

# **Invitation to tender for the preparation, update and development of country-specific reference lists of audit firms**

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## **1 Terms of Reference**

### **1.1 Brot für die Welt**

Brot für die Welt (Bread for the World) is the globally active aid agency of the Protestant regional and free churches in Germany. In more than 90 countries, we support poor and marginalised people in improving their lives through their own efforts. The focal points of our work are food security, promoting education and health, access to water, strengthening democracy, respect for human rights, securing peace and protecting creation. We try to influence political decisions in favour of the poor and to create awareness for the necessity of a sustainable lifestyle and economy through lobbying, public relations and educational work in Germany and Europe.

Brot für die Welt provides financial support, personnel, expert advice and scholarships to churches, Christian and secular organizations worldwide who are involved in building a just society, who work against discrimination on the basis of origin, gender and religious affiliation and who support people worldwide who live in need and poverty, whose human dignity and rights are violated or who are threatened or currently affected by wars or other disasters.

Further information on the work of Brot für die Welt is available at: <https://www.brot-fuer-die-welt.de/en/bread-for-the-world/>.

### **1.2 Background**

Brot für die Welt receives funds from the federal government (via the Federal Ministry for Economic Cooperation and Development - Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung, BMZ), the protestant churches and private donations. Brot für die Welt is accountable to all these donors. Evidence of the use of the funds made available is provided in a semi-annual financial report. These financial reports are audited by independent audit firms (see attachment "Audit Report under ISA 800"). For this purpose, Brot für die Welt uses a globally standardized contract that is signed by the audit firm, Brot für die Welt and the organization to be audited.

In order to increase the quality of audits, Brot für die Welt prepares country-specific reference lists of audit firms. Partner organizations may only contract audit firms from this list. Since 2016, a total of 50 country lists have been prepared in Africa, Asia and Latin America. The process is currently mainly conducted as an online workshop. The setup of a reference list of audit firms is preceded by an extensive process.

This includes:

1. Mailing of a questionnaire containing approx. 20 questions to potential audit firms in the respective country (see Annex 4)
2. Evaluation of the questionnaires according to a worldwide uniformly applied evaluation scheme
3. Interviews with representatives of audit firms that were deemed suitable after the evaluation of the questionnaire
4. Evaluation of the overall results (questionnaire and interview) and final selection of the audit firms for the reference list
5. Conducting an online workshop (on Brot für die Welt's specific financial reporting and auditing requirements and relevant aspects of International Standards on Auditing (ISA) with the selected audit firms.
6. In exceptional cases, a 1.5-day workshop could be held on-site instead of a digital workshop.

Brot für die Welt has nowadays in mainly all countries a reference list of audit firms. In the future, Brot für die Welt is more concerned about the update of current lists and increasing the quality of the audit firms within the existing lists. For this we are using different instruments:

- Cold File Reviews: Brot für die Welt is requesting from the audit firms all the documents of an audit file and analyses the work of the auditor.
- Brot für die Welt is performing update workshops with the auditors from the existing reference lists to keep up with new developments at Brot für die Welt regarding audit standards
- other instruments for working together with auditors (like on site workshops with auditors and partner organizations), newsletters, publications etc.

In addition, a question-/answer- service for specific topics on financial management and auditing will be provided (question/answer service).

Brot für die Welt is looking for a consulting firm/consultant for these tasks to accompany the process of preparing and updating country-specific reference lists of audit firms and to be available as a question/answer service for specific questions on financial management and auditing.

For this purpose, Brot für die Welt offers a framework agreement for a term of two years (01.10.2024 to 30.09.2026/ with the option of a one-year extension).

### **1.3 Objective of the contract**

1. Reference lists of audit firms in countries where Brot für die Welt supports project partners are prepared according to a standardized procedure. The setup follows a uniform process scheme to ensure the quality of the process across multiple countries.
2. Already existing lists are updated regularly that the audit firms are up to date with new standards regarding audits of Brot für die Welt projects.
3. The quality of the audit firm on the lists are verified regularly. This is done through Cold File Reviews, an analysis of the audit files of the audit firm and a feedback session with the firm, update online workshops and other tools/instruments.
4. A new process design for quality assurance is developed
5. In addition, an inquiry/response service (via e-mail) on specific financial management and auditing issues has been established.

### **1.4 Parties involved**

The consulting firm/consultants work primarily with the Financial Management and Audit team of the Consultancy International Programs Unit. The reference lists are setup in cooperation with this team. Questions and answers on specific aspects of financial management and auditing are also bundled via the Financial Management and Audit team.

### **1.5 Service to be performed**

1. Accompanying the process of preparing country-specific reference lists of audit firms in cooperation with the Financial Management and Audit team of the Consultancy International Programs Unit. Countries include Portuguese-, Spanish-, French- and English-speaking countries.
2. Accompanying the verification of the quality of existing reference lists through cold file reviews, update workshops, workshops with partner organizations and audit firms and other instruments

3. Accompanying the development of a new process design for quality assurance within the existing reference lists of audit firms
4. Provision of an answering service (by e-mail) on specific financial management and auditing issues (question/answer service).

#### 1.5.1 Activities to be carried out during the contract period of 2 years

<p>1. Preparation of approx. 6-8 country-specific reference lists of audit firms (French, English, Spanish and Portuguese-speaking countries)</p>	<ul style="list-style-type: none"> <li>• Evaluation of a questionnaire comprising approx. 20 questions according to a scheme used worldwide (Annex 4)</li> <li>• Interviews with representatives of audit firms (1.5 hrs.) that were deemed suitable after evaluation of the questionnaire (conducted online together with Brot für die Welt)</li> <li>• Evaluation of the overall results (questionnaire and interview) and final selection of the audit firms for the reference list</li> <li>• Conducting a 11 hr online workshop (3 sessions of 3,5 hrs each) on Brot für die Welt's specific financial reporting and auditing requirements and relevant aspects of International Standards on Auditing (ISA) with the selected audit firms (together with Brot für die Welt). The topics and structure of the workshop have already been determined. Adaptations to specific country requirements (if needed) might be necessary. In exceptional cases and in agreement with the client, a 1.5-day workshop could also be held on site instead of a digital workshop.</li> <li>• Evaluation of the online workshop (with potential for improvement for the next workshop)</li> </ul>
<p>2. Implementation of approx. 20 update workshops of existing reference lists (with the developments in the standards). Update workshops consist of a half-day online input on new developments in regard to Brot für die Welt audits.</p> <p>According to availability, preparation of on-site workshops (2) with auditors and partner organizations</p>	<ul style="list-style-type: none"> <li>• Online input to auditors of new developments on Brot für die Welt standards and regulations or other issues concerning audits.</li> <li>• Input consists of a half day online workshop</li> <li>• Input, moderation and training for auditors and partner organizations on audit aspects (onsite)</li> </ul>

3. Cold File Reviews of approx. 60 audit files	<ul style="list-style-type: none"> <li>• Analysis of the quality of an audit process based on audit files from audit firms with a prepared customized template.</li> <li>• Conducting a feedback session with the audit firm on the results from the analysis</li> <li>• Development of the process if needed</li> </ul>
4. Development of a process design for quality assurance (new techniques, instruments, tools, newsletters, publications and others)	<ul style="list-style-type: none"> <li>• Development of a new process design for guaranteeing quality assurance within the auditors' reference lists in the future</li> <li>• Development of publications, online material and other media</li> <li>• Newsletter (Preparing together with the Consultancy Team of Brot für die Welt newsletters (2-3 pages) of new standards and regulations regarding auditing of Brot für die Welt)</li> </ul>
<p>5. Question-answer-service</p> <p>The time scope is between 50 and 60 hours/year</p>	<ul style="list-style-type: none"> <li>• The question-and-answer service considers specific and point-by-point financial management and auditing issues. Provision is made for the communication by e-mail. Questions are forwarded by Brot für die Welt staff responsible for the project to the consultant via the Consultancy International Programs Unit, and the responses are sent in the opposite direction accordingly. Furthermore, professional support in the preparation of documents is desired, which also relate to the field of auditing.</li> </ul>

### 1.5.2 Special circumstances

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### 1.5.3 Scope of the service

See 1.5.1 and 1.6

### 1.5.4 Place of service delivery/ travel

Most of the services can be done remotely. Additionally, travels might occur to do workshops on site.

The specifications for pricing are defined in the terms of payment in the appendix (Annex 2). The fee includes remuneration and other incidental expenses. Reimbursement for meals or a daily allowance will not be paid. Travel expenses, if incurred, will be reimbursed in accordance with

the provisions of the German Federal Travel Expenses Act (Bundesreisekostengesetz - BRKG) or the terms of payment in the appendix (Annex 2).

### 1.6 Contract period and time schedule

Service or activity	Estimated time required (number of days)	Period of implementation (e.g. month/year)
Set Up and update of reference lists	80	10/2024 – 09/2026
Analysis of the quality and the audit firms	60	10/2024 – 09/2026
Development of new tools (onsite, online, hybrid, blended learning,...), instruments and procedures in the cooperation with the audit firms (new process design for quality assurance)	30	10/2024 – 09/2026
others	25	10/2024 – 09/2026
Total	195	10/2024 – 09/2026

If it becomes apparent to the Contractor that the estimated time required will be exceeded or that the agreed period of performance cannot be adhered to, the Contractor must inform the Client of this without delay and agree with the Client on the further course of action.

### 1.7 Reporting

The Contractor prepares a final report on the services and activities in the relevant language of communication and submits it in digital format to the consulted organisation and the Client within 30 days of the completion of the service.

The report must include at least the following elements:

- Summary
- Description of the service delivered and achievement of objectives
- Factors that helped and hindered the service delivery and achievement of objectives
- Conclusions and recommendations
- It is at the discretion of the Client to request additional interim reports.
- The Contractor reports separately on his/her own initiative on any special incidents.

The Contractor agrees to an evaluation meeting if requested by the Client.

### 1.8 Requirements for the execution of the contract/ necessary qualifications

The consultants should meet the following requirements. Requirements that are marked as minimum requirement must be fulfilled. Tenderers who do not meet this requirement will not be admitted to the professional evaluation:

1. Qualification as a certified public accountant (minimum requirement)
2. Many years of relevant experience in accounting practice, responsible for accounting/auditing of public funds or grants.
3. Fluency in the respectively relevant national language (English, Spanish, French and Portuguese) of the persons designated for the execution of the contract in spoken and written form (minimum requirement)
4. International professional experience in the field of auditing
5. Professional experience in the context of development cooperation / humanitarian aid
6. Excellent writing, communication and presentation skills
7. Experience as a trainer and in the use of digital training methods
8. High intercultural competence and sensitivity as well as empathy towards the NGO sector
9. Experience with and knowledge of the values and practice of the work of Brot für die Welt is an advantage
10. Suitability for tropical climates

### **1.9 Further requirements**

It is expected that the assignment will be carried out taking into account gender equality, impact and target group orientation as well as sustainability criteria.



## **2 Terms and conditions for tender**

### **2.1 General principles**

#### **2.1.1 Contact person and questions**

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Germany

Email: [vergabe-IP@ewde.de](mailto:vergabe-IP@ewde.de)

Questions should be sent by email to the above-mentioned email address. A timely response cannot be guaranteed for questions that are not asked at the latest 3 calendar days before the expiry of the tender deadline. Questions that are also relevant for other tenderers will be made available to all tenderers in anonymised form by email together with the answer.

#### **2.1.2 Type of procedure**

The contract will be awarded in accordance with the specifications for procurement procedures for supplies and services for grant recipients of the Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ / Federal Ministry for Economic Cooperation and Development) on the basis of the German Unterschwellenvergabeordnung (UVgO / Regulation on sub-threshold procurement):

Public invitation to tender in accordance with § 9 UVgO. The Client will not remunerate the preparation of the tender. Should the tender not be considered and/or there is no interest in submitting a tender, please send a prompt message to the above contact person, giving reasons if possible.

#### **2.1.3 Procurement documents**

The procurement documents consist of the following documents:

- Invitation to tender
- Model contract
- Terms and conditions for payment

General terms and conditions of contract or delivery or other terms and conditions of the Contractor that deviate from the specifications in the procurement documents are excluded. They do not apply in the event of an assignment even if they were enclosed with the tender.

#### **2.1.4 Bidding consortia**

A bidding consortium is an association of two or more individual tenderers who submit a joint tender. In the case of a bidding consortium, an authorised representative must be appointed. The authorised member represents the bidding consortium in a legally binding manner towards the Client. Each member of the bidding consortium is jointly and severally liable for the performance of the contractual obligations even after its dissolution. The distribution of tasks within the bidding consortium must be set out in the tender.

### **2.1.5 Subcontractors**

If necessary, the tenderer may also engage third parties for the performance of the contract and commission them with the performance of the services or parts of the services. If subcontractors are intended to be engaged by the tenderer(s), this must be stated in the tender. The Client reserves the right to request information about the subcontractor (e.g. on eligibility). The Contractor is also responsible towards the Client for the delivery of the service as agreed when using subcontractors.

### **2.1.6 Data protection within the framework of the procurement procedure**

The tenderer agrees that the personal data provided by him/her may be processed and stored for the procurement procedure.

If personal data is passed on by the tenderer in the context of the procurement procedure (e.g. own employees, named contact persons at references), the obligation to provide information pursuant to Art. 13 GDPR or § 17 of the Kirchengesetz über den Datenschutz der Evangelischen Kirche in Deutschland [DSG-EKD / Data Protection Act of the Protestant Church in Germany] must be observed, i.e. the employees concerned must be informed accordingly and their consent to the processing of their personal data in connection with the submission of the tender must be obtained.

Upon conclusion of a contract, a data protection declaration must be signed by the Contractor.

### **2.1.7 Sanctions list screening**

Based on international requirements [UN Resolution No. 1390 (2002), UN Resolution No. 1373 (2001), UN Resolution No. 2253 (2015), EC Regulation No. 881/2002, EC Regulation No. 2580/2001, EU Regulation No. 2016/1686 and EU Regulation No. 2017/1390 with numerous amendments], financial resources may not be paid to recipients who are on the sanctions list of the European Union and/or the United Nations and, in the case of transactions in US dollars, the United States of America. The implementation of appropriate safeguards is mandatory.

Accordingly, Brot für die Welt will carry out verification measures with all contractual partners against the existing sanctions lists of the European Union and the United Nations and, if applicable, the United States of America, in order to prevent funds from being paid to persons or organisations that are on the above sanctions lists.

## **2.2 Tenders**

### **2.2.1 Form and content**

The tender is to be prepared in English language. The tender must be submitted electronically in text form. A natural person authorised to represent the tenderer, a contact person for questions and full contact details must be provided.

A complete tender consists of:

#### **a) Documents for the assessment of eligibility:**

1. Brief description of the applicant
2. Information on total sales and sales of comparable services in the last three fiscal years
3. List of comparable services performed in the last three years, indicating the client, the invoice value and the period of performance (references)- the references must show that the tenderer has already performed services in an international context
4. Admission as a certified public auditor Tender award procedure reference lists for audit firms and question/answer service for Brot für die Welt
5. Informal self-declaration of very good (business fluent) foreign language skills in the

respective national language relevant for the preparation of the reference list, of the persons intended for the execution of the contract (English, French, Spanish or Portuguese)

6. Self-declaration on the absence of grounds for exclusion

Additional information if applicable:

7. Declaration on the intended use of subcontractors, specifying the parts of the services to be performed by the subcontractors
8. Bidding consortia must submit a legally binding declaration signed by all members of the bidding consortium stating that each member of the bidding consortium is jointly and severally liable for the contractual performance of the service and that the authorised representative of the bidding consortium legally represents the listed members towards the Client and is in particular entitled to submit the tender and to accept payments with effect for each member.

**b) Content tender**

1. Designation of the project team intended to deliver the services, including details of the qualifications, specialist knowledge and experience of the staff, including language and regional knowledge, as well as meaningful CVs in table form.
2. Implementation concept with regard to the services described in the terms of reference with methodological approach
3. Specification of a sufficiently detailed work, time, milestone and resources plan

**c) Financial tender**

1. Indication of the daily rate in EUR per person, taking into account the specifications in the terms and conditions for payment (Annex 2).
2. Estimated total fee with a full breakdown of days per employee

The fee includes remuneration and other ancillary costs (cf. Section 6 Terms and conditions for payment). For contractors based abroad, the fee must in principle include all local and national taxes and duties (including value-added tax or analogous types of tax). In the case of contractors based in Germany, the net price must be stated. Travel time is remunerated at half the agreed fee rate. Costs for meals are not reimbursed, nor is a daily allowance paid. The specifications for pricing are defined in the terms and conditions for payment (Annex 2).

The number of days/trips/workshops/etc. and the budget are agreed in the contract as “up to” amounts. Under the contract, the Contractor is not entitled to fully exhaust the budget if this is not necessary for the objective of the service delivery.

### **2.2.2 Tender submission period and submission of tenders**

Please send your complete tender with the subject “Reference lists of audit firms” by **26 August 2024** at the latest as a PDF file by email to [vergabe-ip@ewde.de](mailto:vergabe-ip@ewde.de)

The binding period for the tender is:

**31 October 2024**

The documents must be received in full by Brot für die Welt by the end of the tender period. Brot für die Welt reserves the right to request missing or incomplete documents. The tenderer is not entitled to supplementary submission.

## 2.3 Eligibility assessment and award of contract

### 2.3.1 Eligibility assessment

The eligibility of the tenderer will be assessed on the basis of the following criteria:

- Main areas of activity/competence
- References
- Economic capacity

### 2.3.2 Award of contract

The contract is awarded to the most economical tender. This is determined on the basis of the award criteria price (min. 30) percent and quality (max. 70) percent.

When assessing the quality of the tender, the following sub-criteria are evaluated:

Award criterion	Maximum score	Weighting factor (WF)**	Evaluation points (EP)***	Performance points****
<b>Price*</b>				
Daily fee rate	30			
<b>Quality</b>				
<b>1. Qualification</b>	<b>30</b>			
Professional qualifications/ Experience in the area of auditing NGOs	10	3.33	0 to 3	=WF x EP
Professional qualifications/ Experience with trainings	10	3.33	0 to 3	= WF x EP
Language knowledge	10	3.33	0 to 3	=WF x EP
<b>2. content and conceptual quality of the offer</b>	<b>30</b>			
Understanding of the task and quality of the overall concept	10	3.33	0 to 3	=WF x EP
Quality of the consulting approach	10	3.33	0 to 3	=WF x EP
Innovation and variety of methods	10	3.33	0 to 3	=WF x EP
<b>3. organizational implementation</b>	<b>10</b>			
Description of the org. Implementation of all measures	5	1.67	0 to 3	=WF x EP

Consistency and traceability of time, process and resource planning	5	1.67	0 to 3	=WF x EP
<b>Total</b>	<b>100</b>			

**\*Price**

The lowest daily rate receives (30) points. The other tenders receive fewer points according to the relative deviation from the lowest daily rate.

Example: The cheapest daily rate offered by tenderer A is €150 and receives 30 points in the evaluation. Tenderer B's next highest hourly rate is €200, deviates by €50, i.e. 33.33%, and receives 20 points. The figures are rounded in accordance with standard commercial practice. Minus points are not awarded.

**\*\*weighting factor:** Maximum number of points/max. evaluation points

**\*\*\* evaluation points**

0 points	Objective not met
1 point	Objective largely met: comprehensible presentation, focus partly corresponds to the task
2 points	Objective well met: overall compelling and coherent presentation, focus largely corresponds to the assignment
3 points	Objective met with distinction: coherent and compelling presentation, focus on the specifics of the assignment

**\*\*\*\*performance points:** Sum of weighting factor times evaluation points in the respective category

The tender with the highest total number of points (performance points) will be awarded the contract.

### 3 Annexes

Annex 1: Model contract (with Annexes Data protection and Code of Conduct)

Annex 2: Terms and conditions for payment

Annex 3: Self-declaration on the absence of grounds for exclusion pursuant to Sections 123, 124 of the Competition Act (GWB)

Annex 4: Questionnaire to audit firms

Annex 5: Cooperation Agreement

Annex 6: Audit Contract

Annex 7: Example report under ISA800