

**Purchaser’s**

**Logo**

**Request for Proposals Document for Audit Firms**

Process No*.* *(Indicate process reference number)*

Operation:  *(Indicate operation name)*

Contracting Party: *(Indicate Executing Agency name)*

Country:  *(Indicate the country of the Borrower)*

Issued on: (*Indicate the date the application was launched)*

**Introduction**

***This instruction sheet should not form part of the Request for Proposals Document, as well as the texts marked in red, which have the sole purpose of guiding the Contracting Party on the text that should appear in its place.***

*Based on the update of the Norms for the Application of the Procedures for Procurement of Goods, Works, Services and Consulting Services with Resources of the Central American Bank for Economic Integration of October 2022, available on the website: www.bcie.org, this document has been prepared containing the standard guidelines for the preparation of the Request for Proposals for the Selection and Contracting of Audit Firms with CABEI resources.*

*The document is divided into five sections:*

1. *Invitation or publication.*
2. *Terms of Reference.*
3. *Evaluation Criteria.*
4. *Bidding Forms.*
5. *General Conditions of Contract (GCC), Particular Conditions of Contract (PCC) and Contract forms.*

*This document is made public through the Bank's web page and before preparing the Request for Proposal, the user must be familiar with CABEI's Procurement Policy and Norms that are currently in effect.*

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## Invitation or publication

### Invitation Letter

***(When the Short List is available)***

**(Indicate the name of the work to be performed)**

**Nº ------ (number of the process)**

**Date: *(Date of invitation)***

*(Indicate: name and address of the audit firm)*

Dear Mr./Mrs.:

The *(indicate name of the Contracting Party)* (hereinafter referred to as "the Borrower") has *(received/requested)* financing from the Central American Bank for Economic Integration (hereinafter "CABEI" or the "Bank") to cover the cost of *(indicate name and number of the operation)*.

The *(name of Contracting Party)*, the executing agency of the Contracting Party, intends to use a portion of the funds of this financing to make eligible payments under the Contract for which this Request for Proposals is issued, for which the Contracting Party invites to submit proposals to provide the following audit services for *(name of the work to be done)*. The Terms of Reference provides more details about the required services.

1. This Request for Proposals (RFP) has been sent to the following Audit Firms included in the short list: *(List the Audit Firms included in the short list)*
2. Transferring this invitation to any other firm is not allowed.
3. A firm will be chosen through the procedure of Qualification Comparison method for audit firms in accordance with the Guidelines for the Application of the Procurement Policy for the Procurement of Goods, Works, Services and Consultancies with CABEI Resources, which are available at the following website: <https://www.bcie.org>.
4. The Request for Proposals includes the following documents:
5. Terms of Reference
6. Evaluation Criteria
7. Bidding Forms
8. Contract Model
9. Please inform us by *(indicate the date)* in written to the following e-mail address *(please indicate the e-mail address)* that you have received this Request for Proposals and if you intend to submit a proposal.
10. The deadline for questions or request clarifications is until *(indicate date and time)*
11. Details on the date and time of submission of proposals are as follows:
12. Date: *(indicate period of time)*
13. Time*: (indicate local time)*
14. Location: *(indicate physical address and/or official e-mail address)*

Sincerely,

*(Insert the office name)*

*(Insert the officer’s name and position)*

*(Insert the postal address, zip code, city, and country)*

*(Insert telephone number and country and city codes)*

*(Insert the email address)*

### Public Competition

***(In the absence of a short list)***

**(Indicate the name of the work to be performed)**

**Nº ------ (number of the process)**

*Indicate publication date:*

The *(indicate name of the Contracting Party)* (hereinafter referred to as "the Borrower") has *(received/requested)* financing from the Central American Bank for Economic Integration (hereinafter referred to as "CABEI" or the "Bank") to cover the cost of *(indicate name and number of the operation)*.

The *(name of Contracting Party)*, the executing agency of the Contracting Party, intends to use a portion of the funds of this financing to make eligible payments under the Contract for which this Request for Proposals is issued, for which the Contracting Party invites to submit proposals to provide the following audit services *(name of work to be performed)*. Further details of the services required are provided in the Terms of Reference.

1. A firm will be chosen through the procedure of Qualification Comparison method for audit firms in accordance with the Guidelines for the Application of the Procurement Policy for the Procurement of Goods, Works, Services and Consultancies with CABEI Resources, which are available at the following website: <https://www.bcie.org>.
2. The Contracting Party makes available to the interested parties all the documentation related to this process: Terms of Reference, Evaluation Criteria, Proposal Forms, Contract Model necessary for the preparation of the proposal. This information will be available free of charge:
3. For downloading from the website:
4. Physically at: (Specify place, date, and time for interested bidders to obtain the necessary documentation).
5. The deadline for questions or request clarifications is until *(indicate date and time)*
6. Audit firms are invited to express their interest in presenting the requested services, for which purpose they should send the proposal at the latest:
7. Date: *(indicate period of time)*
8. Time*: (indicate local time)*
9. Location: *(indicate physical address and/or e-mail address)*

*(Insert the office name)*

*(Insert the officer’s name and position)*

*(Insert the postal address, zip code, city, and country)*

*(Insert telephone number and country and city codes)*

*(Insert the email address)*

## Sample Terms of Reference

*(These terms of reference should be adjusted depending on the type of audit agreed with the Bank).*

Example of Terms of Reference for the Audit of the Financial Statements of Operations financed by the Central American Bank for Economic Integration (CABEI)

1. ***Purpose of the Terms of Reference for Executing Agencies.***
   1. *The purpose of these "Terms of Reference for External and Independent Audit Firms to carry out operations financed by the Central American Bank for Economic Integration (CABEI)" is to establish the basic guidelines to which the Executing Agency must adhere, since they consider the expectations of legal, regulatory, and quality compliance and the information required by CABEI for external audits of operations.*
   2. *The content of this document is the reference framework that includes the minimum requirements to be observed in the drafting of the terms of reference for the contracting of audit firms. However, it does not limit the executing agency to require information or the review of specific aspects that it deems convenient or that the government policies and/or institutions in this matter require to be of mandatory compliance.*
2. **Background of the Operation:**
   1. General and specific objectives of the Operation *(briefly describe the objectives of the operation)*
   2. Components of the Operation and its financing *(describe how the components of the Operation are structured and the amounts per component)*
   3. Benefits of the Operation *(Describe the scope or benefit of the Operation)*
   4. Other relevant aspects of the operation. *(Detail other relevant aspects of the operation)*

Detailed information on the operations to be audited of the Operation will be provided in Annex A of these terms of reference.

1. **Objective**
   1. The objective of this external audit is to obtain an independent opinion on the reasonableness of the Financial Statements and whether they have been prepared in accordance with the applicable financial reporting framework, on the evaluation of internal control based on the regulations applicable to the operation.

1. **Responsibility of the administration and those responsible for the governance of the operation in relation to the financial statements.**
   1. The Operation’s Management[[1]](#footnote-2) is responsible for the preparation and presentation of the Financial Statements referred to in section V of these TOR. This includes the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, and the safeguarding of the operation's assets. In addition, it is responsible for establishing such internal controls deemed necessary to enable the preparation of financial statements free from material misstatement due to fraud or error.
   2. The Borrower shall provide the Audit Firm with unrestricted access to all information and explanations deemed necessary to facilitate the audit, including, but not limited to, legal documents, reports of preparation and supervision of the Operation, reports of examinations and investigations, correspondence, and accounting account information. The Audit Firm must also have access to and be familiar with the basic documents related to the Operation and may request, in writing, confirmation of the amounts disbursed and balances available in the Bank's records.
   3. In compliance with ISA 580 "Written Statements", Management shall provide the Audit Firm with a written statement (Representation Letter) stating, among other things: a) compliance with the applicable financial reporting framework; b) that it has provided the Audit Firm with access to all required information in accordance with the terms of reference; c) that all transactions have been recorded.
2. **Responsibilities of the Audit Firm.**

**Scope and norms to be applied**

* 1. The audit shall be conducted in accordance with International Standards on Auditing[[2]](#footnote-3) and the International Code of Ethics for Professional Accountants (IESBA). These standards require that the Audit Firm complies with ethical requirements of independence and quality control and plans and performs the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit also includes evaluating the appropriateness and reasonableness of accounting policies used and evaluating the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves the presentation.
  2. The audit should include planning the evaluation and testing of the effectiveness of the internal control structure and systems (COSO criteria) and obtaining objective and sufficient evidence to enable the Audit Firm to reach a reasonable conclusion on which to base its opinion.
  3. ISA 210. "Terms of Audit Engagements". At the beginning of the audit, the Audit Firm shall send the "Engagement Letter" (service agreement) for the convenience of both parties in which it shall describe the acceptance of its appointment, the responsibilities towards the executing agency, the objective and scope of the audit, the reports to be issued including the acceptance of the requirements contained in the terms of reference and its complementary documents related to the audit work.
  4. It is important for the Audit Firm to meet with members of the Executing Agency and other stakeholders involved in the operation at the beginning and end of the audit work, and when deemed necessary, and discuss important and relevant matters related to the examination.
  5. The Audit Firm is expected to pay special attention to the following topics, without this meaning that the International Standards on Auditing are not applied in their entirety:

1. ISA 220 "Quality Control over the Audit of Financial Statements". In compliance with ISA 220 (revised), the Audit Firm shall include in the work team, for the technical evaluation of the Transaction, at least one professional expert with ample proven professional experience and specialized in the type of Transaction to be evaluated.
2. ISA 230 "Audit Documentation" ISA 1. The audit firm shall maintain information on the examination performed for a minimum period of five years after issuing its reports and respond promptly to queries made by the executing entity, including the Bank's access to the auditor's working papers, during the indicated period. The documentation must be complete, supported by sufficient and competent evidence, adequately referenced with the reports, and duly safeguarded and filed.
3. ISA 240 "The Auditor's Responsibilities for the Audit of Financial Statements Relating to Fraud". The Audit Firm should identify and assess the risks of material misstatement of the Financial Statements due to fraud or error and obtain sufficient appropriate audit evidence regarding those risks by designing and implementing appropriate responses.
4. ISA 250 "Consideration of Legal and Regulatory Requirements in the Audit of Financial Statements". The Audit Firm should recognize that the Entity's non-compliance with laws and regulations may materially affect the Financial Statements when designing and performing audit procedures and in evaluating and communicating the results of the audit.
5. ISA 250 "Consideration of Legal and Regulatory Requirements in the Audit of Financial Statements". The Audit Firm should recognize that the Entity's non-compliance with laws and regulations may materially affect the Financial Statements when designing and performing audit procedures and in evaluating and communicating the results of the audit.
6. ISA 260 (Revised) "Communication with Those Charged with Governance of the Entity". The Audit Firm should communicate with the entity's governance about its responsibilities in relation to the audit of the financial statements, as well as a general description of the scope and schedule of the audit; and communicate in a timely manner about significant and relevant facts observed.
7. ISA 315 (Revised) "Identification and assessment of the risks of material misstatement through knowledge of the entity and its environment, including its internal control", in order to provide a basis for designing and implementing responses to such risks.
8. ISA 330 "Auditor's Responses to Assessed Risks". The Audit Firm should obtain sufficient appropriate audit evidence about the assessed risks of material misstatement by designing and implementing appropriate responses to those risks.
   1. To test compliance with the Project Financial Management Agreements and Requirements, the Audit Firm, within the framework of the ISA is expected to carry out tests and/or procedures[[3]](#footnote-4) to confirm, among others, that:
9. The external funds have been used in accordance with the conditions of the Loan Agreements/the pertinent Financing Agreement Letters.
10. The counterpart funds or other co-financing funds, when applicable, have been provided and used in accordance with the relevant Loan Agreements/financing Letters of Agreement.
11. The goods, works, consultancies and services financed have been acquired in accordance with the Policy for Obtaining Goods, Works, Services and Consultancies with CABEI Resources and its Application Regulations[[4]](#footnote-5) or other Procurement Regulations that are acceptable to the Bank; the Audit Firm must carry out the physical inspections that are necessary in accordance with its risk considerations.
12. During the on-site visit to the Beneficiary Operations and Institutions, sufficient and competent evidence will be obtained of their physical and financial progress and that the population benefited is the one that is effectively contemplated in the objectives of the Operation.
13. The necessary supporting documents, records and accounts have been maintained in respect of all the Operation’s activities and expenditures.
14. The conversion from local currency to U.S. dollars has been performed in accordance with the requirements of the loan agreement, if applicable, and/or in accordance with the Borrower's internal procedures.
15. The Operation's internal controls related to the preparation of financial information have been evaluated in their design and operation through tests of their effectiveness. These tests shall be performed in accordance with the requirements of ISA 315 "Identifying and Assessing the Risks of Material Misstatement through Knowledge of the Entity and its Environment. The Audit Firm will obtain an understanding of internal control relevant to the audit. The Audit Firm's primary consideration is whether and how a specific control prevents or detects and corrects material misstatements in transactions, or disclosures and related assertions. In addition, it should appropriately communicate to those charged with governance and management deficiencies in internal control identified during the performance of the audit that it believes to be sufficiently significant by applying ISA 265 (Revised) "Communicating Deficiencies in Internal Control to Those Charged with Governance and Management of the Entity". Internal controls comprise five key components as indicated below:
    1. Control environment.
    2. Risk assessment process by the entity.
    3. Information systems, including the accounting system.
    4. Control activities.
    5. Follow-up (or monitoring) of controls.
16. **Deliverables and Reports: Required Audit Reports**
    1. The Audit Firm is required to issue the following reports:
17. **Report of the Independent Audit Firm on the financial statements.**

The following should be obtained from the financial statements presented:

1. The Audit Firm's opinion (Unqualified, Qualified, Disclaimer, Adverse Opinion) on whether the Financial Statements have been prepared, in all material respects, in accordance with the requirements of the applicable financial reporting framework[[5]](#footnote-6); Financial Statements should include at least: Balance Sheet, Income Statement, Cash Flow Statement and Statement of Changes in Equity.
2. The notes to the financial statements, also presented on a comparative basis, which are part of the financial statements, and which shall contain, among others, a summary of significant accounting policies and standards, reconciliations of the respective accounts, commitments and contingencies and other explanatory notes that Management deems necessary to attach to the financial statements.
3. The Statement of Sources and Uses of Funds by Expenditure Category.
4. The Statement of Accumulated Investments (both presented for the period to be audited and in comparative form with the financial statements of the previous audited period).
5. The notes to the financial statements, also presented in comparative form, which are part of the financial statements, and which shall contain, among others, a summary of significant accounting policies and standards, reconciliations of the respective accounts, commitments and contingencies and other explanatory notes that Management deems necessary to attach to the financial statements.

The report shall be prepared by the Audit Firm in accordance with the requirements of ISA 800 (Revised).

1. **Letter to Management.**

In this Letter to Management (also called Internal Control Letter), the Audit Firm shall provide the highest authority of the Borrower and/or the Executing Agency with information related to the evaluation of the internal control system, which shall be carried out within the scope provided in the International Standards on Auditing and in the criteria established in the Conceptual Framework for Internal Control - Integrated issued by the Committee of Sponsoring Organizations of the Treadway Commission (known as COSO), applicable to the examination of the financial statements. The report shall describe the main observations arising from such evaluation, as well as any other findings found during the audit.

In the case of the audit of operations financed by the Bank, the Bank requires that the report should point out aspects, as well as make recommendations on issues such as:

1. Comments and observations on the accounting records, and the processes that were examined during the audit.
2. Specific deficiencies and areas of weakness in systems and controls.
3. Deviations from the accounting policies and practices applied.
4. Cases of non-compliance with the terms of the relevant Loan Agreement/Letter of Financing/Cooperation Agreement.
5. Expenses that are considered ineligible and that have been paid from the designated account or claimed by the Bank through reimbursement.
6. Ineligible expenses or losses due to inadequate financial administration and not reimbursed to the Operation by the executing agency.
7. Commitments and contingencies due to contractual breaches in the execution of the Operations that may jeopardize the completion thereof.
8. Report on the physical and financial execution of the Operation in accordance with the Global Investment Plan (GPI) and the result of the audit visits to the Project sites.
9. Report on the reasonable proper and timely administration of the Revolving Fund showing funds (disbursements) received from the Bank, reconstitutions for expenditures made, expenditures made pending submission to the Bank, cash available in the special account(s) and any shortage or surplus that may exist in the Revolving Fund.
10. The Audit Firm must report and opine on the eligibility of expenses submitted for reimbursement to the Bank.
11. Report incorrect operations or actions in the operations that were examined that may be contemplated in CABEI policies such as i) Money Laundering, ii) Anti-Fraud and Anti-Corruption and iii) Code of Ethics.
12. Matters that have come to attention during the audit that could have a significant impact on the execution of the Operation.
13. Status of compliance with audit recommendations from prior periods, including only those recommendations that have not been complied with or are partially complied with.
14. An assessment of the level of risk posed by the findings, including the client's comments. The Audit Firm shall analyze the client's comments (or management's comments) and opine whether it is consistent with the audit finding presented.
15. At the end of the Management Letter, the Audit Firm shall attach a summary of the issues and topics contained in the Letter with an indication of who will be responsible for their correction and the deadline for the implementation of the relevant actions. This summary will serve the higher authority of the Executing Unit and the Bank for follow-up and monitoring of the implementation of the reported control weaknesses.
16. **Reports and opinion of agreed procedures of the external (independent) auditors with the Project Administration. ISA 800 and ISA 805 (revised) on:**
    1. Report and opinion on compliance with the loan's contractual conditions.
    2. Report and opinion on compliance with the Policy for the Procurement of Goods, Works, Services and Consultancies with CABEI Resources and its Application Regulations.
    3. Report and opinion on the effectiveness of internal control (COSO) and its compliance with the Operating Manual.
    4. Report and opinion on the Statement of Sources and Use of Funds and Statement of Accumulated Investments; d. Report and opinion on the Statement of Sources and Use of Funds and Statement of Accumulated Investments.
    5. Any other report that may have been agreed upon between the Audit Firm and the Borrower, which may be:
       1. Technical report of the on-site audit of the operations.
       2. Special report on payments made.
       3. Report on other agreed and/or agreed procedures.
17. **VII. Deadline for delivery of audit reports and method of payment**
18. The deadlines for delivery of the audit reports including the Report on the financial statements and notes thereto, the letter to management and additional reports on specific matters mutually agreed upon which shall be delivered as follows:

The Audit Firm shall issue draft reports no later than (*the time of the audit shall be estimated based on the size of the operations and the period to be audited*) calendar days after the date set forth in the commencement order.

1. If during the operation or audit, the Bank becomes aware of important abnormal events that could affect the operation, the Bank may request the Audit Firm to increase the scope of the tests and/or apply other audit procedures that it considers convenient to the circumstances.
2. The draft audit reports, prior to their final issuance, must be presented, discussed, and analyzed in a working meeting of the external auditors, with the representatives of the executing agency of the operation and CABEI with the purpose of reviewing compliance by part of the external auditors of the contractual clauses, clarify audit findings and other concepts of the reports.
3. The executing agency and/or CABEI may appoint a natural or legal person to carry out compliance tasks by the auditors of the audit contract and quality controls, including the review of the corresponding work papers. In the event that one or more reports are not acceptable, due to deficiencies in the work or incomplete reports, the auditor will perform the necessary additional work at no additional cost to the executing agency of the operation, source of resources, or the international financial organization.
4. The final external audit reports, in order of priority, must be submitted and forwarded to the immediate superior of the executing agency (corresponding state ministry or secretariat), financing sources and executing agency no later than \_\_\_ *(indicate the days)* calendar days after the draft audit reports have been submitted and approved. These dates are important in order to comply with the terms of the Agreements and to submit the final report of the operation to the funding agencies in the time indicated.
5. All proposals, working papers and audit reports should refer to this audit using the following contract name:

Audit of Financial Statements of the operation *(indicate the name of the operation)* of the Secretariat/Ministry *(indicate the name of the Executing Agency)* from *(indicate date, month, and year)* to *(indicate date, month, and year)* for funds executed from the Credit Agreement with the Central American Bank for Economic Integration, CABEI Loan No. *(indicate operation number)*.

1. Schedule and Method of Payment: The Borrower shall prepare a schedule describing the reports (deliverables), time for delivery and % of payment, which schedule shall contain at least the following:

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Describe the report(s) to be delivered** | **Time for delivery of each report** | **Payment % of contract value** |

1. **Other Aspects that the Borrower considers necessary: This section is optional as there are additional aspects that the Borrower considers necessary for the external audit, it should be developed with at least the following: Description of aspects and their purpose.**
2. **ACRONYMS**

CABEI: Central American Bank for Economic Integration

WTO: Multilateral Credit Institutions

ISAs: International Standards on Auditing

ToR: Terms of Reference

IESBA: International Code of Ethics for Professional Accountants.

COSO: Committee of Sponsoring Organizations of the Treadway Commission

**ANNEX A of the terms of reference**

**Operation Information**

1. Operation Name:
2. Loan Number:
3. Executing Agency:
4. Objective of the Operation:
5. Description (Components):
6. Program Cost and PGI:

(*in thousands of US dollars)*

*Place the GIP table.*

* + 1. **Execution Scheme:** The fiduciary execution of this operation will be under the responsibility of *(indicate the name of the Executing Unit)* which reports directly to the *(Indicate the name of the Executing Agency)* its structure has the Units: (detail scheme or structure).
    2. **Flow of Resources** *(detail the flow of resources)*
    3. **Disbursements** *(detail information of disbursements made by the Executing Agency / Executing Unit in the operation)*
    4. **Documentation Flow:** Documentation related to the Transaction, is concentrated in Reports on *(Products, activity reports, Invoices, receipts, and other documents supporting the payment form).* The Volume of documentation generated is summarized:

*For the year (indicate the year to be audited): (indicate the number of forms) payment forms were generated, the average amount per payment is approximately US$ (indicate the average amount generated) and (indicate the number of processes that were awarded) procurement and contracting processes were registered.*

|  |  |  |
| --- | --- | --- |
| **COMPONENT** | **NUMBER OF PAYMENTS** | **VALUES IN US$** |
| COMPONENT 1 |  | 0.00 |
| COMPONENT 2 |  | 0.00 |
| COMPONENT 3 |  | 0.00 |
| COMPONENT 4 |  | 0.00 |
| COMPONENT 6 |  | 0.00 |
| COMPONENT 7 |  | 0.00 |
| **Totals** |  | **0.00** |

* *(Please detail information for each year to be audited)*
  + 1. **Financial Execution Level**

The Operation is in the *(first year)* of execution. Currently, \_\_\_% *(indicate the disbursement percentage)* equivalent to *(indicate amount)* of the total operation of USD$ *(indicate total amount of the Operation)* has been disbursed, remaining to be disbursed *(indicate the amount remaining to be disbursed)* which will be requested *(semiannually, quarterly, specify)* during the life of the Operation. According to the current schedule, the disbursements are detailed below:

* Year 20XX USD$ *(Indicate amount)* in the month of \_\_\_\_\_*(indicate month)*
* Year 20XX USD$ *(Indicate amount)* in the month of \_\_\_\_\_*(indicate month)*
* Year 20XX USD$ *(Indicate amount)* in the month of \_\_\_\_\_*(indicate month)*

The execution achieved as of December 31 *(indicate year)* was US$\_\_ *(indicate amount)*, which represents \_\_\_\_% of the total, the balance in the special account as of December 31 *(indicate year)* is *US$ (indicate amount)*.

The first disbursement received was on *(insert date and year)*, in the amount of *US$(indicate amount of first disbursement)* and the second disbursement received was on (insert date and year), in the amount of *US$(indicate amount)*.

## Evaluation Criteria

1. **Identification of the audit firm:** The firm must submit the following forms with its proposal:

* CP-1 Letter of confirmation.
* Affidavit.
* Identification of the firm.

1. **Submission of the proposal:** The proposal shall be delivered to the contracting party in a single sealed envelope or to the official e-mail address indicated in the invitation letter or in the public call for bids.
2. **The evaluation criteria will be**:

|  |  |
| --- | --- |
| **Evaluation Criteria** | **Maximum Score** |
| 1. General Experience *(Applies to public call for applications)* | *Complies/does not comply* |
| 1. *Specific* experience in the sector | *5* |
| 1. Training and Experience of key staff | *50* |
| 1. Technical approach and proposed work methodology | *35* |
| 1. Work Plan and Execution Schedule | *10* |
| 1. **Total** | ***100*** |

The minimum technical score established is 80 points; the Audit Firms that do not reach this minimum score will not proceed to the review and evaluation of the economic offer.

| Criterion 1: General Experience *(applies only to public bidding)* | | |
| --- | --- | --- |
| Requirement | Evaluation | Required Doc. |
| Minimum General Experience: Must have executed in the last 10 years, between audits and financial consultancies, a minimum of 5 (five) works:  The score (Pa) will be assigned according to the following:   * + - For 4 or less works: Pa = 0 points.     - For 5 to 7 jobs: Pa = 4 points     - For 8 to 10 papers: Pa = 6 points     - More than 10 papers: Pa = 10 points | Must comply with | Form  TEC-1 with its respective attachments |

| Criterion 2: Specific Experience | | |
| --- | --- | --- |
| Requirement | Evaluation | Required Doc. |
| Minimum specific experience in consulting or audit work like those established in the TOR, in terms of complexity and amount: Must have executed, in the last 10 years, financial audits in operations with international financing or cooperation, for a minimum of 2 works:  The score (Pa) will be assigned according to the following:   * + - For 1 Audit: Pa = 0 points     - For 2 Audits: Pa = 5 points     - For 3 Audits: Pa = 10 points     - For 4 Audits: Pa = 15 points     - More than 4 audits: Pa = 20 puntos | *xx points* | Form TEC-2 with its respective attachments |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Criterion 3: Training and experience of proposed key professional personnel | | | | | |
| No. | Position (\*) | Criteria to be evaluated | Requirement | *Points (xx)* | Required Documentation |
| 1 | Audit Manager | Academic Background | Bachelor's degree in accounting/administration | Must comply with | Form TEC-4 with its support |
| General Experience | 10 years | *(---) points* |
| Specific Experience (\*\*) | 5 years | *(---) points* |
| 2 | Auditor-in-Charge | Academic Background | Bachelor's degree in accounting/administration | Must comply with |
| General Experience | 8 years | *(---) points* |
| Specific Experience (\*\*) | 5 years | *(---) points* |
| 3 | Assistant Auditor | Academic Background | Bachelor's degree in accounting/administration | Must comply with |
| General Experience | 5 years | *(---) points* |
| Specific Experience (\*\*) | 3 years | *(---) points* |

(\*) The personnel evaluated for the execution of the audit must be the one who performs the audit. If the firm is awarded the contract, it may not change it, except in the event of resignation or retirement of the professional from the firm. In this case, the substitute must be previously evaluated by the executing agency and must have the same or higher qualifications than the one replaced. If a firm is awarded the contract and one or more of the proposed professionals have obtained a score of zero (0) in this evaluation criterion, the professional(s) must be replaced prior to the signing of the contract; they must meet the mandatory requirements.

(\*\*) Specific experience refers to experience in financial audits in operations with international cooperation financing.

**Work methodology**

The proposal shall contain the methodology to achieve the general and specific objectives proposed for this Audit, in accordance with the TOR, detailing all the activities to be developed to obtain the expected products.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Criterion 4: Technical approach and proposed work methodology | | | | |
| No | Requirement | *Points (xx)* | Required Documentation |
|  | It presents the activities to be carried out, which are oriented to the achievement of the objectives and have technical coherence. | *(---) points* | Form  TEC-3 with its support |
|  | The methodology shall indicate   1. How the required activities will be carried out, 2. The methods and techniques to be used, 3. Products to be obtained in each phase | *(---) points* |
|  | The methodology shall indicate   1. Responsible for the activities, 2. Borrower/Beneficiary participation requirements. | *(---) points* |
|  | The proposal is feasible to carry out according to the conditions, resources, and availability of time | *(---) points* |
|  | Consistency with the work plan | *(---) points* |
|  | 1. Total | *(---) points* |  |

| Criterion 5: Work Plan and Execution Schedule | | | |
| --- | --- | --- | --- |
| No | Requirement | *Points (10)* | Required Documentation |
|  | The Work Plan shall indicate:   1. The activities contained in the TOR, 2. Duration of each activity (time frame) 3. Relationships between activities 4. Logical sequence of activities execution. | *(---) points* | Forms  TEC-5 |
|  | The Work Plan shall indicate   1. Dates for delivery of the reports. 2. Consistency with the technical approach and methodology. | *(---) points* |
|  | 1. Total | *(---) points* |  |

1. **Evaluation of the Financial Offer**

Based on the economic offer forms ECO-1, ECO-2, and ECO 3. The Evaluation Committee will only review the economic proposals of those qualified proposals whose technical evaluation is equal to or greater than the established minimum value, which is equal to ***80 points***.

When reviewing the economic proposals, the Evaluation Committee will determine the reasonableness of the price and the revised price of each proposal, making the necessary arithmetic corrections. Once the economic proposals have been reviewed and the arithmetic corrections, if any, have been confirmed.

1. **Most convenient proposal**

The Evaluation Committee will recommend the award of the contract to the most convenient proposal, which will be the one that:

1. Has a technical offer that obtains at least the established minimum technical score.
2. Present the lowest economic proposal.
3. Is not included in CABEI's list of Prohibited Counterparties or another CABEI ineligibility list.
4. Is not disqualified or declared ineligible or penalized for obtaining resources or awarding contracts financed by organizations recognized by CABEI.

## Forms

**Letter of confirmation of participation and presentation of the proposal**

Comparison of Qualifications No.:

Place and date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Sirs: *(Name and address of the Contracting Party)*

Dear Sirs:

We, the undersigned, hereby confirm our decision to participate in the process *(indicate the title of the audit services*) and offer to provide the audit services with our technical and economic Proposal.

Also, we further declare that:

1. We have reviewed the request for proposals, including amendments (if any) issued during this process, and have no reservations about it.
2. Our proposal shall be valid and binding upon us for a period of \_\_\_\_\_\_ days *(indicate 60 to 90 days)* from the date of expiration of the stated deadline for receipt of proposals.
3. We confirm our commitment to comply with the proposal if our firm *(full name of the audit firm)* is awarded the contract and is hired.
4. We agree that any false information or omission that may be contained in this proposal and/or its attachments may be grounds for disqualification of the proposal and declare that: We have not been suspended or declared ineligible by the Contracting Party in connection with the execution of a Proposal Maintenance Statement in the Contracting Party’s country.
5. It is understood that the documents submitted, and all the information attached to this proposal will be used by the Contracting Party to determine, at its discretion, the capacity to provide what is required through this process.
6. In competing for the Contract (and, if we are awarded the Contract, in performing it), we undertake to comply with the laws on fraud and corruption, including bribery, in force in the Contracting Party’s country.
7. We agree to negotiate a Contract that includes the Proposed Key Personnel. We accept that substitution of the Proposed Professionals for reasons other than those stated in the evaluation criteria may result in the termination of Contract negotiations.
8. We understand that this proposal, as well as your written acceptance of it, is binding between us and is subject to modification as a result of the Contract negotiations.

We understand that the Contracting Party is not obligated to accept any of the Proposals it receives.

Yours sincerely,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Authorized signature (full name and initials)

Name and position of the signatory: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Auditor's name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

In the capacity of: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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

Contact information (telephone and e-mail): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(In the case of an JV, either all members or only the principal must sign, in which case a power of attorney must be attached authorizing him/her to sign on behalf of all the other members).

**Affidavit**

Qualification Comparison Process No: *(Name and identification number of the process)*

I *(Name of the person accredited in the Power of Attorney)*, with identification document \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ number \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, in my capacity of legal representative of *(Name of the Audit Firm)*,

I certify and declare the following:

1. That my client, its agents, personnel, contractors, consultants, directors, officers, or shareholders have no relationship whatsoever, nor have they been involved in activities related to money laundering and financing of terrorism.
2. It is not in the call for creditors, bankruptcy, or liquidation.
3. Is not under judicial interdiction.
4. Has no Conflict of Interest in accordance with CABEI's Procurement Policy.
5. That my client, its agents, personnel, contractors, consultants, directors, officers, or shareholders are not included in the CABEI´s List of Prohibited Counterparties or any other ineligibility list of CABEI.
6. That my client, its agents, personnel, contractors, consultants, directors, officers, or shareholders have not been disqualified or declared by an entity or authority as ineligible to obtain resources or to be awarded contracts financed by any other entity, while the sanction is in force.
7. That my client, its agents, personnel, contractors, consultants, directors, officers, or shareholders have not been found guilty of crimes or sanctions related to Prohibited Practices by the competent authority.
8. That my client has no history of breach of contract in the last 10 years.

Also, I authorize the corresponding *(Name of Contracting Party)* and the Central American Bank for Economic Integration (CABEI) to carry out the verifications it deems pertinent to corroborate the above with any search system or database that the Contracting Party or CABEI may have available for such purposes, as well as with any competent authority that may be deemed necessary.

Likewise, I certify and declare that I know the origin of the funds of my client's assets and that they do not come from any illicit activity.

Finally, and if applicable, I declare that the funds provided will be managed in accordance with best practices, transparency, and integrity and at no time will be used for illicit activities.

We further declare that immediate notice will be given to the Contracting Party and CABEI in the event of any change in the conditions at a later time.

We agree that the Contracting Party shall have the right to exclude us from this process if the information provided in this Affidavit is false or if the change of condition occurs at a time after the delivery of this Affidavit.

**Auditor:** *(Auditor's full name)*

**Name:** *(Full name of person signing)*

**Position:** *(of the signer)*

**Signature***: (signature of the person whose name and title appear above).*

**Date***: (day, month, and year in which the offer is signed)*

In the case of proposals submitted by a JV, the form must be submitted by all JV members.

Audit Firm Identification Form

Date: *(indicate day, month, and year of submission of the proposal).*

N.°: *(indicate the process number).*

* + 1. Name of audit firm: *(indicate the legal name of the firm)*
    2. If a JV, legal name of each member *(indicate the legal name of each JV member)*
    3. Country where the audit firm is legally incorporated: *(Country where the firm is legally incorporated)*
    4. Year of incorporation of the audit firm *(indicate the year of incorporation of the audit firm)*
    5. Address of the firm *(indicate the Bidder's legal address)*
    6. Information of the authorized representative of the audit firm:

Name: *(indicate the name of the authorized representative)*

Address: *(indicate the address of the authorized representative)*

Telephone number: *(indicate the telephone numbers of the authorized representative)*

E-mail address: *(indicate the e-mail address of the authorized representative).*

* + 1. Copies of the following original documents are attached: *(check the appropriate boxes)*

Articles of Incorporation (or equivalent documents of incorporation or association) and/or the registration documents of the legal entity mentioned above,

If JV, letter of intent to form JV, or the JV Agreement

**Form TEC-1**

**Organization and experience of the Audit Firm *(applies only to public bidding)***

*Form TEC-1: Include a brief description of the Audit Firm's organization and a summary of the Audit Firm's recent experience that is most relevant to the work. In the case of a JV, information should be provided on similar work performed by each member. The summary should indicate the name of the Lead Experts involved in each of these assignments, the duration, the amount of the engagement (the total and, if in the form of a JV), the amount paid to the auditor and the role/participation of the auditor.*

**A. Organization of the Audit Firm**

*1. Please provide here a brief description of the background and organization of the firm and, if it is a JV, of each of the members associated for this work.*

*2. Include a diagram of the organization and a list of Board members and beneficial owners.*

**B. Experience of the Audit Firm**

*1.* *List only similar past work that you have successfully completed in the period indicated in evaluation criterion No. 1.*

*2. List only work for which the Audit Firm has been legally engaged by the Contracting Party as a firm or in which it has been a member of the JV. Work performed by the Audit Firm's Experts privately or through other audit firms may not be listed as part of the relevant experience of the Audit Firm, nor of the partners, but may be included in the resumes of the Experts themselves. The Audit Firm shall be prepared to demonstrate the stated experience by submitting copies of the respective documents and references, if requested by the Contracting Party.*

| **Duration** | **Name of the work and brief description of the main products/outcomes** | **Name of Contracting Party and country where the work was carried out** | **Approximate contract value**  **(in USD) / Amount paid at signature** | **Job Function** |
| --- | --- | --- | --- | --- |
| *(For example, January 2009-April 2010)* |  | *(For example, Ministry of..., country)* | *(For example, USD 1 million / USD 0.5 million)* | *(For example, senior partner in JV A&B&C)* |
| *(For example, January-May 2008)* |  | *(For example, Municipality of..., country)* | *(For example, USD 0.2 million / USD 0.2 million)* | *(For example, Sole Consultant)* |

**Form TEC 2- Specific experience of the Audit Firm**

List only similar past work that you have successfully completed in the period indicated in evaluation criterion No.2.

List only work for which the Audit Firm has been legally contracted by the Contracting Party as a firm or in which it has been one of the members of the JV. Work performed by the Audit Firm's Experts privately or through other audit firms may not be listed as part of the relevant experience of the Audit Firm, nor of the partners, but may be included in the resumes of the Experts themselves. The Audit Firm shall be prepared to demonstrate the stated experience by submitting copies of the respective documents and references, if requested by the Contracting Party.

**Form TEC-3**

**Description of the technical approach, methodology and work plan to be applied to carry out the task.**

Description of the approach, methodology and plan to be used to perform the work, with detailed description of the proposed methodology.

*(Suggested structure for your Technical Proposal).*

* + - 1. Technical approach and methodology. (In this chapter the Audit Firm should explain its understanding of the objectives of the work, knowledge of the Executing Agency and its systems, preliminary risk levels, execution mechanisms and therefore the audit approach, methodology for carrying out the activities described and detailed schedule to obtain the expected product (number, characteristics, and quality of reports), proposed and specific to the work and Sector related to the SP. Please do not repeat or copy the Terms of Reference here.
      2. *Work plan and personnel. This chapter will elaborate in more detail on the described activities and work schedule by identifying the main activities of the work, their content and duration, phases and their relationship to each other, milestones, and reporting deadlines. The proposed work plan should be consistent with the technical approach and methodology, demonstrating an understanding of the Terms of Reference and ability to translate them into a feasible work plan. This should include a list of the reports (number, characteristics, and quality of reports), which should be presented as the deliverable. The work plan should be consistent with the work schedule form.*
      3. *Organization and assignment of personnel.* T*his chapter should propose the structure and composition of your team (including an organization chart of the professionals involved in the technical Proposal). It should detail the main disciplines of the work, the key specialist responsible, and the designated technical and support staff.*

**FORM TEC- 4 Composition of the team and assignment of responsibilities**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **N°** | **Name** | **Position** | **Type of Dedication** | **Expert time (in person-months) corresponding to each product** | | | | | | | | | | **Total time (in months) of**  **Dedication to work** | | | | | |
| **Month 1** | **Month 2** | | **Month 3** | | **........** | | **Mont ...** | |  | **Base** | | **Field** | | | **Total** |
| **Key professional staff (Assessed in the evaluation criteria)** | | | | | | | | | | | | | | | | | | | |
| 1 | *Name of proposed key personnel*  *e.g.: Mr. Perez* | *(Audit Manager)* | Base | *0.25 month* | *0.20 month* | | *0.10 month* | |  | |  | |  |  | |  | | |  |
| Field | *0.50 month* | *0.50 month* | | *0.50 month* | |  | | *0.50 month* | |  |  | |  | | |
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|  |  |  |  |  |  |  | |  |  | **Sub-total** | | | | |  | |  |  | |
| **Other proposed personnel (Not assessed in the evaluation criteria)** | | | | | | | | | | | | | | | | | | | |
| 1 | *Name of personnel* | *Position* | Base | *0.25 month* | *0.20 month* | | *0.10 month* | |  | | *0.0 month* | |  |  | |  | | |  |
| Field | *0.50 month* | *0.50 month* | | *0.50 month* | |  | | *0.50 month* | |  |  | |  | | |  |
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|  |  |  |  |  |  |  | |  |  |  | | **Sub-total** | | |  | |  |  | |
|  |  |  |  |  |  |  | |  |  |  | | **Total** | | |  | |  |  | |

1 In the case of key professional personnel, the time should be indicated individually for the same positions as indicated in the evaluation criteria.

2 Months are considered from the start of the audit services, one month equals twenty-two (22) working (billable) days and a working (billable) day cannot be less than eight (8) working (billable) hours.

3 "Base" refers to work in the office of the professional's country of residence. "Field" refers to work performed in the Contracting Party's country or in any country other than the professional's country of residence.

**FORM TEC-4 (CONTINUATION)**

**Resume of Proposed Key Professional Staff**

|  |  |
| --- | --- |
| 1. Proposed position: *(only one candidate shall be nominated for each position):* | |
| 1. Auditor's name: *(insert the name of the auditor proposing the candidate):* | |
| 1. Name of individual*: (insert full name):* | |
| 1. Date of Birth: *(insert date)* | Nationality: *(insert nationality)* |
| 1. Education: *(Indicate the names of the individual's universities and other specialized studies, giving the names of the institutions, degrees obtained and the dates on which they were obtained.)* | |
| 1. Professional associations to which the individual belongs: | |
| 1. Other specialties *(Indicate other significant studies after having obtained the degrees indicated in number 5 - Where did he/she obtain your education?)*: | |
| 1. Countries where the individual have work experience *(List the countries where the individual has worked in the last ten years):* | |
| 1. Languages *(For each language indicate the degree of proficiency: good, fair, poor, in speaking, reading, and writing):* 2. Employment History *(Beginning with the current position, list in chronological order the positions held since the candidate graduated, indicating for each job, the activities performed as part of that employment, dates of employment, name of organization and positions held):* | |
| From (*Year and month):* \_\_\_\_\_\_\_\_\_\_\_\_ To *(Year and month)* \_\_\_\_\_\_\_\_\_\_\_\_  Company: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Positions and functions performed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | |

**Certification:**

I, the undersigned, certify that,

* + - * 1. I have been informed by the *(add name of the auditor)* that my resume will be included in the proposal for the competition process No: *(indicate the number and name of the audit services)*.
        2. To my best knowledge and understanding, this curriculum correctly describes my person, my qualifications, and my experience.
        3. I accept that any false data or omission that may contain this resume and its annexes may be a justifiable element to obtain a score of 0 in the evaluation.

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

*(Signature of the proposed person)*  Day/ Month/ Year

**Auditor's Certification:**

I, as an authorized representative of *(Name of the Auditor)*, certify that I have obtained the consent of the professional to include his/her resume in the proposal of the process *(Name of the Process)*, and that the professional has declared that he/she will be available to perform the work in accordance with the provisions of execution and schedule indicated in the proposal.

Full name of bidder's representative: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature of the representative Date (day, month, year)

**Form TEC 5- Work Schedule**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| No. | **Activity\*** | Months\*\* | | | | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | n |
|  | | | |  |  |  |  |  |  |  |  |  |  |  |
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|  | |  | | | | | | | | | **Total** | | | |

\*Indicate all major activities of the work, including report delivery (e.g., initial, interim, final reports), and other milestones such as approvals by the Contracting Party. For multi-phase tasks, indicate separately the activities, reporting and milestones for each phase.

\*\* Activity durations should be indicated on a bar chart.

**FORM ECO-1**

**Submission of Financial Proposal**

Date: \_\_\_\_\_\_from \_\_\_\_\_\_\_\_\_\_\_\_\_of \_\_\_\_\_\_\_\_\_

Sir/Madam *(name of the Contracting Party)*

*(Name and number of the process)*

We, the undersigned, offer to provide auditing services for *(indicate the title of the work)* in accordance with the documentation received to submit the proposal dated *(indicate date)* within the framework of the terms of reference that form an integral part of the request and with our technical proposal.

The attached financial proposal is for a total closed amount of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *(Write currency and amount in numbers and letters)*. This figure does not include local taxes which will be identified during negotiations and will be added to the above figure.

Our Financial Offer shall be valid and binding upon us, subject to modifications arising from Contract negotiations, for the period set forth in the letter of proposal.

If there are any commissions or gratuities, paid or to be paid by us to agents in connection with this proposal and the execution of the Contract if awarded to us, they are set forth as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Name and address  of the receiver |  | Amount and currency |  | Commission objective  or bonus |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

*(If there are no commissions or bonuses, indicate "none")*

We understand and agree that the Contracting Party is not obligated to accept any proposals received by the Contractor.

Sincerely,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Authorized signature (full name and initials)

Name and position of the signatory: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name of Consultant (name of company or JV): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

In the capacity of: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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

Contact information (phone and e-mail): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*(In the case of a JV, either all members or only the principal must sign, in which case a power of attorney must be attached authorizing him/her to sign on behalf of all the other members).*

**FORM ECO- 2**

**Cost Summary**

|  |  |
| --- | --- |
| **Concept** | **Costs in**  *(Indicate currency)* |
| **Cost of the Financial Proposal** |  |
| 1. Remunerations *(break down professional fees)* |  |
|  |  |
|  |  |
|  |  |
| 1. Reimbursable expenses |  |
|  |  |
|  |  |
| **Cost of the Financial proposal (\*\*):** |  |
| **Estimated amount of local indirect taxes, to be analyzed and finalized during negotiations if the Contract is awarded** | |
| 1. *(Enter the type of tax, for example, VAT or sales tax).* |  |
| 1. *(For example, income tax for non-resident experts).* |  |
| 1. *(Please indicate the type of tax).* |  |
| Estimated total local indirect taxes: |  |

*(\*) Must match the amount listed on the ECO-1 form.*

**FORM ECO- 3**

**Breakdown of Remuneration**

*When this form is used in connection with Lump Sum Contract work, the information contained herein shall only be used to demonstrate the basis for the calculation of the Contract ceiling amount, to calculate applicable taxes during the Contract negotiations stage and, if necessary, to determine payments to the Audit Firm for any additional services requested by the Contracting Party. This form shall not be used as a basis for payments under Lump Sum Contracts.*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No.** | **Name** | **Position** | **Person-months remuneration rate** | **Dedication in months** | **Total** |
| Key professional staff (assessed in the evaluation criteria) | | | | | |
| 1 | *Name of the proposed person* | *Position* | Base: *(Indicate rate)* |  |  |
| Field: *(Indicate rate*) |  |  |
| 2 |  |  |  |  |  |
|  |  |  |
| n |  |  |  |  |  |
|  |  |  |
| Other proposed personnel (Not assessed in the evaluation criteria) | | | | | |
| 1 | *Name of the proposed person* | *Position* | Base: *(Indicate rate)* |  |  |
| Field: *(Indicate rate*) |  |  |
| 2 |  |  |  |  |  |
|  |  |  |
| n |  |  |  |  |  |
|  |  |  |
| **Total costs** | | | | |  |

Dedication in months: Total in months of dedication to the audit.

## Contract Model

**External Auditing Services**

**Lump Sum**

**Preface**

*1. The standard contract template consists of four parts: the standard contract template itself to be signed by the Contracting Party and the audit firm, the General Conditions of Contract (GCC) (including Annex 1, "Fraud and Corruption"), the Particular Conditions of Contract (PCC) and the Annexes.*

*2. The General Conditions of the Contract, including Annex 1, "Fraud and Corruption", may not be modified. The Particular Conditions of the Contract, which contain specific clauses, are intended to supplement - but not replace or contradict - the General Conditions.*

**CONTRACT FOR EXTERNAL AUDIT SERVICES**

**Lump Sum**

Name of the Operation: *(Indicate name of the financing operation)*

Number of the Operation: *(Indicate number of the financing operation)*

Name of the work: *(Indicate the name of the work to be performed)*

Contract No: *(Indicate the number of the contract)*

between

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Name of the Contracting Party]

and

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Name of Audit Firm]

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

***Contract Model***

**External Auditing Services Contract**

*(This format is only indicative of the minimum requirements and provisions to be included in the contract).*

This **Contract for the Provision of Consultancy Services** is celebrated in *(indicate the place)* on *(indicate the date)* between *(indicate the full name of the Contracting Party)*, hereinafter the **Contracting Party**, represented by *(indicate the name and appointment of the authorized representative)* and (indicate the full name of the audit firm), hereinafter the **Audit Firm**, represented by *(indicate the full name of the legal representative of the audit firm)*. Both hereinafter and jointly referred as the **Parties**.

DECLARES THE CONTRACTING PARTY:

1. *(Indicate the legal requirements, which, according to national law, must be based on an administrative contract. Among others, legal description of the entity, address, data of the documents that grant power of representation to its representative)*
2. That after the completion of an award procedure in respect of the auditing services consisting of *(briefly describe the auditing services object of the contract)* has accepted the proposal of the Audit Firm for the execution of these services, for the sum of *(indicate the Contract Price expressed in number and letter in the different currencies of which it is composed, if applicable)* (hereinafter the "Contract Price").

DECLARES THE AUDIT FIRM:

1. *(Indicar los requisitos legales, que, conforme a la legislación nacional, tengan que asentarse en un contrato administrativo. Entre otros, descripción jurídica de la entidad, dirección, datos de los documentos que otorgan poder de representación a su representante)*
2. That it has accepted the award in respect of the Audit services consisting of *(briefly describe the Audit services which are the subject of the contract)* and that the Contract Price stated by the Contracting Party corresponds to its bid for such services.

THE PARTIES AGREE AS FOLLOWS:

1. **Interpretation**
2. In this Contract, words and expressions shall have the same meaning assigned to them in the respective terms and conditions of the Contract to which they refer.
3. In addition to the provisions of paragraph 1, the interpretation of the Contract shall be governed by the provisions of the General Conditions of Contract.
4. **Order of priority of the contractual documents**
5. The following documents constitute the Contract between the Contracting Party and the Consultant, and shall be read and interpreted as an integral part of the Contract:
6. This Contract.
7. The Particular Conditions of the Contract.
8. The General Conditions of the Contract.
9. The Annexes to the Contract
   1. Annex I – Agreed Terms of Reference
   2. Annex II – Integrity Provisions
   3. Annex III – Reporting/Deliverable Requirements and Delivery Schedule
   4. Annex IV – Key Professional Staff of the Audit and Sub-Consultants
   5. Annex V – Breakdown of the Contract price
   6. Guarantee forms
   7. Other forms
10. The Auditor's Proposal; and
11. The Letter of Acceptance issued by the Contracting Party.
12. *(Add here any other documents that would form part of the contract)*
13. This Contract shall prevail over all other contract documents. In the event of any discrepancy or inconsistency between the Contract documents, the documents shall prevail in the order set forth above.
14. Subject to the order of precedence established, all documents forming an integral part of the Contract are correlative, complementary, and mutually explanatory. The contract must be read as a whole in an integral manner.
15. **Obligations of the Audit Firm and the Contracting Party**
16. In consideration of the payments to be made by the Contracting Party to the Consultant under the terms of this Contract, the Audit Firm will perform the Auditing Services for the Contracting Party in accordance with all respects with the provisions of the Contract.
17. The Contracting Party will pay the Audit Firm for the performance of the Audit Services the Contract Price or the sums that become payable in accordance with the provisions of the Contract within the time and in the manner prescribed therein.
18. The Parties undertake to act in good faith as to the rights of the other party under this Contract and to take all reasonable steps to ensure compliance with the objectives of this Contract.

**Being aware of its contents and scope**, the Parties hereby execute this Contract in accordance with the applicable legislation as defined in the General Conditions of the Contract on the day, month and year indicated above.

|  |  |
| --- | --- |
| For and on behalf of the **Contracting Party**  *(Indicate name and title or other designation of the Contracting Party’s representative)* | For and on behalf of the **Audit Firm**  *(Indicate the name of the authorized representative of the Audit Firm)* |
| Signature | Signature |

*(In the case of an JV, all members must sign or only the principal member, in which case a power of attorney must be attached authorizing him/her to sign on behalf of all other members).*

For and on behalf of each member of the Audit Firm (insert name of JV)

*(Name of main member)*

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

*(Authorized representative acting on behalf of JV)*

*(Add spaces for signatures of each member if all sign)*

**General Conditions of Contract**

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**General Conditions of Contract**

*(This section includes the general clauses to be included in all contracts for the provision of lump sum auditing services. The text of this section shall not be modified.)*

The Contract, the following General Conditions of the Contract (GCC), together with the Particular Conditions of the Contract (PCC) and other documents listed in the contract, constitute a complete document that establish the rights and obligations of the Parties.

| **General Conditions of Contract** | |
| --- | --- |
| * + 1. General Dispositions | |
| * + 1. Definitions | |
| 1.1 | In the Conditions of the Contract - which include these General Conditions and the Particular Conditions - the following words and expressions shall have the following meanings: |
|  | 1. **Applicable Law / Legislation.** Means the laws and other instruments having the force of law as specified in clause 8 of the GCC, which are enacted and enter into force from time to time. |
|  | 1. **Associate:** Refers to each of the members of a JV, if the Audit Firm is an JV. |
|  | 1. **Audit Firm:** Is the legal entity, which is commissioned to provide its intellectual services for an Audit, related to a subject matter in which it has specialized knowledge and experience, whose bid to perform the Contract has been accepted by the Contracting Party and is named as such in the Contract. |
|  | 1. **Audit Services:** Means the work to be performed by the Audit Firm in accordance with this Contract, as described in Annex I (Agreed Terms of Reference). |
|  | 1. **Bank:** Is the Central American Bank for Economic Integration. |
|  | 1. **Borrower/Beneficiary**: A public legal entity, indicated in the PCC, that has signed a contract or agreement for the financing of an operation with CABEI and generally appoints an executing agency for its execution. |
|  | 1. **Contract:** Means the legally binding written agreement signed by the Contracting Party and the Audit Firm and including all the documents listed in the contract |
|  | 1. **Contracting Party:** Is the entity that contracts the auditing services, as indicated in the Particular Conditions of Contract (PCC). |
|  | 1. **Days:** Refers to calendar days; except when "business days" is specified. |
|  | 1. **Effective date:**  Means the date on which this Contract comes into force and effect pursuant to GCC Sub-Clause 20.1. |
|  | 1. **Foreign currency:** Is any currency other than that of the Contracting Party's country. |
|  | 1. **GCC:** Means the General Conditions of the Contract. |
|  | 1. **Government:** The Government of the Contracting Party's country means the Government of the Contracting Party's country. |
|  | 1. **JV:** "Joint Venture, Consortium or Association (JV)" means an association with or without legal personality distinct from that of its members, consisting of more than one Audit Firm, in which one member has the authority to perform all business activities for and on behalf of one or all of the other members of the association, and whose members are jointly and severally liable to the Contracting Party for the performance of the Contract. |
|  | 1. **Key professional staff:** Collectively, the Specialists or any other members of the Audit Firm's staff, members of the sub-consultants, or members of the JV members (if any) with skills, qualifications, knowledge, and experience essential to the provision of the Audit Services or any part thereof under the Contract. |
|  | 1. **National currency:** is the currency of the Contracting Party's country. |
|  | 1. **Party:** The Contracting Party or the Audit Firm, as the context may require.   **Parties:** means the Contracting Party and the Audit Firm. |
|  | 1. **PCC:** The Particular Conditions of the Contract, by means of which the GCC may be modified or supplemented, but never replaced. |
|  | 1. **Responsible Partner**: The member of JV, referred to in **clause 5.1 of the CPC**, to act on behalf of JV and to exercise the Audit Firm's rights and obligations to the Contracting Party under the Contract. |
|  | 1. **Specialists:** Any professional with skills, qualifications, knowledge, and experience essential for the provision of the Audit Services stipulated in the Contract and whose résumé was considered during the technical evaluation of the Audit Firm's proposal. |
|  | 1. **Sub-consultant:** Any natural or legal person with whom the Audit Firm has subcontracted the partial performance of any part of the Audit Services, without thereby ceasing to have exclusive responsibility for the Contract. |
| 2. **Integrity provisions** | |
| 2.1 | The borrower / Beneficiary, the Contracting Party, the Audit Firm and all natural or legal persons participating or providing services in projects or operations financed directly or indirectly by the Bank and under any condition, shall be subject to compliance with the provisions set forth in Annex II (Integrity Provisions). |
| 2.2 | The Contracting Party requires the Audit Firm to provide information on commissions or fees, if any, paid or payable to agents or third parties in connection with the selection process or the execution of the Contract. The information provided must include at least the name and address of the agent or other party, the amount and currency, and the purpose of the commission, gratuity, or fee. Failure to comply with this requirement may result in the termination of the Contract or sanctions imposed by the Bank. |
| 3. **Interpretation** | |
| 3.1 | Except where the context otherwise requires:   1. words in singular also include plural and words in plural also include the singular. 2. words indicating a gender include all genders. 3. provisions including the word “accept”, “agreed” or “agreement” require that the agreement be recorded in writing; and signed by both parties. 4. "written" or "by written" means handwritten, typewritten, printed or produced electronically if it results in a continuous record. |
| 3.2 | The titles and headings used in this Contract are for reference purposes only and will not limit, alter, or affect the meaning or interpretation of the Contract for any purpose. |
| 3.3 | **Entire agreement**  The Contract constitutes the entirety of what is agreed between the Contracting Party and the Audit Firm and supersedes all communications, negotiations, and agreements (written or oral) made between the parties prior to the date of conclusion of the Contract. |
| 3.4 | **Amendment**  No amendment or other variation to the Contract shall be valid unless made in writing, dated, expressly referred to the Contract, and signed by a duly authorized representative of each party. |
| 3.5 | **Divisibility**  If any provision or condition of the Contract were prohibited declared illegal, voided, invalid or unenforceable, in its entirety or partly, such prohibition, nullity, invalidity or lack of execution shall not affect the validity or performance of the other provisions or conditions of the Contract. |
| 4. Language | |
| 4.1 | The language governing the Contract and communications between the Parties shall be the official language of the Contracting Party, as detailed in the PCC. |
| 4.2 | Documents relating to the Contract and all printed documentation forming part of the Contract may be in another language if they are accompanied by a precise translation of the relevant contents into the official language detailed in clause 4.1 of the PCC. In case of conflicts of interpretation, the translation shall prevail. |
| 4.3 | The Audit Firm will be responsible for all costs involved in translating the documents (to the official language detailed in clause 4.1 of the PCC) that it provides in other language, as well as for all risks arising from possible inaccuracies in the Contract. |
| 5. Joint Venture, Consortium or Association (JV) | |
|  | If the Audit Firm is JV, the members authorize the member named in the **PCC** to exercise on its behalf all rights and perform all the Audit Firm’s obligations to the Contracting Party under this contract, including, but not limited to, receiving instructions, and receiving payments from the Contracting Party. The composition or constitution of the JV may not be altered without the Contracting Party's prior written consent. |
| 1. Origin of Sub-consultants | |
|  | The Sub-consultants may be from any country, unless otherwise specified in the **PCC**. |
| 1. Notifications and Communications between the Parties | |
|  | Any notice or communication between the Parties pursuant to the Contract shall be in writing in the language specified in GCC Clause 4.1. |
|  | The physical and electronic address for the receipt of notifications between the Parties shall be that specified in **the PCC**. This address may be changed provided that the Party changing its address informs the other Party in writing of such change of address. |
|  | A notification shall be effective on the latest date between the date of delivery of the notification and the date indicated in the notification. |
| 1. Applicable law | |
|  | The Contract shall be governed by the laws of the Contracting Party’s country and shall be construed in accordance with such laws unless otherwise stated in the **PCC**. |
|  | The Audit Firm shall provide the Services in accordance with the contract and the provisions of clause 8.1 of the GCC, shall take all possible measures to ensure that all its Experts and Sub-Consultants comply with the Applicable Legislation. |
|  | During the performance of the Contract, the Audit Firm shall comply with the laws prohibiting the importation of goods and services into the country of the Contracting Party when, pursuant to a decision of the United Nations Security Council adopted under Chapter VII of the Charter of that body, the country of the Borrower prohibits the importation of products from that country or payments to a country, or to a person or entity in that country. |
| 1. Dispute resolution | |
|  | For the purposes of this clause, a dispute shall be understood to be any discrepancy on technical, financial, administrative, legal, environmental or any other matter arising between the Contracting Party and the Audit Firm, including the decisions of the parties, as a result of the execution of this contract. |
|  | In the event of any dispute or claim arising from or relating to this Contract or its breach, the Parties shall make every effort to consult and negotiate with each other and, recognizing their common interests, will try to reach a satisfactory solution to the controversy. Where appropriate, the resolution adopted on the matter shall be in writing and signed by both Parties |
|  | If an agreement is not concluded in accordance with the sub-clause above, the controversy will be submitted to conciliation, mediation, amicable composition, or other alternative of extrajudicial resolution of conflict as indicated in **the PCC**. Where appropriate, these mechanisms will prior to arbitration. |
|  | If the parties have not been able to resolve the controversy or dispute within the time limit indicated in **the** **PCC** through the negotiations set out in Sub-Clause 9.2 of the GCC and the procedure set out in Sub-Clause 9.3. of the GCC, either Party may notify the other Party of its intention to commence arbitration on the matter in dispute. No arbitration may be commenced with respect to such matter unless such notice is given. Any dispute with respect to which notice of intent to commence arbitration has been given pursuant to this Clause shall be finally resolved by arbitration.  Arbitration may be commenced before or after termination of the services. Arbitration proceedings shall be conducted in accordance with the rules of procedure specified in **the PCC**. |
|  | Notwithstanding any reference to arbitration or any other dispute resolution mechanism herein   1. the Parties will continue to comply with their respective obligations under the Contract unless otherwise agreed; and 2. the Contracting Party shall pay the Audit Firm any money owed that is not part of the subject matter of the dispute. |
| 1. Job Independence | |
|  | Nothing in this Contract may be construed to mean that there is a dependency of employment or of principal and agent between the Contracting Party and the Audit Firm. |
|  | The Audit Firm will execute the Contract with its own equipment and personnel and with technical and managerial autonomy. The responsibility of such personnel will be at the sole expense of the Audit Firm. Neither the Audit Firm nor the personnel employed and hired by the Audit Firm for the development of the Contract will have an employment relationship with the Contracting Party and, therefore, concepts such as fees, salaries, benefits, subsidies, affiliations, indemnities, etc., that accrue due to or on the occasion of the Audit Services or such personnel will be assumed exclusively by the Audit Firm. |
| 1. Authorized Representatives | |
|  | Persons designated as authorized representatives designated in the **PCC,** may take any action that the Contracting Party or the Audit Firm shall or may take under this Contract and may sign on their behalf any document that under this Contract shall or may be signed. |
| 1. Confidentiality | |
|  | The Parties shall maintain the strictest confidentiality with respect to all information indicated in the **PCC** as confidential to which they will have or have had access pursuant to the contract and which includes information that has been provided by one Party to the other in writing, either by electronic and/or printed means, or that information to which they have had access directly or indirectly provided by the other party in connection with the Contract before, during or after its performance.  This obligation of confidentiality extends to all sub-consultants, and officials used or associated with the performance of the Auditing Services covered by the Contract by the Parties. |
|  | The Parties guarantee that such information shall be treated as strictly confidential, and the Audit Firm may only use it for activities or functions directly related to the provision and execution of the Audit Services that are the object of the Contract, and the disclosure, reproduction, or disposal in any form of the provided information or that to which it has access or knowledge by virtue of the Contract, is prohibited. |
|  | The confidentiality provisions are also applicable to the recommendations made by the Audit Firm during the performance of the Audit Services or to the results derived from them. |
|  | The obligation of the Parties pursuant to GCC Sub-Clauses 12.1 and 12.3 above shall not apply to information which:   1. The Contracting Party or the Audit Firm requires to share with the Bank or other institutions participating in the financing of the Contract, indicating the confidential nature of such information. 2. Currently or in the future becomes public domain without infringement by either Party. 3. It can be proven that it was in the possession of that Party at the time it was disclosed and was not previously obtained directly or indirectly from the other Party; or 4. Otherwise, it was legally made available to that Party by a third party that had no obligation of confidentiality. 5. It is credited with being developed independently by the Receiving Party without the use of confidential information. 6. Requires disclosure by law or court order issued by a court with jurisdiction. |
|  | The confidentiality obligations assumed by the Parties under the provisions contained in clause 12 shall remain uninterrupted for a period of 2 years from the termination of the services or the termination of the contract (whichever comes first) unless another period is established in the **PCC**. |
| 1. Conflict of Interest | |
|  | The Audit Firm shall strictly avoid any conflict of interest with other assigned works or with the interests of its company and give due importance to the interests of the Contracting Party, without any consideration for any future work, and shall communicate this obligation to its sub-consultants, its Specialists, its staff, and any person authorized to represent it or make decisions on its behalf. |
|  | The Audit Firm has an obligation to disclose any actual or potential conflict of interest situation that has an impact on its ability to serve the interests of the Contracting Party, or that can reasonably be considered to have such effect and will ensure that its Specialists and sub-consultants respond in the same manner. Failure to disclose such situations may result in termination of the Contract. |
|  | During the term of the Contract, neither the Audit Firm, including all its Specialists and its staff, nor its sub-consultants may:   1. Engage directly or indirectly in commercial or professional activities in the Country of the Contracting Party that are incompatible with its obligations under the Contract, 2. Hire public employees in activity or on any type of license to perform activities under this Contract, 3. The Audit Firm agrees that, both during the term of this Contract and after its termination, neither the Audit Firm nor any of its affiliates, nor any sub-consultant or affiliate thereof, may furnish goods, construct work, or perform any non-audit services that are derived from or directly related to the Audit Firm's Services for the preparation or performance of the Project. 4. Any other activity that is **specified in the PCC**. |
|  | At the conclusion of the Contract, neither the Audit Firm nor his sub-consultants may carry out the activities **specified in the PCC**. |
|  | Payments to be made to the Audit Firm pursuant to Section E of these GCC (GCC Clauses 38 to 42) constitute the Audit Firm's sole payment in connection with this Contract, and neither the Audit Firm nor its sub-consultants or Specialists shall accept for their benefit any commission, discount, or similar payment in connection with the activities related to this Contract or in the performance of its obligations under this Contract. |
|  | In addition, if the Audit Firm, as part of the Services, is responsible for advising the Contracting Party on the procurement of goods, works or services, it shall comply with the Bank's applicable procurement regulations and shall always exercise such responsibility in the best interests of the Contracting Party. Any discount or commission obtained by the Audit Firm in the exercise of such procurement responsibilities shall result in the benefit of the Contracting Party. |
| 1. Fortuitous event of force majeure | |
|  | For the purposes of this Contract, an event that could not have been foreseen - but, even if it had been, could not have been avoided or resisted, which is beyond the control of the Parties and which does not originate from the carelessness or negligence of any of the Parties, is understood without prejudice or force majeure. The events of force majeure or fortuitous event make it impossible or very impractical to comply with contractual obligations, even if the greatest possible diligence has been acted upon and yet the unforeseeable event that makes compliance impossible has occurred.  Without limitation, such events may include governmental acts and resolutions in its sovereign capacity, wars or revolutions, hostage-taking, seizure of facilities or the project site, crisis, terrorist acts, sabotage, blockades, fires, floods, earthquakes, explosions, hurricanes, epidemics, quarantine restrictions, cargo seizures and other causes recognized as force majeure or fortuitous event. |
|  | Neither Party shall be liable to the other for reasons arising out of fortuitous circumstances or force majeure. Any cause of force majeure or fortuitous event, however in the public domain, shall be documented by the Party suffering from it and shall be notified to the other Party as soon as possible and take all reasonable precautions, with due care and appropriate alternative measures taken to comply, as best as possible, with the terms and conditions of this Contract. |
|  | The Party affected by an event of force majeure shall continue to perform its obligations under this Contract whenever possible and shall take all reasonable measures to mitigate the consequences of any event of force majeure. |
|  | The Party affected by an event of force majeure shall notify the other Party of such event as soon as possible and, in any event, no later than fourteen (14) calendar days after the event occurred, providing evidence of its nature and origin; it shall also notify in writing of the normalization of the situation as soon as possible. |
|  | The period within which a Party is required to perform an activity or task under this Contract shall be extended for a period equal to that during which that Party was unable to perform such activity as a result of an event of force majeure. |
|  | During the period of inability to provide the Services as a result of an event of force majeure, the Audit Firm, with instructions from the Contracting Party, shall:   1. Withdraw, in which case the Audit Firm will be reimbursed for the reasonable and necessary additional costs incurred, and if required by the Contracting Party, for reactivating the services, or 2. Continue to provide the Services to the extent possible, in which case the Audit Firm will be remunerated in accordance with the terms of this Contract and reimbursed for any reasonable and necessary additional costs incurred. |
|  | Where there are discrepancies between the Parties as to the existence or magnitude of the force majeure event, these shall be resolved in accordance with the provisions of clause 9 of the GCC. |
| 1. Bank inspections and audits | |
|  | The Audit Firm shall permit and make all arrangements for its Sub-consultants to permit the Bank and/or the Bank's designees to conduct oversight in accordance with applicable oversight procedures and to review the accounts and accounting records of the Audit Firm and its sub-consultants related to the selection process and the execution of the contract and, if required, to conduct audits by auditors designated by the Bank. |
|  | The Audit Firm shall maintain all documents and records relating to the Contract in accordance with applicable law, but, in any event, for at least the term set forth **in the PCC** from the date of substantial performance of the Contract. |
|  | The Audit Firm and its sub-consultants shall consider the provisions of GCC Sub-Clause 2.1 which states that actions aimed at impeding the exercise of the Bank's rights to audit and supervise, constitute a prohibited practice subject to termination of the contract in addition to a determination of ineligibility under the Bank's existing sanctions procedures. |
| 1. Cession | |
|  | The Audit Firm shall not assign, transfer, commit or otherwise have the Contract or any part thereof or the rights, titles, or duties under this Contract. Failure to comply with this obligation shall be grounds for termination of the contract. |
| * + 1. Scope of the Auditing Services and Audit Firm Obligations | |
| 1. Scope of Audit Services | |
|  | The Audit Services covered by the Contract are described **in the PCC** and will be performed as set forth in Annex I (Agreed Terms of Reference). |
| 1. Audit Firm's Responsibility and Performance Standards | |
|  | In the execution of the Contract, the Audit Firm shall always act to serve the Contracting Party's legitimate interests and shall provide the Audit Services with professionalism, objectivity, diligence, efficiency, and economy. Subject to the additional provisions set forth **in the PCC**, if any, the Audit Firm's liability under this Contract shall be determined by Applicable Law. |
|  | The Audit Firm shall perform its obligations under the Contract in accordance with the highest standards of competence and professional and ethical integrity and shall be solely responsible for the result and quality of its work, which shall be performed according to approved specifications and in accordance with applicable law, rules and regulations using generally accepted professional practices. It shall also observe prudent management practices and use appropriate technology, equipment, materials, and efficient methods. |
|  | The Audit Firm shall take all practical steps to ensure that all its Specialists and sub-consultants conform to the principles set forth in this GCC 18. |
| 1. Place of provision of the auditing services | |
|  | The Audit Services shall be performed at the location(s) **indicated in the PCC**. Where it has not been possible to indicate in advance the place where a specific task is to be performed, it shall be performed at a place approved by the Contracting Party, either in the country of the Contracting Party or at another place to be agreed upon. |
| 1. Entry into force of the contract and commencement of the provision of the auditing services | |
|  | This Contract shall enter into force and take effect on the date (the "Effective Date") of the notice by which the Contracting Party instructs the Audit Firm to commence execution of the Services. Such notice shall confirm that all conditions, if any, for the entry into force of the Contract, as **indicated in the PCC**, have been fulfilled. |
|  | From the date of entry into force and before the deadline **specified in** **the PCC** is met, the Audit Firm shall confirm that all conditions for the entry into force of the Contract, if any, **indicated in** **the PCC**, including the availability of the Principal Specialists, have been met and shall commence the provision of the Auditing Services |
|  | If this Contract does not enter into force within the period **specified in the PCC**, counted from the date of signature, either Party may, by written notice given to the other at least twenty-two days in advance (22), could declare it null, in which case neither Party may make any claim to the other with respect to such decision. |
| 1. Termination of Contract | |
|  | Unless terminated early in accordance with Clause 45 of this GCC, the term of the Contract shall end at the end of the period **specified in the PCC**, counted from the date of entry into force. |
| 1. Reporting Obligations | |
|  | The Audit Firm shall prepare and submit to the Contracting Party the reports and documents set out in Annex III (Reporting Requirements /Deliverables and Delivery Schedule), in the form, numbers and within the deadlines indicated in this Annex. |
| 1. Provisions on intellectual property and compensation for infringement of intellectual property rights | |
|  | The copyright or any other type of intellectual property of all plans, documents and other materials containing data and information not derived from the provision of the Auditing Services and that the Audit Firm provides to the Contracting Party, shall remain as property of the Audit Firm. If this information was provided to the Contracting Party directly or through the Audit Firm by third parties, including material suppliers, the copyright in such materials shall remain the property of such third parties.  The Audit Firm shall provide the client without additional payment, with an unrestricted license to use and copy the plans, documents, and materials of his property, for any purpose in connection with the project. |
|  | The Audit Firm must ensure that the intellectual property of the Audit Firm, to the extent incorporated in the services, does not infringe intellectual property rights or any other type of rights of third parties.  In case of infringement of intellectual property rights of third parties, the Audit Firm undertakes to give continuity to the provision of the Auditing services of this contract. |
| 1. Contracting Party’s proprietary rights in reports and records prepared during the Contract | |
|  | Unless otherwise indicated in the **PCC**, the listings under (a) and (b) shall be confidential and shall become the absolute property of the Contracting Party:   1. All transferable rights in the services provided under this Contract; and 2. All studies, reports and relevant data and documents, prepared within the framework of the Contract such as maps, diagrams, plans, databases, software created or adapted, backup records/files or material collected or prepared by the Audit Firm or made available to the Contracting Party.   If the transfer of rights is not possible in accordance with subsection (a) of this sub-clause GCC 24.1, the Audit Firm shall irrevocably grant the Contracting Party the unlimited, non-local or temporal limitation, transferable, sublicensable and exclusive rights of use and exploitation over the consultancy services provided.  The transfer of ownership referred to in subsection (b) of this sub-clause includes the right of the Contracting Party to modify and revise the contents. The Audit Firm shall ensure that the respective authors of the studies, reports or documents, refrain from claiming the rights in question, releasing the Contracting Party from any responsibility in this regard. |
|  | If for the development of maps, diagrams, plans, databases, drawings, specifications, designs, or documents and *software* are necessary or indicated license agreements between the Audit Firm and third parties, the Audit Firm shall obtain the prior written approval of the Contracting Party in such contracts and the Contracting Party may, at its discretion, require the recovery of expenses related to the development of the respective program(s). The **PCC** **shall specify**, where appropriate, other restrictions on the future use of these documents and *software*. |
|  | The Audit Firm shall deliver to the Contracting Party all the documents prepared, together with a detailed inventory of them no later than the time of the termination or early termination of this Contract. It may retain a copy of such documents, data, or software, but may not use them for purposes unrelated to this Contract without the prior written approval of the Contracting Party. |
| 1. Safety and risks | |
|  | The responsibility for the safety of the Audit Firm, its staff, and its property, as well as the property of the Contracting Party that, where appropriate, are in the custody of the Audit Firm, lies with the Audit Firm. Therefore, the Audit Firm must:   1. Establish and maintain an adequate security plan, considering the security situation in the country where the Auditing Services are provided; and 2. Assume all risks and responsibilities related to its safety and the full implementation of the security plan. |
| 1. Insurance | |
|  | The Audit Firm will contract at its expense and for the period of validity of the Contract, all the insurances that are necessary and habitual to cover its professional and personal risks, among them, at least one insurance of professional liability; and will require that all its sub-consultants do the same. The coverages, the terms and conditions of insurance are **indicated in the PCC**. At the request of the Contracting Party, the Audit Firm shall provide the evidence that such insurance remains in force and premiums have been paid since the beginning of the Auditing Services and throughout the performance of the Contract. |
| * + 1. Professional staff and sub-consultants | |
| 1. Key professional staff | |
|  | Annex III describes the positions, assigned functions and minimum qualifications of each of the members of the Audit Firm's Key Professional Staff, as well as the estimated time during which they will render their services. |
| 1. Coordinating Specialist | |
|  | For the development of the Audit, the Audit Firm designates a specialist coordinator of the assignment whose name and address shall be **specified in the PCC**, who will oversee the technical dialogue of the auditing services with the Contracting Party and who will have the support of the group of specialists that form the key professional staff offered by the Audit Firm. |
| 1. Replacement of Key Specialists | |
|  | Substitution of any key Specialist during the execution of the Contract may be considered only upon the Audit Firm's written request and due to circumstances beyond the Audit Firm's reasonable control, including, but not limited to, the physical incapacity or death of such Specialist. In such event, the Audit Firm shall promptly provide as a replacement, a person of equivalent or better qualifications and experience. |
|  | In any given case, the costs of replacement of key Specialists during the term of the Contract shall be borne by the Audit Firm. |
| 1. Subcontracting and sub-consultants | |
|  | The Audit Firm may subcontract part of the Auditing Services to sub-consultants or specialists approved in writing in advance by the Contracting Party and listed in Annex III.  The Contracting Party consent shall not be required where the appointment of the sub-consultant for the provision of part of the Services is included in the Audit Firm's bid/proposal, if any, as incorporated in the Contract, or otherwise provided for in any of the documents constituting the Contract.  However, the Audit Firm shall retain full responsibility for the approval of sub-consultants or specialists for the Audit Services under the Contract. |
|  | The Audit Firm shall employ and provide specialists and sub-consultants with the experience and professional quality required for the functions it performs as part of the Audit Services. |
|  | Substitution of any subcontracted Specialist or sub-consultant during the performance of the Contract may only be considered based on the Audit Firm's written request and the Contracting Party's agreement, in accordance with GCC 31. |
|  | All subcontracts shall comply with the provisions of GCC Clause 2. |
| 1. Removal of Specialists or Sub-consultants | |
|  | If the Contracting Party becomes aware that any of the Audit Firm's Specialists or Sub-consultants has committed a serious misconduct or has been accused of having committed a crime, or if it determines that the Audit Firm's Specialist or Sub-consultant has been involved in prohibited practices during the performance of the Audit Services, upon written request of the Contracting Party, the Audit Firm shall submit a replacement. |
|  | In the event that the Contracting Party observes that any of the Key Specialists, other specialists of the Audit Firm or any of the sub-consultants is incompetent or incapable of performing the duties assigned to him/her, the Contracting Party may request the Audit Firm to present a replacement, provided that the facts for which the replacement is requested are supported by objective reasons, duly substantiated and related to the fulfillment of the professional qualities required for such personnel. |
|  | The Audit Firm shall have the term **indicated in the PCC** to submit for the Contracting Party’s approval the proposal for the replacement of the Specialists or Sub-consultants removed for the reasons defined in Sub-Clauses 32.1 and 32.2.  In any case, the replacement shall have the same and/or superior qualifications and experience as the removed Specialist or Sub-consultant. |
|  | The Audit Firm shall bear the costs resulting from or incidental to the removal and/or replacement of such Specialists or Sub-consultants. |
| * + 1. Obligations of the Contracting Party | |
| 1. Project Manager | |
|  | The Contracting Party designates the person **indicated in the PCCs** as Project Manager, who will be responsible for coordination with the Audit Firm for the activities contemplated in this Contract, acceptance, and approval by the Contracting Party of reports or other items to be provided by the Audit Firm, and receipt and approval of invoices for payment management. |
| 1. Assistance to the Audit Firm | |
|  | Unless otherwise **specified in the PPCs, the Contracting Party shall use its best efforts to:**   1. Support the Audit Firm in the management of work permits and other documents necessary to enable it to provide the Audit Services. 2. Assistance in the provision of entry and exit visas, currency exchange authorizations or other documents required for the stay in the Contracting Party's country for the duration of the provision of the Audit Services. 3. Support in the arrangements for the prompt customs clearance of all goods required for the provision of the Audit Services and the personal effects of the Specialists. 4. Intervention before the officials, agents, and representatives of the Government of the necessary or pertinent instructions for the prompt and efficient execution of the Services. 5. Arrangements for the exemption of the Audit Firm and the Specialists and Sub-consultants employed by the Audit Firm for the Audit Services from any requirement to register or obtain any permit to practice their profession or to establish themselves either independently or as a corporate entity in accordance with the Applicable Law of the Client's country. 6. Arrangements for the Audit Firm, any Sub-consultant, and the Specialists of any of them to be authorized, in accordance with Applicable Law, to bring into the country of the Contracting Party, reasonable sums of foreign currency for purposes of the Audit Services or for the personal use of the Specialists, as well as to withdraw from such country any sums that the Specialists may have accrued there for the provision of the Audit Services. 7. To provide the Audit Firm with any other assistance as may be indicated in the **PCC**. |
| 1. Access to Project Sites | |
|  | When required for the performance of the Audit Services, the Contracting Party shall provide the Audit Firm with free and unrestricted access to the project sites and shall indicate the security measures, if any, necessary to limit the risk of damage that such access may cause to the site, or any property located therein. The Contracting Party shall be liable for any damage that such access may cause to the site, or any property located therein, and shall hold harmless the Audit Firm and all Experts from liability for such damage, unless such damage is caused by the intentional breach of duty or negligence of the Audit Firm, a Sub-consultant, or the Experts of any of them. |
| 1. Services, facilities, and goods of the Contracting Party to be provided to the Audit Firm | |
|  | The Contracting Party shall provide to the Audit Firm for the purpose of the Audit Services free of charge, the services, facilities, and goods set forth in Annex I (Agreed Terms of Reference) at the time, under the conditions and in the manner specified therein. |
| 1. Counterpart personnel | |
|  | Only if indicated in Annex I (Agreed Terms of Reference), the Contracting Party shall appoint and make available at no cost to the Audit Firm, professional and support staff of the Counterparty for its participation in the performance of the Audit Services.  The Contracting Party's professional and support staff, excluding the Contracting Party’s Project Manager, shall work under the exclusive direction of the Audit Firm. |
|  | If any member of the counterpart's staff does not satisfactorily comply with the work entrusted by the Audit Firm, if it is in accordance with the position held by said member, the Audit Firm may request the replacement of the member indicating the reasons for doing so. In such a case, the Contracting Party shall take such measures as it deems appropriate, in response to such a request. |
| 1. Payment obligation | |
|  | For the performance of the Audit Services as contractually agreed, the Contracting Party shall pay the remuneration as set forth in Section E of these GCC to the Audit Firm. |
| * + 1. Payments to the Audit Firm | |
| 1. Contract Price | |
|  | The Contract price is fixed and is **indicated in the PCC**. This amount has been established on the understanding that it includes all costs and profits for the Audit Firm, as well as any tax liability to which it may be subject. |
|  | The Contract price referred to in GCC Sub-Clause 38.1 may only be changed when the Parties have agreed on the revised scope of the Audit Services in accordance with GCC Clause 43 and have modified such scope in writing in the Terms of Reference contained in Annex I (Agreed Terms of Reference). |
| 1. Payment currency(ies) | |
|  | Any payment provided for Audit Services rendered shall be made in the currency(ies) of the Contract. |
| 1. Tax and duties | |
|  | The Audit Firm, Sub-consultants and Experts are responsible for fulfilling all tax obligations arising under the Contract, unless otherwise stated in the **PCC**.  As an exception to the above and as stated in the PCC, all identifiable indirect taxes (itemized and finalized in the Contract negotiations) shall be reimbursed to the Audit Firm or paid by the Contracting Party on behalf of the Audit Firm. |
|  | If, subsequent to the date of this Contract, there are changes in the Law Applicable to this Contract, in relation to taxes and duties resulting in the increase or decrease of the expenses to be incurred by the Audit Firm in the provision of the Services, by agreement between the Parties, the remuneration and reimbursable expenses payable to the Audit Firm under this Contract shall be increased or decreased, as appropriate, and adjustments shall be made to the maximum amounts set forth in GCC Clause 38 of these GCC. |
| 1. Billing and payment method | |
| 41.1 | The payment schedule is as set forth in the **PCC** and payments shall be made in accordance with that schedule. Total payments under this Contract shall not exceed the Contract Price referred to in GCC Clause 38.1. |
| 41.2 | Payment for the Audit Services will be made in installments against performance and/or submission and approval of the deliverables specified in Annex III (Reporting Requirements / Deliverables and Delivery Schedule). |
|  | 41.2.1 **Advance***.* Unless otherwise indicated in the **PCC**, an advance against a bank guarantee shall be paid by advance acceptable to the Contracting Party, in the sum (or sums) and in the currency (or currencies) indicated in the **PCC**. Such guarantee (i) shall remain in effect until the advance has been fully discounted, and (ii) shall be presented on the form attached in Annex III (Reporting/ Deliverable Requirements and Delivery Schedule), or on another form approved in writing by the Contracting Party. The Contracting Party shall deduct the advances in equal shares from the lump sum payments specified in the PCC up to the total amount of the advance in question. |
|  | 41.2.2 Payment of the fees corresponding to the lump sum.  The Contracting Party will pay the Audit Firm within sixty (60) days after the date on which the service is fulfilled and receives the invoice for the payment of the respective fee. Payment may be withheld if the Contracting Party is dissatisfied with the product, in which case such Party shall send comments to the Audit Firm within the same sixty (60) day period. The Audit Firm shall then make the necessary corrections without delay, after which the above procedure shall be repeated. |
|  | 41.2.3 Final payment. The final payment provided for in this clause will be made only after the Audit Firm submits the final report and it is approved and considered satisfactory by the Contracting Party. The Services will then be deemed to have been completed and definitively accepted by the Contracting Party. Payment of the last instalment corresponding to the lump sum shall be deemed to have been approved by the Contracting Party within ninety (90) calendar days of the date on which the Contracting Party received the final report, unless within that period, the Contracting Party sends the Audit Firm a written notice specifying in detail any deficiencies found in the Services or in the final report. The Audit Firm shall then make the necessary corrections without delay, after which the above procedure shall be repeated |
|  | 41.2.4 All payments under this Contract shall be deposited into the Audit Firm’s account specified in the **PCC**. |
|  | 41.2.5 Except for the final payment set forth in clause 41.2.3 above, payments do not constitute acceptance of all services, nor do they relieve the Audit Firm of any of its obligations under this Contract. |
| 1. Interest on late payments | |
|  | If the Contracting Party has delayed payments beyond fifteen (15) days after the due date indicated in clause 41.2.2 of the GCC, interest shall be paid to the Audit Firm on any amount due and unpaid on such due date for each day of arrears, at the annual rate indicated in the **PCC**. |
| * + 1. Modifications, suspension de payments and early termination of the Contract | |
| 1. Modifications or Variations | |
|  | The terms and conditions of this Contract including the scope of the Audit Firm may only be modified or suffer variations by written agreement between the Parties. However, each Party shall give due consideration to any modification or change proposed by the other Party. |
|  | In cases of substantial modifications or variations in accordance with the Bank's Policy, the Bank's prior no objection will be required. |
| 1. Suspension of payments | |
|  | The Contracting Party may suspend all payments under this Contract by written notice of suspension to the Audit Firm if they fail to comply with any of its obligations hereunder. In such notification, the Contracting Party shall (i) specify the nature of the breach and (ii) request the Audit Firm to remedy such non-compliance within thirty (30) calendar days of receipt of such notice. |
| 1. Early Termination | |
|  | Termination for breach of the Audit Firm  Without prejudice to any other remedy for failure to comply with the obligations under the Contract, the Contracting Party may, by written notification of non-compliance sent to the Audit Firm with a period of notice not less than thirty (30) calendar days in advance of the date of termination in the cases of the events referred to in paragraphs (a) to (d), with at least sixty (60) calendar days in advance in the case referred to in clause e) and with at least five (5) calendar days in advance in the case referred to in clause f):   1. If the Audit Firm fails to remedy the breach of its obligations under this Contract, as set forth in the notice of suspension issued pursuant to clause 44 of these GCC. 2. If the Audit Firm (or, in the event that the Audit Firm was more than one entity, any of its members) becomes insolvent or is declared bankrupt or enters into an agreement with its creditors in order to achieve relief from its debts or avails itself of any law that benefits the debtors, or enter into liquidation or judicial administration, whether of a forced or voluntary nature. 3. Fails to comply with any final decision reached as a result of an arbitration proceeding pursuant to sub-clauses GCC 9.3 and 9.4. 4. If the Audit Firm, as a result of an event of force majeure, is unable to provide a significant portion of the Services for a period of not less than sixty (60) calendar days. 5. If the Contracting Party, in its sole discretion and for any reason, decides to terminate this Contract. 6. If the Audit Firm does not confirm the availability of the Principal Experts, as required by clause 20.2 of the GCC. |
|  | Termination by insolvency  The Contracting Party may, by written communication to the Audit Firm not less than the days **specified in the PCC**, terminate the Contract if the Audit Firm (or any member of the JV, if the Audit Firm is a JV) is declared by a competent authority in creditors’ contest, suspension of payments, bankruptcy, or liquidation or in any similar situation affecting its assets. |
|  | Termination for Prohibited Practices  The Contracting Party may, by written notice, fourteen (14) days in advance, unilaterally terminate the Contract if in its opinion it considers that the Audit Firm has engaged in prohibited practices, as defined in clause GCC 2, during the competition for the contract or the performance thereof. |
|  | Termination for reasons of fortuitous or force majeure  The Contracting Party or the Audit Firm may terminate the Contract early by written notice not less than thirty (30) days in advance, when it occurs and proves that the Audit Firm, as a result of an event of un fortuitous event or force majeure, is unable to provide a significant part of the Services for a period not less than sixty (60) days. |
|  | Termination for the convenience of the Contracting Party  The Contracting Party may, in its sole discretion and for any reason, terminate this Contract early by written notice to the Audit Firm at least fifty-six (56) days in advance, provided that the Contracting Party has no right to use this provision for the purpose of obtaining the Services from third parties, or for the purpose of performing the Services by itself. |
|  | Early termination of the Contract by the Audit Firm  The Audit Firm may terminate this Contract in advance by written notice to the Contracting Party not less than thirty (30) days in advance, if any of the following events occur:   1. if the Contracting Party fails to pay an amount owed to the Audit Firm under this Contract within forty-five (45) days of receipt of written notice from the Audit Firm with respect to the arrears of payment and such sum is not disputed under clause 9 of these GCC, 2. if the Contracting Party fails to comply with any final decision reached as a result of an arbitration resolution process in accordance with sub-clauses GCC 9.3 and 9.4. 3. if the Contracting Party incurs a material breach of its obligations under this Contract and fails to remedy it within forty-five (45) days (or such longer period than the Audit Firm may have subsequently agreed to in writing) following receipt of the Audit Firm’s notice specifying such violation. 4. If the Audit Firm, as a result of an event of force majeure, is unable to provide a significant part of the Services for a period of not less than sixty (60) days. |
| 1. Termination of auditing services upon early termination | |
|  | Immediately upon notification of early termination by either Party to the other in accordance with GCC Clause 45, the Audit Firm shall take all necessary steps to close the Audit Services in a prompt and orderly manner and shall make every effort to keep expenses for this purpose to a minimum. With respect to documents prepared by the Audit Firm and equipment and materials delivered by the Contracting Party, the Audit Firm shall proceed as stipulated, respectively, by Clauses GCC 24. |
| 1. Payments upon termination | |
|  | Upon early termination of the Contract, the Contracting Party shall make the following payments to the Audit Firm:   1. Payment for Auditing services rendered to satisfaction prior to the effective date of termination; and 2. In the event of termination pursuant to sub-clauses 45.4 and 45.5, reimbursement of any reasonable costs incidental to the prompt and orderly termination of this Contract including, where applicable, the cost of the Specialists' return travel to their country of residence. |
| * + 1. Termination of rights and obligations generated by the contract | |
| 1. Termination of rights and obligations | |
|  | Upon termination of the Contract in accordance with clause 23 or terminated early in accordance with clause 49, all rights and obligations of the Parties shall terminate except:   1. Any rights and obligations that may have been incurred prior to the date of termination or expiration, 2. The obligation of confidentiality set out in clause GCC 12, 3. The Audit Firm’s obligation to permit inspection, copying and auditing of his accounts and records as set out in clause CGC 15, and 4. Any rights that a party may have under applicable law. |

**Particular Conditions of Contract**

The following Particular Conditions of Contract (PCC) shall supplement and/or vary the General Conditions of Contract (GCC). In the event of conflict, the provisions herein shall prevail over those of the GCC.

*(The Contracting Party shall select the appropriate wording using the examples given or other wording acceptable to the Bank and shall delete text in red and italics).*

| **Ref. to GCC** | **Particular Conditions of Contract** |
| --- | --- |
| * + 1. **GENERAL PROVISIONS** | |
| **1.1 (f)** | The Contracting Party, executing agency is: *(indicate the name of the executing agency or contracting entity)* |
| **1.1 (s)** | The Borrower/Beneficiary is: *(indicate name*) |
| **4.1** | The official language is: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **5.1** | The responsible Associate designated by the JV to act as its representative for the purposes of the contract is *(name of the common representative of the JV, who has the authority to enter into obligations and receive instructions for and on behalf of each and every member of the JV)*  *DELTE IN CASE THE SELECTED AUDIT FIRM IS NOT A JV* |
| **6.1** | *(When, where appropriate, external sources of financing have established regulations on the origin of sub-consultants to be incorporated into the operations and these have been accepted by the Bank, the following paragraphs should be inserted****. If not, delete them.)***  Sub-consultants must come from the following countries: *(indicate the countries established in the regulations of external sources)*  *(Unless otherwise specified by external source regulations)* A person's country of origin is the country of his/her citizenship and a company’s country of origin is where it is incorporated. |
| **7.2** | The Contracting Party’s address for the receipt of notifications shall be:  Attention: *(indicate the full name of the person, if applicable)*  Physical address: *(indicate full address, including floor number, or office number if applicable).*  City: *(indicate name of the city)*  Zip code: *(place zip code)*  Country: *(indicate country of the contracting party)*  Email address*: (indicate e-mail address of the contracting party)*  The Audit Firm’s address for the receipt of notifications shall be:  Attention: *(indicate the full name of the person, if applicable)*  Physical address: *(indicate full address, including floor number, or office number if applicable).*  City: *(indicate name of the city)*  Zip code: *(place zip code)*  Country: *(indicate country of the audit firm)*  Email address*: (indicate e-mail address of the audit firm)* |
| **8.1** | The applicable law governing the Contract is the law of *(indicate the name of the Contracting Party's country.)* |
| **9.3** | The out-of-court dispute resolution process to which disputes that may arise between the Parties in connection with the performance of the contract may be subject shall be as follows: (*The process should be clearly described here and, if it has a cost, who will be responsible for covering it)* |
| **9.4** | The period within which the parties shall resolve the dispute or dispute before informing the other party of intentions to commence arbitration proceedings shall be (*indicate number of days)* days from the date of notification of the dispute by either Party.  The rules of procedure for arbitration proceedings shall be:   1. ***(For contracts with consultants from the country of the Contracting Party insert the following standard sub-clause)***   Any dispute arising between the parties in connection with the Contract shall be submitted to arbitration in accordance with the laws of the Country of the Contracting Party or submitted to judicial process if the parties deem it appropriate.   1. ***(In the case of contracts with foreign consultants, the regulations governing the procedures may include: (Select only one of them)*** 2. *the Arbitration Rules of 1976 of the United Nations Commission on International Trade Law (UNCITRAL),* 3. *the Arbitration Rules of the International Chamber of Commerce (ICC),* 4. *the Rules of the London Court of International Arbitration (LCIA) or* 5. *the Rules of Procedure of the Arbitration Institute of the Stockholm Chamber of Commerce (CCE)* 6. ***If the Contracting Party selects the UNCITRAL Arbitration Rules, it must insert the following sub-clause type:***   Any dispute, controversy or claim arising out of or relating to this Contract, or for breach, termination, or termination thereof, shall be resolved by arbitration in accordance with the then-current UNCITRAL Arbitration Rules.   1. ***If the Contracting Party selects the ICC Arbitration Rules, it shall insert the following standard sub-clause:***   All disputes arising out of or relating to this agreement shall be finally resolved in accordance with the Arbitration Rules of the International Chamber of Commerce by one or more arbitrators appointed in accordance with those Rules.   1. ***If the Contracting Party selects the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce, it shall insert the following standard sub-clause:***   Any dispute, controversy or claim arising out of or in connection with this agreement, or the breach, termination, or invalidity thereof, shall be finally resolved by arbitration in accordance with the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce.   1. ***If the Contracting Party selects the Rules of the London Court of International Arbitration (LCIA) it must insert the following standard clause:***   Any dispute arising out of or relating to this agreement, including any matter relating to its existence, validity, or termination, shall be submitted to, and finally resolved by arbitration in accordance with the LCIA Arbitration Rules, which are deemed to be incorporated by reference into this clause. |
| **11.1** | The authorized representative of the Contracting Party for the purposes of the performance of the Contract is: *(indicate the name of the person authorized as the representative of the Contracting Party)*  The authorized representative of the Audit Firm for the purposes of the execution of the Audit Firm is: *(indicate the name of the person authorized as the representative of the Audit Firm*) |
| **12.1** | *Indicate the information considered strictly confidential:*  *DELETE IF THERE IS NO INFORMATION CONSIDERED CONFIDENTIAL* |
| **12.5** | *If the period during which the confidentiality provisions by the Audit Firm will remain is longer than 2 years, include the following:*  *The period during which the confidentiality provisions by the Audit Firm will remain will be (indicate term not less than 2 years)*  *DELETE IF THERE IS NO TIME LIMIT OTHER THAN THAT INDICATED IN THE GCC* |
| **13.3 (d)** | The activities that are in conflict of interest during the execution of the Contract are: (*indicate activities)* |
| **13.4** | The activities prohibited for the Audit Firm and the sub-consultants considered as a conflict of interest after the termination of the contract are: *(Indicate activities and temporality where appropriate)*  (*If no limitations are imposed due to conflict of interest on the future activities of the Audit Firm and the sub-consultants indicate DOES NOT APPLY)* |
| **15.2** | The minimum period during which the Audit Firm and his sub-consultants must keep the records and documents related to the Contract will be (*indicate number of years).*  *To establish this deadline, it must be considered that the documentation related to the procurement processes in all their stages must be complete and available for CABEI´s supervision until one (1) year after the acceptance or final receipt of each stage or, where appropriate, the date of completion of the project execution.)* |
| * + 1. **SCOPE OF AUDITING SERVICES AND OBLIGATIONS OF THE AUDIT FIRM** | |
| **17.1** | Scope of Auditing Services: *(general description of the auditing services to be provided by the Audit Firm)* |
| **18.1** | *There are no additional provisions.*  *OR*  *The following limitation of the Audit Firm’s liability to the Contracting Party may be subject to contract negotiations:*  *Limitation of the Liability of the Audit Firm to the Contracting Party:*   1. *Except in the case of gross negligence or willful misconduct of the Audit Firm or any person or company acting on its behalf in the provision of the Services, the Audit Firm shall not be liable to the Contracting Party:* 2. *for indirect or incidental loss or damage.* 3. *for direct loss or damage the cost of which is (indicate a multiplier, for example: one, two, three) times greater than the total value of the Contract.* 4. *This limitation of liability:* 5. *it will not affect the liability of the Audit Firm, if any, for damages that the Audit Firm or any person or company acting on its behalf causes to third parties during the provision of the Services.* 6. *shall not be construed as establishing in favor of the Audit Firm a limitation or exclusion of liability which is prohibited in (indicate the "Applicable Law" if it is the law of the country of the Contracting Party or the "Law Applicable in the Country of the Contracting Party" if the Applicable Law referred to in clause 8(1) of the GCC is different from the law of the country of the Contracting Party].*   *(Notes to the Contracting Party and the Audit Firm: Suggestions made by the Audit Firm in its Proposal to introduce exclusions/limitations of its liability under the Contract shall be carefully reviewed by the Contracting Party and discussed with the Bank before the Contracting Party accepts any changes to what is included in the Request for Proposals. In this regard, the Parties should be aware of the Bank's policy on this matter, which provides as follows:*  *In order to be acceptable to the Bank, any limitation on the Audit Firm’s liability must be at least logically related to a) the damage that the Audit Firm could cause to the Contracting Party, and b) the Audit Firm’s ability to pay compensation from its own funds and the amount of insurance compensation that he can reasonably obtain. The limit of the Audit Firm’s liability shall not be less than the multiplier of the total payments to the Audit Firm under the Contract for remuneration and reimbursable expenses.*  *The Bank will not accept any statement that the Audit Firm’s liability is limited solely to re-providing the Services when the Services have been deficient. In addition, the Liability of the Audit Firm shall never be limited in cases of loss or damage caused by gross negligence or willful misconduct. The Bank shall not accept any provision stating that the Contracting Party shall exempt the Audit Firm from any liability against the claims of third parties, except, of course, where the claim is based on loss or damage caused by the breach or wrongful act of the Contracting Party to the extent permitted by the Applicable Law in the country of the latter).* |
| **19.1** | The place(s) where the Auditing Services will be provided is(are): (*indicate full address of the place(s) of provision of the auditing services)* |
| **20.1** | *Note: If no effective conditions are specified, type "N/A"*  *or*  *list the conditions of entry into force of the Contract; for example: that the Contract [loan/credit/donation] is approved by the Bank and that it is in force, that the Audit Firm receives an advance, and that the Contracting Party receives an advance guarantee (when applicable), etc.*  **The conditions for entry into force are as follows:** [type "N/A" or list the conditions] |
| **20.2** | The Audit Firm shall confirm the availability of the Principal Specialists and commence the provision of the Auditing Services no later than (*indicate number of days, e.g., 10 days)* days from the entry into force of the Contract. |
| **20.3** | **Termination of the Contract for failure to enter into force:**  The term will be \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *(enter the time period, for example: four months).* |
| **21.1** | The term of the Contract will end at the end of *(indicate term in days or months)* of the date of entry into force. |
| **24.1** | *(Note: If applicable, indicate exceptions to the proprietary rights provision, otherwise indicate "No exceptions to this provision apply")* |
| **24.2** | *(If there will be no restriction on the future use of these documents by either Party, this PCC Clause 26.2 should be deleted. If the Parties wish to restrict such use, any of the following options or other option as the Parties may agree may be used:*  (The Audit Firm will not use these *(please indicate the applicable documents and software)* for purposes other than this Contract without the prior written approval of the Contracting Party).  Or  (The Contracting Party shall not use *(indicate the relevant documents and software)* for purposes unrelated to this Contract without the prior written approval of the Audit Firm)  Or  (Neither Party may use these *(please indicate applicable documents and software)* for purposes unrelated to this Contract without the prior written approval of the other Party.) |
| **26.1** | The insurances that the Audit Firm must contract are:   1. Professional liability insurance, with a minimum coverage of (*indicate the amount and currency, which may not be less than the amount of the Contract Price).*   *(From the following, delete what is not applicable)*   1. Third-party motor vehicle insurance with respect to motor vehicles that the Audit Firm or its Sub-consultants Specialists operate in the country of the Contracting Party *(insert the amount and currency, indicate "in accordance with the Applicable Law in the country of the Contracting Party").* 2. Civil Liability insurance, with a minimum coverage of *(insert the amount and currency, indicate "in accordance with the Applicable Law in the country of the Contracting Party").* 3. Employer and occupational accident insurance with respect to Specialists and Sub-consultants in accordance with the relevant provisions of the Applicable Law in the country of the Contracting Party, as well as with respect to such Specialists, life, health, accident, travel, or other insurance as appropriate; and 4. Insurance against loss or damage to (i) equipment purchased in whole or in part with resources provided under this Contract, (ii) property of the Audit Firm used in the provision of the Auditing Services and (iii) documents that are prepared by the Audit Firm in the provision of the Auditing Services. |
| * + 1. **PROFESSIONAL STAFF AND SUB-CONSULTANTS** | |
| **28.1** | The Specialist appointed by the Audit Firm is *(indicate name and e-mail address)*. |
| **31.3** | The deadline for submitting for the approval of the Contracting Party the proposal for the replacement of the Key Specialists or Sub-consultants is *(indicate number of days).* |
| * + 1. **OBLIGATIONS OF THE CONTRACTING PARTY** | |
| **32.1** | The Project Manager appointed by the Contracting Party is *(indicate name, position held in the executing entity and e-mail address).* |
| **33.1 (g)** | *(Indicate other forms of assistance to be provided to the Contracting Party. If there are none, delete this clause)* |
| * + 1. **PAYMENTS TO THE AUDIT FIRM** | |
| **38.1** | The contract Price is: *(indicate amount of the contract in numbers and in letters in the currency indicated in ITC 19.4)* |
| **40.1** | The Audit Firm *(indicate "will" or "will not be")* subject to national taxes on expenses and amounts payable under the contract.  The Audit Firm *(indicate "will" or "will not be")* subject to payments for benefits or social security under the contract. |
| **41.1** | The payment schedule is: *(insert payment schedule according to products/deliverables)*  **Payment schedule**:  *(Payment in instalments shall be linked to the services specified in the Terms of Reference included in Annex I, Terms of Reference).*  ***First payment:*** *(Indicate the amount of the fee, the percentage of the total price of the Contract and the currency. If the first payment is an advance, it will be made against the bank guarantee for the same amount, in accordance with clause 41.2.1 of the GCC).*  **Second payment: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **……………:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **Final payment: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |
| **41.2.1** | (*The total sum of all fees shall not exceed the contract price set out in PCC clause 38.1.)*  *(The advance will be made in the currency indicated in ITC 19.4*  *The bank guarantee in advance shall be given in the same currency.*  The advance and the bank guarantee for an advance shall be governed by the following provisions:   1. An advance of: *(indicate the amount in numbers and letters in the currency indicated in ITC 19.4* must be made within *(indicate number)* days after the date of entry into force. The Contracting Party shall deduct the advance in equal instalments *(list the payments from which the advance shall be deducted).* 2. The bank guarantee for the advance shall be granted in the amount and in the currency of the advance. 3. The bank guarantee shall be released when the advance has been fully discounted. |
| **41.2.4** | **The account numbers are:**  For payments in foreign currency: (*enter account number*).  For payments in national currency: (*enter account number*). |
| **42.1** | The interest rate to be applied is *(insert percentage*) % |
| * + 1. **MODIFICATIONS, SUSPENSION OF PAYMENTS AND EARLY TERMINATION OF THE CONTRACT** | |
| **45.2** | The deadline for notice of early termination for insolvency is *(indicate number of days)* days. |

**Annexes to the Contract**

Annex I: Agreed Terms of Reference

*This Annex should include the final Terms of Reference (TOR) prepared by the Contracting Party and the Audit Firm during the negotiations, considering any adjustments made to the original TOR arising from the Audit Firm’s proposal and the joint analysis of the Audit Firm’s comments and suggestions on the TOR.*

*They must also include completion dates for multiple tasks; the place of performance of different tasks; the detailed reporting requirements and the enumeration of the services against which payments will be made to the Audit Firm; the contributions of the Contracting Party, including the counterpart personnel assigned by the Contracting Party to work in the Audit Firm’s team; specific tasks or measures that require the prior approval of the Contracting Party and facilities to be provided by the Contracting Party, among others. (Insert text based on section V ("Terms of Reference" of the competition document as modified from forms TEC-1 through TEC-5) of the Audit Firm’s Proposal. Highlight the changes to section V of the competition document].*

*(It is recommended that they include at least the following items):*

* + 1. **Background**

1. *Title of the project for which auditing services are required.*
2. *Description of the project*
3. *Briefly describe the basics of the project/background and the objectives of the project.*
4. *Briefly describe the context of the services required within the project.*
5. *Emphasize the relevance/purpose of the work that is required and how it relates to the context of the project.*
   * 1. **Objectives of the Work**

*(List general and specific objectives)*

* + 1. **Scope of Consulting Services, Tasks (Components) and Deliverables**
  1. *(Include detailed description or summary and attach a detailed description at the end).*
  2. *(Indicate whether further work is expected to be required)*
  3. *(Indicate, where appropriate, whether training is a specific component of the job)* 
     1. **Place where consultancy services will be provided.**

*(Identify the place/location for the provision of services during the term of the contract, including all possible locations for required fieldwork or travel.)*

*(Indicate whether the Audit Firm’s Specialists should report periodically to an Office of the Contracting Party or be present at a particular Office of the Contracting Party during the work, or perform the work from their headquarters, even if intermittent.)*

* + 1. **Counterpart personnel, services, facilities, and goods provided by the Contracting Party.**
  1. Services, facilities, and goods that the Contracting Party will make available to the Audit Firm.

*(List/specify/ or type "none")*

* 1. Professional and support staff of the counterpart assigned by the Contracting Party to the Audit Firm’s team

*(List/specify/ or type "none")*

* 1. Documentation or information to be provided by the Contracting Party.

*(Indicate the documents, plans, maps, software, or any other information that will be provided as background or in support of auditing services)*

Annex II: Integrity Provisions

***(The text of this appendix should not be modified)***

**A. Counterparties and their Associates**

All natural or legal persons who participate or provide services in projects or operations, whether in their capacity as bidders, borrowers, sub-providers, executing agencies, coordinators, supervisors, contractors, subcontractors, consultants, suppliers, beneficiaries of donations (and all their employees, representatives and agents), as well as any other type of similar relationship, hereinafter referred to as Counterparties and their Associates, shall refrain from performing any act or action that is framed or may be classified as a Prohibited Practice as established in paragraph B of this Appendix.

**B. Prohibited Practices:**

CABEI has established a Reporting Channel as the mechanism for reporting and investigating irregularities, as well as the commission of any Prohibited Practice, in the use of CABEI funds or funds administered by CABEI.

For the purposes of this contract, prohibited practices are understood as the following:

1. **Fraudulent Practice**: Any fact or omission, including misrepresentation of facts and circumstances, that deliberately or negligently misleads or attempts to deceive any party for financial or other gain, own or from a third party or to evade an obligation in favor of another party.
2. **Corruptive Practice**: It consists of offering, giving, receiving, or requesting, directly or indirectly, something of value to unduly influence the actions of another party.
3. **Coercive Practice**: Consists of harming or causing harm; or threaten to harm or cause harm, directly or indirectly, to any party or its property in order to unduly influence the actions of a party.
4. **Collusive Practice**: Agreement made between two or more parties with the intent to achieve an improper purpose or unduly influence the actions of another party.
5. **Obstructive Practice**: Consists of: (a) deliberately destroying, falsifying, altering or concealing material evidence for an investigation, or making false statements in investigations, in order to prevent an investigation into allegations of corrupt, fraudulent, coercive or collusive practices; and/or threatening, harassing or intimidating either party to prevent them from disclosing their knowledge of issues relevant to the investigation, or to prevent the investigation from proceeding; or (b) intentionally take action to physically impede CABEI's exercise of contractual rights to audit and access to information.

**C. Declarations and Obligations of Counterparties:**

The Counterparty(s) will transfer to its Related Parties (sub-agents, executing agencies, coordinators, supervisors, contractors, subcontractors, consultants, suppliers, offerors, beneficiaries of donations and similar) the following statements and must expressly establish them in the contractual documentation that governs the relationship between the Counterparty(s) and its Related Parties. The foregoing shall apply to operations financed with CABEI resources or administered by CABEI, in order to prevent them from incurring in the commission of Prohibited Practices, obliging both the Counterparty and its Related Parties to comply with the actions and decisions that CABEI deems relevant, in case of verifying the existence of any of the Prohibited Practices described in paragraph (B) of this Appendix.

Individual Statements of Counterparties

The Counterparties declare that:

1. They know CABEI's Reporting Channel, as a mechanism to report and investigate irregularities or the commission of any Prohibited Practice in the use of CABEI funds or funds administered by it.
2. Keep all documents and records related to activities financed by CABEI for a period of ten (10) years, counted from the end of this contract.
3. ISA of the date of this contract have not been committed in their own way or through related (employees, representatives, and agents) or any other type of analogous relationship, Prohibited Practices.
4. All the information presented is truthful and therefore has not misrepresented or concealed any fact during the processes of eligibility, selection, negotiation, bidding and execution of this contract.
5. Neither they, nor their directors, their staff, contractors, consultants, and project supervisors (i) are disqualified or declared by an entity as ineligible to obtain resources or award contracts financed by any other entity, or (ii) have been found guilty of crimes related to Prohibited Practices by the competent authority.
6. None of its directors and officers has been a director, officer, or shareholder of an entity (i) that is disqualified or declared ineligible by any other entity, (ii) or has been found guilty of an offence related to Prohibited Practices by the competent authority.

Obligations of Counterparties

The following are obligations of the Counterparties:

1. Not to engage in any Prohibited Practice in CABEI's programs, projects or operations financed with CABEI's own funds or funds administered by CABEI.
2. Report during the process of selection, negotiation, and execution of the contract, through the Reporting Channel, any irregularity or the commission of any Prohibited Practice related to the projects financed by CABEI or with the funds administered by it.
3. Reimburse, at CABEI's request, the expenses or costs related to the activities and investigations carried out in connection with the commission of Prohibited Practices. All expenses or costs referred to above must be duly documented, being obliged to reimburse them at the request of CABEI within a period not exceeding ninety (90) calendar days from the receipt of the notification of collection.
4. Grant unrestricted access to CABEI or its duly authorized representatives to visit or inspect the offices or physical facilities, used in connection with projects financed with CABEI's own funds or administered by it. Likewise, they will allow and facilitate the conduct of interviews with their shareholders, directors, executives or employees of any status or salary relationship. In the same way, they will allow access to the physical and digital files related to said projects or operations and must provide all the collaboration and assistance that is necessary, in order to properly execute the planned activities, at the discretion of CABEI.
5. Respond within a reasonable period of time to inquiries related to any inquiry, inspection, audit, or investigation coming from CABEI or any appropriately appointed investigator, agent, auditor, or consultant, whether by written, virtual or verbal means, without any restriction.
6. Attend and observe any recommendation, requirement or request issued by CABEI or any person duly designated by it, related to any of the aspects related to the operations financed by CABEI, their execution and operability.

The Statements and Obligations made by the Counterparties contained in this paragraph C are true and will remain in force from the date of signature of this contract until the date on which the amounts owed under it are paid in full.

**D. Audit and Investigation Process:**

Prior to determining the existence of irregularities or the commission of a Prohibited Practice, CABEI will reserve the right to execute the audit and investigation procedures that assist it, being able to issue an administrative notification derived from the analyses, evidence, evidence, results of the investigations and any other available element that is related to the fact or Prohibited Practice.

**E. Recommendations:**

When the existence of irregularities or the commission of a Prohibited Practice is determined, CABEI will issue the actions and recommendations listed below, without being limiting, these being of observance and mandatory compliance. The foregoing, without prejudice to CABEI having the power to report the corresponding case to the competent local authorities:

1. Issuance of a written reprimand.
2. Adoption of measures to mitigate the risks identified.
3. Suspension of disbursements.
4. Release of resources.
5. Request the advance payment of resources.
6. Cancel the business or contractual relationship.
7. Suspension of procurement processes or procedures.
8. Request for additional warranties.
9. Execution of bonds or guarantees.
10. Any other applicable course of action under this agreement

**F. List of Prohibited Counterparties:**

CABEI may include counterparties and their related parties in the List of Prohibited Counterparties, which it has instituted for this purpose. The temporary or permanent disqualification from the List of Prohibited Counterparties will be determined on a case-by-case basis by CABEI.

CABEI will give counterparties and their associates the opportunity to present their defense arguments, by carrying out an administrative procedure. This includes, but is not limited to, CABEI's right to share or make public the contents of that list.

This Appendix forms an integral part of this agreement, and the Counterparty accepts each of the provisions set forth herein.

Annex III: Report/Deliverables requirements and Delivery Schedule

*(At a minimum, please indicate the following:*

* *language, format, periodicity, and content of reports.*
* *number of copies and/or delivery requirements in electronic means.*
* *delivery dates.*
* *persons (please indicate names, positions, delivery address) who receive them; etc.*

*If no reports will be delivered, indicate, "Not applicable")*

*If the Audit Services consist of or include the supervision of civil works, a statement such as the following should be added: "Taking of any action under a civil works contract designating the Audit Firm as "Engineer" under such civil works contract, requires the written approval of the Contracting Party.*

**Annex IV: Key Professional Staff of the Audit Firm and Sub-consultants**

(Positions, assigned functions, minimum qualifications)

*(Insert a table based on the Audit Firm’s Technical Proposal and finalized at the time of contract negotiations. Attach team composition, Key Specialists' time and Resumes (CVs) (updated and signed by the respective Key Specialists) demonstrating the qualifications of the Key Specialists.)*

**Key specialists and assignment of roles**

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Name** | **Profession/Specialty** | **Position to be performed** |
| 1 |  |  | Project Coordinator |
| 2 |  |  |  |
| 3 |  |  |  |
| … |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| “n” |  |  |  |

**Intended Sub-consultants**

*(Insert a table based on the Audit Firm’s Technical Proposal and finalized at the time of contract negotiations. Attach the Resumes (CVs) of the sub-consultants (updated and signed by the representatives of the respective sub-consultants) demonstrating the qualifications and experience of those sub-consultants.)*

|  |  |  |  |
| --- | --- | --- | --- |
| **Name of the**  **Subconsultant** | **Sections or work to be subcontracted** | **Subconsultant’s physical address, telephone, and email address** | **Percentage to be subcontracted** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

Annex V: Breakdown of the Contract Price

*Insert the table with the unit rates to get the breakdown of the lump sum price. The table shall be based on Forms ECO-1 through ECO-3 of the Audit Firm's Proposal and shall reflect the changes agreed upon at the time of contract negotiations, if any. The footnote should indicate any changes that have been made to Forms ECO-1 to ECO-3 at the time of the negotiations or indicate that none has been made.*

*When the Audit Firm’s has been selected with the Quality Based Selection method, also add the following:*

*"The agreed remuneration rates shall be indicated on model form I. This form shall be prepared based on the "Audit Firm’s Statements as to Costs and Charges" section of Appendix A of the CD Form ECO-3 submitted by the Audit Firm to the Contracting Party prior to the contract negotiations.*

*If the Contracting Party concludes (by means of inspections or audits in accordance with clause 15 of the GCC, or by other means) that these statements are materially incomplete or imprecise, it may make such appropriate modifications to the remuneration rates affected by such statements. The modifications will have retroactive effect. If the Contracting Party has paid the remuneration prior to the modification, (i) may deduct any excess from the next monthly payment to the Audit Firms, or (ii) if the Contracting Party has no outstanding payments, the Audit Firms shall reimburse the remaining payment within thirty (30) days of the date on which they received the corresponding written request. The Contracting Party shall submit such a request for reimbursement within twelve (12) calendar months following receipt of the final report and certification approved in accordance with clause 41 of the GCC of this Contract.*

**Model Form I**

**Breakdown of rates agreed in the Contract**

We hereby confirm that we have agreed to pay the following Experts, who will participate in the provision of the Services, the following basic fees and travel expenses for work away from headquarters (as applicable):

(Expressed in *[indicate currency]\**)

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Formation of the panel of experts | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Name | Position | Base rate per month/  Day/year | Social  Charges 1 | General Expenses1 | Sub-total | Profits2 | Assignment for work outside headquarters | Fixed rate agreed per day/month/year | Fixed rate agreed per day/month/year 1 |
| Headquarter (HQ) | |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Work in the Contracting Party’s country | |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |

1 Expressed as percentage of 1.

2 Expressed as percentage of 4.

\* If more than one currency is used, add another table.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature: Date

Name and position: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Annex VI: Other Forms**

**Notification of Intention to Award**

*(This Notice of Intent to Award will be sent to each consultant whose financial proposal has been opened. Send this notice to the Audit Firm’s Authorized Representative)*

At the attention of the Audit Firm’s Representative:

Name: (*insert name of the Audit Firm’s Representative)*

Address: *(insert address of the Audit Firm’s Representantive)*

Phone Numbers: *(insert phone number/fax of the Audit Firm’s Representative)*

E-mail Address: *(insert e-mail address of the Audit Firm’s Representative)*

*(IMPORTANT: Insert the date on which this Notice is transmitted to the consultants. The Notice must be sent to all consultants simultaneously. This means on the same date and as close as possible at the same time.)*

**DATE OF TRANSMISSION**: This notification is sent by: (*email)* on *(date)* *(local time)*

**Notification of Intention to Award**

**Contracting Party:** *(insert Contracting Party's name)*

**Operation:** *(insert operation name)*

**Contract title:** (*indicate the name of the contract)*

**Country:** *(insert the country where the procurement is made)*

**Loan number / credit number / donation number:** *(indicate the reference number of the loan/credit/grant)*

**Procurement No:** *(insert procurement reference number)*

This Notice of Intent to Award (the Notice) notifies you of our decision to award the above contract. The transmission of this Notice begins the period for filing protests. During this period, you may submit a nonconformity about the procurement in relation to the decision to award the contract.

The result of the process is:

**The successful bidder**

|  |  |
| --- | --- |
| **Name:** | *(insert the name of the selected audit firm)* |
| **Address:** | *(insert the address of the selected audit firm)* |
| **Contract Price:** | *(insert the price of the selected proposal)* |

**Short list of audit firms**

| **Name of the Auditor** | **Submitted proposal** | **Technical score** | **Evaluated price.**  **(if applicable)** | **Combined score** |
| --- | --- | --- | --- | --- |
| (Add *name*) | *(Yes / No)* | (Write the technical score) | (*Write the evaluated price*) | (if applicable) |
| (Add *name*) | *(Yes / No)* | (Write the technical score) | (*Write the evaluated price*) | (if applicable) |
| (Add *name*) | *(Yes / No)* | (Write the technical score) | (*Write the evaluated price*) | (if applicable) |
| (Add *name*) | *(Yes / No)* | (Write the technical score) | (*Write the evaluated price*) | (if applicable) |
| (Add *name*) | *(Yes / No)* | (Write the technical score) | (*Write the evaluated price*) | (if applicable) |

**3. Reasons for which the proposal was unsuccessful.**

|  |
| --- |
| *State the reason why the audit firm's Proposal was unsuccessful. DO NOT include: (a) a point-by-point comparison with another audit firm's Proposal or (b) information that the audit firm indicates as confidential in its Proposal).* |

**5. How to file a protest**

|  |
| --- |
| *Instructions for filing a protest to the reported results are provided below:*  *1. All protests must be submitted in writing by the audit firm's representative.*  *2. Identify the procurement action for which the protest is being filed.*  *3. Describe the nature of the protest and the facts supporting the protest including references to CABEI procurement policies that are considered to have been breached.*  *4. Indicate and attach all information required to evidence the chronology of the claim;* |

**6. Deadline for submitting protests or complaints**

With this Notice of Intent to Award, you are notified of our decision to award the above contract, and this transmittal begins the period during which you may file protests to the notified result.

The deadline for submitting protests ends at: *(Indicate deadline*)

If you have any questions about this Notice, please do not hesitate to contact us.

On behalf of the Contracting Party:

**Signature:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Name:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Title/ position:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Phone Number:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**E-mail:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*(Letterhead of the Contracting Party)*

. . . . . . . (date). . . . . ..

To: . . . . . . . . .. (name and address of the audit firm) . . . . . . . . ..

**Letter of Acceptance**

Subject: . . . . . . . . .. (Notification of Award of Contract No.) . . . . . . . . . .

We hereby notify you that your proposal dated *(date of receipt of proposals)* for the execution of *(name and process identification number)* for the accepted amount of *(amount in figures and in words and currency)*, with any rectifications and modifications made, has been accepted by our representative.

We request you to submit:

Following documentation: *(detail the required documentation)*

Authorized Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name and title of the signatory: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name of the Contracting Party: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Attached: Contract Form**

1. The term "Project Administration" is used to refer to the "Project Management or Coordination". [↑](#footnote-ref-2)
2. While the application of ISAs is encouraged, it is possible that the auditor's work may be framed by the International Standards on Auditing of Supreme Audit Institutions issued by INTOSAI (ISSAIs), or national norms, standards and their practices that are consistent with International Standards on Auditing, which should be clearly disclosed in the Auditor's Opinion. [↑](#footnote-ref-3)
3. This reference should be considered illustrative and does not intend to define the procedures that the Audit Firm must apply in application of ISA. [↑](#footnote-ref-4)
4. Depending on the complexity of the activities, the Audit Firm may consider the inclusion of technical experts during the audit work. In cases where experts are included, the Auditor is expected to comply with International Standard on Auditing 620 "Use of Expert Work". [↑](#footnote-ref-5)
5. Such a framework could be the International Public Sector Accounting Standards (IPSAS) cash basis or another that applies in accordance with the legislation in force in the country concerned. It includes reasonable assurance as to whether they are free from material misstatement, whether due to fraud or non-fraud related error. [↑](#footnote-ref-6)