



Request for Proposal (RFP)

Ref. no. **RfP12/00531**

Date: **4 May 2012**

Dear Sir/Madam,

Subject: RFP for the Assessment of Financial and Procurement Management Capacities of Partners (micro-assessment).

1. You are requested to submit a proposal for **the Assessment of Financial and Procurement Management Capacities of Partners (micro-assessment)**, as per enclosed Terms of Reference (TOR).
2. To enable you to submit a proposal, attached are:
 - i. Instructions to Offerors (Annex I)
 - ii. General Conditions of Contract (Annex II)
 - iii. Terms of Reference (TOR) (Annex III)
 - iv. Proposal Submission Form (Annex IV)
 - v. Price Schedule/Financial Proposal (Annex V)
3. Your offer comprising of technical proposal and price schedule/financial proposal, in separate sealed envelopes, marked with **"RFP12/00531: HACT Micro-Assessment"** should reach the UNDP office no later than **25 May 2012, 16:30**, local time.

Offers can be submitted either in hard copy or electronically.

a) Documents/offers in hard copy need to be addressed to:

**UNDP Moldova,
131, 31 August 1989 Street, MD-2012 Chisinau, Republic of Moldova
Attention: Registry Office/Procurement**

b) Offers sent electronically need to be addressed to the following e-mail address:

tenders-Moldova@undp.org

Offers shall be clearly marked with **"RFP12/00531: HACT Micro-Assessment"**

Contact person for clarifications: Silvia Pana-Carp, Programme Associate (silvia.pana-carp@undp.org)

4. If you request additional information, we would endeavor to provide information expeditiously, but any delay in providing such information will not be considered a reason for extending the submission date of your proposal.
5. You are requested to acknowledge receipt of this letter and to indicate whether or not you intend to submit a proposal.

Yours sincerely,


Matilda Dimovska,
Deputy Resident Representative

Instructions to Offerors

A. Introduction

1. General

The purpose of this Request for Proposal (RFP) is to solicit proposals from qualified companies that have the necessary expertise to conduct a micro-assessment of financial management and procurement capacities of several national entities - Implementing partners and Responsible parties – which will receive assistance from UN Agencies exceeding USD 100,000 per year. Four entities are subject to micro-assessment exercise as per the attached TOR (Annex III).

The purposes of the assessment undertaken by the United Nations Agencies utilizing harmonized procedures for cash transfers are:

- **Capacity Development Objective:** The review supports the Agencies and government to identify strengths and weaknesses in the Implementing Partner's capacity for financial management and areas for capacity building for government and others.
- **Financial Management Objective:** The review assists in the establishment of appropriate cash transfer modalities procedures, and assurance activities to be applied by the Agencies.
- **Procurement Management Objective:** The review assists in the establishment of appropriate procurement modalities, procedures and assurance activities to be applied by the Agencies.

2. Cost of proposal

The Offeror shall bear all costs associated with the preparation and submission of the Proposal, the UNDP will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the solicitation.

B. Solicitation Documents

3. Contents of solicitation documents

Proposals must offer services for the total requirement. Proposals offering only part of the requirement will be rejected. The Offeror is expected to examine all corresponding instructions, forms, terms and specifications contained in the Solicitation Documents. Failure to comply with these documents will be at the Offeror's risk and may affect the evaluation of the Proposal.

4. Clarification of solicitation documents

A prospective Offeror requiring any clarification of the Solicitation Documents may notify the procuring UNDP entity in writing at the organisation's mailing address or fax number indicated in the RFP. The procuring UNDP entity will respond in writing to any request for clarification of the Solicitation Documents that it receives earlier than two weeks prior to the deadline for the submission of Proposals. Written copies of the organisation's response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective Offerors that has received the Solicitation Documents.

5. Amendments of solicitation documents

At any time prior to the deadline for submission of Proposals, the procuring UNDP entity may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Offeror, modify the Solicitation Documents by amendment.

All prospective Offerors that have received the Solicitation Documents will be notified in writing of all amendments to the Solicitation Documents.

In order to afford prospective Offerors reasonable time in which to take the amendments into account in preparing their offers, the procuring UNDP entity may, at its discretion, extend the deadline for the submission of Proposals.

C. Preparation of Proposals

6. Language of the proposal

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

7. Documents comprising the proposal

The Proposal shall comprise the following components:

- (a) Proposal submission form (Annex IV);
- (b) Completed Eligibility Questionnaire (part of the TOR, Annex III);
- (c) Operational and technical part of the Proposal, including documentation to demonstrate that the Offeror meets all requirements;
- (d) Price schedule/financial proposal, completed in accordance with clauses 9 and 10 (Annex V).

8. Operational and technical documentation

The operational and technical part of the Proposal shall contain documents proving that the Offeror conforms to all conditions set forth in the present document (Instructions to Offerors and Terms of Reference). These documents would facilitate an objective evaluation of offers and would allow assigning points to the criteria of the technical evaluation based on an informed decision. The Proposal shall contain, but shall not be limited to, the following documents:

- A copy of the entity's registration documents (licence, certificates, etc.);
- Brief Company Profile and portfolio of clients;
- Brief outline of similar activities undertaken in the past;
- Detailed description of the Proposed Work Plan and Approach;
- CVs of Task Manager and other Task Force experts (International and Local Experts);
- Implementation Timeline (from the moment of contract signing);
- Description of Quality Assurance Procedures;
- Description of Litigation and Arbitration history (if any);
- Detailed Budget (presented in a separate envelope, as described in the Instructions to Offerors Section).

9. Proposal form

The Offeror shall structure the operational and technical part of its Proposal as follows:

(a) Management plan

This section should provide corporate orientation to include the year and state/country of incorporation and a brief description of the Offeror's present activities. It should focus on services related to the Proposal.

This section should also describe the organisational unit(s) that will become responsible for the contract, and the general management approach towards a project of this kind. The Offeror should comment on its experience in similar projects and identify the person(s) representing the Offeror in any future dealing with the procuring UNDP entity.

(b) Resource plan

This should fully explain the Offeror's resources in terms of personnel and facilities necessary for the performance of this requirement. It should describe the Offeror's current capabilities/facilities and any plans for their expansion.

(c) Proposed methodology

This section should demonstrate the Offeror's responsiveness to the specification by identifying the specific components proposed, addressing the requirements, as specified, point by point; providing a detailed description of the essential performance characteristics proposed warranty; and demonstrating how the proposed methodology meets or exceeds the specifications.

The operational and technical part of the Proposal should not contain any pricing information whatsoever on the services offered. Pricing information shall be separated and only contained in the appropriate Price Schedules.

It is mandatory that the Offeror's Proposal numbering system corresponds with the numbering system used in the body of this RFP. All references to descriptive material and brochures should be included in the appropriate response paragraph, though material/documents themselves may be provided as annexes to the Proposal/response.

Information which the Offeror considers proprietary, if any, should be clearly marked "proprietary" next to the relevant part of the text and it will then be treated as such accordingly.

10. Proposal prices

The Offeror shall indicate on an appropriate Price Schedule/Financial Proposal, an example of which is contained in these Solicitation Documents, the prices of services it proposes to supply under the contract.

11. Proposal currencies

All prices shall be quoted in **Moldovan Lei and shall be exclusive of VAT**. For comparison purposes, all other currencies shall be converted into **Moldovan Lei** using the UN Operational Rate of Exchange on the day of the competition deadline.

12. Period of validity of proposals

Proposals shall remain valid for sixty (60) days after the date of Proposal submission prescribed by the procuring UNDP entity, pursuant to the deadline clause. A Proposal valid for a shorter period may be rejected by the procuring UNDP entity on the grounds that it is non-responsive.

In exceptional circumstances, the procuring UNDP entity may solicit the Offeror's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. An Offeror granting the request will not be required nor permitted to modify its Proposal.

13. Format and signing of proposals

The Offeror shall prepare two copies of the Proposal, clearly marking each "Original Proposal" and "Copy of Proposal" as appropriate. In the event of any discrepancy between them, the original shall govern.

The two copies of the Proposal shall be typed or written in indelible ink and shall be signed by the Offeror or a person or persons duly authorised to bind the Offeror to the contract. The latter authorisation shall be indicated by written power-of-attorney accompanying the Proposal.

A Proposal shall contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the Offeror, in which case such corrections shall be initialled by the person or persons signing the Proposal.

14. Payment

UNDP shall effect payments to the Contractor after acceptance by UNDP of the invoices submitted by the contractor, upon achievement of the corresponding milestones.

D. Submission of Proposals

15. Sealing and marking of proposals

The Offeror shall seal the Proposal in one outer and two inner envelopes, as detailed below.

(a) The outer envelope shall be:

- addressed to –

UNDP Moldova

131, 31 August 1989 Street, MD-2012 Chisinau, Republic of Moldova

Attention: UNDP Registry Office/Procurement

and,

- marked with –

“RFP12/00531: HACT Micro-Assessment”

(b) Both inner envelopes shall indicate the name and address of the Offeror. The first inner envelope shall contain the information specified in Clause 8 (*Operational and technical documentation*) and in Clause 9 (*Proposal form*) above, with the copies duly marked “Original” and “Copy”. The second inner envelope shall include the price schedule/financial proposal duly identified as such.

Note, if the inner envelopes are not sealed and marked as per the instructions in this clause, the procuring UNDP entity will not assume responsibility for the Proposal’s misplacement or premature opening.

(c) In case of electronic submission, the Offeror shall send two messages by e-mail to the following address: tenders-Moldova@undp.org

Having prepared the Proposal in paper format as specified in Clause “D. Submission of Proposals”, hereof, the entire Proposal should be scanned or otherwise converted into one or more electronic .pdf (Adobe Acrobat) format files and attached to two e-mail messages. The first e-mail message shall contain the information specified in Clause 8 (*Operational and technical documentation*) and Clause 9 (*Proposal form*) above and shall have the following subject: **“Technical Proposal for RFP12/00531: HACT Micro-Assessment”**. The second e-mail message shall include the price schedule/financial proposal and shall have the following subject: **“Financial Proposal for RFP12/00531: HACT Micro-Assessment”** - DO NOT OPEN IN ADVANCE. The opening of the financial proposal must be secured with the password protected ZIP archive by the Offeror, which will be given to the procuring UNDP entity upon its request after the completion of the technical proposal evaluation.

To assist procuring UNDP entity in the assurance of transparency, it is recommended that, prior to sending the Email(s), Offerors should open “Options”, then “Voting and Tracking Options” and select “Request a delivery receipt for this message” AND “Request a read receipt for this message”. This option path is for Microsoft Office Outlook software. Other software should offer similar options, although the path and wording might be somewhat different.

16. Deadline for submission of proposals

Proposals must be received by the procuring UNDP entity at the address or e-mail address specified under clause *Sealing and marking of Proposals* no later than **25 May 2012, 16:30**, local time.

The procuring UNDP entity may, at its own discretion extend this deadline for the submission of Proposals by amending the solicitation documents in accordance with clause *Amendments of Solicitation Documents*, in which case all rights and obligations of the procuring UNDP entity and Offerors previously subject to the deadline will thereafter be subject to the deadline as extended.

17. Late Proposals

Any Proposal received by the procuring UNDP entity after the deadline for submission of proposals, pursuant to clause *Deadline for the submission of proposals*, will be rejected.

18. Modification and withdrawal of Proposals

The Offeror may withdraw its Proposal after the Proposal's submission, provided that written notice of the withdrawal is received by the procuring UNDP entity prior to the deadline prescribed for submission of Proposals.

The Offeror's withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of clause *Deadline for Submission of Proposals*. The withdrawal notice may also be sent by telex or fax but followed by a signed confirmation copy.

No Proposal may be modified subsequent to the deadline for submission of proposals.

No Proposal may be withdrawn in the Interval between the deadline for submission of proposals and the expiration of the period of proposal validity specified by the Offeror on the Proposal Submission Form.

E. Opening and Evaluation of Proposals

19. Opening of proposals

The procuring entity will open the Proposals in the presence of a Committee formed by the Head of the procuring UNDP entity.

20. Clarification of proposals

To assist in the examination, evaluation and comparison of Proposals, the Purchaser may at its discretion, ask the Offeror for clarification of its Proposal. The request for clarification and the response shall be in writing and no change in price or substance of the Proposal shall be sought, offered or permitted.

21. Preliminary examination

The Purchaser will examine the Proposals to determine whether they are complete, whether any computational errors have been made, whether the documents have been properly signed, and whether the Proposals are generally in order.

Arithmetical errors will be rectified on the following basis: If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If the Offeror does not accept the correction of errors, its Proposal will be rejected. If there is a discrepancy between words and figures the amount in words will prevail.

Prior to the detailed evaluation, the Purchaser will determine the substantial responsiveness of each Proposal to the Request for Proposals (RFP). For purposes of these Clauses, a substantially responsive Proposal is one which conforms to all the terms and conditions of the RFP without material deviations. The Purchaser's determination of a Proposal's responsiveness is based on the contents of the Proposal itself without recourse to extrinsic evidence.

A Proposal determined as not substantially responsive will be rejected by the Purchaser and may not subsequently be made responsive by the Offeror by correction of the non-conformity.

22. Evaluation and comparison of proposals

A two-stage procedure will be utilised in evaluating the proposals, with evaluation of the technical proposal being completed prior to any price proposal being opened and compared. The price schedule/financial proposal of the Proposals will be opened only for submissions that passed the minimum technical score of 70% of the obtainable score of 700 points in the evaluation of the technical proposals.

The technical proposal is evaluated on the basis of its responsiveness to the Term of Reference (TOR), including the *Completed Eligibility Questionnaire* (Annex III), and the Instructions to Offerors (Annex I).

In the Second Stage, the price proposal of all contractors, who have attained minimum 70% score in the technical evaluation, will be compared. The **cumulative analysis scheme** will be applied with a total score being obtained upon the combination of weighted technical and financial attributes. An Offeror's response to the solicitation document is evaluated and points are attributed based on how well they meet the defined desirable criteria. Cost under this method of analysis is rendered as an award criterion, which will be 30% out of a total score of 1000 of all the desirable factors of the RFP. The contract will be awarded to the offeror obtaining the highest cumulative score. The following formula will be applied in calculating the cumulative score:

$$B = T + \frac{C_{low}}{C} \times 300,$$

where

T – is the total technical score awarded to the evaluated proposal;

C – is the price of the evaluated proposal; and

C_{low} – is the lowest of all evaluated proposal prices among responsive proposals.

Technical Evaluation Criteria

Summary of Technical Proposal Evaluation Forms		Score Weight	Points Obtainable	Company / Other Entity				
				A	B	C	D	E
1.	Expertise of Firm / Organisation submitting Proposal	30%	210					
2.	Proposed Work Plan and Approach	30%	210					
3.	Personnel	40%	280					
Total			700					

Evaluation forms for technical proposals follow on the next two pages. The obtainable number of points specified for each evaluation criterion indicates the relative significance or weight of the item in the overall evaluation process. The Technical Proposal Evaluation Forms are:

Form **1**: Expertise of Firm / Organisation Submitting Proposal

Form **2**: Proposed Work Plan and Approach

Form **3**: Personnel

Technical Proposal Evaluation Form 1			Points obtainable	Company / Other Entity				
				A	B	C	D	E
Expertise of firm / organisation submitting proposal								
1.1	Reputation of Organisation and Staff (Competence / Reliability)		50					
1.2	General Organisational Capability which is likely to affect implementation (i.e. loose consortium, holding company or one firm, size of the firm / organisation, strength of project management support e.g. project financing capacity and project management controls), Management Arrangements Plan		35					
1.3	Quality Assurance Procedures, Warranty (<i>lack of the Quality Assurance Procedures description – 0 pts</i>)		15					
1.4	Litigation and Arbitration history (<i>lack of the Litigation and Arbitration history description – 0 pts</i>)		10					
1.5	Relevance of:		100					
	- Specialised Knowledge	40						
	- Experience on Similar Assignments	40						
	- Work for UNDP/ major multilateral/ or bilateral programmes	20						
Total Form 1			210					

Technical Proposal Evaluation Form 2			Points Obtainable	Company / Other Entity				
				A	B	C	D	E
Proposed Work Plan and Approach								
2.1	To what degree does the Offeror understand the task?		30					
2.2	Is the scope of task well defined and does it correspond to the TOR?		50					
2.3	Have the important aspects of the task been addressed in sufficient detail? Are the different components of the project adequately weighted relative to one another?		50					
2.4	Is the proposal based on a preliminary research concerning Implementing Partners' functionality and was this data input properly used in the preparation of the proposal?		30					
2.5	Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project?		50					
Total Form 2			210					

Technical Proposal Evaluation Form 3			Points Obtainable	Company / Other Entity				
				A	B	C	D	E
Personnel								
3.1	Task Manager		Sub-Score	110				
	General Qualification							
	- Education and general qualifications	30						
	- Prior experience of team/group leader in undertaking similar tasks	10						
	- Professional experience in providing specialized services	40						

	- Experience in reports writing	20							
	- Language Qualifications	10							
3.2	Team Members / Experts		Sub-Score	170					
	General Qualification								
	Education and general qualifications	40							
	Professional experience in providing specialized services	40							
	Combined Team professional competence / expertise (capacities to cover all required areas as per the TOR)	50							
	Experience in working with UN or other international organizations and donor agencies	30							
	Language Qualifications	10							
Total Form 3				280					

F. Award of Contract

23. Award criteria, award of contract

The procuring UNDP entity reserves the right to accept or reject any Proposal, and to annul the solicitation process and reject all Proposals at any time prior to award of contract, without thereby incurring any liability to the affected Offeror or any obligation to inform the affected Offeror or Offerors of the grounds for the Purchaser's action.

Prior to expiration of the period of proposal validity, the procuring UNDP entity will award the contract to the qualified Offeror whose Proposal after being evaluated is considered to be the most responsive to the needs of the organisation and activity concerned.

24. Purchaser's right to vary requirements at time of award

The Purchaser reserves the right at the time of award of contract to vary the quantity of services and goods specified in the RFP without any change in price or other terms and conditions.

25. Signing of the contract

Within 30 days of receipt of the contract the successful Offeror shall sign and date the contract and return it to the Purchaser.

Failure of the successful Offeror to comply with the requirement of Clause 25 shall constitute sufficient grounds for the annulment of the award and forfeiture of the Proposal security if any, in which event the Purchaser may make the award to the next lowest evaluated Offeror or call for new Proposals.

26. Vendor protest

Our vendor protest procedure is intended to afford an opportunity to appeal to persons or firms not awarded a purchase order or contract in a competitive procurement process. **It is not available to non-responsive or non-timely proposers/bidders or when all proposals/bids are rejected. In the event that** you believe you have not been fairly treated, you can find detailed information about vendor protest procedures at the following link: <http://www.undp.org/procurement/protest.shtml>.

General Conditions of Contract

1. LEGAL STATUS

The Contractor shall be considered as having the legal status of an independent contractor vis-à-vis the United Nations Development Programme (UNDP). The Contractor's personnel and sub-contractors shall not be considered in any respect as being the employees or agents of UNDP or the United Nations.

2. SOURCE OF INSTRUCTIONS

The Contractor shall neither seek nor accept instructions from any authority external to UNDP in connection with the performance of its services under this Contract. The Contractor shall refrain from any action that may adversely affect UNDP or the United Nations and shall fulfill its commitments with the fullest regard to the interests of UNDP.

3. CONTRACTOR'S RESPONSIBILITY FOR EMPLOYEES

The Contractor shall be responsible for the professional and technical competence of its employees and will select, for work under this Contract, reliable individuals who will perform effectively in the implementation of this Contract, respect the local customs, and conform to a high standard of moral and ethical conduct.

4. ASSIGNMENT

The Contractor shall not assign, transfer, pledge or make other disposition of this Contract or any part thereof, or any of the Contractor's rights, claims or obligations under this Contract except with the prior written consent of UNDP.

5. SUB-CONTRACTING

In the event the Contractor requires the services of sub-contractors, the Contractor shall obtain the prior written approval and clearance of UNDP for all sub-contractors. The approval of UNDP of a sub-contractor shall not relieve the Contractor of any of its obligations under this Contract. The terms of any sub-contract shall be subject to and conform to the provisions of this Contract.

6. OFFICIALS NOT TO BENEFIT

The Contractor warrants that no official of UNDP or the United Nations has received or will be offered by the Contractor any direct or indirect benefit arising from this Contract or the award thereof. The Contractor agrees that breach of this provision is a breach of an essential term of this Contract.

7. INDEMNIFICATION

The Contractor shall indemnify, hold and save harmless, and defend, at its own expense, UNDP, its officials, agents, servants and employees from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, arising out of acts or omissions of the Contractor, or the Contractor's employees, officers, agents or sub-contractors, in the performance of this Contract. This provision shall extend, inter alia, to claims and liability in the nature of workmen's compensation, products liability and liability arising out of the use of patented inventions or devices, copyrighted material or other intellectual property by the Contractor, its employees, officers, agents, servants or sub-contractors. The obligations under this Article do not lapse upon termination of this Contract.

8. INSURANCE AND LIABILITIES TO THIRD PARTIES

- 8.1 The Contractor shall provide and thereafter maintain insurance against all risks in respect of its property and any equipment used for the execution of this Contract.
- 8.2 The Contractor shall provide and thereafter maintain all appropriate workmen's compensation insurance, or the equivalent, with respect to its employees to cover claims for personal injury or death in connection with this Contract.
- 8.3 The Contractor shall also provide and thereafter maintain liability insurance in an adequate amount to cover third party claims for death or bodily injury, or loss of or damage to property, arising from or in connection with the provision of services under this Contract or the operation of any vehicles, boats, airplanes or other

equipment owned or leased by the Contractor or its agents, servants, employees or sub-contractors performing work or services in connection with this Contract.

- 8.4 Except for the workmen's compensation insurance, the insurance policies under this Article shall:
- (i) Name UNDP as additional insured;
 - (ii) Include a waiver of subrogation of the Contractor's rights to the insurance carrier against the UNDP;
 - (iii) Provide that the UNDP shall receive thirty (30) days written notice from the insurers prior to any cancellation or change of coverage.
- 8.5 The Contractor shall, upon request, provide the UNDP with satisfactory evidence of the insurance required under this Article.

9. ENCUMBRANCES/LIENS

The Contractor shall not cause or permit any lien, attachment or other encumbrance by any person to be placed on file or to remain on file in any public office or on file with the UNDP against any monies due or to become due for any work done or materials furnished under this Contract, or by reason of any other claim or demand against the Contractor.

10. TITLE TO EQUIPMENT

Title to any equipment and supplies that may be furnished by UNDP shall rest with UNDP and any such equipment shall be returned to UNDP at the conclusion of this Contract or when no longer needed by the Contractor. Such equipment, when returned to UNDP, shall be in the same condition as when delivered to the Contractor, subject to normal wear and tear. The Contractor shall be liable to compensate UNDP for equipment determined to be damaged or degraded beyond normal wear and tear.

11. COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS

- 11.1 Except as is otherwise expressly provided in writing in the Contract, the UNDP shall be entitled to all intellectual property and other proprietary rights including, but not limited to, patents, copyrights, and trademarks, with regard to products, processes, inventions, ideas, know-how, or documents and other materials which the Contractor has developed for the UNDP under the Contract and which bear a direct relation to or are produced or prepared or collected in consequence of, or during the course of, the performance of the Contract, and the Contractor acknowledges and agrees that such products, documents and other materials constitute works made for hire for the UNDP.
- 11.2 To the extent that any such intellectual property or other proprietary rights consist of any intellectual property or other proprietary rights of the Contractor: (i) that pre-existed the performance by the Contractor of its obligations under the Contract, or (ii) that the Contractor may develop or acquire, or may have developed or acquired, independently of the performance of its obligations under the Contract, the UNDP does not and shall not claim any ownership interest thereto, and the Contractor grants to the UNDP a perpetual license to use such intellectual property or other proprietary right solely for the purposes of and in accordance with the requirements of the Contract.
- 11.3 At the request of the UNDP; the Contractor shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring or licensing them to the UNDP in compliance with the requirements of the applicable law and of the Contract.
- 11.4 Subject to the foregoing provisions, all maps, drawings, photographs, mosaics, plans, reports, estimates, recommendations, documents, and all other data compiled by or received by the Contractor under the Contract shall be the property of the UNDP, shall be made available for use or inspection by the UNDP at reasonable times and in reasonable places, shall be treated as confidential, and shall be delivered only to UNDP authorized officials on completion of work under the Contract.

12. USE OF NAME, EMBLEM OR OFFICIAL SEAL OF UNDP OR THE UNITED NATIONS

The Contractor shall not advertise or otherwise make public the fact that it is a Contractor with UNDP, nor shall the Contractor, in any manner whatsoever use the name, emblem or official seal of UNDP or THE United Nations, or any abbreviation of the name of UNDP or United Nations in connection with its business or otherwise.

13. CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION

Information and data that is considered proprietary by either Party and that is delivered or disclosed by one Party ("Discloser") to the other Party ("Recipient") during the course of performance of the Contract, and that is designated as confidential ("Information"), shall be held in confidence by that Party and shall be handled as follows:

- 13.1 The recipient ("Recipient") of such information shall:
- (i) use the same care and discretion to avoid disclosure, publication or dissemination of the Discloser's Information as it uses with its own similar information that it does not wish to disclose, publish or disseminate; and,
 - (ii) use the Discloser's Information solely for the purpose for which it was disclosed.
- 13.2 Provided that the Recipient has a written agreement with the following persons or entities requiring them to treat the Information confidential in accordance with the Contract and this Article 13, the Recipient may disclose Information to:
- (i) any other party with the Discloser's prior written consent; and,
 - (ii) the Recipient's employees, officials, representatives and agents who have a need to know such Information for purposes of performing obligations under the Contract, and employees officials, representatives and agents of any legal entity that it controls, controls it, or with which it is under common control, who have a need to know such Information for purposes of performing obligations under the Contract, provided that, for these purposes a controlled legal entity means:
 - a corporate entity in which the Party owns or otherwise controls, whether directly or indirectly, over fifty percent (50%) of voting shares thereof; or,
 - any entity over which the Party exercises effective managerial control; or,
 - for the UNDP, an affiliated Fund such as UNCDF, UNIFEM and UNV.
- 13.3 The Contractor may disclose Information to the extent required by law, provided that, subject to and without any waiver of the privileges and immunities of the United Nations, the Contractor will give the UNDP sufficient prior notice of a request for the disclosure of Information in order to allow the UNDP to have a reasonable opportunity to take protective measures or such other action as may be appropriate before any such disclosure is made.
- 13.4 The UNDP may disclose Information to the extent as required pursuant to the Charter of the UN, resolutions or regulations of the General Assembly, or rules promulgated by the Secretary-General.
- 13.5 The Recipient shall not be precluded from disclosing Information that is obtained by the Recipient from a third party without restriction, is disclosed by the Discloser to a third party without any obligation of confidentiality, is previously known by the Recipient, or at any time is developed by the Recipient completely independently of any disclosures hereunder.
- 13.6 These obligations and restrictions of confidentiality shall be effective during the term of the Contract, including any extension thereof, and, unless otherwise provided in the Contract, shall remain effective following any termination of the Contract.

14. FORCE MAJEURE; OTHER CHANGES IN CONDITIONS

- 14.1 In the event of and as soon as possible after the occurrence of any cause constituting force majeure, the Contractor shall give notice and full particulars in writing to the UNDP, of such occurrence or change if the Contractor is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Contract. The Contractor shall also notify the UNDP of any other changes in conditions or the occurrence of any event that interferes or threatens to interfere with its performance of this Contract. On receipt of the notice required under this Article, the UNDP shall take such action as, in its sole discretion; it considers to be appropriate or necessary in the circumstances, including the granting to the Contractor of a reasonable extension of time in which to perform its obligations under this Contract.
- 14.2 If the Contractor is rendered permanently unable, wholly, or in part, by reason of force majeure to perform its obligations and meet its responsibilities under this Contract, the UNDP shall have the right to suspend or terminate this Contract on the same terms and conditions as are provided for in Article 15, "Termination", except that the period of notice shall be seven (7) days instead of thirty (30) days.
- 14.3 Force majeure as used in this Article means acts of God, war (whether declared or not), invasion, revolution, insurrection, or other acts of a similar nature or force.
- 14.4 The Contractor acknowledges and agrees that, with respect to any obligations under the Contract that the Contractor must perform in or for any areas in which the UNDP is engaged in, preparing to engage in, or disengaging from any peacekeeping, humanitarian or similar operations, any delays or failure to perform such obligations arising from or relating to harsh conditions within such areas or to any incidents of civil unrest occurring in such areas shall not, in and of itself, constitute force majeure under the Contract.

15. TERMINATION

- 15.1 Either party may terminate this Contract for cause, in whole or in part, upon thirty (30) days notice, in writing, to the other party. The initiation of arbitral proceedings in accordance with Article 16.2 ("Arbitration"), below, shall not be deemed a termination of this Contract.
- 15.2 UNDP reserves the right to terminate without cause this Contract at any time upon 15 days prior written notice to the Contractor, in which case UNDP shall reimburse the Contractor for all reasonable costs incurred by the Contractor prior to receipt of the notice of termination.

- 15.3 In the event of any termination by UNDP under this Article, no payment shall be due from UNDP to the Contractor except for work and services satisfactorily performed in conformity with the express terms of this Contract.
- 15.4 Should the Contractor be adjudged bankrupt, or be liquidated or become insolvent, or should the Contractor make an assignment for the benefit of its creditors, or should a Receiver be appointed on account of the insolvency of the Contractor, the UNDP may, without prejudice to any other right or remedy it may have under the terms of these conditions, terminate this Contract forthwith. The Contractor shall immediately inform the UNDP of the occurrence of any of the above events.

16. SETTLEMENT OF DISPUTES

16.1. Amicable Settlement

The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of this Contract or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the parties.

16.2. Arbitration

Any dispute, controversy, or claim between the Parties arising out of the Contract or the breach, termination, or invalidity thereof, unless settled amicably under Article 16.1, above, within sixty (60) days after receipt by one Party of the other Party's written request for such amicable settlement, shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The decisions of the arbitral tribunal shall be based on general principles of international commercial law. For all evidentiary questions, the arbitral tribunal shall be guided by the Supplementary Rules Governing the Presentation and Reception of Evidence in International Commercial Arbitration of the International Bar Association, 28 May 1983 edition. The arbitral tribunal shall be empowered to order the return or destruction of goods or any property, whether tangible or intangible, or of any confidential information provided under the Contract, order the termination of the Contract, or order that any other protective measures be taken with respect to the goods, services or any other property, whether tangible or intangible, or of any confidential information provided under the Contract, as appropriate, all in accordance with the authority of the arbitral tribunal pursuant to Article 26 ("Interim Measures of Protection") and Article 32 ("Form and Effect of the Award") of the UNCITRAL Arbitration Rules. The arbitral tribunal shall have no authority to award punitive damages. In addition, unless otherwise expressly provided in the Contract, the arbitral tribunal shall have no authority to award interest in excess of the London Inter-Bank Offered Rate ("LIBOR") then prevailing, and any such interest shall be simple interest only. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy, or claim.

17. PRIVILEGES AND IMMUNITIES

Nothing in or relating to this Contract shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including its subsidiary organs.

18. TAX EXEMPTION

- 18.1 Section 7 of the Convention on the Privileges and Immunities of the United Nations provides, inter-alia that the United Nations, including its subsidiary organs, is exempt from all direct taxes, except charges for public utility services, and is exempt from customs duties and charges of a similar nature in respect of articles imported or exported for its official use. In the event any governmental authority refuses to recognize the United Nations exemption from such taxes, duties or charges, the Contractor shall immediately consult with the UNDP to determine a mutually acceptable procedure.
- 18.2 Accordingly, the Contractor authorizes UNDP to deduct from the Contractor's invoice any amount representing such taxes, duties or charges, unless the Contractor has consulted with the UNDP before the payment thereof and the UNDP has, in each instance, specifically authorized the Contractor to pay such taxes, duties or charges under protest. In that event, the Contractor shall provide the UNDP with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

19. CHILD LABOUR

- 19.1 The Contractor represents and warrants that neither it, nor any of its suppliers is engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, including Article 32 thereof, which, inter alia, requires that a child shall be protected from performing any work that is likely to be hazardous

or to interfere with the child's education, or to be harmful to the child's health or physical mental, spiritual, moral or social development.

19.2 Any breach of this representation and warranty shall entitle UNDP to terminate this Contract immediately upon notice to the Contractor, at no cost to UNDP.

20. MINES

20.1 The Contractor represents and warrants that neither it nor any of its suppliers is actively and directly engaged in patent activities, development, assembly, production, trade or manufacture of mines or in such activities in respect of components primarily utilized in the manufacture of Mines. The term "Mines" means those devices defined in Article 2, Paragraphs 1, 4 and 5 of Protocol II annexed to the Convention on Prohibitions and Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects of 1980.

20.2 Any breach of this representation and warranty shall entitle UNDP to terminate this Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind of UNDP.

21. OBSERVANCE OF THE LAW

The Contractor shall comply with all laws, ordinances, rules, and regulations bearing upon the performance of its obligations under the terms of this Contract.

22. SEXUAL EXPLOITATION

22.1 The Contractor shall take all appropriate measures to prevent sexual exploitation or abuse of anyone by it or by any of its employees or any other persons who may be engaged by the Contractor to perform any services under the Contract. For these purposes, sexual activity with any person less than eighteen years of age, regardless of any laws relating to consent, shall constitute the sexual exploitation and abuse of such person. In addition, the Contractor shall refrain from, and shall take all appropriate measures to prohibit its employees or other persons engaged by it from, exchanging any money, goods, services, offers of employment or other things of value, for sexual favors or activities, or from engaging in any sexual activities that are exploitive or degrading to any person. The Contractor acknowledges and agrees that the provisions hereof constitute an essential term of the Contract and that any breach of this representation and warranty shall entitle UNDP to terminate the Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind.

22.2 The UNDP shall not apply the foregoing standard relating to age in any case in which the Contractor's personnel or any other person who may be engaged by the Contractor to perform any services under the Contract is married to the person less than the age of eighteen years with whom sexual activity has occurred and in which such marriage is recognized as valid under the laws of the country of citizenship of such Contractor's personnel or such other person who may be engaged by the Contractor to perform any services under the Contract.

23. AUTHORITY TO MODIFY

Pursuant to the Financial Regulations and Rules of UNDP, only the UNDP Authorized Official possesses the authority to agree on behalf of UNDP to any modification of or change in this Agreement, to a waiver of any of its provisions or to any additional contractual relationship of any kind with the Contractor. Accordingly, no modification or change in this Contract shall be valid and enforceable against UNDP unless provided by an amendment to this Agreement signed by the Contractor and jointly by the UNDP Authorized Official.

Terms of Reference

Assessment of the Implementing Partner's Financial Management and Procurement Capacities

Background

Pursuant to the UN General Assembly Resolution 56/201 on the triennial policy review of operational activities for development of the United Nations system, UNDP, UNICEF, UNFPA and WFP (UNDG ExCom Agencies) adopted a common operational framework for transferring cash to government and non-government Implementing Partners. It calls for an upfront assessment of the financial management and procurement capacities (micro-assessment) of the Implementing Partners.

The purposes of the assessment undertaken by the United Nations Agencies utilizing harmonized procedures for cash transfers are:

- **Capacity Development Objective:** The review supports the Agencies and government to identify strengths and weaknesses in the Implementing Partner's capacity for financial management and areas for capacity building for government and others.
- **Financial Management Objective:** The review assists in the establishment of appropriate cash transfer modalities procedures, and assurance activities to be applied by the Agencies.
- **Procurement Management Objective:** The review assists in the establishment of appropriate procurement modalities, procedures and assurance activities to be applied by the Agencies.

In this context, UNDP Moldova plans to hire an independent consulting entity to conduct a micro-assessment of Implementing Partners¹ and of the Responsible Parties² financial management and procurement capacities who will receive assistance exceeding US\$100,000 per year.

Scope

As many as 4 entities are subject of the micro-assessment as per the attached list.

The assessments will provide an overall assessment of each institutions: (i) financial management capacity and review of funds flow, staffing, accounting policies and procedures, internal audit, external audit, reporting and monitoring and information systems; and, (ii) procurement management capacity involving such areas as procurement strategy, procurement strategy, procurement planning, procurement organization and practice, documentation, handling of complaints, internal and external control and others relevant.

The assessment will also cover the reporting, monitoring and information systems established between the Implementing partners (IPs) and Responsible partners (RPs).

Methodology

The consulting entity (hereinafter called as "contractor") will undertake a micro-assessment of the IPs/RPs identified by UNDP Moldova. The Contractor will closely liaise with the assigned person at UNDP in carrying out these assessments and will get assistance in identifying a contact person from each of the IP and RP to work with on the micro assessment. A 'pilot' assessment of one IP could be considered to test the methodology and draw lessons that will guide the remaining micro assessments. The results of the 'pilot' should be shared with the assigned person at UNDP Moldova to ensure these assessments are a consultative process between the IP and RP and the contractor hired for the purpose.

The Contractor should utilize: "*Financial Management Questionnaire*" and the "*Checklist for the Analysis of Implementing Partners' Procurement Capacities*" of this TOR. In completing the questionnaires, the Contractor should also assess the partner's control system with equal emphasis on: (1) the effectiveness of the system in providing the partner's management with useful and timely information for the proper management of the partner; (2) the general effectiveness of the internal control system in protecting the assets and resources of the partner.

When assessing the financial management capacity the Contractor should have full and complete access at any time to all records and documents related to ODA projects and programmes that provide answers to the 8 sets of questions raised herewith, namely questions about the: (i) Implementing Partner/Responsible parties, (ii) Funds

¹ An Implementing Partner in this context is a government entity, a UN Agency, an NGO, UNDP itself and inter-Governmental organization.

² 'Responsible Party' is an entity selected to act on behalf of the Implementing Partner on the basis of a written agreement or contract to purchase goods or provide services using the project budget.

Flow, (iii) Staffing, (iv) Accounting policies and procedures, (v) Internal Audit, (vi) External Audit, (vii) reporting and monitoring, and (viii) Information systems. Financial management capacity should be assessed against the international standards.

The records and documents may include books of account, legal agreements, and minutes of committee meetings, bank records, invoices and contracts, and all employees of each Implementing Partner/Responsible parties. The Contractor should be advised that it has a right of access to banks and depositories, consultants, contractors and other persons or firms engaged by the programme/project management.

When assessing the procurement management capacity the Contractor will cover 4 core issues and technical capacities to ensure sound, efficient and transparent procurement practices at the implementing partners' level: institutional arrangements, leadership, knowledge and accountability, and the procurement cycle. It includes such areas as: (i) procurement strategy; (ii) procurement strategy; (iii) procurement planning; (iv) procurement organization and practice; (v) documentation; (vi) handling of complaints; (vii) internal and external control and others relevant.

The procurement capacity assessment should be based on interviews or group discussions with the IPs/RPs representatives and other stakeholders. A certain number of recent procurement cases should be reviewed. When adequate information exists (e.g., reviews of past experience with the implementing partner, recent assessment by other UN agencies, procurement audit report, etc), it should be used to inform the assessment.

If the Contractor may not have unrestricted access to any records, person or location during the course of the assessment, this restriction should be clearly defined with reasons, in the report. It should be noted that some of the questions in the questionnaire are relevant to the finance and accounting department, while others to the direct recipient agency.

The Contractor should give special attention to records and documents relating to the Implementing Partner's/Contracting Parties issues, experiences and lessons with regard to the implementation and management of programmes/projects that are funded by official development assistance in general and technical assistance in particular.

The Contractor will complete a draft report with the elements outlined in the following paragraph, for each of the partners assessed. The Contractor will take into account the comments and suggestions made by involved parties in finalizing its mission report. The lessons learned will be used to modify the TOR and questionnaire as/if necessary and appropriate, in order to improve the smoothness, quality and relevance of the remaining micro assessments.

Deliverables

The Contractor must submit a report (of about eight pages in total) for each Implementing Partner/Responsible Party assessed with the following included:

- An executive summary.

- A description of the Implementing Partner/Responsible Party including the physical address, phone numbers, fax numbers, web sites and general e-mail addresses.

- Information on the assessment methodology.

- Conclusions and risk rating (H-high risk; S-significant risk; M-moderate risk; L-low risk) related to the Implementing Partner's/Responsible parties financial and procurement management capacities.

- A section on reporting, monitoring and information system established between the Implementing Partner and Responsible Party.

Financial Management Capacity section

- Risk ratings for funds flow, staffing, accounting policies and procedures, internal audit, external audit, reporting and monitoring and information systems.

- A summary of the financial management assessment of the Implementing Partner/Responsible Parties.

- A description of the standards applied such as International Accounting Standards (IAS) published by the International Accounting Standards Board or the draft International Public Sector Accounting Standards (IPSAS) on Cash Accounting published by the Public Sector Committee (PSC) of the International Federation of Accountants may also be described.

- A description of the financial management capacity in different areas with a description of any specific internal control weaknesses noted in financial management

- A description of the most significant risks and recommendations for mitigating them and for monitoring and assurance activities to address or compensate for the weaknesses in the short term.

- Recommendations to resolve/eliminate the internal control weaknesses noted, including short and medium-term capacity development measures.

- Completed Check-list A and B: *Financial Management Questionnaire*.

Procurement Management Capacity section

- a description of the procurement management capacity in each of the subject areas of the checklists;
- a description of the most significant risks related to procurement ;
- recommendations to the implementing partner to address areas of risks;
- any other information considered useful for UNDP to determine the appropriate procurement modalities, further arrangements and assurance activities;
- The completed *Checklist C "Analysis of Implementing Partners' Procurement Capacities"*

Duration of the assignment

The duration of the assessment should not exceed four weeks, depending on the complexity of the assignment.

Management arrangements

The Contractor will be directly supervised by the HACT Focal Point/Manager of the Environment and Energy Portfolio who will review and approve the final report

Qualification of contractor

Generally, a qualified accountant/auditor or accounting firm should be competent to conduct such an assessment. Preference will be given to a Contractor who has conducted prior audits of programmes/projects that were funded by UN agencies.

The Contractor must be completely impartial and independent from all aspects of management or financial interests in the entity being reviewed or those of its implementing/supervising agency or directly related entities.

The Contractor should not, during the period covered by the assessment nor during the undertaking of the assessment, be employed by, or have any financial or close business relationships with any senior participant in the management of the entity.

The Contractor should be experienced in applying international standards for audit – either ISA or INTOSAI audit standards.

The firm should provide Curriculum vitae (CV) of the staff who would be responsible for drafting the report, together with the CVs of members of the assessment team. The CVs should include details on audits carried out by the applicable staff, including ongoing assignments indicating capability and capacity to undertake the audit.

Since the Implementing Partners to be assessed rarely possess English language proficiency, firms possessing Romanian/Russian language capacity will be given a priority.

Eligibility Questionnaire:

The attached Eligibility Questionnaire should be completed by firm/consultants to assist in the selection of firm/consultants. Only those firm/consultants that are deemed to be independent, that have professional competence and well-trained staff (in case of firm/consultants) may be considered for engagement through a competitive process.

Documents for study by the firm/consultants

Framework for Cash Transfers to Implementing Partners
National Implementation by the Government of UNDP supported projects: Guidelines and Procedures
Moldova Country Procurement Assessment Report, Document of the World Bank no.61829

List of Implementing Partners/Responsible Parties

Institution's name	Contact person (incl. contact details)	Project title	Planned annual project budget in 2012 (US\$)	UN Agencies working with IP
1. Ministry of Environment				
1a. Ministry of Environment	Ms. Maria Nagornii, Head of DAMEP, Ministry of Environment 9, Cosmonautilor str., of. 614, Chisinau, Republic of Moldova Tel.: 022-204520	Strengthening capacities to undertake environmental fiscal reform to meet national and global environmental priorities	Up to 80,000	UNDP
1b. Environment Pollution Prevention Office	Ms. Tatiana Tugui, Director, 9, Cosmonautilor str., of. 736, Chisinau, Republic of Moldova Tel: 022- 222542	Mainstreaming of Sound Management of Chemicals into National Development Planning Process	112,000	UNDP
1c. Biodiversity Office	Mr. Alexandru Teleuta, Director 156A, Dosoftei str., of. 303, Chisinau, Republic of Moldova Tel: 022-523898	National Biodiversity Planning to Support the Implementation of the CBD 2011-2020 Strategic Plan in Moldova	102,000	UNDP
2. 2KR Project Implementation Unit (The Implementation and Administration Unit of the Agro-Food Competitiveness Enhancement Project)	Mr. Valeriu Bulgari, Director of 2KR str. Calea Basarabiei, 18, Chisinau, Republic of Moldova Tel: 27-84-63, 54-98-81	Moldova Energy and Biomass Project	400,000	UNDP

QUESTIONNAIRES FOR FINANCIAL MANAGEMENT CAPACITY SECTION

Checklist A

Financial Management Capacity Questionnaire for Implementing Partners with experience working with the UNCT

Summary Assessment

Name of Implementing Partner/RP: _____

Date: _____

Number of years Agency has worked with the IP/RP: _____

(if less than two years then the questionnaire in Checklist B should be used)

1. Is the volume of expected expenditure significantly different to that of past expenditures?	<u>Yes/No</u>	If Yes, stop here and go to Checklist B
2. Has there been a significant change in administration in the past two years?	<u>Yes/No</u>	If Yes, stop here and go to Checklist B
3. Have there been any incidences that indicate that financial reporting has been inaccurate or unreliable?	<u>Yes/No</u>	If Yes, stop here and go to Checklist B If No, attach justification (e.g., NEX audit certification and reports, previous liquidation statements).
4. Have Agencies noted any issues, which could lead to inappropriate use of funds: <ul style="list-style-type: none"> • lack of segregation of duties • lack of supervision of staff • inadequate monitoring • inappropriate/untrained staff • large cash operation 	<u>Yes/No</u> <u>Yes/No</u> <u>Yes/No</u> <u>Yes/No</u> <u>Yes/No</u>	If Yes in any of the responses, stop here and go Checklist B
5. Has there been any incidence of unduly delayed financial reports?	<u>Yes/No</u>	If Yes, the UNCT should discuss the reasons. If identified as a significant cause of concern, proceed to use Checklist B. If not a significant cause of concern, attach explanation.
6. Is there any indication outside the above that there are weaknesses in internal controls and/or financial management, which would require a specific assessment of the financial management capacity?	<u>Yes/No</u>	If Yes, go to Checklist B If No, proceed to conclude the assessment

Result of Assessment

If all answers are 'No', then the overall risks are considered low.

If any answers are 'Yes', then the UNCT should complete Checklist B

Checklist B: Financial Management Questionnaire³

Implementing Partner: _____

Date: _____

Summary of Risks related to the Financial Management Capacity of Implementing Partner					
Tested Subject Area (see subsequent pages for questions for each area that should be completed and summarized in the sections below)					
	Risk Assessment				Comments
	<i>H</i>	<i>S</i>	<i>M</i>	<i>L</i>	
1. Implementing Partner					
2. Funds Flow					
3. Staffing					
4. Accounting Policies and Procedures					
5. Internal Audit					
6. External Audit					
7. Reporting and Monitoring					
8. Information Systems					
Inherent Risk					
List major specific issues identified in the assessment of the country's public financial management system (macro-assessment), or specific risks related to the nature or operation of the Implementing Partner					
Overall Risk Assessment		<i>H</i>	<i>S</i>	<i>M</i>	<i>L</i>

H – High

S – Significant

M – Moderate

L – Low

³ This questionnaire was developed from a questionnaire used by the World Bank.

Financial Management Questionnaire

Subject Area	Yes	No	N/A	Review	Remarks/Comments
1. Implementing partner					
1.1 Is the implementing partner legally registered? Please note the legal status/registration of the entity.					
1.2 Has the implementing partner received UN resources in the past?					
1.3 Does the IP have statutory reporting requirements? Please describe.					
1.4 Is the governing body for the implementing partner independent?					
1.5 Is the organizational structure appropriate for the work to be carried out under UN cooperation?					
<i>Risk Assessment (Implementing Partner)</i>	H	S	M	L	Circle assessed risk for Subject Area 1
2. Funds Flow					
2.1 Can the entity receive and transfer funds?					
2.2 Are the arrangements to transfer the funds to the entity satisfactory?					
2.3 Have there been major problems in the past in receipt of funds by the entity, particularly where the funds flow from the Government/Ministry of Finance?					
2.4 In the past, has the entity had any problems in the management of disbursements from a member of the UN country team? Please describe.					
2.5 Does the entity have/need a capacity to manage foreign exchange risks? (if it is expected that the entity will be using funds outside the country.)					
2.6 How are the counterpart funds accessed?					
2.7 How are payments made from the counterpart funds?					
2.8 If some activities will be implemented by communities or NGOs, does the entity have the necessary reporting and monitoring mechanisms to track the use of funds?					
<i>Risk Assessment (Funds Flow)</i>	H	S	M	L	Circle assessed risk for Subject Area 2
3. Staffing					
3.1 Is the organizational structure of the accounting department appropriate for the level of financial volume? Attach an organization chart.					

Subject Area	Yes	No	N/A	Review	Remarks/Comments
3.2 Is the level and competency of staff appropriate for the level of financial volume? Identify the accounts staff, including job title, responsibilities, educational background and professional experience. Attach job descriptions and CVs of key accounting staff.					
3.3 Is the implementing partner finance and accounts function staffed adequately?					
3.4 Are finance and accounts staff adequately qualified and experienced?					
3.5 Are accounts and finance staff familiar with UN procedures related to cash transfers?					
3.6 What is the duration of the contract of finance and accounts staff?					
3.7 Indicate in the remarks/comments section key positions not contracted yet, and the estimated date of appointment.					
3.8 Are staff frequently transferred? At what frequency?					
3.9 Is there a training policy for the finance and accounting staff? Please describe.					
<i>Risk Assessment (Staffing)</i>	H	S	M	L	Circle assessed risk for Subject Area 3
4. Accounting Policies and Procedures					
4.1 Does the entity have an accounting system that allows for the proper recording of financial transactions from UN Agencies, including the allocation of expenditures in accordance with the respective components, disbursement categories, and sources of funds?					
4.2 Are controls in place concerning the preparation and approval of transactions, ensuring that all transactions are correctly made and adequately explained?					
4.3 Is the chart of accounts adequate to properly account for and report on activities and disbursement categories?					
4.4 Are cost allocations to the various funding sources made accurately and in accordance with established agreements?					
4.5 Are the general ledger and subsidiary ledgers reconciled and in balance?					
4.6 Are all accounting and supporting documents retained on a permanent basis in a defined system that allows authorized users easy access?					

Subject Area	Yes	No	N/A	Review	Remarks/Comments
<i>Segregation of Duties</i>					
4.7 Are the following functional responsibilities performed by different units or persons: (a) authorization to execute a transaction; (b) recording of the transaction; and (c) custody of assets involved in the transaction?					
4.8 Are the functions of ordering, receiving, accounting for, and paying for goods and services appropriately segregated?					
4.9 Are bank reconciliations prepared by someone other than those who make or approve payments?					
<i>Budgeting System</i>					
4.10 Do the budgets lay down physical and financial targets?					
4.11 Are budgets prepared for all significant activities in sufficient detail to provide a meaningful tool with which to monitor subsequent performance?					
4.12 Are actual expenditures compared to the budget with reasonable frequency, and explanations required for significant variations from the budget?					
4.13 Are approvals from variations from the budget required in advance or after the fact?					
4.14 Who is responsible for preparation and approval of budgets?					
4.15 Are procedures in place to plan activities, collect information from the units in charge of the different components, and prepare the budgets?					
4.16 Are the plans and budgets of activities realistic, based on valid assumptions, and developed by knowledgeable individuals?					
<i>Payments</i>					
4.17 Do invoice processing procedures provide for: <ul style="list-style-type: none"> • Copies of purchase orders and receiving reports to be obtained directly from issuing departments? • Comparison of invoice quantities, prices, and terms with those indicated on the purchase order and with records of goods actually received? • Comparison of invoice quantities with those indicated on the receiving reports? • Checking the accuracy of calculations? 					
4.18 Are all invoices stamped <i>PAID</i> , dated, reviewed and approved, and clearly marked for account code assignment?					

Subject Area	Yes	No	N/A	Review	Remarks/Comments
4.19 Do controls exist for the preparation of the payroll and are changes to the payroll properly authorized?					
<i>Policies And Procedures</i>					
4.20 Describe the basis of accounting (e.g., cash, accrual)?					
4.21 Are internationally accepted accounting standards followed? If so, which standard?					
4.22 Does the entity have an adequate policies and procedures manual to guide activities and ensure staff accountability?					
4.23 Do procedures exist to ensure that only authorized persons can alter or establish a new accounting principle, policy, or procedure to be used by the entity?					
4.24 Are there written policies and procedures covering all routine financial management and related administrative activities? Are these accessible?					
4.25 Do policies and procedures clearly define <i>conflict of interest and related party transactions</i> (real and apparent) and provide safeguards to protect the organization from them?					
4.26 Are manuals distributed to appropriate personnel?					
<i>Cash and Bank</i>					
4.27 Indicate in remarks/comments section the names and positions of authorized signatories on the bank accounts.					
4.28 Does the implementing partner maintain an adequate, up-to-date cashbook, recording receipts and payments?					
4.29 Do controls exist for the collection, timely deposit, and recording of receipts at each collection location?					
4.30 Are bank and cash reconciled on a monthly basis?					
4.31 Are all unusual items on the bank reconciliation reviewed and approved by a responsible official?					
4.32 Are receipts deposited on a timely basis?					
<i>Safeguard Over Assets</i>					
4.33 Is there a system of adequate safeguards to protect assets from fraud, waste and abuse?					
4.34 Are subsidiary records of fixed assets and stocks kept up to date and reconciled with control accounts?					
4.35 Are there periodic physical inventories of fixed assets and stocks?					

Subject Area	Yes	No	N/A	Review	Remarks/Comments
4.36 Are assets sufficiently covered by insurance policies?					
<i>Other Offices or entities*2</i>					
4.37 Are there any other regional offices participating in implementation?					
4.38 Has the Implementing Partners established controls and procedures for flow of funds, financial information, accountability, and audits in relation to the other offices or entities? Please describe approval process.					
4.39 Does information among the different offices/Agencies flow in an accurate and timely fashion?					
4.40 Are periodic reconciliations performed among the different offices/Agencies?					
<i>Other</i>					
4.41 Has the implementing partner advised employees, beneficiaries, and other recipients to whom to report if they suspect fraud, waste, or misuse of Agency resources or property?					
<i>Risk Assessment (Accounting Policies and Procedures)</i>	H	S	M	L	Circle assessed risk for Subject Area 4
5. Internal Audit					
5.1 Is there an internal audit department in the entity?					
5.2 What are the qualifications and experience of audit department staff?					
5.3 Is the internal auditor sufficiently independent to make critical assessments? To whom does the internal auditor report?					
5.4 Will the internal audit department include the activities financed by the Agencies in its work program?					
5.5 Are actions taken on the internal audit findings?					
<i>Risk Assessment (Internal Audit)</i>	H	S	M	L	Circle assessed risk for Subject Area 5
6. External Audit					
6.1 Is the entity financial statement audited regularly by an independent auditor? Who is the auditor?					
6.2 Are there any delays in audit of the entity? When are the audit reports issued?					
6.3 Is the audit of the entity conducted according to the International Standards on Auditing?					

² Other offices or entities refers to sub-offices of the implementing partners and/or respective parties.

Subject Area	Yes	No	N/A	Review	Remarks/Comments
6.4 Were there any major accountability issues brought out in the audit report of the past three years?					
6.5 Will the entity auditor audit the AWP accounts or will a separate auditor be appointed to audit the AWP financial statements?					
6.6 Are there any recommendations made by the auditors in prior audit reports or management letters that have not yet been implemented?					
6.7 Has the implementing partner prepared audit plans?					
<i>Risk Assessment (External Audit)</i>	H	S	M	L	Circle assessed risk for Subject Area 6
7. Reporting and Monitoring					
7.1 Are financial statements prepared for the entity?					
7.2 What is the frequency of preparation of financial statements? Are the reports prepared in a timely fashion so as to be useful to management for decision making?					
7.3 Does the reporting system need to be adapted to report on the AWP related expenditure?					
7.4 Does the reporting system have the capacity to link the financial information with the AWP's physical progress? If separate systems are used to gather and compile physical data, what controls are in place to reduce the risk that the physical data may not synchronize with the financial data?					
7.5 Does the Implementing Partner have established financial management reporting responsibilities that specify what reports are to be prepared, what they are to contain, and how they are to be used?					
7.6 Are financial management reports used by management?					
7.7 Do the financial reports compare actual expenditures with budgeted and programmed allocations?					
7.8 Are financial reports prepared directly by the automated accounting system or are they or are they prepared by spread-sheets or some other means?					
<i>Risk Assessment (Monitoring and Reporting)</i>	H	S	M	L	Circle assessed risk for Subject Area 7
8. Information Systems					
8.1 Is the financial management system computerized?					
8.2 Can the system produce the necessary financial reports?					
8.3 Are the staff adequately trained to maintain the system?					

8.4 Does the management organization and processing system safeguard the confidentiality, integrity, and availability of the data?					
<i>Risk Assessment (Information Systems)</i>	H	S	M	L	Circle assessed risk for Subject Area 8

QUESTIONNAIRES FOR PROCUREMENT MANAGEMENT CAPACITY SECTION

Core Issues and Technical Capacities	
Institutional arrangements	Legal status
	Procurement organization and functions
	Staffing of the procurement unit
Leadership	Procurement Strategy
	Management function
Knowledge	Procurement principles and rules and procedures
	Availability of tools and guidelines
	Training
Accountability	Delegation of power
	Documentation and filing
	Handling of complaints
	Transparency and Integrity
	Controls system
Procurement Cycle	General principles
	Procurement Planning
	Sourcing
	Solicitation documents
	Communication between bidders and the IP
	Offers receipt and opening
	Evaluation of offers
	Contract award
Contract administration	

**Checklist C: Analysis of Implementing Partners Procurement Capacity
(Micro Assessment)**

Implementing Partner: _____

Date: _____

E. Overall Risk Assessment⁴	<i>H</i>	<i>S</i>	<i>M</i>	<i>L</i>	
---	----------	----------	----------	----------	--

Risk Levels: H – High S – Significant M – Moderate L –Low

Core Issues and Technical Capacities	Assessment objective	Elements to verify/assess	Assessment results	
			Major capacity gaps and associated risks	Score ⁵
Institutional arrangements				
Legal status	Verify the legal status of the IP	What is the legal corporate status of the IP (Government department, state corporation, parastatal enterprise, NGO)?		
		Does the IP have the mandate to enter legal obligations?		
		Do the national laws and regulations (in particular procurement law) apply to this IP? If not, which procurement regulations do apply? Please describe.		
Procurement organization and functions	Clarify procurement organization and verify existence and mandate of the responsible procurement unit	Does a procurement unit exist?		
		Who is responsible for the following functions? Please describe. <ul style="list-style-type: none"> - Procurement Planning - Preparation of bidding documents - Management of bidding process - Bid opening - Bid evaluation - Contract award - Contract preparation and signature 		

⁴ To assign the overall risk level, based on the completed checklist, calculate the simple average of the scores assessed for institutional arrangements, leadership, knowledge, accountability, and procurement cycle and divide the sum by 5 (number of core issues and technical capacities). The average scores translate into risk categories as follows:
Average score below 1.0: High risk; Average score 1.0 – 1.9: Significant risk; Average score 2.0 – 2.7: Moderate risk; Average score above 2.8: Low risk.

⁵ Use the scoring criteria presented at the bottom of this checklist

		<ul style="list-style-type: none"> - Contract management - Transport & insurance - Customs clearance 	
		Is the structure of the procurement unit (if any) clear with defined reporting lines, that foster efficiency and accountability	
		Are committees established for <ul style="list-style-type: none"> - Technical specifications - Bid evaluations - Contract award (approval procedures)? 	
		Is contracting power reasonably delegated?	
		Do the assigned roles and responsibilities ensure the appropriate segregation of tasks?	
		Are procedures well documented in manuals, guidelines, instructions?	
		Is appropriate information on procurement adequately disseminated (rules, thresholds, responsibilities)?	
		Are procurement agents used?	
Staffing of the procurement unit	Verify that the procurement unit has sufficient staff with necessary procurement expertise	Does sufficient procurement staff exist to handle (additional?) procurement funded by UNDP and/or UN Agencies?	
		Do job descriptions exist and are assigned duties in line with the job descriptions?	
		Do staff skills generally match required qualifications?	
		How long has current procurement staff been in the present position (including management level)?	
		Is it easy to recruit and retain qualified procurement staff? Do existing incentive structures underpin sound procurement?	
Leadership			
Procurement Strategy	Verify that a procurement strategy, and	Does a procurement strategy exist and is it known and shared by staff and management?	

	appropriate tools and mechanisms exist	Do tools and mechanisms exist to categorize and prioritize high risk/ high exposure procurement activities	
Management Function	Verify that procurement is seen as a management function	Is procurement seen as a management function or seen as a clerical, administrative function?	
		Does management have a general knowledge and understanding of the main principles of procurement?	
		Does management oversight go beyond the mandatory approval role?	
		Do tools exist to monitor the procurement process?	
		Does management detect and follow-up on irregularities?	
Knowledge			
Procurement principles and rules and procedures	Verify that staff and management know existing rules and regulations	Is staff knowledgeable of procurement principles and the applying rules and regulations?	
		Does staff know existing thresholds for procurement methods?	
		Does staff have experience in conducting international procurement?	
Availability of tools and guidelines	Verify that tools and guidelines are available and used	Does staff have access to appropriate tools and guidelines (procurement law, regulations, standard bidding documents, templates, internet access)	
		Is specialized procurement knowledge accessible?	
Training	Verify that staff are sufficiently trained	Does training for staff involved in procurement exist (procurement officer, technical functions, committees, management)?	
		Has previous training achieved sustainable results?	
Accountability			
Delegation of power	Verify that appropriate delegation of power exists	Delegation is in writing and in line with existing competences and capacities. Delegation is clear and does not establish unnecessary approval levels or procedures	
Documentation and Filing	Verify that complete procurement records exist	Does complete documentation of the procurement process exist? (Including for example: announcements, pre-qualification (if applicable), bidding documents, any applicable minutes (conference, on site visit), clarifications, opening records, evaluation records, bids, any complains if applicable, contract, any amendments, completion certificates, status of	

		payment, others) Do individual case files exist?	
Handling of complaints	Verify that established procedures for handling complaints are implemented	Does staff involved in procurement have a sound understanding of the established complaints procedures?	
		Are all complaints handled in a timely manner, are they properly documented, and are decisions published and enforced?	
		How many complaints have been submitted and have been resolved?	
Transparency and Integrity	Verify that measures exist to ensure transparency and integrity	Does a definition of conflict of interest exist and is it enforced?	
		Does a code of ethics exist and does staff involved in procurement sign it?	
		Have there been any cases of fraud or corruption and how, if any, have they been resolved?	
		Have any suppliers been debarred?	
Controls Systems	Verify that internal and external control systems exist	Does an internal audit unit exist?	
		Have specialized procurement audits been conducted?	
		Do auditors have sufficient procurement expertise to conduct procurement performance audits?	
		Are audit recommendations implemented?	
		Are final payments and contract final closure efficiently handled?	
Procurement Cycle			
General principles	Verify that the procurement cycle is managed in an efficient and transparent manner ensuring best value for money; fairness, integrity and transparency; and effective competition.	Analysis needs to be done for goods, works (if applicable) and services (including contracts with consulting companies and individual experts).	
Procurement Planning		Are procurement plans developed on time and regularly updated?	
		Is procurement well integrated in project management?	
		Are procurement plans sufficiently detailed in order to develop a realistic procurement action plan, with realistic lead times, and accurate costing?	
		Do they include an analysis if external expertise is needed to effectively manage the procurement process?	
		Do planning methods reflect level of complexity and logistic limitations?	
		Are requirements of complex Supply Chain Management project taken into account?	

		Are estimated lead times realistic? Are they normally met?	
Sourcing		Are market analyses conducted for high complex/ high expenditure categories?	
		Are thresholds for advertising enforced? Are advertisements widely published? Is international competition encouraged?	
		Does a local database exist? How is it managed?	
		Is the pre-qualification procedure used in relevant cases?	
		Are pre-qualification documents clear and complete, do they obtain evaluation criteria?	
Solicitation documents		What is the overall quality of the solicitation documents?	
		Are standard documents used and properly adapted to the procurement activity and to project requirements?	
		What is the quality of the specifications/ terms of reference? Are they neutral?	
		Are solicitation documents complete, is all relevant information included to submit an offer, are evaluation criteria included?	
		Do they include templates for the submitting offers? Do they allow for the receipt of comparable offers?	
		Are bid securities and performance securities properly applied?	
Communication between bidders and the IP		Do bidding documents include information on debriefing conferences or on site visits, when applicable? Are these meetings properly managed and documented?	
		Are bidders' requests for clarification replied to quickly, providing complete information in writing?	
		Do all bidders receive equal and timely information?	
		Are records kept on all communications with bidders?	
Offers receipt and opening		Are offers kept safe and locked before and after the submission deadline?	
		Are tender boxes easily and safely accessible?	
		Does a permanent bid opening committee exist? Who are the members?	
		Are bid openings public, when applicable?	
		What is the normal time span between submission deadline and bid opening?	
		What information is read aloud during the bid opening ceremony? Are minutes of the bid opening produced?	
		Are evaluation committees established? Who are the members?	
Evaluation of offers		Does the evaluation committee have sufficient technical expertise in case of complicated/ highly technical evaluations?	
		Is the evaluation process done in a systematic manner? Are evaluation criteria specified in the bidding documents and correctly applied in the evaluation process?	

		Is the evaluation and contract award conducted within the validity deadline?	
		Does an evaluation report exist? (including reasons for disqualification and non-responsiveness of offers)	
Contract Award		Are contracts awarded based on lowest evaluated offer or cumulative score (if applicable)?	
		When and how are negotiations conducted?	
		Are thresholds for contract award respected?	
		Do minutes exist if approval is required by a committee?	
Contract Administration		Which system exists for contract administration?	
		Who is responsible for contract administration:	
		<ul style="list-style-type: none"> - monitoring of deadlines as stipulated in contract - quality tests - acceptance of goods, works, services and completion certificates - invoice checking - payments - warranty, claims - performance securities - dispute resolution 	
		Are the roles clearly defined? Is contract administration properly recorded?	

Scoring Criteria

The scoring system ranges from 3 to 0 for each core issue/technical capacities, 3 being the highest score.

Analog to the *OECD-DAC Methodology for the Assessment of National Procurement Systems*,

- Score 3: indicates full achievement of the stated standard
Score 2: system exhibits less than full achievement and needs some improvements in areas being assessed
Score 1: areas where substantive work is needed for the system to meet the standard
Score 0: indicates failure to meet the proposed standard

1. Institutional Arrangements

The legal status provides the mandate to enter legal obligations; applying procurement rules and regulations are specified; a very well defined procurement organization exists; staff involved in procurement has the required procurement expertise	3
The legal status provides the mandate to enter legal obligations; applying procurement rules and regulations are specified; a well defined procurement organization exists; staff involved in procurement generally has the required procurement expertise; or external expertise is accessed when needed	2
The legal status provides the mandate to enter legal obligations; applying procurement rules and regulations are specified; the procurement organization is weak or staff involved in procurement lacks the required procurement expertise	1
The legal status does not provides the mandate to enter legal obligations; or applying procurement rules and regulations are not specified; or the procurement organization is very weak; or staff involved in procurement lacks the required procurement expertise	0

2. Leadership

There is a procurement strategy and it is known and shared by management and staff; management has a very good knowledge and understanding of procurement; and excellent management tools exist	3
There is a procurement strategy; management has a general knowledge and good understanding of procurement; and appropriate management tools exist	2
There is no procurement strategy; management has limited knowledge and understanding of procurement; management tools are insufficient	1
There is no procurement strategy; management lacks knowledge and understanding of procurement; appropriate management tools do not exist	0

3. Knowledge

Staff and management are very knowledgeable of procurement principles, rules and procedures; tools and guidelines are very satisfactory and consistently used; training is offered and leads to sustainable results.	3
Staff and management are knowledgeable of procurement principles, rules and procedures; tools and guidelines are satisfactory and consistently used; training is offered and generally leads to sustainable results.	2
Staff and management are fairly knowledgeable of procurement principles, rules and procedures; tools and guidelines are basic but generally used; training is hardly offered or does not lead to sustainable results	1
Staff and management are not knowledgeable of procurement principles, rules and procedures; tools and guidelines are very basic or inconsistently used; training is hardly offered or does not lead to sustainable results.	0

4. Accountability

There is a clear and appropriate delegation of power; procurement cases are consistently very well documented and filed; complaints are consistently handled in a fair, transparent, efficient and timely manner; integrity and control systems are very well defined.	3
There is a clear and appropriate delegation of power; procurement cases are consistently well documented and filed; complaints are generally handled in a fair, transparent, efficient and timely manner; integrity and control systems are well defined.	2
There is no clear or inappropriate delegation of power; procurement cases are often not well documented and filed; there are deficiencies in handling complaints in a fair, transparent, efficient and timely manner; integrity and control systems are weak	1
There is no clear or inappropriate delegation of power; procurement cases are not consistently documented and filed; complaints are not allowed or not handled in a fair, transparent, efficient and timely manner; integrity and control systems are very weak.	0

5. Procurement Cycle

The procurement cycle is managed very satisfactorily in an efficient and transparent manner ensuring best value for money, fairness, integrity and transparency, and effective competition. Critical steps of the procurement cycle such as needs identification, procurement planning and sourcing are systematically done in a thorough manner and by competent staff. Evaluation criteria are clear and applied consistently. Contract administration is an integral part of the procurement process and performance is evaluated.	3
The procurement cycle is managed satisfactorily in an efficient and transparent manner ensuring best value for money, fairness, integrity and transparency, and effective competition. Critical steps of the procurement cycle such as needs identification, procurement planning and sourcing are usually done in a thorough manner and by competent staff. Evaluation criteria are clear and applied consistently. Contract administration is an integral part of the procurement process and performance is evaluated.	2
The procurement cycle is to some extent managed satisfactorily. There are no major deficiencies in terms of transparency, and compliance with rules and regulations. However critical steps of the procurement cycle such as needs identification, procurement planning and sourcing are done in a mechanical manner and by staff with insufficient competence, especially for high risk and/ or high volume contracts. Contract administration is no integral part of the procurement process.	1
The procurement cycle is managed poorly. There are major deficiencies in terms of transparency and compliance with rules and regulations. Critical steps of the procurement cycle such as needs identification, procurement planning and sourcing are done in a mechanical manner and by staff with insufficient competence, especially for high risk and/ or high volume contracts. Contract administration is no integral part of the procurement process.	0

Private Sector Audit Firm/Consultant Application for Eligibility Questionnaire⁶

Basic Information

1. Legal Name of Firm/consultant
2. Street and Postal Address of Firm/consultant
3. Telephone (include country and area code)
4. Fax (include country and area code)
5. Email address
6. Address and Telephone of Branch Offices (use attachment if necessary)

Branch Name	Address & Telephone	Officer in Charge

7. Practice license or permit number
8. Date of license/permit issuance
9. Expiry date of license/permit
10. Name of licensing/permit agency
11. State the legal nature of the firm/consultant
12. Fully describe the ownership structure and management structure of the firm

The firm/consultant's Independence

13. Does the firm/consultant have a written independence or conflict of interest policy? (If yes provide a copy. If no, provide a brief description of the policy with comparison to the relevant IFAC Code). Are all professional staff provided training in the firm's independence or conflict of interest policies? Have staff members attended training courses in professional ethics, including training in IFAC's International Professional Practice Statements or Code of Ethics for Professional Accountants?
14. Does the firm/consultant provide consulting services involving accounting or internal control matters to audit clients?
15. Has the firm/consultant, any partners of the firm/consultant or any staff of the firm/consultant ever been subject to disciplinary action by any national accounting body to which the firm/consultant or its partners belong? If so, please indicate the nature of the disciplinary action and the reasons for it.
16. Has the firm/consultant, any partner of the firm/consultant or any staff of the firm/consultant ever been subject to a court order involving the provision of professional services? If so, please indicate the nature of the court order and the reasons for it.
17. Has the firm/consultant, any partner of the firm/consultant or any staff of the firm/consultant ever been barred from auditing firm/consultants listed on any securities exchange or otherwise been subject to sanction or penalty by any securities exchange?
18. Are the firm/consultant's partners or staff members allowed to hold shares or other investments in audit clients?

⁶ This Questionnaire is taken from the OECD-DAC Good Practice Paper on Harmonizing Donor Practices for Effective Aid Delivery.

Affiliations with other Firm/consultants

19. Does the firm/consultant have an affiliation or association with any other foreign or local professional firm/consultant(s) such as accountants, auditors, consultants or lawyers etc.? If so, please provide the following:

Firm/consultant Name	Legal Address	Home Country	Contact Person

20. Please describe the general nature of the affiliation(s), as follows:

- Are any partners of the firm/consultant also domestic or international partners of the affiliated firm/consultant?
- Does your firm/consultant or any partner of the firm/consultant share in the profits or liability exposure of the affiliate?
- Does the affiliate provide training courses for the firm’s staff?
- If the firm/consultant is affiliated with a foreign accounting/audit firm does the foreign firm have an audit manual/guideline, and does the firm have access to and use of that manual/guideline? Does the firm use it exclusively in relation to audits resulting from the foreign affiliation or does the firm also use it in relation to audits that do not result from the affiliation?
- Other important matters.

Firm/consultant’s Professional Orientation

21. Indicate which of the following services are provided by the firm/consultant and show the share of each service in relation to the firm/consultant’s last complete year’s total fee income. Please separate any income derived from a foreign accounting/auditing firm/consultant affiliation.

Nature of Income	Derived from Foreign Acc’t/Audit Affiliate(s)	National Income	Total Fee Income
Auditing _ In accordance with ISA _ In accordance with national standards	%	%	%
Accounting _ In accordance with IAS _ In accordance with national standards	%	%	%
Consulting Services	%	%	%
Other Fee Income	%	%	%
Total Fee Income	100 %	100 %	100 %

ISA — International Standards on Auditing
IAS — International Accounting Standards

22. Indicate the percentage of the firm/consultant’s last complete year’s total fee income attributable to foreign aid/funding agreements with international agencies, bilateral aid agencies or other sources (information may be aggregated where common audit arrangements are adopted by donors).

Nature of Income	IMF/ World Bank	Regional Develop't Bank(s)	Bilateral Aid Agencies	Other Int'l Agencies	Private Sector	National Gov't	Total Fee Income
Auditing _ In accordance with ISA _ In accordance with national standards	%	%	%	%	%	%	%
Accounting _ In accordance with IAS _ In accordance with national standards	%	%	%	%	%	%	%
Consulting Services	%	%	%	%	%	%	%
Other Fee Income	%	%	%	%	%	%	%
Total Fee Income	100%	100%	100%	100%	100%	100%	100%

23. Does the firm/consultant use an audit procedures manual or guideline for staff? If so, when was it last updated? How does the firm/consultant ensure that staff adheres to the audit manual/guidelines, at all times? (Please attach a copy of the manual/guideline).

24. Is the firm/consultant aware that various multilateral and bilateral agencies have guidelines covering accounting and auditing for projects they fund? If so please list the guidelines the firm/consultant has.

25. Discuss the firm/consultant's quality assurance programme. Does the firm/consultant participate in a peer review programme on a national basis and has the firm/consultant ever participated in a peer review as a result of an affiliation with a foreign accounting/audit firm? If so, what were the results of the last national/ foreign peer review(s)?

26. Describe the firm/consultant's utilization of information technology, i.e. software tools and computer assisted audit techniques to support auditing assignments.

Professional Services Liability Insurance Coverage

27. Has the firm/consultant ever directly settled a claim involving professional services, that is, without utilizing the insurance coverage? If so please state the main issues involved in the settlement and the amount of the settlement.

Personnel

28. Composition of staff

29. (Attach a schedule(s) if needed. In a larger firm, individual staff profiles will normally only be reviewed for staff working on the audit of donor supported projects)

Name	Member of Professional Body*/ Year of Qualification	With Relevant Audit Experience In			
		Public Sector	Construction Contracts	Cash Accounting Systems	Other
Partners/Associates					
Managers					
Supervisors					
Other prof. staff					

*Refers to a member currently in good standing with the named IFAC member accounting body.

30. For each person listed in item 28 above, provide a separate attachment with a brief summary of their qualifications and professional experience, including:

- Academic or other qualifications
- Membership of foreign professional bodies
- Details of professional audit and accounting experience, stating relevant industry(ies), including experience in the public sector, construction contracts and cash accounting systems, separating domestic and foreign experience.
- Mother tongue and any other languages with written and spoken fluency.

31. What has been the turnover rate of the firm’s partners and personnel (partners/associates, managers, supervisors, seniors, and other professional staff) during the last 5 years?

Staff Training

32. Briefly state the firm’s training philosophy

33. Indicate post qualification training or professional education courses taken, year taken and total hours by each major staff category in the last three years, as follows:

Category	Training/Courses/Year/Total Hours			
	IAS*	ISA+	National Standards	Other Courses
Partners/Associates				
Managers				
Supervisors				
Seniors				
Other professional staff				

**International Accounting Standards*

+International Standards on Auditing

34. Does the firm have a professional training manual, and is a copy provided to each professional staff member?

Indicate types of training and number of hours of training by staff category, provided by any affiliate firm over the last three years, as follows (attach a schedule if necessary):

Staff Category	Training Year/Total Hours	
	In Country	Out of Country
Partners/Associates		
Managers		
Supervisors		
Seniors		
Other professional staff		

Certification

I certify the above information is true and correct.

Signed

Name

Position

Date

The firm/consultant should feel free to submit any additional information that further describes the firm/consultant.

PRICE SCHEDULE/FINANCIAL PROPOSAL

The Contractor is asked to prepare the Price Schedule/financial proposal and submit it in a separate envelope from the rest of the RFP response as indicated in Section D paragraph 15 (b) of the Instruction to Offerors. All prices/rates quoted must be exclusive of all taxes, since the UNDP is exempt from taxes as detailed in Annex II, Clause 18. The Price Schedule/financial proposal must provide a detailed cost breakdown. Provide separate figures for each functional grouping or category. Estimates for cost-reimbursable items, if any, such as travel, and out of pocket expenses should be listed separately.

In case of an equipment component to the service provided, the Price Schedule should include figures for both purchase and lease/rent options. The UNDP reserves the option to either lease/rent or purchase outright the equipment through the Contractor.

The format shown on the following pages should be used in preparing the price schedule. The format includes specific expenditures, which may or may not be required or applicable but are indicated to serve as examples. In addition to the hard copy, if possible please also provide the information in electronic format on CD or diskette.

Price Schedule:		
Request for Proposals for Assessment of Financial Management Capacity of Partners (micro-assessment)		
Description of Activity/Item	Total Fee per Assignment, MDL	Logistical expenses, (provide estimates in under point # 2)
A. Implementing Partner – Ministry of Environment		
1.	Remuneration	
1.1.	Task Manager	
1.2.	Team members/Experts	
1.3.	Other	
	Sub-total	MDL
2.	Logistical expenses (printing costs, transportation, rent, other costs associated with the assignment)	
2.1.	Communications	
2.2.	Transportation	
2.3.	Multiplication, reproduction and reports	
2.4.	Equipment and other items	
2.5.	Other	
	Sub-total	MDL
3.	Other costs (please specify)	
3.1.		
	Sub-total	MDL
Total A (1 + 2 + 3)		MDL
B. Implementing Partner – 2KR Project		
1.	Remuneration	
1.1.	Task Manager	
1.2.	Team members/Experts	
1.3.	Other	
	Sub-total	MDL
2.	Logistical expenses (printing costs, transportation, rent, other costs associated with the assignment)	
2.1.	Communications	
2.2.	Transportation	
2.3.	Multiplication, reproduction and reports	
2.4.	Equipment and other items	
2.5.	Other	
	Sub-total	MDL
3.	Other costs (please specify)	
3.1.		
	Sub-total	MDL
Total B (1 + 2 + 3)		MDL
GRAND TOTAL (A + B)		MDL