



INVITATION TO CONSULTANTS

Auditing Services

Dear Sir/Madam,

WWF was one of the first International non-government organizations working in Vietnam. In 1985, WWF began working on a national conservation strategy and since then has worked closely with the Vietnamese Government on a diverse range of environmental issues and implemented field activities across the country. Find out more at <http://vietnam.panda.org/>.

We would like to invite you to provide your audit services to our project named “Improving food and income security of local people along the Mekong River through sustainable natural resource management and biodiversity conservation”. You are kindly requested to send us your Proposal with separated Technical Proposal and Financial Proposal (2 files/envelops). Followings are project initial information and instructions to interested bidders.

I. INFORMATION FOR AUDITING

Project Name	Improving food and income security of local people along the Mekong River through sustainable natural resource management and biodiversity conservation.
Project Donor	Primary Donor: Germany Federal Ministry for Economic Cooperation and Development through their executing agency ENGAGEMENT Global gGmbH
Auditing Period	01.08.2016 – 31.03.2021
Project Location	Lao, Cambodia
Total Budget	2,053,990 EUR
Deadline for Submission of Proposal	17:00 November 18 , 2020
Name and Address of Purchaser	WWF-Greater Mekong No.6, Lane 18 Nguyen Co Thach street Nam Tu Liem district, Hanoi Viet Nam Tel: +84 24 37193049 Email: wwfvietnam@wwf.org.vn Website: www.vietnam.panda.org

Expected time needed for the audit (included audit field work)

Phasing of audit	Expected starting time	1 st draft report submission	Final draft submission	Final report submission
01 Aug 2016 – 31 Dec 2020	Middle of Feb 2020	26 Mar 2021	21 Apr 2021 (1 report)	27 Apr 2021 (1 report)
01 Jan 2021 – 31 Mar 2021	7-9 Apr 2021	15 Apr 2021		

Language of the Proposal: The Proposals prepared by the bidders and all correspondence and documents relating to the Proposal exchanged by the bidders and Purchaser shall be written in the English language. Any printed literature furnished by the bidders may be written in another language so long as accompanied by an English translation of its pertinent passages in which case, for purposes of interpretation of the Proposal, the English translation shall govern.

Proposal Currencies: All prices shall be quoted in Vietnamese dong.

Period of Validity of Proposals: Proposals shall remain valid for 120 days after the date of Proposal submission indicated in the table above.

Proposal: The proposal to be submitted shall include but not limited to the below information:

A - TECHNICAL PROPOSAL

- The audit firm is familiar with International Auditing Standards (ISA 800/805 & ISRS 4400)
- Experience in auditing ODA projects/Public funds
- Understanding of the audit requirements
- Understanding the deliverable of the requirements
- Approach and methodology to be used
- Initiatives (if any) for improving audit implementation plan
- Implementation plan (starting time and total time needed)
- Human resources arrangement (meet requirements and fit with the implementing plan) Team leader and Team member hold CPA, or ACCA, CFA or MBA qualification and experience with audit of ODA funded project.
- *Bidders must complete Form 1 – Statement of Availability included in this call for proposal.*

B - FINANCIAL PROPOSAL

Financial proposal are prepared based on the technical proposal in accordance with the requirements and provisions in the request for proposal, including summary of cost and out of pocket expenses.

Submission of Proposals

The proposals shall be submitted in one outer sealed envelope containing two separate sealed envelopes, one envelope containing the Technical Proposal(s) and one envelope containing the Financial Proposal(s). The outer envelope shall be clearly marked “**Proposal for Tender Ref 10.21 -**

Audit of Improving food and income security of local people along the Mekong River through sustainable natural resource management and biodiversity conservation Project- DO NOT OPEN BEFORE SUBMISSION DEADLINE". The two sealed inner envelopes shall be marked "Technical Proposal" and "Financial Proposal" respectively. The sealed envelope shall be addressed to following address: WWF – Viet Nam , No.6, Lane 18, Nguyen Co Thach street, Nam Tu Liem district, Hanoi, Viet Nam.

Alternatively, bidders are allowed to submit their proposal by email. Bidders who intend to submit electronic proposals must follow the following submission instructions:

- Bidders can submit a proposal by email. The proposal shall be separated in two files: one for technical proposal and one for financial proposal.
- The file for the financial proposal shall be protected by a password which shall be kept with the bidders. If the company passed the technical requirement threshold, the Purchaser would then request the password to open the financial proposal file. However, if the company loses the password or in case the file could not be opened, the Purchaser would not assume responsibility.
- The electronic file shall be in the form of MS word or MS excel or PDF.
- Please send the electronic proposal to procurement@wwf.org.vn indicating in subject email as **"Tender Ref 10.21, Proposal for Audit Services of Improving Food and Income Security of Local People along the Mekong River through Sustainable Natural Resource Management and Biodiversity Conservation Project"**
- Please be aware that bids or proposals emailed to Purchaser will be rejected if they are received after the deadline for bid submission. As an email may take some time to arrive after it is sent, especially if it contains a lot of information, we advise all bidders to send email submissions well before the deadline.
- Maximum size for electronic submission: The maximum size per email that the Purchaser can receive is **25MB**. Bidders may need to split proposals into parts to fit this limit.

Criteria for Selection:

a) Evaluation of Technical Proposal:

The evaluation panel will fully evaluate the Technical Proposals. The panel will determine which of the Technical Proposals pass the minimum agreed technical score specified below.

After the evaluation of Technical Proposals has been completed, WWF-GM will notify those Consultants whose proposals did not pass the minimum technical score or were considered to be non-responsive to the TOR.

b) Evaluation of Financial Proposal:

The financial evaluation shall be based on the lowest price of those bidding firms which submitted responsive Technical Proposals. The formula for determining the financial scores is the following:

$S_f = 100 \times F_m / F$, in which S_f is the financial score, F_m is the lowest price and F the price of the proposal under consideration.

c) Final evaluation and negotiations:

The final ranking of the proposals will be based on the quality of technical proposals and lowest cost. The total score will be calculated as the weighted sum of the technical and financial scores, with the weights given to the technical and financial scores being:

70/30 where the technical proposal = 70 and the financial proposal = 30.
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With regard to contract negotiations, the Purchaser reserves the right to invite the next-ranked firm to negotiate, if negotiations with the first-ranked firm do not result in a contract.

Bidders who pass the minimum score, but are unsuccessful based on the calculation of the technical and financial scores, will be notified after the contract with the winner has become effective.

Technical Evaluation Criteria

No.	Criteria	Max. Score
1	Organization and Methodology	35
	Understanding of the audit requirements	10
	Understanding the expected deliverables	10
	Approach and Methodology to be used	10
	Implementation plan (starting time and total time needed, inputs by team members)	5
2	Quality of key personnel	45
	The auditor must be a chartered or registered public accountant.	10
	HR arrangement: Team leader and team members hold CPA or ACCA, CFA or MBA or equivalent qualification and have at least 3 years professional experience in financial and system's audit of ODA funded projects	35
3	Experience in auditing ODA projects/public funds	10
4	Experience in auditing Sida funded projects	10
	TOTAL TECHNICAL SCORE	100

Note: The acceptable threshold for technical proposals is set at a **minimum score of 70 points out of 100 points**. Technical proposals which do not reach this minimum score will not be considered for financial evaluation.

II - TERMS OF REFERENCE

Name of project: Improving food and income security of local people along the Mekong River through sustainable natural resource management and biodiversity conservation

Engagement Global BENGGO project no: 1665

Project Agreement no: 17038/HS

Local project no: GMPO0763 / **local project name:** 40001029

Auditing period: 01 August 2016 – 31 March 2021

Part I

1. Introduction

The above mentioned project is a public sector funded project grant of the Germany Federal Ministry for Economic Cooperation and Development through their executing agency ENGAGEMENT Global gGmbH. The First Recipient of the grant is WWF Germany. WWF Greater Mekong is subgrantee and project implementing partner of WWF Germany. WWF Cambodia and WWF Laos are subgrantees of WWF Greater Mekong and also project implementing partners of WWF Germany and WWF Greater Mekong.

The verification of the expenditure of WWF Greater Mekong, WWF Cambodia and WWF Laos will be done by voucher list and certificate of an independent auditor / chartered accountant. And, if requested by the primary donor, additionally by presentation of original documents. Income expenditure and transfers of WWF Germany are not part of this audit and will be checked by the primary donor in Germany.

2. Assignment of the auditor / chartered accountant

The auditor / chartered accountant should work according to international auditing standards and be independent of the contracting authority.

The contracting authority will be WWF Greater Mekong but the selection of the auditor / chartered accountant will be done jointly by WWF Greater Mekong and WWF Germany.

The qualification of the auditing company / chartered accountant must be approved by the German embassy or other accepted institution in the country of WWF Greater Mekong, e.g. Chamber of Commerce, national Auditing association. A copy of the approval must be added to the auditor's report.

The selection of the auditing company / chartered accountant is based on a tender procedure, according to the rules of the primary grant donor. Procurement regulations of the project

“Improving food and income security of local people along the Mekong River through sustainable natural resource management and biodiversity conservation” prevail.

The same auditing company / chartered accountant should not evaluate projects of WWF Greater Mekong for more than 6 years in a row.

3. Contract with the auditor / chartered accountant

The contract with the auditor / chartered accountant will stipulate at least:

- Name of the project to be audited
- Project period to be audited
- Place of audit
- Estimated cost of the audit
- Audit period
 - project period to be audited
 - timeframe for the audit itself (As the signed audit is required for the final report of WWF Germany to BMZ / Engagement Global, the audit must be terminated on time.)
- Obligations of the auditor and the obligations of WWF Greater Mekong (and its subgrantees)
- Scope of the audit

As soon, as the audit starts, all necessary documents have to be presented to the auditor / chartered accountant. These documents are (e.g.):

- Project proposal
- Project agreement no: 17038/HS including all attachments
- Financing plan = project budget, showing the budget lines and their designation (see attachment 2 of project agreement no: 17038/HS)
- Any approved budget changes
- Requirements for accounts by chartered accountants are “Guidelines for promoting development of major projects of private German institutions in developing countries” effective as of 1 January 2016 (Chapter 2302 title 687 76) (see attachment 8 of project agreement no: 17038/HS)
- Final voucher list of the years to be audited (expenditure and income listing) and underlying documents, e.g. receipts, proofs of payments, extracts from accounting systems, tender documents, contracts with suppliers or consultants or the like, employment contracts
- Bank account statements and extracts from the booking system, showing the amount and date of funds received for the project
- Technical reports of the periods to be audited

- Inventory list of the years to be audited
- Any other documents requested by the auditor / chartered accountant for the audit

The auditor / chartered accountant must use the template of Attachment 8 of project agreement no 17038/HS for the certificate of the audit. The template is also embedded in No 5 of this document.

The contract between WWF Greater Mekong and the auditor / chartered accountant should be signed during the project period. The audit itself and the preparation of the audit certificate by the auditor / chartered accountant should be carried out after the end of the project period, so that all relevant project documents are available for the audit.

4. Scope of the audit

During the examination, the chartered accountant shall pay special attention to the following aspects and reflect his findings in the “Auditor’s certificate”

- **General assessment of accounting:** is the accounting accurate and complete?
- **General assessment of project documents:** are all project related documents complete and correct?
- **The financial report,** which must show all project-related income and expenditure. The auditor must confirm that all income and expenditure has been documented by underlying vouchers.
- **Income:** Has the executing agency received any project related income apart from the funds transferred by WWF Germany or the mentioned third party funding from the financial plan? E.g. interest on bank account, sponsoring or the like or other income generated from project activities. If so, are these amounts reflected in the financial report?¹
- Checking that the **financial resources** are being **used appropriately in accordance with the planned project objectives** and measures
- Checking the **efficiency of expenditure** in terms of the financial resources to be used economically and as thrifty as possible
- **Staff cost:** verification of staff cost and staff related cost like social security contributions with regard to local customs and in compliance with employment contracts and the laws of the country
- **Comparison of budget and** actuals based on the final approved version of the budget
- Check of the economic and appropriate use of the **project equipment**, including check of whereabouts of inventory, its appropriate use and documented handover

¹ Please note: additional income generated reduces the BMZ funding

- **Verification of compliance with all agreements** fundamental to the project, such as contracts, guidelines of the German executing agency and the funding guidelines

5. Auditors certificate

The auditor's report must contain the following parts:

- Presentation of the audit mandate and scope with detailed comments on the results of the audit. The auditor must also list and explain which documents were the basis for the audit of the appropriate use of funds and compliance with the project duration.
- Recommendations in case there were any findings.
- If applicable, follow-up of audit recommendations from previous years.
- Comparison of budget and expenditures according to the template in attachment 1 of this document; all amounts have to be stated in local currency and if applicable also in accounting currency. There should be **no conversion to EUR in the audit report**.
- In case there are any **deviations of more than 30% of the budget headers** (meaning the total of investments, operational cost and / or staff cost), the deviations have to be explained and justified.
- In case there are any **deviations of more than 30% of the single budget lines**, the deviations have to be explained.

As a minimum requirement, the final certificate shall contain the following:

"We hereby certify that we have audited the statement of accounts of WWF Greater Mekong, WWF Cambodia and WWF Laos in respect of the financing of the project Improving food and income security of local people along the Mekong River through sustainable natural resource management and biodiversity conservation on the basis of the following terms of use made available to us (list of commissions and documents). To this end, we have inspected the books and vouchers and report that:

- 1. Proofs of receipts and expenditure have been properly furnished in the form of vouchers.*
- 2. The expenditures, for which evidence has been supplied, are in keeping with the appointed purpose as set out in the Financing Plan. Any deviations from the Financing Plan are described and explained separately.*
- 3. The amount and origin of documented income which is accounted for as counterpart contributions made by the project executing agency, the target group and/or other agencies in the project country have been specified.*

4. *The terms set by the donor have been observed/have not been observed in the following points.*
5. *Special notes."*

The certificate should clearly state a conclusion regarding compliance with the agreements set out in the project agreement. Findings or No Findings must be explicitly stated in the auditor's report. The auditor's report must be written in German or English. Exception is possible for audit reports in French or Spanish. For reports in French or Spanish, the main findings as well as the final certificate must be translated to German.

6. Audit cost

The auditor / chartered accountant will be paid after delivery of the final audit report. The amount can be financed from the project budget, even if the payment is made after the end of the project. This also prevails for audit related travel cost.

7. Right of inspection

Even if the project is audited by an external auditor / chartered accountant, WWF Germany, as well as Engagement Global, BMZ and the German Federal Court of Auditors have the right to do additional inspections and audits.

8. Duties of WWF Greater Mekong, WWF Cambodia and WWF Laos

WWF Greater Mekong must create basic conditions to prepare the audit by the auditor / chartered accountant. It should be noted that violations and/or failure to meet deadlines can lead to the termination of current project contracts or at least to considerable delays in the provision of or reimbursement of project funds.

- all relevant documents must be made available and necessary information must be given
- The local project-executing agency must organize its project administration and financial accounting and the commissioning of the external auditor in such a way that the deadlines for submitting the final report to Engagement Global can be met.

These duties also prevail to WWF Cambodia and WWF Laos. They must support WWF Greater Mekong in order to conduct and finalize the audit.

Part II

9. General information on the project

The project *"Improving food and income security of local people along the Mekong River through sustainable natural resource management and biodiversity conservation"* has been approved by

Engagement Global on 7 September 2016 as proportional funding grant. The grant contract agreement between Engagement Global and WWF Germany was signed on 15 September 2016, Engagement Global and BMZ approved the start of the project for 1 August 2016.

The original project implementation period was 1 August 2016 till 31 December 2019. On 28 October 2019 WWF Germany requested extra funding and an extension of the project until 31 December 2020. The documents for extra funding and extension were approved by Engagement Global on 18 November 2019 and the changed grant contract was signed on 4 December 2019. On 22 September 2020 Engagement Global approved another extension of the project until 31 March 2021.

All grant documents between Engagement Global and WWF Germany are only available in German language (and not part of the audit). The project is documented in a database of Engagement Global, that can be accessed by WWF Germany. **All stipulations of the grant document are included in the project agreement between WWF Germany and WWF Greater Mekong.** Attachment 2 shows the administrative structure of this project.

Based on the grant contract between Engagement Global and WWF Germany, a project agreement for the channeling of funds from WWF Germany to WWF Greater Mekong was signed on 1 August 2016. An amendment was signed on 10 December 2019. A second amendment, regarding the extension of the project until 31 March 2021 is being prepared for signature.

10. Approved project budget

According to the funding rules of BMZ / Engagement Global, the project budget and all budget changes was/were handed in for approval and approved in EUR. The fx of the proposal was 1 EUR = 1,102 USD.

Based on this proposal fx rate, the final budget in local currency (USD) is as follows:

Budget Expenditure (aggregated)

WWF LA, WWF KH	investments	210.037 EUR	231.460,77 USD
WWF LA, WWF KH	Operational costs	764.708 EUR	842.708,22 USD
WWF GMP, WWF LA, WWF KH	staff	837.185 EUR	922.577,87 USD
WWF DE	Travel WWF DE	5.591 EUR	6.161,28 USD
WWF GMP, WWF LA, WWF KH	contingencies	49.743 EUR	54.816,79 USD

WWF DE	Management fee	186.726 EUR	205.772,05 USD
	total	2.053.990 EUR	2.263.496,98 USD
Of that WWF GMP, WWF LA, WWF KH		1.861.673 EUR	2.051.563,65 USD
Of that WWF DE		192.317 EUR	211.933,33 USD

Budget income

Income source	Approved total budget incl. WWF DE	Budget WWF GMP /WWF LA /WWF KH in EUR	Budget WWF GMP /WWF LA /WWF KH in USD
BMZ / Eng. Global	1.540.492 EUR	1.540.492 EUR	1.697.622,18 USD
WWF DE	307.075 EUR	114.758 EUR	126.463,32 USD
Total amount project agreement WWF DE – WWF GMP		1.655.250 EUR	1.824.085,50 USD
WWF KH	206.423 EUR	206.423 EUR	227.478.15 USD
Total	2.053.990 EUR	1.861.673 EUR	2.051.563,65 USD

11. Other (explanation regarding match funds)

During the implementation of the project, it became obvious, that it was very difficult for WWF Cambodia to contribute match funds to the project. This is the reason why WWF Germany supported WWF Cambodia in the contribution of match funds.

In kind match funds WWF Cambodia	125.910,36 USD
In kind match funds WWF Cambodia supported by WWF DE	19.811,21 USD

Total in kind match funds	145.721,57 USD
Cash match funds WWF Cambodia supported by WWF DE	68.136,50 USD
Total match funds WWF Cambodia	213.358,07 USD

As this project is a proportional funding project, all expenditure of the project is listed in **one single voucher list**, which includes expenditure from BMZ/Engagement Global amounts and expenditure from match funding of WWF Cambodia and match funding of WWF Germany. As an exception, the in-kind contribution of match funds of WWF Cambodia is specifically marked as match funds.

Expected time needed for the audit (included audit field work)

Phasings of audit	Expected starting time	1 st draft report submission	Final draft submission	Final report submission
01 Aug 2016 – 31 Dec 2020	Middle of Feb 2020	26 Mar 2021	21 Apr 2021 (1 report)	27 Apr 2021 (1 report)
01 Jan 2021 – 31 Mar 2021	7-9 Apr 2021	15 Apr 2021		

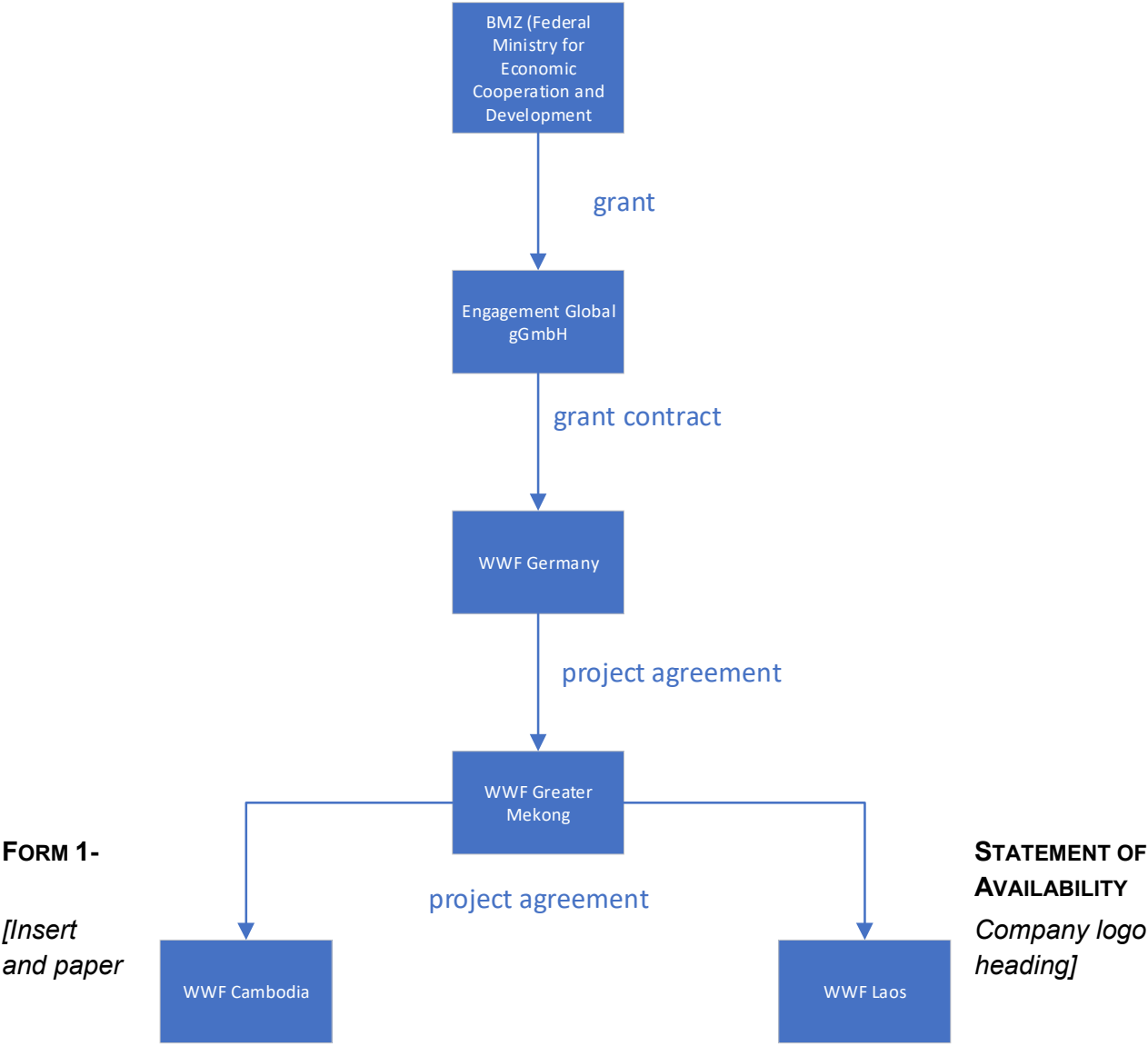
Supporting documents are available at

- WWF-Cambodia: 21, Street 322 Boeng KengKang I, Chamkarmorn, Phnom Penh, Cambodia;
- Tel: +855 23 218 034/ Fax: +855 23 211 909
- WWF-Laos: P.O. Box. 7871 House No.39, Unit 05, Saylom village, Chanthabouly district, Vietiane, Lao PDR;
- Tel: +856 21216 080; Fax: +856 21251 883
- WWF WWF – Greater Mekong: Number 6, Lane 18 Nguyen Co Thach Street, Nam Tu Liem District, Ha Noi, Vietnam
Tel: +84 24 37193049; Fax: +84 24 37193049

Attachment 1: template for quantitative documentary proof (in separate excel file)

Attachment 2: administrative structure of the project

Attachment 2: Administrative structure of the project



III. STATEMENT OF AVAILABILITY

To: [Purchaser]

Date: _____

Ref. No.: _____

Dear Sir/Madam,

Subject: *RFPxx – [name of project] audit, Statement of Availability*

I (We), the undersigned

State that the proposed named expert(s) listed below is/are available to carry out the services relating to the Request for Proposal mentioned above as from, for the period initially envisaged in the proposal submitted.

No	Expert's Name	Title/Position	Duration
1			
2			
3			
...			

I (We) understand that failure to make the named expert(s) listed above available for the performance of the services may lead to the cancellation of the Contract if the justification provided for the personnel change is not accepted by Purchaser in advance

Signature and stamp: _____

Name on behalf of the Bidder: _____

Title: _____

Date: _____