Tirana, 25/10/2021

**INVITATION TO TENDER**

**“External Audit of RYCO”**

This is an invitation to tender for the above-mentioned service contract. Please find enclosed the following documents, which constitute the **Tender Dossier**:

1. **Contract notice**
2. **Instructions to tenderers**
3. **Draft contract**
4. **Terms of reference**
5. **Service tender submission form** (*To be submitted by the tenderer as the standard application form using the template provided Annex I)*
6. **Financial offer form** (*To be submitted by the tenderer as the financial offer using the template provided Annex II*)

We look forward to receiving your tender, which has to be sent no later than the submission deadline at the e mail address specified in the instructions to tenderers.

By submitting a tender, you accept to receive notification of the outcome of the procedure by electronic means. Such notification shall be deemed to have been received by you on the date upon which the contracting authority sends it to the electronic address you referred to in your offer.

 Head of Contracting Authority

Albert Hani

Secretary General

**A: SERVICE CONTRACT NOTICE**

**1. Procedure:** Open procedure

**2. Contract title: “**External Audit of RYCO”

**3. Financed from:** *Regional Youth Cooperation Office (RYCO)*

**4. Contracting Authority:** *Regional Youth Cooperation Office (RYCO).*

 **5.** **Work base:** RYCO Head Office, “Skenderbej street” 8/2/2, Tirana, 1000, Albania.

**CONTRACT SPECIFICATION**

**6. Nature of contract:**  Global based

**7. Contract description:** RYCO is seeking the services of an auditing company for the audit of RYCO accounts and Financial Statements for the financial year 2021 in compliance with article 18 of RYCO Statute. A detailed description of this assignment is provided in the Terms of Reference, part D of the Tender Dossier.

**8. Number and titles of lots:**  Sole lot

**9.** **Maximum budget available:** 6 500 Euro

**CONDITIONS OF PARTICIPATION**

**10. Eligibility:**  Participation in tendering is open on equal terms to duly registered legal entities (Auditing Companies), exercising this type of activity in one of the WB6 Contracting Parties.

**11. Number of tenders**: No more than one tender can be submitted by a tenderer participating either on their own or as member of a consortium. In the event that a tenderer submits more than one tender, all tenders in which the eligible entity has participated will be excluded

**12. Sub-contracting:**  Sub – contracting is not allowed.

**13. Grounds for exclusion**: As part of the tender, tenderers must submit a signed declaration, included in the tender form, to the effect that they are not in any of the listed exclusion situations.

**PROVISIONAL TIMETABLE**

**14. Provisional commencement of the contract:**  Beginning of February 2022.

**15. Implementation period of the tasks**: Beginning of February 2022 – End of March 2022.

**SELECTION AND AWARD CRITERIA**

**16. Selection criteria**

Selection criteria: The following selection criteria will be applied to the tenderers.

1. **Qualifications and professional experience of the tenderers.**

The objective of this criterion is to examine whether or not the tenderer:

Has the professional qualification, experience and capacities appropriate to this contract as per the TOR qualification requirements as following:

1. The company should have registered Certified Auditors in the audit team;
2. The person appointed as the Audit Manager should be a Certified Auditor (registered accounting expert) with at least 10 years of audit experience;
3. The audit company should be a member of any international auditing group or subsidiary of foreign audit company operating in WB6.
4. The company should have at least one Certified Auditor (registered accounting expert) with international recognized certification;
5. The certified auditors should demonstrate audit experience of international organizations
6. The certified auditors should demonstrate audit experience of donor funded projects and / or international organizations.
7. ***Financial offer***
* The objective of this criterion is to examine if the financial offer submitted by the tenderers for the implementation of this contract aligns with the quality of the tender and is within the upper limit of budget available for this contract.

**17. Award criteria:**  The sole award criterion will be the lowest price among technically compliant tenderers.

**TENDERING**

**18. Deadline for receipt of tenders: 12/11/2021, 17h00.**

**19. Tender format and details to be provided:**  Tenders must be submitted using the standard tender form provided in this tender dossier. To prepare their tender, Tenderers must strictly follow all the instructions indicated at “*Instructions to Tender*” and “Terms of References” including the annexes, part of this tender dossier.

**20. How tenders may be submitted:** Tenders must be submitted in English exclusively to the contracting authority: **Regional Youth Cooperation Office (RYCO)** and be sent to the following email address: procurement@rycowb.org

Tenders submitted by any other means will not be considered.

By submitting a tender tenderer accept to receive notification of the outcome of the procedure by electronic means.

**21. Operational language:** All written communications for this tender procedure and contract must be in English.

**22**. **Alteration or withdrawal of tenders:** Tenderers may alter or withdraw their tenders by electronic notification sent in the same email address mentioned in point 20 prior to the deadline for submission of tenders. No tender may be altered after this deadline.

**23. Offer validity period:** The offer validity period is 90 (ninety) days from the deadline for submission of tenders.

**22. Legal basis:**

 **-** RYCO’s Rules for Procurement

 - Statute of the Regional Youth Cooperation Office

**B: INSTRUCTIONS TO TENDERERS**

**When submitting their tenders, tenderers must follow all instructions, forms, terms of reference and relevant annexes, draft contract provisions and specifications contained in this tender dossier. Failure to submit a tender containing all the required information and documentation within the deadline specified may lead to the rejection of the tender.**

1. **Services to be provided**

The services required by the Contracting Authority are described in the terms of reference (part D of the tender dossier) and form an integral part of this Contract.

1. **Timetable**

|  |  |  |
| --- | --- | --- |
|  |  **DEADLINE** | **TIME\*** |
| **Deadline for requesting clarification from the contracting authority** | **Up to 5 (five) working days before the deadline for submission of tenders** |   |
| **Last date for the contracting authority to issue clarification** | **At the latest 2 (two) working days before the deadline for submission of tenders**  |   |
| **Deadline for submitting tenders** |  **12/11/2021** |  **17:00** |

***\* All times are in the time zone of the country of the contracting authority.***

1. **Participation, qualification and subcontracting**
2. **Participation:** Participation in tendering is open on equal terms to duly registered legal entities (Auditing Companies), exercising this type of activity in one of the WB6 Contracting Parties.
3. **Qualification:** Upon meeting the selection criteria.
4. **Sub – contracting:** Sub - contracting is not allowed.
5. **Content of tender.**

**The tender must include a technical offer and a financial offer.**

**4.1. Technical offer**

The technical offer must include the following documents:

1. **Tender submission form according the template given in the tender dossier (ANNEX I of the tender dossier), including:**
2. **“STATEMENT”,**
3. **“DECLARATION ON HONOUR ON EXCLUSION CRITERIA”,**
4. **“FINANCIAL IDENTIFICATION FORM”**

 ***\**** *The above-mentioned form to be completed signed and stamped by the tenderers.*

***2.*****The evidences to support the selection criteria** set in the Terms of Reference part D of the tender dossier as follows:

*The potential tenderer must submit:*

* Letter of interest where applicants should:

(a) State specific motivation to be selected;

(b) Describe relevant experience to meet the criteria as set above;

* Curriculum Vitae of the audit company and of each audit team member.
* Copy of certificate of membership in any international audit firm network or subsidiary of a foreign audit company.
* Copy of legal registration.
* All related certificates/licenses of the Audit Company and team members to proof the selection criteria stated in section 8.
* Consortium agreement if applicable.

Documentary proof should be scanned copies of the original or notarized copies.

Statements must be in original. Tenderers are reminded that the provision of false information in this tender procedure may lead to the rejection of their tender.

**4.2. Financial offer**

The financial offer must be presented as an amount in Euro (all applicable taxes included) and must be submitted using the template of Annex II (Financial offer form) of this tender dossier.

Tenderers are reminded that:

* The financial offer cannot exceed 6 500 Euro
* The service provider is responsible for paying all the taxes related to this contract.
* Any potential costs regarding travel and accommodation are to be included in the financial offer.

**Offers, all correspondence and documents related to the tender exchanged by the tenderer and the contracting authority must be in English.**

Supporting documents furnished by the tenderer may be in another language, provided they are accompanied by a translation into the language of the procedure. For the purposes of interpreting the tender, the language of the procedure has precedence.

Failure to fulfil the requirements of these clauses will constitute an irregularity and may result in rejection of the tender.

1. **Additional information before the deadline for submitting tenders**

Tenderers may submit questions to the following email address:

procurement@rycowb.org **up to 5 (five) working days before the deadline for submission of tenders, specifying the contract title.**

The contracting authority has no obligation to provide clarification after this date.

The contracting authority must respond to request for clarifications **at the latest 2 (two) working days after receiving them.**

Any tenderer seeking to arrange individual meetings with the contracting authority concerning this contract during the tender period may be excluded from the tender procedure.

- Information meeting: No information meeting is foreseen.

1. **Submission of tenders**

 Tenders must be sent to the contracting authority within the given deadline in point 2 “Timetable” of Instructions to tender. They must include the requested documents specified on clause 4 above and be sent to the following email address:

procurement@rycowb.org

* Tenders submitted by any other means will not be considered.
* All tenders submitted after the above given deadline shall be rejected.
1. **Costs for preparing tenders**

No costs incurred by the tenderer in preparing and submitting the tender are reimbursable. All such costs must be borne by the tenderer.

1. **Ownership of tenders**

The contracting authority retains ownership of all tenders received under this tendering procedure.

1. **Evaluation of tenders**

**9.1** **Examination of the administrative conformity of tenders**

The aim at this stage is to check that tenders comply with the essential requirements of the tender dossier. A tender is deemed to comply if it satisfies all the conditions, procedures and specifications set in the tender dossier without substantially departing from or attaching restrictions to them.

Substantial departures or restrictions are those which affect the scope, quality or execution of the contract, differ widely from the terms of the tender dossier, limit the rights of the contracting authority or the tenderer’s obligations under the contract or distort competition for tenderers whose tenders do comply. Decisions to the effect that a tender is not administratively compliant must be duly justified in the evaluation report.

If a tender does not comply with the tender dossier, it will be rejected immediately and may not subsequently be made to comply by correcting it or withdrawing the departure or restriction.

**9.2 Evaluation of technical offers**

The quality of each technical offer will be evaluated in accordance with the award criteria. No other award criteria will be used. The award criteria will be examined in accordance with the requirements indicated in the Terms of Reference.

**9.3. Evaluation of financial offers**

Upon completion of the technical evaluation the financial offers will be evaluated in accordance with the award criteria. Financial offers exceeding the maximum budget available for the contract are unacceptable and will be eliminated.

Any arithmetical errors are corrected without penalty to the tenderer.

Amounts corrected will be binding on the tenderer. If the tenderer does not accept them, its tender will be rejected.

1. **Choice of selected tenderer / Award Criteria**

 The sole award criterion is the price. The contract will be awarded to the lowest price among technically compliant tenderers.

1. **Amending or withdrawing tenders**

Tenderers may amend or withdraw their tenders by e mail referring to the above given email address prior to the deadline for submitting tenders. The subject of the email must be ‘Amendment….’ or ‘Withdrawal…’ as appropriate. Tenders may not be amended after this deadline.

1. **Confidentiality**

The entire evaluation procedure is confidential, subject to the contracting authority’s legislation on access to documents. The evaluation committee’s decisions are collective and its deliberations are held in closed session. The evaluation reports and written records are for official use only and may be not communicated to the tenderers.

1. **Ethics clauses / Corruptive practices**

a) Absence of conflict of interest

 The tenderer must not be affected by any conflict of interest and must have no equivalent relation in that respect with other tenderers or parties involved in the project. Any attempt

 by a tenderer to obtain confidential information, enter into unlawful agreements with competitors or influence the evaluation committee or the contracting authority during the process of examining, clarifying, evaluating and comparing tenders will lead to the rejection of its tender.

b) Respect for human rights as well as environmental legislation and core labour standards

The tenderer and its staff must comply with human rights and applicable data protection rules. In particular, and in accordance with the applicable basic act, tenderers and applicants who have been awarded contracts must comply with the environmental legislation, and with the core labour standards as applicable and as defined in the relevant International Labour

 Organisation conventions (such as the conventions on freedom of association and collective bargaining; elimination of forced and compulsory labour; abolition of child labour).

1. Unusual commercial expenses

 Tenders will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main contract

d) Breach of obligations, irregularities or fraud

 The contracting authority reserves the right to suspend or cancel the procedure, where the award procedure proves to have been subject to breach of obligations, irregularities or fraud. If breach of obligations, irregularities or fraud are discovered after the award of the contract, the contracting authority may refrain from concluding the contract.

e) Anti-corruption and anti-bribery

 The tenderer shall comply with all applicable laws and regulations and codes relating to anti-bribery and anti-corruption. The Contractor Authority reserves the right to suspend or cancel project financing if corrupt practices of any kind are discovered at any stage of the award process or during the execution of a contract. For the purposes of this provision, ‘corrupt practices’ are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or execution of a contract already concluded with the contracting authority.

1. **Signature of contract**

**14.1. Notification of award**

The successful tenderer will be informed by electronic means that its tender has been accepted.

The other tenderers will, at the same time as the notification of award is issued, be informed that their tenders were not retained, by electronic means, including an indication of the reason. The second best tenderer is informed of the notification of award to the successful tenderer with the reservation of the possibility to receive a notification of award in case of inability to sign the contract with the awarded tenderer.

The contracting authority will furthermore, at the same time, also inform the remaining unsuccessful tenderers.

**14.2. Signature of the contract/ Implementation**

 After the expiry of the appeal period (in cases when no appeals have been submitted) or after the end of appeal process if the award decision has not been subject to changes deriving from appeal process and upon confirmation of availability the Contracting Authority will invite the successful tenderer to sign the contract.

Failure of the selected tenderer to comply with this requirement and/or availability may constitute grounds for annulling the decision to award the contract. In this event, the contracting authority may decide to award the contract to the second best tenderer or cancel the tender procedure.

Should the Contracting Authority learn that a tenderer has confirmed the availability and signed the contract although the tenderer has deliberately concealed the fact of unavailability for the start and the implementing of the contract, the Contracting Authority may decide to terminate the contract.

1. **Cancellation of the tender procedure**

In the event of cancellation of the tender procedure, the contracting authority will notify tenderers of the cancellation.

Cancellation may occur, for example, where:

* the tender procedure has been unsuccessful, i.e. no suitable, qualitatively or financially acceptable tender has been received or there is no valid response at all;
* there are fundamental changes to the economic or technical data of the project;
* exceptional circumstances or force majeure render normal performance of the contract impossible;
* all technically acceptable tenders exceed the financial resources available;
* there have been breach of obligations, irregularities or frauds in the procedure, in particular if they have prevented fair competition;
* the award is not in compliance with sound financial management, i.e. does not respect the principles of economy, efficiency and effectiveness (e.g. the price proposed by the tenderer to whom the contract is to be awarded is objectively disproportionate with regard to the price of the market).

In no event shall the contracting authority be liable for any damages whatsoever including, without limitation, damages for loss of profits, in any way connected with the cancellation of a tender procedure, even if the contracting authority has been advised of the possibility of damages. The publication of a contract notice does not commit the contracting authority to implement the programme or project announced.

1. **Appeals**

Tenderers believing that they have been harmed by an error or irregularity allegedly committed as part of a selection procedure or that the procedure was vitiated by any maladministration may file a complaint which should be sent electronically to the Contracting Authority in the same e mail address tenders were submitted ***up to 3 days after receiving evaluation results.*** The Contractor Authority should respond to the tenderer by electronic means too at the latest 2 (two) days after receiving the compliant.

**C: DRAFT CONTRACT**

**FOR**

**THE PROVISION OF EXTERNAL AUDIT SERVICES**

This Contract for the provision of External Audit Services for the Regional Youth Cooperation Office (“*the Contract*”) is signed on / / 2022 and is entered into by and between:

1. **The Regional Youth Cooperation Office (RYCO),** duly established and organized under the laws of Albania, under registration number L71911452J having its registered address and Head Office at Rruga “Skenderbej”, 8/2/2 in Tirana, Albania, legally represented by the Secretary General, Mr. Albert Hani, adult, with full legal capacity to act, hereinafter referred to as the “*Contracting authority*” or “*RYCO*”.

*of the one part,*

and

1. **[***insert name of the company*], a company incorporated under the laws of [*insert name of the country*], having its registered office at: [*address*], registered with the unique registration number [*insert No*.] legally represented for the purposes of the signature of this Contract by [insert the full name of the legal representative], [*insert the tittle of the legal representative*],adult, with full legal capacity to act, hereinafter referred to as the “*Auditor*” or “*Auditors*”.

*of the other part*

Hereinafter each of them referred to as the “Party” and collectively as the “Parties” have agreed upon the terms and conditions set forth herein:

**Preamble**

RYCO requires a comprehensive and efficient external audit service which will assist RYCO in meeting its roles and responsibilities, whilst maintaining the necessary level of professional independence.

This Contract is funded by RYCO’s own budget in compliance with Article 18 of the Statute that requires the Governing Board to appoint external financial auditors for RYCO.

**Article 1**

**Scope of work**

1. The objective of this Contract is to perform the audit of RYCO’s annual Financial Statements, to give assurance on the effective functioning of the management and control systems and to express an opinion on the fairness of the presentation of the RYCO’s financial statements in conformity with the applicable financial reporting framework.
2. The Auditoragrees to provide to RYCO professional auditing services in accordance with the terms and conditions set forth herein and Terms of reference, part of and attached to this contract.

**Article 2**

**Definitions**

In this Contract, the following terms shall be interpreted as indicated:

1. “The Contract” means the agreement entered into between RYCO and the tenderer, including all attachments and appendices thereto and all documents incorporated by reference therein.
2. “The Contract Price” means the price payable to the tenderer by the Contracting authority under the Contract for the full and proper performance of its contractual obligations.
3. “Auditor” or “Auditors” means the firm providing the auditing services under this Contract that include independent chartered/ certified or state-authorised public accountants.
4. Terms of References means the document that prescribes the technical requirements to be fulfilled by the Auditor while performing the services.
5. Financial auditing is the process of examining RYCO’s financial records to determine if they are accurate and in accordance with any applicable rules (including accepted accounting standards), regulations, and laws.
6. “The Services” means services to be provided by the tenderer, including the preparation of any technical documents, which the “Auditor” is required to provide to RYCO.
7. “Day” means calendar day.

**Article 3**

**Audit Timeline**

1. The Auditor shall perform the audit for the reporting period, January 1st until December 31st 2021, for a total estimated turnover of EUR 2,000,000 (two million).
2. The Auditor shall perform the audit during February 2022 and shall submit the final audit report to the Contracting authority by the first half of March 2022. This is an indicative timeline and the starting date for the implementation of the service depends on the recommendations and authorizations issued by local authorities regarding COVID-19.
3. Upon completion of the audit, the Parties shall organize a closing meeting in order to address the findings, recommendations as well as the result of the audit.
4. The Auditor shall perform the Services in accordance with current financial standards and good ethical practice, reasonably to be expected from a person providing Auditing and Financial services.

**Article 4**

**Audit standard and performance**

The auditor shall undertake the audit of the financial statements in accordance with International Audit Standards of Auditing.

**Article 5**

**Contracting Party’s responsibilities**

RYCO shall make available all documents required by the Auditor for the performance of the financial auditing services.

**Article 6**

**Deliverables**

Under this assignment the Auditor shall submit the following deliverables:

1. Certification of the financial statements prepared on accrual basis are in accordance with IPSAS framework,
2. The Auditor’s opinion/report whether the financial statements as whole are free from material misstatement.

**Article 7**

**Management Letter**

In addition to the audit report, the Auditor will prepare a detailed “management letter” in which the Auditor shall:

1. Give comments and observations on the accounting records, systems, and controls that were examined during the course of the audit,
2. Identify specific deficiencies and areas of weakness in systems and controls,
3. Communicate matters that have come to Auditor’s attention during the audit which might have a significant impact on the implementation of the project,
4. List any measures that have been taken as result of previous audit (if any) and whether such measures have been adequate to deal with the report shortcomings,
5. Bring to the attention of RYCO any other matters that the auditor considers pertinent.

**Article 8**

**Place of audit**

1. The Auditor shall perform the audit within the premises of the Head office of the Contracting authority, in Tirana, Albania.
2. If the auditing process cannot be performed within the premises of the Contracting authority, the Auditor, upon written approval by the Contracting authority, can perform part or the entire auditing services remotely.
3. If the financial auditing services performed by the Auditor are performed remotely, the Contracting authority shall be responsible for providing all information and documents, including scanned copies, necessary to perform the audit in due time and in accordance with the schedule. In case there are errors in the documents provided by the Contracting authority, the latter shall bear the entire responsibility.

**Article 9**

**Reporting**

1. The reports delivered by the Auditor should describe the purpose, the agreed-upon procedures and the factual findings in sufficient details in order to enable the Contracting authority to understand the nature and extent of the procedures performed by the Auditor and the factual findings reported by the auditor.
2. The financial information contained in the audit report of the Auditor shall be expressed in EUR.
3. The audit report of the Auditor and all other documents resulting from the audit engagement must be written and submitted in English only.

**Article 10**

**Receipt of reports and documents**

The Contracting authority shall notify and send a receipt letter to the Auditor, within 10 (ten) days from the receipt of the reports and documents.

**Article 11**

**Price of Contract and Payment Modality**

1. The global gross price for the provision of the financial auditing services under this *Contract is (amount in number) (amount in letters) EUR.*
2. The global gross price is the total charge to RYCO. The Auditor shall be responsible for the payment of all taxes, duties, and charges assessed on it in connection with this Contract.
3. The payment modality shall be executed in compliance with the deliverables for each financial year as previously mentioned in point 2 above.
4. The Auditor shall invoice RYCO in accordance with this Contract. The disbursement shall be executed within 30 (thirty) days from the date on which an admissible fiscal invoice is received by the Contracting authority.
5. The disbursement will be executed in EURO, by bank transfer, into the bank account of the Auditor to the following bank accout details:

*Bank account holder name:*

*Bank name:*

*Address of the bank:*

*Account number*

*IBAN:*

1. If during the execution of this Contract the Auditor decides to change the bank account, it must immediately notify in written the Contracting authority.

**Article 12**

**Performance of the Contract**

1. The Auditor must perform the Contract within the set deadlines and to the highest professional standards, in compliance with its provisions as well as in accordance to the Contracting authority’s internal rules, procedures and regulations and in close collaboration with RYCO’s staff.
2. If the Auditor cannot fulfil its obligations, it must immediately inform the Contracting authority.

**Article 13**

**Termination of the Contract**

1. This Contract can be terminated in the following cases:
2. with the mutual agreement of both parties;
3. unilateral termination initiative of the Contracting authority as well as the auditor at any time by sending a written communication not less than 30 (thirty) days;
4. fulfilment of the object of the contract
5. Inability to meet the terms of the contract.
6. The Auditor may terminate this Contract immediately after extra time given to the Contracting authority, as in the situation, but not limited to, the following:
7. The Contracting authority provides inaccurate information to the auditors for the audit;
8. The Contracting authority refuses to provide the information required to the auditors to conduct the audit.
9. The Contracting authority may at any moment terminate the Contract if the Auditor:
	1. is performing its tasks poorly,
	2. is not performing the tasks; or
	3. has committed substantial errors, irregularities or fraud.
10. The Contracting authority must formally notify the Auditor of its intention, include the reasons why and invite it to submit any observations within 10 (ten) days of receiving notification. If the Contracting authority does not accept these observations, it will formally notify confirmation of the termination. The termination will take effect on the date the notification is sent by the Contracting authority.
11. The Auditor may at any moment terminate the Contract if it is not able to fulfil its obligations in carrying out the work required. The Auditor must formally notify the Contracting authority and include the reasons by giving 30 (thirty) days’ notice. The termination will take effect on the date the Contracting authority will formally notify confirmation of the termination.

**Article 14**

**Force Majeure**

Neither Party will be liable for any delay in performing or failure to perform any or all of its obligations under this Contract if such delay or failure is caused by force majeure, such as civil disorder, military action, natural disaster and other circumstances which are beyond the control of the Party in question. In such event, the party will give immediate notice in writing to the other Party of the existence of such cause or event and of the likelihood of delay.

**Article 15**

**Applicable Law and Dispute Resolution**

1. This contract is governed by the laws of Albania, as the Host Country of the Contracting authority.
2. Any dispute, controversy or claim arising out of or in connection to this Contract, or the breach, termination or invalidity thereof, shall be settled amicably by negotiation between the Parties. To that end, the Parties shall communicate their positions and any solution that they consider possible in writing, and meet each other at either's request.
3. If the attempt to reach an amicable solution to a dispute arising from the application of this Contract with regard to its interpretation or application has not been reached within 30 (thirty) days from the commencement of such negotiations, the complaining party may submit the dispute to the competent court in the Republic of Albania.

**Article 16**

**Independent Contractor**

1. The Auditor shall provide the services under this Contract as an independent contractor and not as an employee, partner, or agent of RYCO.
2. The Auditor shall have sole responsibility for the staff who execute the tasks assigned to it.

**Article 17**

**Confidentiality**

1. All information which comes into the Auditor’s possession or knowledge in connection with this Contract is to be treated as strictly confidential. The Auditor should not communicate such information to any third party without the prior written approval of RYCO.
2. The Auditor shall comply with the Data Protection Law in Albania in the event that it collects, receives, uses, transfers or stores any personal data in the performance of this Contract.
3. These obligations shall survive the expiration or termination of this Contract.

**Article 18**

**Assignment and Subcontracting**

1. The Auditor cannot assign or subcontract the Contract or any work under this Contract.
2. Any assignment or subcontract entered into by the Auditor shall be cause for immediate termination of the Contract.
3. In certain exceptional circumstances by prior written approval of RYCO, specific jobs and portions of the Contract may be assigned to a subcontractor. Notwithstanding the said written approval, the Supplier shall not be relieved of any liability or obligation under this Contract nor shall it create any contractual relation between the subcontractor and RYCO.
4. The Supplier remains bound and liable there under and it shall be directly responsible to RYCO for any faulty performance under the subcontract.
5. The subcontractor shall have no cause of action against RYCO for any breach of the subcontract.

**Article 19**

**Taxes**

The Auditor is solely and exclusively responsible for paying income taxes, health and social contributions, as well as other obligations in compliance with the tax requirements and legislation.

**Article 20**

**Entirety**

1. The Contract shall be interpreted by considering its terms and conditions as an entirety. Any clause or wording that may create uncertainty must be viewed in the context of the entire Contract and in the view of the purposes that caused both Parties to enter into this Contract.
2. If any provision of this Contract shall become invalid, illegal or unenforceable, such provision shall be become null and void; nevertheless, all other provisions of this Contract shall remain in full force and effect.
3. This Contract covers all arrangement between the Parties, related to the object herein and substitutes all and any previous agreements and understandings between the Parties, whether written or verbal.

**Article 21**

**Severability**

If any part of this Contract is found to be invalid or unenforceable, that part will be severed from this Contract and the remainder of the Contract shall remain in full force.

**Article 22**

**Amendment**

Amendments to this Contract may be made by mutual agreement in writing between the Parties and shall become an integral part of the Contract. If an amendment is requested by the any if the Parties, the requesting party shall submit a duly justified request to the other party at least 30 (thirty) days before the date on which the amendment should enter into force, unless there are special circumstances duly substantiated and accepted by both Parties.

**Article 23**

**Notices**

1. All communication by and between Parties concerning the execution of this Contract shall be directed to [*insert name of the representative*], on behalf of RYCO, to the following e-mail address: [*insert email address*] and to [*insert name of the representative*] on behalf of the Auditor, to the following email address [insert email address].
2. Both Parties undertake to notify immediately one another of any changes in their registration, residence or legal representation, or any other changes which may have an impact on the execution of present Contract and on their professional relationship.

**Article 24**

**Governing Language**

This Contract is written in English. All correspondence and other documents pertaining to this Contract, which are exchanged by the parties, shall be written in the same language.

**Article 25**

**Final Clauses**

The entire Agreement between the Parties is composed of the:

1. Contract,
2. Terms of reference, and
3. Financial offer.

Done in Tirana, Albania, in 3 (three) originals: 2 (two) originals for the Contracting authority and 1 (one) original for the Auditor.

**For the Contracting authority: For the Auditor:**

Mr. Albert Hani *Mr./Ms.* [*name/surname*]

Secretary General *Title*

Regional Youth Cooperation Office *Company name*

**D: TERMS OF REFERENCE**

**General information about the assignment:**

**Organization:** Regional Youth Cooperation Office (RYCO)

**Type of Services Required:** External audit of RYCO

**Source of funds:** RYCO Core budget

**Period to be audited:** 1 January 2021 – 31 December 2021

**Work base:**  RYCO Head Office, “Skenderbej street” 8/2/2, Tirana, 1000, Albania.

**Starting date of the contract:** Beginning of February 2022

1. **Background:**

**About RYCO:**

RYCO is an intergovernmental organization that stewards and promotes regional, cross-border and intercultural cooperation within and among its six Western Balkan Contracting Parties: Albania, Bosnia and Herzegovina, Kosovo\*, Montenegro, North Macedonia and Serbia. RYCO’s program focuses on creating opportunities for young people to engage in activities that build mutual understanding and reconciliation in the civic, social, educational, cultural, and sports domains. RYCO initiates and participates in policy making and advocates for reform. It supports the development of a political and social environment that empowers and facilitates youth exchange. A key instrument enabling RYCO to fulfil its mission is grant-making; developing tailored calls for proposals that enable CSOs and schools to engage in initiatives that contribute to mutual understanding of youth from various communities across RYCO’s Contracting Parties, thus contributing to reconciliation and youth participation.

1. **Scope of the work**

RYCO is planning to contract an auditing company for the audit of RYCO accounts and Financial Statements for the financial year 2021 in compliance with article 18 of RYCO Statute.

The awarded contractor will be required to conduct the examination of RYCO annual Financial Statements 2021, including the balance sheet of the assets and liabilities, profit and loss account, accompanying disclosures and notes, in order to gain assurance on the effective functioning of the management and control systems, to give an evaluation of the appropriateness of accounting policies used and the reasonableness of accounting estimates, made by the management.

The Auditor is requested to give its professional opinion of Financial Statements 2021, whether they are prepared, in all material aspects, in accordance with the applicable financial reporting framework, which as per RYCO financial regulations is accrual-based accounting systems in accordance with International Public Sector Accounting Standards.

The service will include such tests of transactions and of the existence, ownership and valuation of assets and liabilities as the auditors consider necessary. The auditors shall develop an understanding of the accounting and internal financial control systems to the extent necessary to enable it to consider their suitability as a basis for the preparation of the financial statements and to establish whether adequate accounting records have been maintained by RYCO.

The result of the auditor's examination will be a “Certification of Financial Statements” expressed by the independent Auditor, representing the opinion of the Auditor on the fairness, appropriateness, correctness and accuracy of the annual Statements of accounts and related disclosures.

Total turnover is as follows:

2021: EUR 2,000,000 (estimation)

The audits will be carried out by the selected auditor for the reporting period 01 January to 31 December 2021.

**The audit for financial year 2021 has to be conducted on February 2022 and the audit report should be submitted within the second half of March 2022.**

**NOTE: This is an indicative timeline and the starting date for the implementation of the service depends on the recommendations and authorizations issued by local authorities regarding COVID-19.**

1. **Audit Standards**

The Auditor undertakes to comply with generally and internationally accepted standards for auditing - International Standard Auditing (ISA).

1. **Deliverables**

Under this assignment the auditor shall submit the following deliverables:

* *Certification of the financial statements prepared on accrual basis are in accordance with IPSAS framework,*
* *The auditor’s opinion whether the financial statements as whole are free from material misstatement;*
* *Management Letter in which the Auditors will:*
1. *Give comments and observations on the accounting records, systems, and internal controls that were examined during the course of the audit;*
2. *Identify specific deficiencies and areas of weakness in systems and internal controls;*
3. *Communicate matters that have come to Auditor’s attention during the audit which might have a significant impact on the implementation of the audit mission;*
4. *List any measures that have been taken as a result of the previous audit (if any) and whether such measures have been adequate to deal with the report shortcomings.*
5. *Bring RYCO to the attention of any other matters that the auditor(s) consider pertinent.*

#  Place of audit

The audit is to be carried out within the RYCO premises in Tirana, Albania.

# Currency and language of the audit report

The financial information contained in the audit report of the auditor is to be expressed **in EUR**. The audit report of the auditor and all other documents resulting from the audit engagement must be in **English.**

1. **Indicative budget of the assignment**

The financial offer including the taxes cannot exceed the total maximum budget available for this assignment which is the amount of 6,500 EUR.

1. **General and specific criteria for the expertise:**

The selection criteria are as follow:

1. The company should have registered Certified Auditors in the audit team;
2. The person appointed as the Audit Manager should be a Certified Auditor (registered accounting expert) with at least 10 years of audit experience;
3. The audit company should be a member of any international auditing group or subsidiary of foreign audit company operating in WB6.
4. The company should have at least one Certified Auditor (registered accounting expert) with international recognized certification;
5. The certified auditors should demonstrate audit experience of international organizations
6. The certified auditors should demonstrate audit experience of donor funded projects and / or international organizations.
7. **Evidences and supporting documents;**
* Letter of interest where applicants should:

(a) State specific motivation to be selected;

(b) Describe relevant experience to meet the criteria as set above;

* Curriculum Vitae of the audit company and of each audit team member:
* Copy of certificate of membership in any international audit firm network or subsidiary of a foreign audit company.
* Copy of legal registration.
* All related certificates/licenses of the Audit Company and team members to proof the selection criteria stated in section 8.
* Financial offer including all applicable taxes.
1. **Award Criteria**

The sole award criterion will be the lowest price among technically compliant offers.

**E: ANNEX I**

**SERVICE TENDER SUBMISSION FORM**

***Contract title:***  *External Audit of RYCO*

***Financed from:*** *Regional Youth Cooperation Office (RYCO)*

*Please supply one signed and stamped* ***tender including completed signed and stamped statement, declaration on honour on exclusion criteria, and financial identification form.*** *All data included in this application must concern only the entity making the tender.*

**1 SUBMITTED by (i.e. the identity of the tenderer)**

|  |  |
| --- | --- |
| **Insert: Full official name of legal entity**  |  |
| **State the official legal form of entity**  |  |
| **Insert: Name of the representative of Entity**  |  |
| **Insert: Full official name of members (In case of consortium)** |  |
| **Insert: Name of the representatives of the Members (In cases of consortium)**  |  |
| **Insert: Full official address of Entity** |  |
| **Insert: Full official address of Members (in cases of consortium)** |  |

* 1. **CONTACT PERSON/s (for this tender)**

|  |  |
| --- | --- |
| **Name** |  |
| **Address** |  |
| **Telephone** |  |
| **e-mail**  |  |

|  |  |
| --- | --- |
| **Name**  |  |
| **Signature** |  |
| **Stamp** |  |
| **Date** |  |

**2. TENDERER’S STATEMENT**

**As part of their tender, each legal entity identified under point 1 of this form, must submit a signed statement form using the following format.**

 **STATEMENT**

I, the undersigned, hereby declare that I have examined and accept without reserve or restriction the entire contents of the tender dossier for the tender procedure referred to above.

1. I offer to provide the services requested in the tender dossier in accordance with Terms of reference and other conditions and requirements stated in the tender dossier without reserve or restriction.
2. I present this tender on the basis of the following documents, submitted attached to this form, in response to your requirements stated in “Instructions to Tenderers” and “Terms of Reference”, which comprise my technical offer, and financial offer,

List the documents submitted attached:

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

- In my offer all applicable taxes as well as accommodation and travel costs (if any) are included.

1. I am making this tender in my own right. I confirm, as capacity-providing entity to be jointly and severally bound in respect of the obligations under the contract.
2. I state that I have the technical, financial and professional capacity referring to this call of tender for performing the contract according to the Terms of Reference and other conditions set for this tender by the Contractor Authority.
3. I understand that if I fail to comply with contract obligations the award may be considered null and void.
4. I agree to abide accordingly to the Terms of Reference and instructions to tenderers requirements and conditions.
5. In particular, I fully agree to abide to the stipulations settled in point 12: Ethic Clauses/Corruptive practises and I have no conflict of interests or any equivalent relation which may distort competition with other tenderers or other parties in the tender procedure at the time of the submission of this tender. Furthermore, I have not been involved in the preparation of the project which is the subject of this tender procedure.
6. I will inform the contracting authority immediately if there is any change in the above circumstances at any stage during the implementation of the tasks. I also fully recognise and accept that any inaccurate or incomplete information deliberately provided in this application may result in our exclusion from this and other potential contracts.
7. I note that the contracting authority is not bound to proceed with this invitation to tender and that it reserves the right to award only part of the contract. It will incur no liability towards us should it do so.
8. I declare that I am not in a situation of unavailability and I am able and willing to work for the whole period scheduled to implement the tasks set out in the Terms of Reference. if this tender is successful.
9. I acknowledge that I have no contractual relations with the Contracting Authority and in case of dispute concerning my contract with the Contractor I shall address myself to the latter and/or to the competent jurisdictions.

|  |  |
| --- | --- |
| **Name**  |  |
| **Signature and stamp**  |  |
| **Date** |  |

 **3. TENDERER DECLARATION ON HONOUR ON EXCLUSION CRITERIA**

**As part of their tender, each legal entity identified under point 1 of this form, (each consortium member if applicable) must submit a signed declaration on honour on exclusion criteria stating that they are not in any of the exclusion situations using the following format:**

**DECLARATION ON HONOUR ON EXCLUSION CRITERIA**

I, the undersigned, hereby declare that I am are not in any of the exclusion situations listed below:

 **Situation of exclusion**

1. It is bankrupt, subject to insolvency or winding up procedures, its assets are being administered by a liquidator or by a court, it is in an arrangement with creditors, its business activities are suspended or it is in any analogous situation arising from a similar procedure provided for under national legislation or regulations;
2. It has been established by a final judgement or a final administrative decision that the person is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the law of the country in which it is established, with those of the country in which the contracting authority is located or those of the country of the performance of the contract;
3. It has been established by a final judgement or a final administrative decision that the person is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the person belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibity where such conduct denotes wrongful intent or gross negligence including in particular any of the following:
* Fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract;
* Entering into agreement with other persons with the aim of distorting competition.
* Violating intellectual property rights;
* Attempting to influence the decision-making process of the contracting authority during the award procedure;
* Attempting to obtain confidential information that may confer upon it undue advantages in the award procedure***;***
1. It has been established by a final judgement that the person is guilty for fraud, corruption, involvement in a criminal organization, money laundering, terrorist activities or other criminal offences.
2. Make use of child labour or forced labour and/or practice discrimination, and/or does not respect the right to freedom of association and the right to organize and engage in collective bargaining pursuant to the core conventions of the International Labour Organization (ILO).

|  |  |
| --- | --- |
| **Name**  |  |
| **Signature and stamp**  |  |
| **Date** |  |

**Note:**  *In any case The Contractor Authority has the right to further investigate and request evidences to support the declarations if it has reasonable ground to doubt the content of such information.*

 **4. TENDERER FINANCIAL IDENTIFICATION FORM**

**As part of their tender, each Legal Entity identified under point 1 of this form, must submit a signed form to indicate the bank account into which payments should be made if the tender is successful using the following format.**

 **BANKING DETAILS**

|  |  |
| --- | --- |
| ACCOUNT NAME |  |
| IBAN/ACCOUNT NUMBER |  |
| CURRENCY |  |
| SWIFT CODE |  |
| BANK NAME |  |
| BRANCH CODE |  |
| FULL OFFICIAL ADREESS OF BANK BRANCH |  |

**ACCOUNT HOLDER’S DATA**

|  |  |
| --- | --- |
| ACCOUNT HOLDER’S NAME |  |
| ACCOUNT HOLDER’S ADRESS |  |

|  |  |
| --- | --- |
| **Name**  |  |
| **Signature and Stamp(if applicable)** |  |
| **Date** |  |

 **F: ANNEX II**

 **FINANCIAL OFFER**

**Contract title:**  External Audit of RYCO

**Financed from:** Regional Youth Cooperation Office (RYCO).

1. My financial offer is: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (insert price in numbers and words) EUR.
2. In my offer all applicable taxes as well as accommodation and travel costs, are included.

|  |  |
| --- | --- |
| **Name** |  |
| **Signature and stamp**  |  |
| **Date** |  |