Supporting Circular Economy Opportunities for Employment and Social Inclusion "SIRCLES"

(SIRCLES, B_A.3.1_0157)

Auditor Tender Dossier and Declaration on Honour

PART A: INFORMATION FOR THE TENDERER

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This ToR is published under the EU Funded Project "Supporting Circular Economy Opportunities for Employment and Social Inclusion (SIRCLES)"

EDAMA Association launches a call for an **Auditor** under SIRCLES project in a community compost area Aqaba, Jordan.

1. About EDAMA

EDAMA in Arabic means "sustainability". EDAMA Association is a Jordanian NGO established in 2009. As a Business Association, we are here to cultivate an environment where innovative solutions for energy and water independence and environmental conservation emerge.

Advancing Jordan's movement towards a green economy is an ambitious and priority goal. To be achieved, we need robust knowledge hubs, multi-stakeholder dialogue avenues, and private sector mobilization. EDAMA's niche is in providing a platform agile and inclusive enough to involve a large number of public, private and NGO sector representatives. These key players together discuss and shape the future development of the Energy, Water, and Environment (EWE) sectors in Jordan.

2. About the Project:

Key Information:

Acronym: SIRCLES.

Full title: Supporting Circular Economy Opportunities for Employment and Social Inclusion.

Thematic objective: Promotion of social inclusion and the fight against poverty.

Priority: Professionalization of young people (NEETS) and women.

Donor: ENI CBC MED-EU.

Partners: Lead partner: Waste Agency of Catalonia, Spain, and 9 partners from Palestine, Jordan, Lebanon, Italy, Spain, Tunisia, and Greece.

Project Duration: 30 Months.

Project Start Date: 9th February 2021 **- Project End Date:**9th August 2023.

SIRCLES aims to increase green employment opportunities by providing skills to NEET (youth not in employment, education, or training sectors) and women based on circular economy business models applied to the hotel sector by creating a pilots based on composting plant and organic farming site.

The pilot will be constructed in Aqaba Governorate in a land provided by ASEZA with targeting training and Jobs creating about 40 Direct Jobs for women and Youth are based in Aqaba.

3. Simplified tender dossiers for service (single tender)

Name and address of the contracting authority: EDAMA Association for Energy, Water and Environment 1st floor, 8- Yousef El Sukkar Street | P.O.Box 445 Amman 11831 Jordan **Contact person: Diana Athamneh** **Title of the tender: External Auditor Tender** **Reference number: SIRCLES, B_A.3.1_0157_2**

PART A: INFORMATION FOR THE TENDERER

1. INFORMATION ON SUBMISSION OF TENDERS

Subject of the contract:

The subject of this tender is **External Auditor service**

Provision of services, as indicated in the technical information in point 2 of this section.

Deadline for submission of the tenders:

The deadline for submission of tenders is 13, December 2021 until 12:00am CET.

Any tender received after this deadline will be automatically rejected.

Address and means of submission of the tenders:

The tenders will be submitted to EDAMA Association (Email: info@edama.jo)

The message will clearly indicate:

Title of the tender
Reference number
Name and address of the tenderer

The tenders must be submitted using the double system, i.e. one bearing the words 'Email A - Technical Offer - SIRCLES #1 - B_A.3.1_0157" and the other 'Email B - Financial Offer - SIRCLES #2 - B_A.3.1_0157". All parts of the tender other than the financial offer must be submitted in E-mail A (i.e. including the tender submission form and declarations).

In addition, a third email with the passwords of the folders sent in e-mails called "Email A - Technical Offer" and "Email B- Financial offer" is required, bearing the words "Email C - passwords - SIRCLES #2 - B_A.3.1_0157"

Files shall be included in protected folders or at least in compressed folder(s) or though protected IT hyperlinks to file hosting service. Where passwords, encryptions or any other IT means used to protect the confidentiality of the submitted offers, description shall be sent by the tenderer.

2. TECHNICAL INFORMATION

The tenderers are required to provide services as indicated below. In the technical offer, the tenderers will indicate more details on the deliveries, referring back to the below information/ table:

No.	Expenditure Verification Report(EVR)	Months Covered by the Report	Deadline for Submitting the report
1	EVR of the First Interim Report	M1* - M12	Within two months after the end of the reporting period
2	EVR of the Second Interim Report	M13 - M24	Within two months after the end of the reporting period
3	EVR of the Final Report	M25 – 30M	Within three months after the end of the reporting period

*M1 is February 2021.

According to article 32 (see Annex A) of the ENI-CBC Implementing Rules "Expenditure declared by the beneficiary in support of a payment request shall be examined by an auditor or by a competent public officer being independent from the beneficiary. The auditor or the competent public officer shall examine whether the costs declared by the beneficiary and the revenue of the project are real, accurately recorded and eligible in accordance with the contract."

The appointed auditor shall meet the requirements set by the ENI-CBC Implementing Rules and shall be independent from the LB and PPs' organizations as well as the Programme bodies (MA/JTS/AA). Specific procedures have been set up in each participating country to ensure that the auditor selected by the LB, or PP meets these requirements. (See Annex B)

Such verifications are carried out at national level by the Control Contact Points which endorse the choice by validating the selected auditor. Before signing the contract with the selected auditor, the LB and the PPs organizations have to send the documents required in order to allow the CCP of their respective country to verify the auditor's requirements.

Once validated by the CCP, the LB and each PP shall conclude the agreement with the selected auditor setting the scope of tasks and the procedures which shall be fulfilled during the expenditure verification process.

The participation of the person in charge of the expenditure verification in the training courses organized by the MA is mandatory.

The MA, the JTS or the CCP may carry out quality controls on the work carried out by the auditor at any moment during the execution period of the Grant Contract. The MA can ask to the LB and partners to replace the project auditor in case of doubts on his/her independence, professional standards, professional reliability or of substantial errors detected in the reports. In such a case, the CCP of the concerned country will be immediately informed and take any appropriate action as the case may be.

The tasks of the auditors appointed by the project Lead Beneficiaries and partners are, inter alia:

a) to verify that goods and services have been delivered and the works have been performed.

b) to verify that the expenditure declared by the beneficiaries relates to the eligible period or previous ones and it has been paid.

c) to verify the compliance with applicable rules (including eligibility rules), also including procurement and visibility requirements.

d) to verify the compliance of the expenditures with the approved project and the signed Grant Contract.

e) to check the related documents and accounting on avoidance of possible double funding.

f) to verify the adequacy of supporting documents.

g) to check the registration of the expenditure in the accounting records of the beneficiary and that the expenditure is determined according to the accounting standards and the usual cost accounting practices applicable to the beneficiary.

h) to check the record-keeping and archiving rules for the documentary evidence related to the implementation of the project.

i) to notify irregularities and suspicion of fraud or corruption, as the case may be7.

Expenditure incurred and paid by the LB, or PP can be claimed within the project only after their respective independent auditor verifies it

The expenditure verifications are carried out according to formats and checklists provided by the MA, and their outcomes has to be attached to each payment request. A copy of the audit reports has to be submitted to the concerned Control Contact Points, in order to allow them to carry out specific checks, as the case may be.

The Expenditure Verification Reports (Audit Reports) are supposed to cover the period from February 9, 2021, to August 9, 2023, as follows:

3. FINANCIAL INFORMATION

The maximum available value of the contract is **11850 EUR** (Eleven Thousand, Eight Hundred, Fifty Euros).

4. ADDITIONAL INFORMATION

The award criterion is:

- <best value for money, weighting 80% technical quality and 20% price. Offers will be evaluated based on the following:

Criteria	Sub criteria	Scoring
Technical Offer 80 %		
Past Experience	• Specific experience relevant to the assignment. • Experience in EU or ENI projects within the last 5 years will be preferred.	20%
Adequacy of the proposed methodology and work plan in responding to the TOR	• Quality of the audit methodology proposed for the assignment. • Detailed work plan meeting the requirement of the assignment	Methodology 35% Work plan 25%
Financial offer 20 %		20%
100%	**Total**	**100%**

The successful and unsuccessful tenderers will be informed of the results of the evaluation procedure in written.

The estimated time of response to the tenderers is five days working days from the deadline for submission of the tenders.

5. FORMAT OF CONTRACT

CONTRACT TITLE: <title of the contract>
REFERENCE: <reference number>

Concluded between:

EDAMA Association for Energy, Water and Environment.

1st floor, 8- Yousef El Sukkar Street | P.O.Box 445 Amman 11831 Jordan
Represented by: Dr. Duried Mahasneh

AND

<Name of the contractor>
<Address of the contractor>
Represented by: <name of legal representative><position>

Article 1: Subject of the contract

The subject of the contract is the services as indicated in the contractor's offer.

Article 2: Contract value

The total contract value for implementation of services indicated in the Article 1 is: XXX EUR

Article 3: Contracting documents

The documents which form the part of this contract are (by the order of precedence):

- Contract agreement
- Contractor's offer as provided in the tendering phase (see documents in "Part B: Format of offer to be provided by the tenderer'')
- Any other supporting documentation if applicable (in case of request for registration of company, compliance with tax obligations or other documentation)

Article 4: Deliveries and payments

The contractor will deliver without reservation the services indicated in the contractor's offer. The deliveries will be implemented within the indicated dates.

The contracting authority will pay to the contractor the services in the amount indicated in the Article 2 of this contract document. The payments will be issued by the following time schedule.

Month		<EUR/UAH/BYN>
M1* - M12	Initial pre-financing payment	<30% of the contract value>
M13 - M24	Interim payment	<30% of the contract value>
M25 – 30M	Balance payment	<40% of the contract value>
Total		<Total contract value>

*M1 is February 2021

(in the case of service contracts) The contractor will provide contracting authority with the report on execution of the services.

Article 5: Duration of the contract

The duration of the contract will be till the end of project. (From signing the contract till month 30 of the project)

Article 6: Cancellation of the contract

The contract can be suspended by the Contractor if the contracting authority does not fulfil payment and other obligations.

The contract can be terminated by the contracting authority due to one of the following reasons:

- The Contractor is in serious breach of the contract, failing to meet contractual obligations
- The Contractor is bankrupted or being wound up, is having its affairs administrated by courts, has entered into arrangements with creditors, has suspended business activities, is the subject of proceedings concerning those matters, or is in any analogous situations arising from a similar situation provided for in national legislation or regulations.

Article 7: Resolving of disputes

Any disputes arising out of or relating to this Contract which cannot be settled otherwise shall be referred to the exclusive jurisdiction of (specify responsible court or arbiter body in accordance with the national legislation of the state of the contracting authority).

For the Contractor	For the contracting authority
Name:	Name:
Position:	Position:
Signature :	Signature :
Date :	Date :

4. Annexes

1. Annex A: Article 32/Audit and control Structures

Expenditure declared by the beneficiary in support of a payment request shall be examined by an auditor or by a competent public officer being independent from the beneficiary. The auditor or the competent public officer shall examine whether the costs declared by the beneficiary and the revenue of the project are real, accurately recorded and eligible in accordance with the contract.

This examination shall be performed on the basis of an agreed-upon procedure which will be undertaken in accordance with:

a) the International Standard on Related Services 4400 Engagements to perform Agreed-upon Procedures regarding Financial Information as promulgated by International Federation of Accountants (IFAC);

b) IFAC Code of Ethics for Professional Accountants, developed and issued by IFAC's International Ethics Standards Board for Accountants

For public officers, those procedures and standards shall be laid down at national level taking account of international standards.

The auditor shall meet at least one of the following requirements:

be a member of a national accounting or auditing body or institution which in turn is member of IFAC;

b) be a member of a national accounting or auditing body or institution. Where this organization is not a member of IFAC, the auditor shall commit to undertake the work in accordance with IFAC standards and ethics;

c) be registered as a statutory auditor in the public register of a public oversight body in a Member State in accordance with the principles of public oversight set out in Directive 2006/43/EC of the European Parliament and of the Council (2);

d) be registered as a statutory auditor in the public register of a public oversight body in a CBC partner country, provided this register is subject to principles of public oversight as set out in the legislation of the country concerned.

The public officer shall have the necessary technical expertise in carrying out its examination work.

In addition, the Managing Authority shall perform its own verifications pursuant to point (a) of Article 26(5) and Article 26(6). For the purpose of carrying out verifications throughout the whole programme area, the Managing Authority may be assisted by the control contact points.

The participating countries shall take all possible measures to support the Managing Authority in its control tasks.

the Audit Authority shall ensure that audits are carried out on the management and control systems, on an appropriate sample of projects and on the annual accounts of the programme as referred to in Article 28. The group of auditors mentioned in Article 28(2) shall be set up within three months of the designation of the Managing Authority. It shall draw up its own rules of procedures. It shall be chaired by the Audit Authority appointed for the programme.

Each participating country may authorize the Audit Authority to carry out directly its duties on its territory.

The independence of the body(ies) mentioned in paragraphs 1, 2 and 3 shall be guaranteed.

2. Annex B: Specific procedures to be ensured at national level

1. Selection of auditors by project beneficiaries

The expenditure verification required by article 32 of the Implementing Rules shall be carried out by private external auditors only members of the Jordan Association of Certified Public Accountants Board.

Project beneficiaries shall be free to select their auditor, through a procurement procedure, following the relevant national legislation and grant contract requirements.

The Jordanian project beneficiaries should provide the Control Contact Point with the documents related to the external auditor, whom they would have selected in order to obtain the validation on the requirements needed at Programme level. The validation will then be transmitted to the MA.

In case of a replacement of the external auditor or if he/she does not meet the requirements anymore, a new request for approbation must be filled in and submitted to CCP. The Jordanian CCP, will notify the MA of any change in auditors.

Support to Managing Authority in recoveries

Jordan will follow the general procedures, as defined in this DMCS document. The bodies responsible for this support shall be the Ministry of Planning and International Cooperation.

2. Support in anti-fraud measures

Jordan will follow the general procedures, as defined in this DMCS document. The bodies responsible for this support shall be:

- Ministry of Planning and International Cooperation (also acting as contact point of the European Anti Fraud Office, OLAF).
- Other bodies involved Audit Bureau.

In order to ensure prevent, correct and detect irregularities, the following actions will be carried out:

a. Preventive actions

- Drafting of a national manual/informative notes concerning the Jordanian national legislation applicable for the implementation of projects;

-Training of the staff working within the Jordanian Programme bodies on the specific rules of the Programme and ensuring training of project auditors in cooperation with the MA;

b. Detective actions:

- Quality check on the expenditure verification reports by the CCP, as the case may be;
- Support MA on the spot checks;
- Follow up monitoring by NA (NCP) in cooperation with the JTS and MA.
- Inform immediately the MA or the NA (in the event the error has been detected by the CCP or the NCP) on recurrent errors.

c. Corrective actions:

- Ensure the cooperation with the MA on the adoption of proportionate corrective measures, including financial corrections, taking into account the nature and gravity of the irregularity, including flat rate corrections, if relevant;
- Inform all national stakeholders, including project beneficiaries, in order to prevent the same irregularity in the future.

d. Tax exemption

- Jordan, in compliance with the provision set by the Financing Agreement, will guarantee a tax exemption to all Jordanian project beneficiaries.
- The bodies responsible for this support shall be the Ministry of Planning and International Cooperation.
- Other national bodies involved:
- Ministry of Finance
- Ministry of Finance/Income and Sales Tax Department
- Ministry of Finance/Customs department.
- The procedure to request the tax exemption needs to be addressed through a letter to the Ministry of Planning and International Cooperation (MOPIC) that, according to the law no. 68 for the year 1971, is the focal point between the different donors and Jordanian institutions.
- MOPIC will submit to the Council of Ministers for its approval the list of financed projects where Jordanian beneficiaries are involved.
- After this approval, the MOPIC will address the Ministry of Finance/Income and Sales Tax Department for granting the Jordanian partner the exemption from the sales tax, and the Ministry of Finance/Customs Department for the customs clearance on goods and items imported from outside Jordan as long as these goods are funded through the grant extended to the project.
- The MOPIC will notify the obtained exemption to the concerned Jordanian Beneficiary.

e. Opening bank accounts in euro

- The body responsible for this procedure shall be:
- Ministry of Finance.

Moreover, the following bodies are also involved:

- Ministry of Planning and International Cooperation
- Central Bank of Jordan.

The following type of entities shall follow a specific procedure8:

Public administrative bodies

Local and regional authorities

Other public bodies.

The procedure to be followed is:

Jordanian project beneficiaries belonging to the above-mentioned categories need to submit to the Ministry of Finance (General Accounts Directorate, Government Accounts Division) a request for opening a bank account in Euro at the Central Bank of Jordan.

Ministries and institutions that are listed within the state budget law are required to take approval from ministry of finance on opening the bank account (either at commercial bank or the central bank..

Jordanian project beneficiaries should send copy of the request addressed to Ministry of Finance also to the Ministry of Planning and International Cooperation which may support them for the opening of the bank account in Euro.

f. Project registration at national level

The body responsible for this procedure shall be the Ministry of Planning and International Cooperation.

Moreover, the following bodies are also involved:

Ministries and public institutions including universities

Ministry of Planning and International Cooperation

Ministry of Social Development

Ministry of Industry, Trade and Supply.

The obligation to register the financed projects applies to all Jordanian project beneficiaries, however the procedure is different depending on the legal status.

Ministries and governmental agencies:

need to send copy of the partnership agreement to the Council of Ministers for its approval.

[8] For Government Institutions please refer to (article 48/a) Financial Bylaw No. (3) for the year 1994 (article 48/a).

Non-profit Companies:

shall submit an official request to the Companies Control Department CCD/Ministry of Industry, Trade and Supply based on the approved form.

The CCD will send a copy thereof to the competent ministry other than to the Ministry of Planning and International Cooperation and to the Ministry of Interior. If the Companies Control Department confirms the compliance with foreign funding requirements and, upon approval of the Ministry of Planning and International Cooperation and the Ministry of Interior, the Companies Control Department/Ministry of Industry, Trade and Supply will then address H.E. the Prime Minister in order to submit the request for registration to the Council of Ministers. The request will also contain the recommendations based on its assessment.

Non-profit Associations:

shall submit an official request to the Register of associations at the Ministry of Social Development based on the approved form. The Register of associations will send a copy thereof to the competent ministry other than to the Ministry of Planning and International Cooperation and to the Ministry of Interior or any other relevant entity.

The competent ministry and the Ministry of Planning and International Cooperation along with the Ministry of Interior will review the request and then they will send their opinion to the Register of Societies within 5-10 working days.

If the Register of associations confirms compliance with foreign funding requirements and upon receipt of responses from MOPIC, Ministry of Interior and relevant authorities, it will H.E. Minister of Social Development/Chairman of Register of Societies Board shall address H.E. the Prime Minister in order to submit the request for registration to the Council of Ministers. The request will also contain the recommendations based on its assessment.

H.E. the Prime Minister shall inform H.E. Minister of Social Development/ Chairman of Register of Societies Board about the Council of Ministers' Decision.

Finally, this decision will be transmitted by the Register of associations to the association which submitted the request as well as to the Ministry of Planning and International Cooperation, the Ministry of Interior and to other competent ministries, as the case may be.