Proposed Methodology and Approach</b>	7. Methodologies proposed	30	
			8. Delivery lead time and schedules including turnaround times	10	
			9. Project management, monitoring and quality assurance process	10	
		<b>Maximum Points</b>			<b>50</b>
<b>Total Maximum</b>			<b>100</b>		
The financial proposal (price/cost) of each of the technically compliant proposals shall be considered only after evaluation of the above technical criteria and for only tenderers whose records are					



		<p>past performance of similar contracts with the Institution were satisfactory.</p> <p>The minimum Technical Score (St) required to pass is: 60 (Sixty) %</p> <p><b>Financial Evaluation</b></p> <p>Foreign currency rate will be converted to Lilangeni (SZL) at the official selling rate published by the Central Bank of Eswatini on the day of the latest submission date of the tender. Evaluation will take place in Lilangeni (SZL) only. The Technical score shall be weighted at 40 (Forty) %.</p> <p><b>No other Criteria will be used.</b></p>
<b>14</b>	<b>Overall</b>	<p>The lowest evaluated Financial Proposal (Fm) will be given the maximum financial score (Sf) of 100 points. The financial scores (Sf) of the other Financial Proposals will be computed as follows: <math>Sf = 100 \times Fm / F</math>, in which Sf is the financial score, Fm is the lowest price and F the price of the proposal under consideration.</p>
<b>15</b>	<b>Evaluation score</b>	<p>Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T = the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; <math>T + P = 1</math>) indicated in the Data Sheet: <math>S = St \times T\% + Sf \times P\%</math>. The firm achieving the highest combined technical and financial score will be invited for negotiations.</p> <p>The weights given to the Technical and Financial Proposals are:</p> <p>T = 0.6</p> <p>P = 0.4</p>
<b>16</b>	<b>Award criteria</b>	<p>ENHI will award only 1 (One) Audit Company based on the evaluation stated above.</p> <p><b>Note:</b> In case the first lowest evaluated bidder does not perform within the stipulated agreed period, provisions will be made to award the second and the third evaluated bidder.</p>
<b>17</b>	<b>Negotiations</b>	<p>Expected place for negotiations will be at the RFM Hospital, Junction of Dr Samuel and Ligusha Street, Manzini</p>
<b>18</b>	<b>Commencement</b>	<p>The assignment is supposed to commence immediately contract award subject to confirmation by ENHI</p>

## **SECTION: D TECHNICAL PROPOSAL - STANDARD FORMS**

Paragraph 12 of 'Instructions to Audit firm s' informs about the format in which the Technical Proposal shall be submitted.

TECH-1 Technical Proposal Submission Form

TECH-2 Overall Capabilities of the Audit Firm

TECH-3 Proposed Methodology

TECH-4 Crucial documents to be submitted at Tender opening

TECH -5 Declaration of Eligibility

TECH -6 Team composition and task assignments

TECH -7 Curriculum vitae for proposed staff

TECH -8 Work schedule



## FORM TECH-1 TECHNICAL PROPOSAL SUBMISSION FORM

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[ *Insert Date*]

To:           The CEO  
                  ENHI  
                  P. O. Box 14  
                  Manzini

Dear Sirs:

We, the undersigned, offer to provide the provision of Audit services to Eswatini Nazarene Health Institutions in accordance with your Request for Proposal, closing date being **14<sup>th</sup> July 2021**, and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under separate envelopes.

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal, i.e., before the date indicated in Paragraph 18 of the Instructions to Audit Firms, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the provision of the Audit services related to the assignment not later than the date indicated in Paragraph 17 of the Data Sheet.

We understand Eswatini Nazarene Health Institutions is not bound to accept the lowest or any proposal you receive.



We remain,

Yours sincerely,

Authorized Signature [*In full and initials*]: \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_

(Stamp of the Audit Firm)



## FORM TECH-2: OVERALL CAPABILITIES OF THE AUDIT FIRMS

1. What is the size of the firm from which the Audit services would be performed?	
2. What is the number of internal Audit services performed annually by the Audit firm?	
3. What sectors does the client base predominate?	
4. What experience does the firm have in Audit services of health facilities (hospitals and clinics)?	
5. Does the Audit firm have an internal staff rotation policy? If so what is the period of rotation of Audit Personnel in charge for assignments in your firm?	
6. Are there any legal actions or potential conflicts of interest relating to the firm that may impact the ability to provide services to the Institution?	
7. Can you provide client references to support this proposal? Please state three recent references with key contact person and contact details	



### FORM TECH 3 PROPOSED METHODOLOGY

1. What is the firm's approach to incorporating risk assessment into the planning and conduct of internal audit services	
2. What is the firm's approach to incorporating reviews of the corporate governance arrangements of ENHI and the control environment – against good international practice?	
3. What is the firm's approach to the balance of internal control review versus substantive testing for financial statement audits?	
4. To what extent does the proposed audit methodology enable the office to provide advice to ENHI on internal control processes particularly as they relate to fraud elimination (prevention/ detection), efficiency of operations, risk reduction and compliance with the ENHI financial and related policies?	
5. What is the audit firm's proposed approach to interaction with the external audit activity of ENHI	
6. What, in the audit firm's opinion, are the greatest risks for financial integrity and internal control for public enterprises like ENHI	





## **FORM TECH: 4 CRUCIAL DOCUMENTS AT TENDER OPENING**

At tender opening the Institution will consider the following:

- 4.1 Certified copy of valid Trading License
- 4.2 Certified copy of valid Tax Compliance Certificate
- 4.3 Certified copy of current Labour Compliance Certificate
- 4.4 Certified copy of current Form J (Company Ownership) or equivalent
- 4.5 Certified copy of current Form C (Company Shareholding) or equivalent
- 4.6 Certified copy of Eswatini National Provident Fund Certificate or equivalent
- 4.7 Certified copies of professional qualifications for key personnel.
- 4.8 Signed Declaration of Eligibility
- 4.9 Company profile, which shall clearly show experience of the company and personnel.
- 4.10 General receipt (E300.00) for proof of payment of the tender document.



## **FORM TECH-5: DECLARATION OF ELIGIBILITY**

*[The Audit firm must provide a signed declaration on its company letterhead in the following format.]*

[>>>Name of Audit firm, Address, and Date>>>]

**To: Eswatini Nazarene Health Institutions**

**P.O. Box 14**

**Manzini**

Dear Sirs,

**(1) RE: RFP NO. ENHI 025 of 2021/2022**

We hereby declare that:-

- a) I/We, or consortium partners, are a legal entity and have the legal capacity to enter into the contract;
- b) I/We are not insolvent, in receivership, bankrupt or being wound up, our affairs are not being administered by a court or a judicial officer, our business activities have not been suspended, and we are not the subject of legal proceedings for any of the foregoing;
- c) I/We have fulfilled our obligations to pay taxes and social Audit contributions;
- d) I/We have not, and our directors or officers have not, been convicted of any criminal offence related to our/their professional conduct or the making of false statements or misrepresentations as to their



qualifications to enter into a contract within a period of five years preceding the commencement of the procurement proceedings; and

- e) I/We do not have a conflict of interest in relation to the procurement requirement.
- f) We do not have any of its directors or officers, have not been convicted of any criminal offence relating to professional conduct or the making of false statements or misrepresentations as to its qualifications to enter into a procurement contract within a period of five years preceding the commencement of procurement proceedings;
- f) I/We are not subject to suspension in accordance with section 55, and none of its directors or officers have been involved in a tenderer or supplier currently subject to suspension.

Signed .....

Authorized Representative

Date .....



**FORM TECH-6: TEAM COMPOSITION AND  
TASK ASSIGNMENTS**

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<b>Professional Staff</b>			
Name of Staff	Area of Expertise	Position Assigned	Task Assigned



## FORM TECH-7: CURRICULUM VITAE FOR PROPOSED STAFF

1. **Proposed Position:** *[Only one candidate shall be nominated for each position]*

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2. **Name of Staff:** *[Insert full name]* \_\_\_\_\_

3. **Nationality:** \_\_\_\_\_

4. **Education:** *[Indicate college/university and other specialized education of staff member, giving names of institutions, degrees obtained, and dates of obtainment]*

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5. **Other Training:** *[Indicate significant training since degrees under 4 - Education were obtained]*

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6. **Membership of Professional Associations:**

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7. **Countries of Work Experience:** *[List countries where staff has worked in the last ten years]*

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**8. Employment Record:** *[Starting with present position, list in reverse order every employment held by staff member since graduation, giving for each employment dates of employment, name of employing organization and positions held]*

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**9. Detailed Tasks Assigned**

*[List all tasks to be performed under this assignment]*

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**10. Work Undertaken that Best Illustrates the Capability to Handle the Assigned Tasks** *[Among the assignments in which the staff has been involved, indicate the following information for those assignments that best illustrate staff capability to handle the tasks listed under point 9.]*

Name of assignment or project: \_\_\_\_\_

Year: \_\_\_\_\_

Client: \_\_\_\_\_

Main project features: \_\_\_\_\_

Positions held: \_\_\_\_\_

Activities performed: \_\_\_\_\_

**11. Certification:**

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience. I understand that any willful misstatement described herein may lead to my disqualification or dismissal, if engaged.

\_\_\_\_\_  
(Signature of staff member)

Date: \_\_\_\_\_

(Day/Month/Year)



## FORM TECH-8: WORK SCHEDULE

N°	Activity <sup>1</sup>	Months <sup>2</sup>												
		1	2	3	4	5	6	7	8	9	10	11	12	n
1														
2														
3														
4														
5														

Indicate all main activities of the assignment, including delivery of reports (e.g.: inception, interim, and final reports), and other benchmarks such as Client approvals.

For phased assignments indicate activities, delivery of reports, and benchmarks separately for each phase

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## **SECTION E: FINANCIAL PROPOSAL - STANDARD FORMS**

Financial Proposal Standard Forms shall be used for the preparation of the Financial Proposal in accordance with instructions provided under paragraph 17 of the 'Instructions to Audit firm s' section.

FIN-1            Financial Proposal Submission Form

FIN-2            Summary of Proposal or Activity Costs





## FORM FIN 1: FINANCIAL PROPOSAL SUBMISSION FORM

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*[Note to Tenderers: This Bid Submission Form should be on the letterhead of the Company and should be signed by a person with the proper authority to sign documents that are binding on the entity. It should be included by the tenderer with the submitted tender.]*

[>>>Location>>>]

[>>>Date>>>]

Procurement Reference No: [>>>insert Tender number>>>]

To: [>>>Name and address of Procuring Entity>>>]

Dear Sirs:

We, the undersigned, declare that:

- (a) We offer to provide the service for [>>insert a brief description of the tender>>] in conformity with your invitation to tender;
- (b) The schedule of prices of our proposal is attached.
- (c) Our tender shall be valid for a period of [>>specify the number of calendar days>>] days from the date fixed for the tender submission deadline in accordance with the Tender, and it shall remain binding upon us, subject to any modifications resulting from negotiations, and may be accepted at any time before the expiration of that period;
- (d) We understand that you are not bound to accept any proposal that you receive;

Dated on \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ *[insert date of signing]*

Name: *[insert complete name of person signing the proposal]*

In the capacity of *[insert legal capacity of person signing the proposal]*

Signed: *[signature of person whose name and capacity are shown above]*

Duly authorised to sign the tender for and on behalf of: *[insert complete name of Tenderer]*



## FORM FIN - 2 SUMMARY OF PROPOSAL

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*[Note to Audit firms: Audit firm(s) may reproduce this form in landscape format with additional columns, rows or fields]*

Cost item	Cost (SZL)
Fees (provide detailed rates and descriptions)	
Reimbursable costs <sup>3</sup> (provide detailed rates and descriptions)	
% fee increases in subsequent years, describe basis for increase	
Local taxes (provide detailed rates and descriptions)	
<b>Total</b>	

*[The above table may be expanded to include more categories and types of relevant data and information as appropriate]*



## **SECTION F: GENERAL CONDITIONS OF CONTRACT**

### **1.1 General Provisions**

### **1.2 Definitions**

Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

- a) “Applicable Law” means the laws and any other instruments having the force of law in Eswatini, as they may be issued and in force from time to time.
- b) “Audit firm” means any private or public entity that will provide the Services to the Agency under the Contract.
- c) “Contract” means the Contract signed by the Parties and all the attached documents listed in its Clause 1, i.e. these General Conditions (GCC), the Special Conditions (SCC), and the Appendices.
- d) “Contract Price” means the price to be paid for the performance of the Services, in accordance with Clause 6;
- e) “Effective Date” means the date on which this Contract comes into force and effect
- f) “GCC” means these General Conditions of Contract.
- g) “Government” means the Government of Eswatini.
- h) “Local Currency” means Lilangeni (SZL).
- i) “Member” means any of the entities that make up the joint venture/consortium/association, and “Members” means all these entities.
- j) “Party” means the Agency or the Audit firm, as the case may be, and “Parties” means both of them.
- k) “Personnel” means persons hired by the Audit firm or by any Sub-Audit firm(s) and assigned to the performance of the Services or any part thereof.
- l) “SCC” means the Special Conditions of Contract by which the GCC may be amended or supplemented.
- m) “Services” means the work to be performed by the Audit firm pursuant to this Contract.
- n) “Sub-Audit firm s” means any person or entity to whom/which the Audit firm subcontracts any part of the Services.
- o) “In writing” means communicated in written form with proof of receipt.



### **1.3 Law Governing Contract**

This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Law.

### **1.4 Language**

This Contract has been executed in the English language which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

### **1.5 Notices**

#### **1.5.1 Delivery of Notice**

Any notice, request or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent to such Party at the address specified in the SCC.

#### **1.5.2 Change of Address**

A Party may change its address for notice hereunder by giving the other Party notice in writing of such change to the address specified in the SCC.

### **1.6 Location**

The Services shall be performed at such locations as are specified in Appendix A hereto and, where the location of a particular task is not so specified, at such locations, whether in Eswatini or elsewhere, as the Institution may approve.

### **1.7 Authority of Member in Charge**

In case the Audit firm consists of a joint venture/ consortium/ association of more than one entity, the Members hereby authorize the entity specified in the SCC to act on their behalf in exercising all the Audit firm's rights and obligations towards the Institution under this Contract, including without limitation the receiving of instructions and payments from the Institution.

### **1.8 Authorized Representatives**



Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the Institution or the Audit firm may be taken or executed by the officials specified in the SCC.

## **1.9 Taxes and Duties**

The Audit firm , Sub-Audit firm s, and their Personnel shall pay such indirect taxes, duties, fees, and other impositions levied under the Applicable Law as specified in the SCC, the amount of which is deemed to have been included in the Contract Price.

## **2. Fraud and Corruption**

Audit firm(s) should be aware that an Audit firm who engages in corrupt, collusive or fraudulent practices will have their proposals rejected or Contract terminated in accordance with Clause GCC (c), and may further be subject to prosecution under the laws of Eswatini.

### **2.1 Commission and Fees**

It is required that the successful Audit firm will disclose any commissions or fees that may have been paid or are to be paid to agents, representatives, or commission agents with respect to the selection process or execution of the contract. The information disclosed must include at least the name and address of the agent, representative, or commission agent, the amount and currency, and the purpose of the commission or fee.

## **3. Commencement, Completion, Modification and Termination of Contract**

### **3.1. Effectiveness of Contract**

This Contract shall come into effect on the date the Contract is signed by both Parties or at such other later date as may be stated in the SCC. The date the Contract comes into effect is defined as the Effective Date.

### **3.2. Commencement of Services**

The Audit firm shall begin carrying out the Services not later than the number of days after the Effective Date specified in the SCC.

### **3.3. Expiration of Contract**



Unless terminated earlier, this Contract shall expire at the end of the time period after the Effective Date.

#### **4. Modifications or Variations**

Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the Scope of the Services, may only be made by written agreement between the Parties. However, each Party shall give due consideration to any proposals for modification or variation made by the other Party.

#### **5. Force Majeure**

##### **5.1 Definition**

For the purposes of this Contract, “Force Majeure” means an event which is beyond the reasonable control of a Party and which makes a Party’s performance of its obligations under the Contract impossible or so impractical as to be considered impossible under the circumstances.

##### **5.2 No Breach of Contract**

The failure of a Party to fulfil any of its obligations under the contract shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event

- (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract,  
and
- (b) has informed the other Party as soon as possible about the occurrence of such an event.

##### **5.3 Extension of Time**

Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

##### **5.4 Payments**



During the period of their inability to perform the Services as a result of an event of Force Majeure, the Audit firm shall be entitled to continue to be paid under the terms of this Contract, as well as to be reimbursed for additional costs reasonably and necessarily incurred by them during such period for the purposes of the Services and in reactivating the Service after the end of such period.

## **6. Termination**

### **6.1 By the Institution**

The Institution may terminate this Contract in case of the occurrence of any of the events specified in paragraphs (a) through (f) of this Clause GCC 2.6.1. In such an occurrence the Institution shall give not less than thirty (30) days' written notice of termination to the Audit firm, and sixty (60) days' in the case of the event referred to in (e).

- a)** If the Audit firm does not remedy a failure in the performance of their obligations under the Contract, within thirty (30) days after being notified or within any further period as the Institution may have subsequently approved in writing.
- b)** If the Audit firm becomes insolvent or bankrupt.
- c)** If the Audit firm, in the judgment of the Institution has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.
- d)** If, as the result of Force Majeure, the Audit firm are unable to perform a material portion of the Services for a period of not less than sixty (60) days.
- e)** If the Institution, in its sole discretion and for any reason whatsoever, decides to terminate this Contract.
- f)** If the Audit firm fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GCC 8 hereof.

### **6.2 By the Audit firm**

The Audit firm(s) may terminate this Contract, by not less than thirty (30) days' written notice to the Institution, such notice to be given after the occurrence of any of the events specified in paragraphs (a) through (c) of this Clause GCC 2.6.2:



- a) If the Institution fails to pay any money due to the Audit firm pursuant to this Contract and not subject to dispute pursuant to Clause GCC 7 hereof within forty-five (45) days after receiving written notice from the Audit firm that such payment is overdue.
- b) If, as the result of Force Majeure, the Audit firm is unable to perform a material portion of the Services for a period of not less than sixty (60) days.
- c) If the Institution fails to comply with any final decision reached as a result of arbitration pursuant to Clause GCC 8 hereof.

## **7. Payment upon Termination**

Upon termination of this Contract the Institution shall make the following payments to the Audit firm:

- a) Payment for Services satisfactorily performed prior to the effective date of termination;
- b) Except in the case of termination pursuant to paragraphs (a) through (c), and (f) of Clause **GCC, reimbursement** of any reasonable cost incident to the prompt and orderly termination of the Contract, including the cost of the return travel of the Personnel and their eligible dependents.

## **7. Obligations of the Audit firm**

### **7.1 Standard of Performance**

The Audit firm shall perform the Services and carry out their obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods. The Audit firm shall always act, in respect of any matter relating to this Contract or to the Services, as faithful advisers to the Institution, and shall at all times support and safeguard the Institution's legitimate interests in any dealings with Sub-Audit firm(s) or third Parties.

## **8. Conflict of Interests**





The Audit firm shall hold the Institution's interests paramount, without any consideration for future work, and strictly avoid conflict with other assignments or their own corporate interests.

### **8.1 Audit firm is Not to Benefit from Commissions, Discounts, etc.**

The payment of the Audit firm pursuant to Clause GCC 6 shall constitute the Audit firm's only payment in connection with this Contract or the Services, and the Audit firm shall not accept for their own benefit any trade commission, discount, or similar payment in connection with activities pursuant to this Contract or to the Services or in the discharge of their obligations under the Contract, and the Audit firm shall use their best efforts to ensure that the Personnel, any Sub-Audit firm s, and agents of either of them similarly shall not receive any such additional payment.

### **8.2 Audit firm and Affiliates Not to be Otherwise Interested in Project.**

The Audit firm agrees that, during the term of this Contract and after its termination, the Audit firm and any entity affiliated with the Audit firm, as well as any Sub-Audit firm(s) and any entity affiliated with such Sub-Audit firm s, shall be disqualified from providing goods, works or services (other than consulting services) resulting from or directly related to the Audit firm's Services for the preparation or implementation of the project.

### **8.3 Prohibition of Conflicting Activities**

The Audit firm shall not engage, and shall cause their Personnel as well as their Sub-Audit firm(s) and their Personnel not to engage, either directly or indirectly, in any business or professional activities which would conflict with the activities assigned to them under this Contract.

## **9 Confidentiality**

Except with the prior written consent of the Institution, the Audit firm and the Personnel shall not at any time communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the Audit firm and the Personnel make public the recommendations formulated in the course of, or as a result of, the Services.

## **10 Insurance to be Taken Out by the Audit firm**

The Audit firm (a) shall take out and maintain, and shall cause any Sub-Audit firm(s) to take out and maintain, at their (or the Sub-Audit firm s', as the case may be) own cost but on terms and conditions approved by the Institution, insurance against the risks, and for the coverage, as shall be specified in the SCC; and (b) at the Institution's request, shall provide evidence to the



Institution showing that such insurance has been taken out and maintained and that the current premiums have been paid.

## **11. Audit firm's Actions Requiring Institution's Prior Approval**

The Audit firm shall obtain the Institution's prior approval in writing before taking any of the following actions:

- (a) Entering into a subcontract for the performance of any part of the Services,
- (b) Appointing such members of the Personnel not listed by name in Appendix C, and
- (c) Any other action that may be specified in the SCC.

## **12. Reporting Obligations**

- (a) The Audit firm shall submit to the Institution the reports and documents hereto, in the form, in the numbers and within the time periods set forth by the Institution.
- (b) Final reports shall be delivered in electronic media in addition to the hard copies.

## **13. Documents Prepared by the Audit firm to be the Property of the Institution**

- (a) All plans, drawings, specifications, designs, reports, other documents and software submitted by the Audit firm under this Contract shall become and remain the property of the Institution, and the Audit firm shall, not later than upon termination or expiration of this Contract, deliver all such documents to the Institution, together with a detailed inventory thereof.
- (b) The Audit firm may retain a copy of such documents and software. Restrictions about the future use of these documents, if any, shall be specified in the SCC.

## **14. Audit firm's Personnel**

### **14.1 Description of Personnel**

The Audit firm shall employ and provide such qualified and experienced Personnel and Sub-Audit firm(s) as are required to carry out the Services. The titles, agreed job descriptions, minimum qualifications



and estimated periods of engagement in the carrying out of the Services of the Audit firm's Key Personnel are to be described. The Key Personnel and Sub-Audit firm(s) listed by title as well as by name are hereby approved by the Institution.

#### **14.2 Removal and/or Replacement of Personnel**

Except as the Institution may otherwise agree, no changes shall be made in the Key Personnel. If, for any reason beyond the reasonable control of the Audit firm, such as retirement, death, medical incapacity, among others, it becomes necessary to replace any of the Key Personnel, the Audit firm shall provide as a replacement a person of equivalent or better qualifications.

(a) If the Institution finds that any of the Personnel have (i) committed serious misconduct or have been charged with having committed a criminal action, or (ii) have reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Audit firm shall, at the Institution's written request specifying the grounds thereof, provide as a replacement a person with qualifications and experience acceptable to the Institution.

(b) The Audit firm shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of Personnel.

#### **15. Obligations of the Institution**

##### **15.1 Assistance**

The Institution shall use its best efforts to provide the Audit firm such assistance as specified in the SCC.

##### **15.2 Change in the Applicable Law Related to Taxes and Duties**

If, after the date of this Contract, there is any change in the Applicable Law with respect to taxes and duties which increases or decreases the cost incurred by the Audit firm in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the Audit firm under this Contract shall be increased or decreased accordingly by agreement between the Parties, and corresponding adjustments shall be made to the amounts referred to in Clauses GCC 6.2 (a) or (b), as the case may be.

#### **16. Payments to the Audit firm**



Payment shall be based on agreed fee rates for nominated personnel and certain type or grade of personnel and reimbursable items, such as transportation and subsistence, using either actual expenses or the agreed unit prices.

## **17. Contract Unit Prices and Reimbursable**

(a) The unit prices and reimbursable payable in the currency is set forth in the SCC.

(b) The unit price and reimbursable payable in local currency is set forth in the SCC. (c)

## **18. Payment for Additional Services**

For the purpose of determining the remuneration due for additional services as may be agreed.

## **19. Terms and Conditions of Payment**

Payments will be made to the account of the Audit firm and according to the payment schedule stated in the SCC. Unless otherwise stated in the SCC, the first payment shall be made against the provision by the Audit firm of an advance payment guarantee for the same amount, and shall be valid for the period stated in the SCC. Such guarantee shall be in the form set forth in Appendix G hereto, or in such other form, as the Institution shall have approved in writing. Any other payment shall be made after the conditions listed in the SCC for such payment have been met, and the Audit firm has submitted an invoice to the Institution specifying the amount due.

## **20. Good Faith**

The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.

## **21. Settlement of Disputes**

### **21.1 Amicable Settlement**



The Parties agree that the avoidance or early resolution of disputes is crucial for a smooth execution of the Contract and the success of the assignment. The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Contract or its interpretation.

## **21.2 Dispute Resolution**

Any dispute between the Parties as to matters arising pursuant to this Contract that cannot be settled amicably within thirty (30) days after receipt by one Party of the other Party's request for such amicable settlement may be submitted by either Party for settlement in accordance with the provisions specified in the SCC.

