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1. BACKGROUND INFORMATION

1.1. Partner country

Republic of Moldova

1.2. Contracting Authority

Exceptional Situations Department of Chisinau General Inspectorate for Emergency Situations
3 Iacob Hancu Street, Chisinau, Republic of Moldova, postal code MD-2005

2. OBJECTIVE, PURPOSE & EXPECTED RESULTS

2.1. Overall objective

The overall objective of the project of which this contract will be a part is as follows:

Following the verifications, the Controller shall issue the expenditure and revenue verification report, based on the financial reports drafted by the respective Beneficiary, and the corresponding evidence. The Controller shall verify whether the costs declared by the Beneficiary are eligible, if these are eligible according to the provision of the grant contract, as well as the revenue of the project, including the interest from the grant. No expenditure may be claimed unless it was paid.

2.2. Purpose

The purpose of this tender is to solicit the service of one or more entities or natural persons who can offer services to verify the expenses/financial audit incurred by the Exceptional Situations Department of Chisinau General Inspectorate for Emergency Situations in the framework of the PROJECT “Improving the reaction time for the prevention and elimination of floods within the cross-border area (Vaslui County, Romania; Chisinau, Hancesti, Criuleni, Dubasari, Anenii Noi, Straseni Districts, Republic of Moldova)”, registration no. 2SOFT/4.2/149.

2.3. Results to be achieved by the Contractor

The expenditure and revenue verification (Audit) report, based on the financial reports drafted by the respective Beneficiary, and the corresponding evidence.

3. ASSUMPTIONS & RISKS

3.1. Assumptions underlying the project

- Openness of the stakeholders and other parties
- Positive interest
- Interest and support on behalf of stakeholders and other parties

3.2. Risks

Financial risk, economic risk, social risk, legal risk, procurement risk.

4. SCOPE OF THE WORK

4.1. General

4.1.1. Description of the assignment

The role of the external audit is to bring an independent point of view to financial reporting of the project. It will help Contracting Authority to build an arguably and credible relations with Managing Authority of ENI CBC Program (Joint Operational Programme Romania – Republic of Moldova 2014-2020). The tenderer should elaborate an audit report on all expenditures made by mentioned project during the implementation period, to analyse process of tenders, correctitude of financial documents and

transactions, according with Moldovan legal framework but in absolute requirements of EU PRAG rules.

4.1.2. Geographical area to be covered.

Republic of Moldova

4.1.3. Target groups

Financial expenditures of EU CBC Project “Improving the reaction time for the prevention and elimination of floods within the cross-border area (Vaslui County, Romania; Chisinau, Hancesti, Criuleni, Dubasari, Anenii Noi, Straseni Districts, Republic of Moldova)”, registration no. 2SOFT/4.2/149.

Beneficiaries:

Lead Beneficiary:

Exceptional Situations Department of Chisinau General Inspectorate for Emergency Situations
3 Iacob Hancu Street, Chisinau, Republic of Moldova, postal code MD-2005

Beneficiary 1:

„Podul Inalt” Inspectorate for Emergency Situations of Vaslui County
9 Castanilor Street, Vaslui City, Vaslui County, Romania, postal code 73076

4.2. Specific work

Tasks:

- to access the EMS-ENI account by using the credentials provided by the JTS (article 14/ section 2 applies as well);
- to perform the agreed-upon procedures;
- to submit to the Beneficiary, the expenditure and revenue verification report with regard to the specific verification procedures performed in support of the payment requested by the beneficiary with the Interim/Final report;
- to perform verification on all expenditures and revenues (100%) and as well as the legality and regularity of the declared expenditure. Verification process shall ensure that the expenditure declared is budgeted, necessary, real, accurate, identifiable and verifiable, that the products and services have been delivered and that the expenditures comply with the Programme, EU and national rules. To this end, the controller shall perform on-the-spot checks at least once during the projects’ lifetime and mandatory in case of hard projects and LIPs when expenditure related to the execution of infrastructure over 100,000 EUR was reported.
- to ask the Beneficiaries for clarifications if the case may be, and validate only the verified costs. In exceptional cases, if the Beneficiaries are not able to deliver within the set deadline the necessary explanations and/or additional documents to the Controller, the Beneficiaries may claim the related costs in the next reporting period;
- to provide the NA a Report whenever fraud or corruption is suspected and/or established;
- to include any suspected irregularity in the Expenditure and revenue verification report and to inform the NA (see art. 31.3 of the IR 897/2014)
- the examination shall be performed in accordance with:
 - the International Standard on Related Services (‘ISRS’) 4400 Engagements to perform Agreed-upon Procedures regarding Financial Information as promulgated by the IFAC;
 - the IFAC Code of Ethics for Professional Accountants, developed and issued by IFAC’s International Ethics Standards Board for Accountants (IESBA).

The audit services will be provided along the complete project period, i.e. the complete execution and certification period of the project, not only the project implementation period. This means that it includes the complete process of expenditure and revenue verification for the final report whose deadline for submission to Managing Authority is within three months after the end of the reporting period. The

language of the contract and of all written communications, including reports, between the Auditor and the Contracting Authority shall be English. The Auditor shall execute the tasks assigned to him in accordance with the procedures and templates provided by the Contracting Authority.

The tenderer should have an audit experience in European projects during the last 3 years. The key experts must have sufficient experience to perform the audit of a project financed by the European Union, to know the rules and requirements of financial documents according to the legislation of the Republic of Moldova but also the European procurement procedures according to the PRAG.

The tender should use project/Contracting Authority template for all working documents according with EU visibility.

4.3. Project management

The contractor should report and coordinate all activities linked to this contract with Exceptional Situations Department of Chisinau General Inspectorate for Emergency Situations represented by: Liviu Merzîncu, Head.

4.3.1. Responsible body

The specific department of the Contracting Authority – bookkeeping service or Financial Manager responsible for managing the contract.

4.3.2. Management structure

The management structure of the Contracting Authority consists of:

1. Head of Contracting Authority
2. Head of Accounting Department
3. Project Manager
4. Project Financial Manager
5. Procurement Expert

4.3.3. Facilities to be provided by the Contracting Authority and/or other parties

The necessary data and resources will be made available to the contractor in order to correctly achieve the planned actions and the effective fulfilment of the contract.

5. LOGISTICS AND TIMING

5.1. Location

Chisinau city, Republic of Moldova

5.2. Start date & Period of implementation of tasks

The intended start date is March 5th, 2021. The start date for implementation shall be the day following that on which the last of the two Parties signs the contract.

The contract implementation period ends when all reports required in line with the Grant contract have been submitted to the beneficiary and any potential contradictory procedure was carried out.

6. REQUIREMENTS

6.1. Staff

Note that civil servants and other staff of the public administration of the partner country, or of international/regional organisations based in the country, are not allowed to participate on this tender.

6.1.1. Key experts

All experts who have a crucial role in implementing the contract are referred to as key experts and **they should be included in the List of auditors trained to perform expenditure verification missions of projects within the Joint Operational Program Romania-Republic of Moldova 2014-2020, financed by the European Union.** The profiles of the key experts for this contract are as follows:

Key expert 1: Team Leader

Qualifications and skills:

An external auditor generally requires either a bachelor's degree or a master's degree in accounting. This matches the educational qualification for a Certified Public Accountant (CPA) license, which is generally required to work as an external auditor. An understanding of internal controls and procedures for financial reporting.

General professional experience:

An experience of minimum 5 years of work on audit services of public finances.

Specific professional experience:

Minimum 3 contracts of external audit service experience in the project financed by EU funds using PRAG rules.

6.1.2. Other experts, support staff & backstopping

As appropriate. CVs for experts other than the key experts should not be submitted in the tender but the tenderer will have to demonstrate in their offer that they have access to experts with the required profiles. The Contractor shall select and hire other experts as required according to the needs. The selection procedures used by the Contractor to select these other experts shall be transparent, and shall be based on pre-defined criteria, including professional qualifications, language skills and work experience.

The costs for backstopping and support staff, as needed, are considered to be included in the tenderer's financial offer.

6.2. Office accommodation

As appropriate: Office accommodation for each expert working on the contract is to be provided by the tenderer.

6.3. Facilities to be provided by the Contractor

The Contractor shall ensure that experts are adequately supported. In particular, it must ensure that there is sufficient access to financial report documents, to enable experts to concentrate on their primary responsibilities. It must also transfer funds as necessary to support their work under the contract.

6.4. Equipment

The Contracting Authority does not provide equipment.

7. REPORTS

7.1. Reporting requirements

7.1.1. The Controller shall submit the expenditure and revenue verification reports to the Beneficiary, with its annexes, following the templates and procedures.

7.1.2. Supplementary to the expenditure and revenue verification reports of LB, the Controller will submit to the Beneficiary the consolidated expenditure and revenue verification report.

7.1.3. The period for delivery of the reports by the Controller to the Beneficiary is maximum 30 working days from submission of each financial report by the Beneficiary.

7.1.4. The Controller can request, if needed, a maximum of two sets of clarifications from the Beneficiary, each with a limit of 5 working days for the response submission. In this case, the delivery deadline of the reports listed at 7.1.3 is extended accordingly.

7.2. Submission and approval of reports

The report referred to above must be submitted to the Project Manager identified in the contract. The Project Manager is responsible for approving the reports.

8. MONITORING AND EVALUATION

8.1. Definition of indicators

< Not required >

8.2. Special requirements

< Not required >