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INVITATION TO TENDER

**Humanitarian Aid for Syria – Audit service for the partners of project
Our Ref. TUR1002-TND-002_MRD**

Welthungerhilfe was established in 1962. It is today one of the largest private organizations working in the area of development cooperation and humanitarian aid in Germany. Non-profit-seeking, non-partisan and non-denominational. Donations from the population at large fund our work in Africa, Asia and Latin America. In addition, Welthungerhilfe receives grants from the Federal German Government, the European Union, USAID/OFDA, the United Nations and many others worldwide recognized donors.

Today we are in the market for the acquisition of **Audit service for the partners of project** service in Turkey (Mardin province), for 2020 and 2021 fiscal year.

1. General remarks and special conditions

The required service must be in accordance with the specifications mentioned in the attached terms of reference (Annex-I).

2. Specification

The scope of the service must be as per attached terms of reference (Annex-I).

The Project location is as below:

Mardin-City

3. Delivery of service conditions

The generated reports must be submitted to WHH in PDF and Microsoft Word format.

4. Delivery schedule

Delivery schedule as mentioned in the Terms of Reference (Annex-I).

Mardin, 16.09.2021

Deutsche Welthungerhilfe e.V.
Binevler Mh. 23. Sk. No.8
Gaziantep
Turkey
Tel. +90 (342) 336 02 09
www.welthungerhilfe.de

Procurement Department
procurement.turkey@welthungerhilfe.de

Patron:
Federal President Frank-Walter Steinmeier

Supervisory Board (honorary):
Marlehn Thieme, President
Prof. Dr. Joachim von Braun, Vice-President
Norbert Geisler, Chairman of the
Finance Committee
Amadou Diallo
Rita Lanius-Heck
Prof. Dr. Conrad Justus Schetter
Dr. Tobias Schulz-Isenbeck

Chief Executive Officer:
Mathias Mogge

Donations account:
Sparkasse KölnBonn
IBAN: DE15 3705 0198 0000 0011 15
BIC: COLSDE33



towards the eradication of poverty
Member of Alliance 2015,
International NGO Network



5. Prices

All offered prices must be indicated in the EURO (€, Euro) currency only.

Quotations stated in other currencies will not be considered during the awarding process. Prices must include, transportation, accommodation, Value added Tax VAT, Stamp tax, and all applicable taxes (local price).

6. Ordering Party

Welthungerhilfe Turkey
Binevler Mh. 23. Sk. No.8
Sehitkamil / Gaziantep
Turkey

7. Consignee

Welthungerhilfe Turkey
13 Mart Mah. Vali Ozan Cad.
Aykon Plaza Is Merkezi No :
2/39 Artuklu/Mardin
Turkey

8. Documents

Following documents must be submitted before tender closing:

- Written quotation in EURO currency included of prices as indicated in paragraph **5. (Prices)** of this document on company's letter head paper, Prices must include, transportation, accommodation, Value added Tax VAT, Stamp tax, and all applicable taxes (duly stamped and signed in a PDF format).
- Registration form (commercial registry gazette, chamber of commerce registration, list of authorized signatures, company's owner's identity information) or company profile (applicable for new companies who did not previously sign contracts with Welthungerhilfe)
- VAT plate (updated)
- References/Work History, that includes types of service that have been implemented previously
- Supplier Qualification Form (refer to Annex-II)
- FIN-WHH-02 – Service Provider/Supplier Privacy Notice & Explicit Consent (please sign the form, please refer to attached documents) (refer to Annex-V)
- Qualified contractors are required to submit a detailed **proposal** as specified in the Terms of Reference.

The proposal should include

A. Technical proposals:

- It should also include a brief description of the overall design and methodology of the audit and a workplan/adaptations to the workplan at hand (maximum four pages).
- The technical part of the offer should include a reference to the perceived feasibility of the Tor. (If required, including suggestions for specific audit questions.)
- CV with references of the auditors
- Recommendation/certificate of similar INGOs audited
- Audit Report sample

B. Financial Proposals:

1. Detailed budget,

Price in EURO must include, transportation, accommodation, Value Added Tax(VAT), Stamp tax, and all applicable taxes (local price).

2. Following document will be requested from the Seller after firm order:

Original Commercial Invoice (addressed to Welthungerhilfe, Turkey)

9. Payment Conditions

1- WHH shall generally make payment through banking channels to Contractor within 30 working days upon receipt of the the invoice and other documents/reports that may be specified in the Contract, to be sent directly to Welthungerhilfe Turkey, 13 Mart Mah. Vali Ozan Cad. Aykon Plaza Is Merkezi No: 2/39 Artuklu/Mardin.

2-Payment of submitted invoices by WHH does not imply acceptance of Goods or Services or any related work under the Contract. Unless otherwise specified in the Contract, the following provisions will apply concerning payment and supporting documents.

3-WHH will make payment to the bank account indicated by Contractor in its invoice, providing that the bank account is in the name of Contractor and located in its country of residence. Any request for payment to a bank account other than that of Contractor or to a bank other than one located in Contractor's country of residence must be specified and justified by Contractor at the time of making its offer.

4-WHH may withhold payment, in whole or in part, without liability and without prejudice to any other of its rights or remedies under the Contract, should Contractor fail to provide the documents required by this Article 26 of the Welthungerhilfe Terms and Conditions for International Procurement of Goods and Services or as otherwise specified in the Contract or in the event that Contractor fails to perform or comply with its obligations under the Contract, including without limitation the warranties for the Goods set forth in Article 10 of the said terms and conditions.

10. Penalties

1. The Contractor shall be liable according to statutory legal provisions, especially for its own negligent breach of duty and negligent breach of duty by its legal representatives or vicarious agents.

2. Contractor recognizes that the Contract concerns the delivery of Goods and/or provision of Services where "time is of the essence" and that failure to deliver the Goods and/or provide the Services by the scheduled date(s) or in accordance with the quantities and/or quality specified in the Contract may cause irreparable harm to WHH.

3. Therefore, if the Contractor culpably defaults in remedying a defect or making a delivery – fully and timely -, WHH shall have the right to request lump-sum damages due to default for the defective resp. Late delivery without further proof of damage, of 0.2 % of the net remuneration agreed for the defective resp. Late delivery and/or service for each period of default of 1 working day (Monday to Saturday) but at most 5 % of the agreed net remuneration for the defective resp. Late delivery and/or service. The Contractor shall, however, have the opportunity to prove to WHH that WHH has incurred no damage or materially lesser damage.

4. The remedy in Article 18 of the said regulation is without prejudice to any other right or remedy that may be available to WHH, including cancellation, for Contractor's non-performance or breach of any term or condition of the Contract. The above lump-sum damages shall however be set off in full against any further damage claim.

11. Selection Criteria

Welthungerhilfe will prioritize the quotations as follows:

- **Tenderers not providing the requested quotation included of prices as indicated in the article 5 (Prices) of this document duly signed and stamped with the other documentation as listed in the article 8-(Documents) as requested will be by automatism excluded from this competition.**

The following ranking criteria's will be considered for the contract granting:

- 1. 40 % technical (including technical proposal, sample report, and CV of evaluators.)**
- 2. 60 % financial(price)**

The assigned points per listed criteria will be calculated in reference to the obtained proportion from the best offers criteria's results in comparison to the offered value per criteria multiplied by 10 in order to obtain a grading scale per criteria in between 1 to 10 points per ranking criteria.

12. Force Majeure

Given the volatile situation in the region, the report submission might be cancelled or delayed due to the event of force majeure like changes in rules and regulations of Turkey, military operations, natural disasters etc. In such case, it is Welthungerhilfe's right to cancel/ terminate the contract or suspend.



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13. Termination

The Company must act in accordance with the Core Humanitarian Standard (Annex-III) and Anti-Terrorism Policy (Annex-IV) and the laws of the country of operation (Turkey). If Welthungerhilfe finds that the Company is not discharging its duties according to the above-mentioned standards and to (Annex-I) term of reference; it may at any time unilaterally terminate the contract and holds the consultants liable for all damages, financial and otherwise including advance payments.

14. Terms and Conditions of Contract / Purchase Order

The granted contract/purchase order for the procurement of the stipulated goods is supposed to involve the application of the “**Welthungerhilfe Terms and Conditions for International Procurement of Goods and Services.**”

For more information, the said document can be found at the following web link:

<https://www.welthungerhilfe.org/news/publications/detail/terms-and-conditions-for-international-procurement-of-goods-and-services/>

15. Offer Conditions

Quotations should be valid for at least three (3) months.

Quotations must specify all details according to the tender text. Suppliers who do not receive written feedback three week after the deadline for the bid submission will have to consider their bid being unsuccessful.

Application , (offer and documents required) must be performed online through the following web tendering portal not **later than the 7th of October 2021, 15:00 CET time** that is accessible through the following thread:

<https://eu.eu-supply.com/ctm/supplier/publictenders>

The related EU-Supply RFT id reference of the tender invitation is **279107**, and the tender reference is **TUR1002-TND-002_MRD**

Might you be a new applicant, to be able to use the EU supply web portal and to submit your application through it, you will have to register as new supplier through the following web thread: <https://eu.eu-supply.com/ctm/Company/CompanyRegistration/RegisterCompany>.



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In general, all the inquiries about the concerned competition can be submitted through the EU Supply platform directly latest by **5th of October 2021 12:00 CET time**, but in case of having any additional questions on how to access to the EU Supply platform, please contact us on the following email address: procurement.turkey@welthungerhilfe.de (with mention: tender (**TUR1002-TND-002_MRD**))

This tender invitation is valid without signatures!

ANNEX-I TERMS OF REFERENCE (TOR) External, Independent Audit for BMZ Funding TUR 1002 Project Partners

INTRODUCTION AND CONTEXT

Deutsche Welthungerhilfe e. V. is one of the largest non-governmental organizations in Germany operating in the humanitarian assistance and development fields. It was established in 1962 like the German section of the “Freedom from Hunger Campaign,” one of the world’s first initiatives to eradicate hunger. Welthungerhilfe’s work is still dedicated to the following vision: All people have a right to a self-determined life in dignity and justice, free from hunger and poverty. By **2018**, Welthungerhilfe and its partner organizations ran **404** international projects in 37 countries with an overall financing volume of EUR 184 million, comprised of private donations, public national and international funds. In addition, Welthungerhilfe operates a marketing and fundraising department in Germany to engage and educate a wider public in development-related topics and to mobilize funds from currently more than **57,000 permanent private donors**.

Welthungerhilfe (WHH) has been officially registered in Turkey since 2013. s provided emergency aid by distributing food and other relief items to the most vulnerable Syrian refugees in provinces in north-eastern Turkey and internally displaced persons in north-western Syria. As the conflict in Syria continued and the humanitarian crisis worsened, WHH expanded its work in the region and adopted a more comprehensive approach to strengthening people’s resilience. Through its regional programme, WHH supports Syrians living in Turkey and Lebanon, internally displaced persons (IDPs), and host communities in Northwest Syria with project activities focused on increasing food security and reducing poverty. WHH’s interventions include live-saving humanitarian assistance, shelter, protection financial support), small-scale agricultural activities, and the rehabilitation of water, sanitation, and hygiene infrastructure (WASH). WHH also plays a supporting role in providing access to existing protection and social care services through its case management activities.

PROJECT BACKGROUND

Project Overview

The main purpose of the project is to improving social cohesion and access to counselling, protection and social services for refugees and host communities in Mardin province.

The project is implemented by Welthungerhilfe (WHH), Turkish Development Foundation (TKV) and Art anywhere (AA). Each partner provides services according to their expertise and capacities, as described in the table below. WHH is responsible for the overall coordination of the project and organizing and organizing capacity-building activities towards both the employees of public institutions and NGOs to increase the quality of the services provided and their sustainability. The project is implemented in the Mardin province.

AUDIT OBJECTIVES

Audit Agreement of Welthungerhilfe's Partner Projects

An audit is a systematic independent investigation to determine whether quality, activities and related results of the proposed requirements are met and whether those requirements are actually implemented and appropriate for achieving the objectives.

According to the General Terms of Contract for Project Holder/Partner Organisation or due to donor regulations and requirements, the Project Holder/Partner Organisation may account with Welthungerhilfe by means of an Audit Report to ensure that funds have been used in accordance with the agreement signed between Welthungerhilfe and the Project Holder/Partner Organisation.

The auditor refers to agreed-upon procedures as specified in the tripartite agreement, and is responsible for submitting expenditure verification and a report of factual findings and identifying weaknesses in internal control processes.

Audit Objective

The objective of the audits is to verify the cost statements submitted to WHH or to donors. Audits are usually conducted to assess the extent to which the Project Holder/Partner Organisation has complied with the different clauses of the agreement, to certify that the costs incurred by the Project Holder/Partner Organisation are eligible according to the agreement and that they have respected International standards. However, auditing does not provide a guarantee that the funds have been administered in a secure manner or that the financial reports are of high quality. On the other hand, a correctly performed audit shall lead to the identification and rectification of shortcomings in the accounts and in the internal controls. It can also have a preventive effect since the attention of management is drawn to problem areas and management can thus take appropriate action to avoid errors occurring.

Such compliance audits usually put an emphasis on the financial clauses of the agreement and on the assessment of the eligibility and accuracy of the costs claimed during the period covered by the agreement. These audits also include project revenues whenever they are included in the agreement and internal control mechanisms.

The objective of the revised template is to allow our colleagues in the Welthungerhilfe Country Offices abroad to draw their own conclusions as well as receiving recommendations by a qualified auditor which they are able to respond to by following up or identifying capacity development needs etc. Therefore the focus of the audit is more on actual findings and internal controls reports.

SCOPE OF THE AUDIT

The external audit should include the following verification and control measures.

- Checking the accounting documents for **correctness and completeness**.
- Check of the financial report, which must show all project-related income and expenses and confirm that **vouchers exist for all income and expenditure**.
- Checking the management of the project funds made available. This involves: the **project funds** transferred to the local partner in the current financial year or during the implementation period
all **interest generated** during the financial year or the implementation period on the project funds transferred to the project partner
other **income** arising from **project activities**
- Check, if the project funds **were used appropriately** in accordance with the planned project objectives and measures.
- Checking the **cost-effectiveness** of expenditure in terms of financial resources (to be used economically and as efficiently as possible).

Verification of personnel costs and social security contributions with regard to local standards, the legislation in the respective project country, in particular compliance with contracts and the legal payment of the corresponding funds.

- Checking adherence to the cost plan by comparing the budget with actuals (on the basis of the last valid financing plan)
- Checking the **economic utilization of the project equipment**.
- Check of the **inventory purchased**, its **availability** and **proper use**.
- Review and confirmation of the completeness & correctness of project-relevant documents.
- Checking **compliance with all agreements that are essential to the project** (contracts, guidelines of the German Private Agency, funding guidelines of the Federal Ministry for Economic Cooperation and Development (BMZ), BNBest-P/ private agencies and the BMZ's procurement guidelines).

Audit report

The audit report based on the external audit must contain the following elements:

- Explanation of the **audit engagement and scope** with detailed comments on the results of the audit. The auditor must also list and explain **which documents were the basis** for the audit of the appropriate use of funds and adherence to the project duration.
- **Recommendations** if there were any findings.
- If necessary, comment on the **follow-up of audit observations from previous years**.

- **Latest version of the financing plan structured according to the final financial report** and presented in the same way as the **template** in the annex to this instruction (see pages 7-8). The comparison of planned and actual expenditure is made in the **currency in which the expenditure incurred**. The auditor **does not convert the amounts into Euro amounts**. (Welthungerhilfe wants the auditor to check the conversion of the national expenditure to the currency of the Partnership Agreement and these amounts are indicated as well in the audit report.)
- In the case of **differences** of more than 30% of the main headers between the actual expenditure and the planned expenditure (main headers in the latest financing plan), they must be explained separately and justified.
- In the case of **differences** of more than 30% of the single budget lines between the actual expenditure and the planned expenditure (budget lines in the latest financing plan), they must be justified.
- The final audit opinion shall state the following (**minimum requirement**): "We hereby certify that we have conducted an audit relating to the statement of accounts of (name of the local partner in the project country) regarding the financing of the project (name) on the basis of the following terms of use: (list of relevant audit engagements and documents). For this purpose, we have reviewed the accounting records and vouchers. Our audit resulted in the following findings: ...".

Subsequently, the audit should provide specific substantive statements on the following questions:

1. To what extent is income and expenditure properly documented by means of receipts or vouchers?
2. To what extent have the expenditures documented been made in accordance with the requirements of the terms of the proposal and the grant agreement? To what extent are they in accordance with the purpose outlined in the proposal and in the latest financing plan? Are any deviations from the latest financing plan explicitly explained?
3. To what extent has the income which is entered in the accounts as own contribution of the local partner, the target group and/or other entities in the project country correctly been indicated and the origin being explained as required?
4. To what extent have the donor's requirements specified in the partnership agreement been met? How was reacted to the requirements? In which aspects have these requirements not been complied with and are reasons given for non-compliance?
5. What are the positive or negative particularities of the project to be mentioned?

- The audit report should provide a clear summary regarding **compliance with the mandatory requirements set out in the partnership agreement**.

DELIVERABLES AND REPORTING DEADLINES

All the Deliverables will be submitted to WHH in hard & soft copy (unless otherwise noted below).

- 1) **An inception report:** The auditor, will share his/her inception report that details the audit design (rationale, methodology), data & information collection tools, and a detailed work plan within 1-3 days of engagement, to be approved by WHH (Head of Finance & Head of Project).
- 2) **Data collection tools:** Develop the information & data collection tools and have them approved by WHH before Information & data collection, analysis, interpretation
- 3) **Validation meeting:** A meeting, online, discussing the main findings of the draft report, including project staff, partner staff, WHH Finance staff, once information & data collection has ended.
- 4) **Raw Datasets**
- 5) **Draft Evaluation Report:** The auditor will prepare a draft audit report with details of findings, recommendations and lessons learnt for review by WHH and partners
- 6) **Final Evaluation Report:** The auditor will share a final audit report after incorporating the comments from WHH and project partners.

TIME FRAME / SCHEDULE

The duration of the assignment will be 40 working days. This audit will begin in 1st week of November 2021(Activity 2020) for the year 2020 & 1st Week of February 2022(Activity 2021) with the same duration mentioned as below; preliminary works may begin earlier, such as developing the tools and reviewing; the final audit design. Below is a tentative schedule prepared to guide the auditor.

	Activity 2020	Duration
1	Partners document review & finalizing (TKV & AA)	3WDs
2	Sharing draft report for WHH & the partners	2WDs
3	Feed back by WHH on the draft report	2WDs
4	Finalizing the Final Audit Report	1WDs

	Activity 2021	Duration
1	Partners document review & finalizing (TKV & AA)	3WDs
2	Sharing draft report for WHH & the partners	2WDs
3	Feed back by WHH on the draft report	2WDs
4	Finalizing the Final Audit Report	1WDs

EXPERTISE OF THE AUDITORS

There are several factors to be considered when selecting the external auditor:

- The external auditor must be **independent** (especially of the local partner and the German Private Agency). The audit firm should work according to an internationally recognized standard.
- If the project accounting will be certified by an independent audit, the auditor will be selected jointly **by the German Private Agency and the local partner**.
- The **qualification** as a certified independent auditor valid & (registered) **at the time** of issuing the audit report **must be confirmed** by the German Embassy or a competent recognized institution in the partner country (e.g. a chamber of commerce or national association of auditors). The confirmation of the embassy, a qualification certificate or the printout of the register entry must be submitted with the certificate.
- As a basic principal, the selection of the external auditor must be subject to **competition**, i.e. **procurement regulations** must be observed.
- In terms of **corruption control**, cooperation with the same auditor should be **limited to a certain period** (max. 5 to 6 years).

TECHNICAL AND FINANCIAL OFFER

Applicants have to provide:

- A technical and financial offer (40% & 60% respectively)
- The technical part of the offer should include a reference to the perceived feasibility of the ToR. (If required, including suggestions for specific audit questions.)
- It should also include a brief description of the overall design and methodology of the audit and a workplan/adaptations to the workplan at hand (maximum four pages).
- CV with references of the auditors
- Recommendation/certificate of similar INGOs audited
- Audit Report sample

Annex-II: Welthungerhilfe Supplier Qualification Form

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Company name	
Founded (year)	
Established in (Country)	
Bank Details (Account Holder Bank Name, IBAN, BIC, Swift, Currency)	
VAT Registration Number	
Physical address	
Name of Chief Executive Officer (CEO)	
Place and Date of Birth of CEO	
Name of Owner	
Place and Date of Birth of Owner (if individual)	
Website	
Sales and Marketing Contact	
Range of services provided by the company (company portfolio)	
For internal use of WHH only	

Supplier qualification

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A. Welthungerhilfe supports the goals of the UN Global Compact

The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with [ten universally accepted principles](#) in the areas of [human rights](#), [labour](#), [environment](#) and [anti-corruption](#). By doing so, business, as a primary driver of globalisation, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere.

Human Rights

1. [Principle 1](#): Businesses should support and respect the protection of internationally proclaimed human rights; and
2. [Principle 2](#): make sure that they are not complicit in human rights abuses.

Labour

1. [Principle 3](#): Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
2. [Principle 4](#): the elimination of all forms of forced and compulsory labour;
3. [Principle 5](#): the effective abolition of child labour; and
4. [Principle 6](#): the elimination of discrimination in respect of employment and occupation.

Environment

1. [Principle 7](#): Businesses should support a precautionary approach to environmental challenges;
2. [Principle 8](#): undertake initiatives to promote greater environmental responsibility; and
3. [Principle 9](#): encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

1. [Principle 10](#): Businesses should work against corruption in all its forms, including extortion and bribery.

The Global Compact is global and local; private and public; voluntary yet accountable.

Further information is available on this website in different languages :

<https://www.unglobalcompact.org>



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B. Welthungerhilfe (WHH) renounces all forms of terrorism and money laundering

Welthungerhilfe renounces all forms of terrorism and will never knowingly support, tolerate or encourage terrorism or the activities of those who embrace terrorism or money laundering. Consistent with numerous United Nations Security Council resolutions, including S/RES11269(1999), S/RES 1368(2001) and S/RES1373(2001) and the European Union, Welthungerhilfe is firmly committed to the international fight against terrorism and in particular against the financing of terrorism. It is the policy of Welthungerhilfe to seek to ensure that none of its and its donor funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism or money laundering. Therefore, Welthungerhilfe will match their suppliers and Service providers against the Sanctions lists on a regular basis. By submitting an offer, suppliers and service providers agree to this.

Supplier qualification

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We, _____ (name of company) hereby declare that

1. we are not in bankruptcy proceedings, judicial insolvency proceedings or in liquidation, that we have not ceased our commercial activities and are not in a comparable situation by virtue of similar proceedings referred to in the national legal provisions,
2. we have not received a sanction by legally binding judgment for reasons which bring into doubt our professional reliability,
3. we comply with our duty to pay social insurance contributions, taxes or other levies in accordance with the legal provisions of the state in which we have our office, the state of the consignee, or the state where the contract is performed,
4. we have not received a legally binding sentence due to fraud, corruption, participation in a criminal association, or another act directed against the financial interests of the European Communities,
5. no serious breaches of contract due to non-performance of our contractual obligations have been ascertained in connection with another contract or a contract awarded from the Community budget,
6. we are providing you with all the information required in connection with participation in a tender,
7. in respect of contracts which are ultimately paid for out of European Community funds, no one has accused us of breach of contract due to gross violation of our contractual obligations,
8. we have not been excluded as a contract partner by the European Community due to ethical issues,
9. we assure the European Commission, the European Anti-Corruption Bureau and the auditors of the European Community reasonable access on demand to our business and accounting documents for the purpose of checks and audits,



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10. we respect basic social rights and condemn child labor.

11. we are informed and agree that Welthungerhilfe will conduct a check to ensure that partners/suppliers do not appear on official sanctions lists of UN and the European Union.

We support the goals of the United Nations Global Compact <https://www.unglobalcompact.org>

Date, company name, signature, name in block capitals, company stamp.