
German Financial Cooperation with India

Project: Sustainable Land Management- Farmers Mobilization

BMZ ref. no: 202067973

RfP ref no: MBMA/SLM/Audit/102/C-6/2024-25/29

Invitation to tender-Annual Audit Services - Request for Proposal

1. General:

The Employer Meghalaya Basin Management Agency seeks to contract an audit firm to perform the annual audit for the fiscal year(s) 2024-25 and 2025-26 (with the option to perform the audits for the fiscal years from 1st April to 31st March) of the above-mentioned project according to the Terms of Reference in Annex -A.

The present Tender is carried out via a price quotation process in accordance with and based on KfW's "Guidelines for the Procurement of Consulting Services, Works, Plant, Goods and Non Consulting Services in Financial Cooperation with Partner Countries, January 2021", <https://www.kfw-entwicklungsbank.de/PDF/Download-Center/PDF-Dokumente-Richtlinien/FZ-Vergaberichtlinien-V-2021-EN.pdf>.

The tender document consists of the Conditions of Tender and the respective Annexes mentioned below.

Audit firms should meet the following minimum eligibility criteria: The firms

- should be a Company registered under the Companies Act, 1956/ Proprietary Firm / Partnership Firm
- should not be blacklisted by any Government department/PSUs/Private sector
- must not be insolvent, in receivership, bankrupt or being wound up or subject to legal proceedings for any of these circumstances
- *should submit following supporting documents to prove meeting the minimum eligibility criteria*
 - *Self Declaration on meeting the required eligibility criteria to be submitted in the firm's Letter Head*
 - *Certificate of incorporation/certificate for commencement of business*
 - *other relevant documents*

2. Timeline to Consider (tentative):

24/01/2025	Tender Published
30/01/2025	Deadline for request of additional information or clarification
13/02/2025	Deadline for submission of tenders
01/04/2025	Mobilization

This invitation to tender is sent to the following shortlisted candidates:

No Expression of Interest was conducted earlier.

3. Conditions of tender:

1) Formal aspects: The tender should include a technical proposal in the form of expert CVs and a financial proposal. pursuant to Annexure-c...

The technical proposal should include a duly signed Declaration of Undertaking pursuant to Annex B.

The tender should be submitted in two separate envelopes containing a) the technical proposal (CVs of the requested experts) as well as b) the financial proposal according to Annex C to be sent to the following address¹:

Employer Address:

Attention:

Procurement Unit

Meghalaya Basin Management Agency

C/o Meghalaya State Housing Financing Co-operative Society Ltd.

Nongrim Hills,

Shillong-793003

Meghalaya Basin Management Agency reserves the right to renounce the proposal if it does not comply with the rules laid down in these Conditions of tender, without providing any reason to the Bidder, and without thereby incurring any liability to the Bidders.

The technical proposal will be evaluated first and assessed based on the following pass / fail criteria². A failure assessment of one of these criteria will lead to the disqualification of the Bidder.

Thereafter, the Financial Proposals of those Bidders who passed the technical evaluation will be assessed. The technically responsive tenderer with the lowest cost proposal (of base services without optional contractual extensions) will be recommended for contract award.

The matrix below will be used for the evaluation:

Criteria	
1. Technical Proposal Evaluation	Pass / Fail
<ul style="list-style-type: none">Average Annual Turnover of the firm during last three financial years 2021-22, 2022-23 and 2023-24 should be Rs 1 Crore.The Consultant is requested to prove his past project experience by including minimum 3 references of similar projects completed during the past 5 years in the format presented in QUAL-2. References will be considered similar if they meet the following	<p>The firm should submit following supporting documents</p> <ol style="list-style-type: none">Copies of audited balance sheetCA certificate highlighting the turnover of the applicant.

<p>requirements:</p> <ul style="list-style-type: none"> The firm must have a minimum of Five (5) years of experience in similar assignments of doing an Internal Audit in Govt Depts, Govt. undertaking, Govt Company, PSU Banks etc. with a minimum contract value of INR 50,00,000 or Internal audit of Externally Aided Projects with a minimum financial contribution of INR 50,00,000 donor funder Schemes during the last 5 financial years The firm must have a working experience in at least One (1) similar Assignment Completed in Meghalaya 	<p>3. Previous work order/contract Agreement</p> <p>4. Any other relevant documents</p>
<p>2. Financial Proposal Evaluation</p>	
<p>The lowest cost-technically qualified Bidder will be recommended for contract award.</p>	

2) Scope and Content of Financial Proposal

The Financial Proposal shall be given in Indian Rupees (INR) currency. The total financial offer for evaluation purposes will be limited to the base offer (without optional extensions).

Cost of personnel shall include fixed daily fee rates (includes salary, social charges and overhead costs, vacation and sick leave, home office cost, communication cost with regard to the deployment, normal home office services - professional, personal and administrative support - cost of electronic data processing, company's professional insurances, risk and profit).

The Financial Proposal shall be calculated under the assumption that services will be remunerated at lump sum basis. The Consultant shall use the template in Annex C for his Financial Proposal.

3) Taxes

The future Contractor is in general subject to local taxes and public duties directly attributable to the Contract. The Consultant is expected to bear GST and shall state the GST amount separately in the Financial Proposal (Annex C). **The GST amount will not be taken into consideration for the financial evaluation.**

4) Deadline

Submission date is on **13th February, 2025 (5 p.m.)** at the address given below:

Employer Address:

Attention:

Procurement Unit

Meghalaya Basin Management Agency

C/o Meghalaya State Housing Financing Co-operative Society Ltd.

Nongrim Hills,

Shillong-793003

Proposals submitted after the date and time stated above will not be considered.

The Employer may, at its discretion, extend the deadline for the submission of Bids, in which case all rights and obligations of the Bidders previously subject to the deadline shall thereafter be subject to the deadline as extended.

5) Submission of tenders:

The Technical Proposal and the Financial Proposal should be submitted in **two separate envelopes**.

Proposals have to be submitted in **English** Language.

6) Validity period of tenders

Bids should be valid for 120 days from the date of submission. A bid valid for a shorter period shall be rejected.

7) Request for additional information

Any question, communication or requests for additional information concerning this call for proposals are only permitted in writing (email) and up to 10 calendar days before the deadline for the submission of the proposals. Such requests are to be sent to the email addresses indicated below. The Employer will respond in writing to any request for clarification, including a description of the inquiry but without identifying its source, no later than 5 (five) calendar days prior to the deadline for submission of bids. The answers will be communicated simultaneously in writing to all Bidders.

8) Next steps

The contract shall be signed no later than (tentatively) 25th March, 2025. Mobilization is expected 7 days after contract signature.

No advance payment will be paid after contract signature; Payment will be paid after submission and acceptance by MBMA of all deliverables as set out in the attached Terms of Reference.

9) Contact details

Additional Project Director
KfW (SLMM), MBMA
Procurement Unit
Meghalaya Basin Management Agency
MBDA Building, - Meghalaya State Housing Cooperative and Financing Society
Campus, Upper Nongrim Hills,
Shillong, PIN-793003
Email: mbmaprourement@gmail.com

10) Contract

A Contract between the Employer and successful Auditor will be signed as per the KfW Consulting Contract for small orders which is available through the following link: <https://www.kfw-entwicklungsbank.de/International-financing/KfW-Development-Bank/Publications-Videos/Publication-series/Guidelines-and-contracts/>

This model contract³, together with the Contractor's bid, the ToR and the Declaration of Undertaking, form the contractual basis for the assignment.

The Contract shall have a term of 17 months, with the option of subsequent annual renewal upon satisfactory performance and as mutually agreed, but for a maximum of another 1 year, unless otherwise notified in writing by the selected Tenderer.

11) Confidentiality: All documents and information (if any) provided to Tenderers in the framework of this tender process, including the annexes, are to be treated as strictly private and confidential. The information provided therein cannot be disclosed to third parties during a period of five (5) years from the Submission Date. If at any time during the submission period a Tenderer decides not to submit an offer, the Tenderer shall return all confidential documents received for the purpose of preparation of the bid to the Employer immediately.

List of Annexes

- Annex A: Terms of Reference (TOR)
- Annex B: Template Declaration of Undertaking (DoU)
- Annex C: Technical Proposal Submission Form
- Annex D: Template Technical Proposal
- Annex E: Financial Proposal Submission Form
- Annex F: Financial Template

Terms of Reference

TERMS OF REFERENCE (“TOR”)

Assurance Engagement in accordance with ISAE 3000 – revised for Funds disbursed under the Simplified Reimbursement Procedure Objective

Background

The KfW- Germany is aiding the borrower (Government of India) in the form of loan for the Sustainable Land Management Project/ Farmers Mobilization Project (KfW) respectively with the Gol providing financial support to the State Government of Meghalaya for implementation of the project.

A financing agreement and project agreement have been signed between KfW and the borrower and between Gol and the GoM.

The KfW – SLM is a Project is being Implemented by the Meghalaya Basin Management Agency (MBMA) along with different Project Implementation Units (PIUs). MBMA is a Sec 8 Company registered under the Companies Act, 2013 which also implements other Externally Aided Projects (EAPs) and State Project/Schemes.

Appointment of Private/ Independent Internal Auditor: KfW requires the borrower/recipient to appoint an independent auditor to audit the accounts related to the project, in accordance with the Handbook on Financial Reporting and Auditing and also as per the requirements of Companies Act, 2013.

- The reporting entity is KfW- Sustainable Land Management Project/ Farmers Mobilization Project under Meghalaya Basin Management Agency (MBMA), Shillong.
- The Meghalaya Basin Management Agency (MBMA), Shillong prepares its financial statements in accordance with the International Public Sector Accounting Standard prescribed by the International Public Sector Accounting Standards Board and in the format prescribed by the EAPs.
- The auditor conducts its audit in terms of the Indian Auditing & Assurance Standards prescribed by the Institute of Chartered Accountants of India.

The Reimbursements (“Subject Matter”)

The present assurance engagement shall cover all funds pre-financed in full by Meghalaya Basin Management Agency (MBMA) (the "Project-Executing Agency") (the “Entity”) which were later on reimbursed by KfW under the financial conditions of Project No./ BMZ No.: 45377 / 202067973 [KfW reference no.] for financing of part of Sustainable Land Management Meghalaya (the “Project”).

The preparation of the Project Financial Reports (“Financial Reports”), the Statements of Expenditures (“SOE”) and the related disbursement requests (overall “Subject Matter Information”) is the responsibility of the Entity.

The financial information has to be established in accordance with consistently applied accounting standards and the underlying agreements governing the use of funds, notably the Loan/Financing Agreement(s) including the corresponding Separate Agreement as well as other agreements channeling Funds to third parties on a grant or loan basis (together the “Relevant Agreements”).

Scope

This engagement is a reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE 3000 – revised) as published by the International Auditing and Assurance Standards Board of the International Federation of Accountants. This standard requires that the auditor/ practitioner will plan and perform procedures considered necessary to obtain reasonable assurance about the Subject Matter Information (including – if necessary – on-site visits).

The assurance engagement will be affected annually (“Reporting Period”). shall cover in one single Report (“Report”) exclusively all expenditures listed in the SOE referred to in the Report.

Objective

The objective of the assurance engagement (“Objective”) is to permit the auditor/practitioner to express a conclusion on the Financial Reports, the SOE and the related disbursement requests as far as the Subject Matter is concerned and to obtain reasonable assurance about whether the Subject Matter Information is free from material misstatement regarding proper use of KfW funds according to the criteria mentioned below (paragraph 8).

The auditor/practitioner shall consider that mere account transfers, advances to any other accounts, to cash boxes or to service providers which have not been cleared until the end of the Reporting Period cannot be classified as “use of funds” and shall be shown separately in the SOE.

In a form that conveys the auditor’s/practitioner’s position and based on the Subject Matter Information the auditor/practitioner shall express his conclusion with reasonable assurance on the following criteria (“Criteria”), and shall thus confirm whether in all material aspects:

The payments by the Entity to the final beneficiaries have been made in accordance with the conditions of the Relevant Agreements. Where ineligible expenditures are identified, these should be noted separately in the Report.

Expenditures are supported by relevant and reliable evidence (such as contracts, invoices, guarantees etc.). There were no indications that these expenditures had already been financed by other sources.

In addition, project receivables (such as advances, tax claims ...) which had not been cleared but reimbursed from KfW funds in former Reporting Periods, have been duly cleared in this Reporting Period and been used for project purposes, supported by relevant and reliable evidence.

The SOE referred to in the Report can be relied upon to support the related disbursement requests. Clear linkage exists between the SOE and disbursement requests presented to KfW and the accounting records of the Entity.

The procurement process of goods and services financed was in accordance with the Relevant Agreements.

Reports

The Report(s) shall

- a) be issued by a renowned auditor/practitioner in English language.
- b) be presented annually (signed original(s)) not later than three months after the end of the Reporting Period covered.

The final audit report shall be presented no later than three months after the end of the Reporting Period in which the final reimbursement under the Subject Matter was affected.

- c) include at a minimum the following elements:
 - description of the Subject Matter
 - applied criteria to evaluate the Subject Matter and to express the auditor's/practitioner's conclusion as defined under paragraph 8 above
 - identification of the level of assurance obtained
 - informative summary of work performed as to extent, locations, etc.
 - description of significant limitations
- d) state in a separate paragraph that taxes or other contributions have not been included in the reimbursement requests to KfW, if the Relevant Agreements prohibit financing of these costs.
- e) comprise the auditor's/practitioner's statement on the seriousness of observations noted including the consequences of specific deficiencies, if any, also in connection with the internal control system.
- f) contain the following Annexes:
 - Summary of the auditor's/practitioner's conclusions during the Reporting Period (see Annex A to these ToR)
 - Schedule showing reimbursements by KfW and disbursements by the Entity to final beneficiaries, in particular showing cumulated figures (see Annex B to these ToR)
 - SoE referred to in the Report
 - These Terms of Reference (ToR)

Management Letter / Statement on Internal Control

1. The auditor/ practitioner shall prepare a "**Management Letter**" or "**Statement on Internal Control**" containing
 - (a) comments and recommendations on
 - the accounting records
 - systems and controls examined (with special focus on the handling of project receivables such as advances, tax claims, etc)
 - procurement systems, procedures and controls (with special focus on conformity to KfW guidelines and other relevant documentation agreed upon, see Annex C of these ToR). In case of comments on procurement systems, these shall be presented in a separate chapter and shall include a list of all affected contracts with contract values.

- (b) give comments, observations and recommendations on the accounting records systems and controls examined during the course of the engagement (with special focus on the handling of project receivables such as advances, tax claims, etc.);
- (c) identify specific deficiencies and areas of weakness in relevant systems and controls that have come to the auditor's/practitioner's attention and make recommendations for their improvement;
- (d) report on actions taken by the management to make improvements with respect to deficiencies and areas of weakness reported in the past;
- (e) bring to the management's attention any other matters that the auditor/ practitioner considers pertinent.

Liability

The amount of the professional liability insurance shall be based on local/regional standards for audit companies. When prompted to do so, the auditor/practitioner will provide KfW with evidence of his liability insurance.

Review

The auditor/practitioner shall keep documentation supporting his conclusion until at least five years after completion of the assurance engagement and shall have them accessible at all times for review by KfW or any third party commissioned by KfW.

Payment Terms

Periodicity, timeline and deliverables

Financial Year/ Period (To be audited)	Deadline for submission of Audit Report by the Auditor	% payment of Lump sum contract amount on acceptance of audit report by KfW
April 2024 to March 2025	31stAugust,2025	50%
April, 2025 to March, 2026	31stAugust 2026	50%
Period of Engagement of Auditor: From :1st of April, 2025 to31st August, 2026		
The payment will be released within 14 days of acceptance of the report		

The Internal Auditor would be required to mobilize the audit teams to the SPMU. The audit fees for the assignment of 17 months, includes professional fees all travel expenses and food lodging of the team members to the SPMU. Travel expenses food lodging etc. for field visits would be made on reimbursement mode on submission of certified invoice /bills related to the field visit. Their financial should include remuneration and travel (air, fooding lodging to come to SPMU) but their travelling to district and village will be reimburse as per MBMA norms

Key Experts - Specify the number of experts and their respective roles/functions

The engagement of Auditor is not a time-based contract and the number of staff will be engaged is the decision of the audit firm.

The Chartered Accountant Firm (should be LLP) those empaneled with C&AG for the year 2024-25 and eligible for doing major PSU audits only will be eligible for the audit. Chartered Accountant firms those are having their H.O/ Branch offices in Meghalaya will be given additional weightage and preference during finalization of bids. In this regard, firms have to submit the details about the firm.

In case same audit fee is quoted by two or more CA firms, the selection of auditor shall be done considering the following factors (priority-wise) (i) Past Experience in handling Government Contracts & Conduct of the firm (ii) Turnover of the firm (iii) Familiarity with the state and its local language.

The process of appointment of auditor has to be completed by 31st March 2025 and intimation of the auditor appointed along with the fees fixed and evaluation sheet for the appointment has to be submitted to KfW latest by 10th April 2025.

Duration of the Exercise

The Duration of the Assignment is for the period of 17 months (1st April,2025 to 31st August, 2026 from the date of signing the contract.

The preparation of the Project Financial Reports (“Financial Reports”), the Statements of Expenditures (“SOE”) and the related disbursement requests (overall “Subject Matter Information”) is the responsibility of the Project Executive Agency i.e. MBMA (Entity). The Internal Auditor will submit their report along with all annexures and management letter before 31st August end of each financial year. They have the liberty to start their activities along with preparation of Annual Project Financial Statements after appointment.

An exit conference with the auditors is conducted to discuss the audit findings. In this regard, the project management will provide its responses to any audit observation in a timely manner and promptly follow up on any recommendations.

Annex A (to be attached to every report as integral part)

SUMMARY

Name of Project: ...
KfW Ref. No. ...
Subject Matter: ...
Reporting Period: ...

[Only if applicable:] The Funds were (partially) channelled through the Entity to the following Project Partner(s) for final use:

Project Partner	Country	Sub-Project

Within the scope of our reasonable assurance engagement under the Project, performed in accordance with **ISAE 3000 (Revised)**, we give our conclusion on the following criteria:

Applied Criteria	**Conclusion (YES/ Yes, except for .../ NO)	Summary of work performed (see para. 69 of ISAE 3000)
a) All expenditure/incurred costs stated in Annex B were in accordance with the Project purpose as specified in the Relevant Agreements.		
b) The following items are supported by relevant and reliable evidence (such as contracts, invoices, guarantees, procurement documentation etc.): <ul style="list-style-type: none"> incurred costs paid cleared receivables of previous periods There are no indications that any expenditure had already been financed by other sources.		
c) The SOE sent to KfW during the Reporting Period can be relied upon to support the related disbursement requests. Clear linkage exists between the SOE and disbursement requests presented to KfW and the accounting records of the Entity. <ul style="list-style-type: none"> Cash flows of KfW Funds to final beneficiaries can be traced without any gaps Exchange rates used are plausible and have been applied consistently The costs are in line with the budget positions agreed with KfW Fixed Asset registers have been maintained properly 		
d) Goods and Services have been procured in accordance with the Relevant Agreements, especially the applicable KfW "Guidelines for the Procurement of Consulting Services, Works, Plant, Goods and Non-Consulting Services in Financial Cooperation with Partner Countries", and any other relevant document (see Annex C), including adherence to all required No-Objections, thresholds and associated conditions.		

e) No other important findings and observations have been disclosed during the engagement.		In addition: Please indicate here whether a Management Letter has been issued or not.
f) Material observations raised in previous audits have been cleared.		

****Note:** Please insert

- "YES" in case of an unqualified conclusion
- "YES, except for ..." in case of a qualification
- "NO" in case of another modification of the conclusion

All modifications of the conclusion require a reference to a detailed description in the Report or Management Letter.

The following costs are questionable / ineligible		
<i>Sample size</i>	<i>Currency / amount</i>	<i>Reference to Report or Management Letter</i>

Any questionable/ ineligible cost shall be detailed in the Report or Management Letter with an explanation stating facts and reasons.

Date:

Stamp and Signature of the auditor/practitioner:

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Annex B (to be attached to every report as integral part)

KfW Ref. No.		
Reporting Period: ...		Currency: ...
a) Balance at the beginning of the Reporting Period, i.e. cumulated costs incurred but not yet reimbursed by KfW until the end of the previous reporting period (must correspond to the balance at the of the previous reporting period)		
b) Costs paid during Reporting Period	plus	
c) Advances paid during reporting period (also to be shown in line 3 of Supplement 1 table below)	plus	
c) Reimbursements from KfW	less	
d) <i>Reimbursements from other donors (if any)</i>	<i>less</i>	
e) Balance at the end of the Reporting Period, i.e. cumulated costs incurred but not yet reimbursed by KfW until the end of the current reporting period	/	(If the balance is not zero, or the expenditure does not correspond to the SOE of the Reporting Period, please explain)

Supplement 1: Project receivables					
		Entity (e.g., Project Executing Agency)	Project Partner ...	Project Partner ...	Project Partner ...
		Currency: INR	Currency: INR	Currency: INR	Currency: INR
1) Opening balance of receivables such as advances, tax claims etc. paid from KfW funds but not cleared by the end of previous Reporting Period					
2) Receivables of previous Reporting Periods: cleared during Reporting Period	Less				
3) New Receivables paid (advances) in Reporting Period and not cleared by the end of Reporting Period	Plus				
4) Total receivables not cleared at the end of Reporting Period					
Receivables paid <u>and</u> cleared within the Reporting Period shall not be considered here.					
Supplement 2: Retention Account					
- If any - Balance Retention Account by the end of this reporting period:					

Date:

Stamp and Signature of the auditor/practitioner:

Annex C (to be attached to every Report as integral part)

Definition of “Relevant Documents” for Procurement

The Separate Agreement is always applicable and defines the details of the procurement procedures and potential relevance of the other documents/ rules/ laws listed below:

Separate Agreement, dated ... (incl. KfW's Procurement Guidelines)
Procurement-relevant amendments (or attachments) to the Separate Agreement, e.g., by Minutes of Meeting, dated ...
Procurement (Procedures) Manual (if applicable; has preference over the Separate Agreement), dated ...
Procurement Plan, dated ... (current version)

ANNEX B

Declaration of Undertaking

Reference name of the Application/Offer/Contract: ("Contract")⁴

To: ("Project Executing Agency")

1. We recognize and accept that KfW only finances projects of the Project Executing Agency ("PEA")⁵ subject to its own conditions which are set out in the Funding Agreement it has entered into with the PEA. As a matter of consequence, no legal relationship exists between KfW and our company, our Joint Venture or our Subcontractors under the Contract. The PEA retains exclusive responsibility for the preparation and implementation of the Tender Process and the performance of the Contract.
2. We hereby certify that neither we nor any of our board members or legal representatives nor any other member of our Joint Venture including Subcontractors under the Contract are in any of the following situations:
 - 2.1) being bankrupt, wound up or ceasing our activities, having our activities administered by courts, having entered into receivership, re-organization or being in any analogous situation;
 - 2.2) having been convicted by a final judgment or a final administrative decision or a preliminary investigation/charge is pending against us for involvement in a criminal organization, money laundering, terrorist-related offences, child labor or trafficking in human beings, or have been subject to (financial) sanctions and/or embargo provisions by the United Nations, the European Union or the Federal Republic of Germany. This exclusion criterion is also applicable to legal persons whose shares (or the majority thereof) are owned or de facto controlled by natural or legal persons against whom such judgments, administrative decisions, (financial) sanctions and/or embargoes have been imposed and – in the case of (financial) sanctions and/or embargoes – these restrictive measures continue to apply;
 - 2.3) having been convicted by a final court decision or a final administrative decision by a court, the European Union, national authorities in the Partner Country or in Germany for Sanctionable Practice in connection with a Tender Process or the performance of a Contract or for an irregularity affecting the EU's financial interests (*in the event of such a conviction, the Applicant or Bidder shall attach to this Declaration of Undertaking supporting information showing that this conviction is not relevant in the context of this Contract and that adequate compliance measures have been taken in reaction*);
 - 2.4) having been subject within the past five years to a Contract termination fully settled against us for significant or persistent failure to comply with our contractual obligations during such Contract performance, unless this termination was challenged and dispute resolution is still pending or has not confirmed a full settlement against us;
 - 2.5) not having fulfilled the applicable fiscal obligations with regard to the payment of taxes at the respective tax residence and in the country of origin of the PEA (*contractors based in Annex 1 countries (<https://www.consilium.europa.eu/de/policies/eu-list-of-non-cooperative-jurisdictions/>) must submit a fully completed and legally countersigned declaration of tax conformity (Appendix1 to the Declaration of Undertaking) in addition to the Declaration of Undertaking at the time of award of the contract/contract review. This shall become an integral part of the contract. Failure to*

4 Capitalised terms used, but not otherwise defined in this Declaration of Undertaking have the meaning given to such term in KfW's "Guidelines for the Procurement of Consulting Services, Works, Plant, Goods and Non-Consulting Services in Financial Cooperation with Partner Countries".

5 The PEA means the purchaser, the employer, the client, as the case may be, for the procurement of Consulting Services, Works, Plant, Goods or Non-Consulting Services.

submit may result in exclusion from the awarding procedure. For contractors based in countries not listed as Annex I countries, only the Declaration of Undertaking must be submitted, and not the declaration of tax conformity);

- 2.6) being subject to an exclusion decision of the World Bank or any other multilateral development bank and being listed on the website <http://www.worldbank.org/debarr> or respectively on the relevant list of any other multilateral development bank (*in the event of such exclusion, the Applicant or Bidder shall attach to this Declaration of Undertaking supporting information showing that this exclusion is not relevant in the context of this Contract and that adequate compliance measures have been taken in reaction*); or
 - 2.7) being guilty of misrepresentation in supplying the information required as a condition of participation in the Tender.
3. We hereby certify that neither we, nor any of the members of our Joint Venture or any of our Subcontractors under the Contract are in any of the following situations of conflict of interest:
- 3.1) being an affiliate controlled by the PEA or a shareholder controlling the PEA, unless the stemming conflict of interest has been brought to the attention of KfW and resolved to its satisfaction;
 - 3.2) having a business or family relationship with a PEA's staff involved in the Tender Process or the supervision of the resulting Contract, unless the stemming conflict of interest has been brought to the attention of KfW and resolved to its satisfaction;
 - 3.3) being controlled by or controlling another Applicant or Bidder, or being under common control with another Applicant or Bidder, or receiving from or granting subsidies directly or indirectly to another Applicant or Bidder, having the same legal representative as another Applicant or Bidder, maintaining direct or indirect contacts with another Applicant or Bidder which allows us to have or give access to information contained in the respective Applications or Offers, influencing them or influencing decisions of the PEA;
 - 3.4) being engaged in a Consulting Services activity, which, by its nature, may be in conflict with the assignments that we would carry out for the PEA;
 - 3.5) in the case of procurement of Works, Plant or Goods:
 - i. having prepared or having been associated with a Person who prepared specifications, drawings, calculations and other documentation to be used in the Tender Process of this Contract;
 - ii. having been recruited (or being proposed to be recruited) ourselves or any of our affiliates, to carry out works supervision or inspection for this Contract;
4. If we are a state-owned entity, and compete in a Tender Process, we certify that we have legal and financial autonomy and that we operate under commercial laws and regulations.
5. We undertake to bring to the attention of the PEA, which will inform KfW, any change in situation with regard to points 2 to 4 here above.
6. In the context of the Tender Process and performance of the corresponding Contract:
- 6.1) neither we nor any of the members of our Joint Venture nor any of our Subcontractors under the Contract have engaged or will engage in any Sanctionable Practice, or violate the Guidelines during the Tender Process and in the case of being awarded a Contract will engage in any Sanctionable Practice during the performance of the Contract;
 - 6.2) neither we nor any of the members of our Joint Venture or any of our Subcontractors under the Contract shall acquire or supply any equipment nor operate in any sectors under an embargo of the United Nations, the European Union or Germany; and

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- 6.3) we commit ourselves to complying with and ensuring that our Subcontractors and major suppliers under the Contract comply with international environmental and labor standards, consistent with laws and regulations applicable in the country of implementation of the Contract and the fundamental conventions of the International Labour Organisation⁶ (ILO) and international environmental treaties. Moreover, we shall implement environmental and social risks mitigation measures when specified in the relevant environmental and social management plans or other similar documents provided by the PEA and, in any case, implement measures to prevent sexual exploitation and abuse and gender-based violence.
7. In the case of being awarded a Contract, we, as well as all members of our Joint Venture partners and Subcontractors under the Contract will, (i) upon request, provide information relating to the Tender Process and the performance of the Contract and (ii) permit the PEA and KfW or an agent appointed by either of them, and in the case of financing by the European Union also to European institutions having competence under European Union law, to inspect the respective accounts, records and documents, to permit on-the-spot checks and to ensure access to sites and the respective project.
8. In the case of being awarded a Contract, we, as well as all our Joint Venture partners and Subcontractors under the Contract undertake to preserve above mentioned records and documents in accordance with applicable law, but in any case, for at least six years from the date of fulfillment or termination of the Contract. Our financial transactions and financial statements shall be subject to auditing procedures in accordance with applicable law. Furthermore, we accept that our data (including personal data) generated in connection with the preparation and implementation of the Tender Process and the performance of the Contract are stored and processed according to the applicable law by the PEA and KfW.

Name: _____ In the capacity of: _____

Duly empowered to sign in the name and on behalf of⁷: _____

Signature:

Dated:

6 In case ILO conventions have not been fully ratified or implemented in the Employer's country the Applicant/Bidder/Contractor shall, to the satisfaction of the Employer and KfW, propose and implement appropriate measures in the spirit of the said ILO conventions with respect to a) workers grievances on working conditions and terms of employment, b) child labor, c) forced labor, d) worker's organizations and e) non-discrimination.

7 In the case of a JV, insert the name of the JV. The person who will sign the application, bid or proposal on behalf of the Applicant/Bidder shall attach a power of attorney from the Applicant/Bidder.

Declaration of tax conformity – binding confirmation for legal persons

Name of company

I hereby confirm with my signature that:

1. I am authorised to make this declaration on behalf of the above company;
2. the company properly pays all taxes in accordance with the tax laws of the country in which the company is domiciled;
3. the company is not currently nor has been in the past involved in any legal proceedings concerning the taxation of the company;
4. the company will duly pay taxes that may arise from the provision of contracted services;
5. all information and statements provided in advance are complete, accurate in terms of content and currently correct.

.....
(Place)

.....
(Date)

.....
(Name of the consultant)

.....
(Signature(s))

Declaration of tax conformity – binding confirmation for natural persons

I hereby confirm with my signature that:

1. I make this declaration in my name/on my own account;
2. I duly pay taxes that I am obliged to pay under the tax law of my country of residence;
3. I am not currently involved in tax law court proceedings, nor have I been in the past;
4. I will duly pay taxes that may arise from the provision of contracted services;
5. I have filled in all the information and statements of this confirmation in full, accurately in terms of content and that they are up to date at this time.

.....

(Place)

.....

(Date)

.....

(Name of the person)

.....

(Signature)

Appendix1 to the Declaration of Undertaking

Declaration of tax conformity – binding confirmation for natural persons

I hereby confirm with my signature that:

- 1. I make this declaration in my name/on my own account;
- 2. I duly pay taxes that I am obliged to pay under the tax law of my country of residence;
- 3. I am not currently involved in tax law court proceedings, nor have I been in the past;
- 4. I will duly pay taxes that may arise from the provision of contracted services;
- 5. I have filled in all the information and statements of this confirmation in full, accurately in terms of content and that they are up to date at this time.

.....

(Place)

.....

(Date)

.....

(Name of the person)

.....

(Signature)

ANNEX C

TECHNICAL PROPOSAL SUBMISSION FORM

[Location, Date]

To: *[Name and address of Employer]*

Dear Sirs:

We, the undersigned, offer to provide the auditing services for *[Insert title of assignment]* in accordance with your Request for Proposals dated *[Insert Date]* and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal and a Financial Proposal sealed in a separate envelope.

[If the Consultant is a joint venture, insert the following: "We are submitting our Proposal in a joint venture between: [Insert a list with full name and the legal address of each member, and indicate the lead member]. We have attached a copy [insert: "of our letter of intent to form a joint venture" or, if a JV is already formed, "the relevant information of the existing JV agreement"] signed by every participating member, which details the likely legal structure of and the confirmation of joint and severable liability of the members of the said joint venture."

We hereby declare that:

- (a) All the information and statements made in this Proposal are true and we accept that any misinterpretation or misrepresentation contained in this Proposal may lead to our disqualification by the Employer.
- (b) Our Proposal shall be valid and remain binding upon us for the period of time specified in the CoT.

-
- (c) We have no conflict of interest in accordance with Annex B.
 - (d) We undertake to negotiate a Contract on the basis of the proposed Key Experts. We accept that the substitution of Key Experts require the NO by KfW and may – should no equivalent substitute be availed – otherwise lead to the termination of Contract negotiations.
 - (e) Our Proposal is binding upon us and subject to any modifications resulting from the Contract negotiations.
 - (f) We fully understand the audit terms of reference and shall submit our report including the required Annexes A and B of the audit ToR.

We undertake, if our Proposal is accepted and the Contract is signed, to initiate the Services related to the assignment no later than the date indicated in the CoT.

We understand that the Employer is not bound to accept any Proposal that the Employer receives.

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: _____

Name and Title of Signatory: _____

Name of Auditor (company's name):

In the capacity of: _____

Address: _____

Contact information (phone and e-mail): _____

ANNEX D**TEMPLATE TECHNICAL PROPOSAL****CURRICULUM VITAE (CV)**

Position Title and No.	<i>[e.g., K-1, TEAM LEADER]</i>
Name of Expert:	<i>[Insert full name]</i>
Date of Birth:	<i>[day/month/year]</i>

Education: *[List college/university or other specialized education, giving names of educational institutions, dates attended, degree(s)/diploma(s) obtained]*

Employment record relevant to the assignment: *[Starting with present position, list in reverse order. Please provide dates, name of employing organization, titles of positions held, types of activities performed and location of the assignment, and contact information of previous clients and employing organization(s) who can be contacted for references. Past employment that is not relevant to the assignment does not need to be included.]*

Period	Employing organization and your title/position. Contact info for references	Country	Summary of activities performed relevant to the Assignment
<i>[e.g., May 2005-present]</i>	<i>[e.g., Ministry of, advisor/consultant to...]</i> <i>For references: Tel...../ e-mail.....; Mr/Mrs B, deputy</i>		

	<i>minister]</i>		

Membership in Professional Associations:

Language Skills (indicate only languages in which you can work):

Adequacy for the Assignment:

Detailed Tasks Assigned on Audit Team:	Reference to Prior Work/Assignments that Best Illustrates Capability to handle the Assigned Tasks
<i>[List all deliverables/tasks in which the Expert will be involved)</i>	

ANNEX E

FINANCIAL PROPOSAL - SUBMISSION FORM

[Location, Date]

To: *[Name and address of Employer]*

Dear Sirs:

We, the undersigned, offer to provide the auditing services for *[Insert title of assignment]* in accordance with your Request for Proposal dated *[Insert Date]* and our Technical Proposal.

Our attached Financial Proposal is for the amount of *[Indicate the corresponding to the amount(s) currency(ies)] [Insert amount(s) in words and figures], [Insert "excluding" as standard or "including"]* of all indirect local taxes in accordance with CoT. The estimated amount of local indirect taxes is *[Insert currency] [Insert amount in words and figures]* which shall be confirmed or adjusted, if needed, during negotiations.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in CoT.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature *[In full and initials]*: _____

Name and Title of Signatory: _____

In the capacity of: _____

Address: _____

E-mail: _____

ANNEX F

Template for Financial Proposal

Basic Services (as per TOR)

	Sum (in @currency)excl . Taxes
Financial year	
Financial year+ 1	
Financial year +2	
...	
Total – Basic Services excl. Taxes	
Taxes	
Total – Basic Services incl. Taxes	

Optional Services (as per TOR)

	Sum (in @currency)excl . Taxes
Financial year +x	
...	
...	
...	
Total – Optional Services excl. Taxes	
Taxes	
Total – Optional Services incl. Taxes	