

## REQUEST FOR TENDERS

RFT: 2023/021  
File: FN 1/2  
Date: 21 April, 2023  
To: Interested suppliers  
From: Maraea S. Pogi, Procurement Officer

**Subject: Request for tenders: Appointment of External Auditors for SPREP Financial Years 2023 – 2024.**

### 1. Background

- 1.1. The Secretariat of the Pacific Regional Environment Programme (SPREP) is an intergovernmental organization charged with promoting cooperation among Pacific islands countries and territories to protect and improve their environment and ensure sustainable development.
- 1.2. SPREP approaches the environmental challenges faced by the Pacific guided by four simple Values. These values guide all aspects of our work:
  - We value the Environment
  - We value our People
  - We value high quality and targeted Service Delivery
  - We value Integrity
- 1.3. For more information, see: [www.sprep.org](http://www.sprep.org).
- 1.4. External Auditors are appointed by the SPREP Meeting. Notification of the successful contractor will therefore take place after the 31<sup>st</sup> SPREP Meeting in September 2023.

### 2. Specifications: statement of requirement

- 2.1. SPREP invites tenders from qualified audit firms to conduct the annual audits of SPREP's accounts for the financial years ending 31 December 2023 and 31 December 2024.
- 2.2. The Terms of Reference of the consultancy are set out in Annex A.
- 2.3. SPREP's annual accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS).
- 2.4. The successful consultant must supply the services to the extent applicable, in compliance with SPREP's Values and Code of Conduct: [https://www.sprep.org/attachments/Publications/Corporate\\_Documents/spreporganisational-values-code-of-conduct.pdf](https://www.sprep.org/attachments/Publications/Corporate_Documents/spreporganisational-values-code-of-conduct.pdf). Including SPREP's policy on Child Protection, Environmental Social Safeguards, Fraud Prevention & Whistleblower Protection and Gender and Social Inclusion.
- 2.5. SPREP Standard Contract Terms and Conditions are non-negotiable

### 3. Conditions: information for applicants

- 3.1. To be considered for this tender, interested consultants must meet the following conditions:
- i. Must be certified auditors with extensive experience in auditing work under the International Standards on Auditing (ISA) and other accepted international best practices in audits for public organisations, inter-governmental and regional organisations.
  - ii. Interested bidders must also have experience in auditing other relevant corporate and administrative operations.
  - iii. The SPREP Financial Regulations requires the External Auditor to be independent in line with the ethical and independence requirements under the International Federation of Accountants (IFAC) rules and regulations.
  - iv. The audit must report on compliance with the IFRS and ISA.  
Attachment 1 includes excerpts from the Financial Regulations for SPREP to assist interested parties in registering their interest.
  - v. Any Accounting Firm based outside of Samoa wishing to conduct Auditing services in Samoa have to apply first to the Samoa Institute of Accountants (SIA) <https://sia.org.ws> for a 'Temporary Certificate of Public Practice' (TCPP) in relation to rendering audit services and thus signing an Audit Opinion for a client.
  - vi. Submit a detailed Curriculum vitae detailing qualification and previous relevant experience for each proposed personnel;
  - vii. Provide three referees relevant to this tender submission, including the most recent work completed;
  - viii. Provide examples of past related work outputs;
  - ix. Complete the **tender application form** provided (*Please note you are required to complete in full all areas requested in the Form, particularly the Statements to demonstrate you meet the selection criteria – DO NOT refer us to your CV. Failure to do this will mean your application will **not** be considered*); and  
*For the Technical and Financial proposals you may attach these separately.*
  - x. Provide a copy of valid business registration/license.
- 3.2 Tenderers must declare any areas that may constitute conflict of interest related to this tender and sign the **conflict of interest form** provided.
- 3.3 **Tenderer is deemed ineligible due to association with exclusion criteria, including** bankruptcy, insolvency or winding up procedures, breach of obligations relating to the payment of taxes or social security contributions, fraudulent or negligent practice, violation of intellectual property rights, under a judgment by the court, grave professional misconduct including misrepresentation, corruption, participation in a criminal organisation, money laundering or terrorist financing, child labour and other trafficking in human beings, deficiency in capability in complying main obligations, creating a shell company, and being a shell company.
- 3.4 Tenderer must sign a declaration of **honour form** together with their application, certifying that they do not fall into any of the exclusion situations cited in 3.3 above and where applicable, that they have taken adequate measures to remedy the situation.

### 4. Submission guidelines

- 4.1. Tender documentation should demonstrate that the interested consultant satisfies the conditions stated above and in the Terms of Reference and is capable of meeting the specifications and timeframes. Documentation must also include supporting examples to address the evaluation criteria.

- 4.2. Tender documentation should be submitted in English and outline the interested consultant's complete proposal:
- a) **SPREP Tender Application form and conflict of interest form.** *(Please note you are required to complete in full all areas requested in the Form, particularly the Statements to demonstrate you meet the selection criteria – DO NOT refer us to your CV. Failure to do this will mean your application will **not** be considered).*  
*For the Technical and Financial proposals you may attach these separately.*
  - b) **Declaration of honour**
  - c) **Curriculum Vitae** of the proposed personnel to demonstrate that they have the requisite skills and experience to carry out this contract successfully.
  - d) **Technical Proposal** which contains the details to achieve the tasks outlined in the Terms of Reference.
  - e) **Financial Proposal** which contains a detailed outline and schedule of priced tasks in accordance with tasks outlined under the Terms of Reference's *Audit Stages and Timetable* sections submitted in United States Dollars (USD) and inclusive of all associated taxes.
- 4.3. Provide three referees relevant to this tender submission, including the most recent work completed.
- 4.4. Tenderers/bidders shall bear all costs associated with preparing and submitting a proposal, including cost relating to contract award; SPREP will, in no case, be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- 4.5. The tenderer/bidder might be requested to provide additional information relating to their submitted proposal, if the Tender Evaluation Committee requests further information for the purposes of tender evaluation. SPREP may shortlist one or more Tenderers and seek further information from them.
- 4.6. The submitted tender proposal must be for the entirety of the Terms of Reference and not divided into portions which a potential tenderer/bidder can provide services for.
- 4.7. The Proposal must remain valid for 90 days from date of submission.
- 4.8. Tenderers must insist on an acknowledgement of receipt of tender.

## 5. Tender Clarification

- 5.1. a. Any clarification questions from applicants must be submitted by email to [procurement@sprep.org](mailto:procurement@sprep.org) before 01 May 2023. A summary of all questions received complete with an associated response posted on the SPREP website [www.sprep.org/tender](http://www.sprep.org/tender) by 03 May 2023.
- b. The only point of contact for all matters relating to the RFT and the RFT process is the SPREP Procurement Officer.
- c. SPREP will determine what, if any, response should be given to a Tenderer question. SPREP will circulate Tenderer questions and SPREP's response to those questions to all other Tenderers using the SPREP Tenders page (<https://www.sprep.org/tenders>) without disclosing the source of the questions or revealing any confidential information of a Tenderer.

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- d. Tenderers should identify in their question what, if any, information in the question the Tenderer considers is confidential.
- e. If a Tenderer believes they have found a discrepancy, error, ambiguity, inconsistency or omission in this RFT or any other information given or made available by SPREP, the Tenderer should promptly notify the Procurement Officer setting out the error in sufficient detail so that SPREP may take the corrective action, if any, it considers appropriate.

## 6. Evaluation criteria

- 6.1. SPREP will select a preferred audit firm on the basis of SPREP's evaluation of the extent to which the documentation demonstrates that the tenderer offers the best value for money, and that the tender satisfies the following criteria:
- 6.2. A proposal will be rejected if it fails to achieve 70% or more in the technical criteria and its accompanying financial proposal shall not be evaluated.

### I. Technical Score – 80%

Criteria	Detail	Weighting
<b>Experience/ Technical Proposal / Methodology</b>	Must be an <b>independent external</b> auditor who is a registered member of a national accounting or auditing body or institution which in turn is a member of the International Federation of Accountants (IFAC) and who is certified to perform audits.	10%
	Extensive experience in the audit of similar inter-governmental agencies or international / regional organisations	20%
	The auditor must employ sufficient staff with: (i) appropriate professional qualifications and suitable experience with IFAC standards. It is the responsibility of the auditor to propose and use an engagement team composed of an appropriate mix of auditors for this engagement. (Staff profiles and CVs must clearly outline staff qualifications and experience)	20%
	Demonstrated understanding of the requirements of the TOR with appropriate methodology for delivering the required outputs of this consultancy.	30%
<b>Financial Proposal</b>	Provides a competitive fee for the tender. It is essential to note that the "value for money" assessment will consider economical, efficiency and effectiveness, which does not necessarily favor the cheapest tender	20%

### II. Financial Score - 20%

The following formula shall be used to calculate the financial score for ONLY the proposals which score 70% or more in the technical criteria:

$$\text{Financial Score} = a \times \frac{b}{c}$$

Where:

a = maximum number of points allocated for the Financial Score

b = Lowest bid amount

c = Total bidding amount of the proposal

## 7. Variation or Termination of the Request for Tender

- 7.1 a. SPREP may amend, suspend or terminate the RFT process at any time.
- b. In the event that SPREP amends the RFT or the conditions of tender, it will inform potential Tenderers using the SPREP Tenders page (<https://www.sprep.org/tenders>).
- c. Tenderers are responsible to regularly check the SPREP website Tenders page for any updates and downloading the relevant RFT documentation and addendum for the RFT if it is interested in providing a Tender Response.
- d. If SPREP determines that none of the Tenders submitted represents value for money, that it is otherwise in the public interest or SPREP's interest to do so, SPREP may terminate this RFT process at any time. In such cases SPREP will cancel the tender, issue a cancellation notice and inform unsuccessful bidders accordingly.

## 8. Deadline

- 8.1. **The due date for submission of the tender is: 08 May 2023, midnight (Apia, Samoa local time).**
- 8.2. Late submissions will be returned unopened to the sender.
- 8.3 Please send all tenders clearly marked 'RFT 2023/021: **Appointment of External Auditors for SPREP Financial Years 2023 – 2024.**' to one of the following methods:

Mail: SPREP

Attention: Procurement Officer

PO Box 240

Apia, SAMOA

Email: [tenders@sprep.org](mailto:tenders@sprep.org) (MOST PREFERRED OPTION)

Fax: 685 20231

Person: Submit by hand in the tenders' box at SPREP reception,  
Vailima, Samoa.

Note: Submissions made to the incorrect portal will not be considered by SPREP. If SPREP is made aware of the error in submission prior to the deadline, the applicant will be advised to resubmit their application to the correct portal. However, if SPREP is not made aware of the error in submission until after the deadline, then the application is considered late and will be returned unopened to the sender.

SPREP reserves the right to reject any or all tenders and the lowest or any tender will not necessarily be accepted.

SPREP reserves the right to enter into negotiation with respect to one or more proposals prior to the award of a contract, split an award/awards and to consider localised award/awards between

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Sustainable, transformative and resilient for a **Blue Pacific**

any proposers in any combination, as it may deem appropriate without prior written acceptance of the proposers.

**A binding contract is in effect, once signed by both SPREP and the successful tenderer. Any contractual discussion/work carried out/goods supplied prior to a contract being signed does not constitute a binding contract.**

**For any complaints regarding the Secretariat's tenders please refer to the Complaints section on the SPREP website**  
<http://www.sprep.org/accountability/complaints>

## ATTACHMENT 1

*Excerpt from SPREP's Financial Regulations 2012.*

### **Regulation 29 - Appointment of Auditor(s)**

On the Director General's recommendation, the SPREP Meeting shall appoint biennially one or more Auditors in no way connected with the Secretariat on such terms as it sees fit to undertake the audit of the Secretariat's annual accounts.

### **Regulation 30 - Regularity of Audit**

The Auditor shall make annually and at such other times as the SPREP Meeting considers necessary an independent audit in order to certify:

- (a) that the financial statements are in accord with the books and records of the Secretariat;
- (b) that the financial transactions reflected in the statements are accurate and in accordance with the rules and regulations, the budgetary provisions and other applicable directives;
- (c) that the securities and money on deposit and on hand have been verified by certificate received direct from the Secretariat's depositories or by actual count;
- (d) the accuracy of the records of stores, furniture, equipment and other property of the Secretariat and the adequacy of control exercised thereover.

### **Regulation 31- Assistance to Auditor(s)**

The Director General shall ensure that the Auditor is supplied with every facility required for the proper discharge of its audit duties and shall respond promptly to any queries that may be raised.

### **Regulation 32 - Scope of Audit Report**

The Auditors, in their report on the accounts certified, shall mention:

- (a) the extent and character of their examination and any changes in accounting practice;
- (b) matters affecting the completeness or accuracy of the accounts;
- (c) the accuracy or otherwise of the supplies and equipment records as determined by stocktaking and examination of the records;
- (d) the adequacy of financial procedures including internal control matters and adherence to the financial regulations;
- (e) the adequacy of insurance cover for the buildings, stores, furniture, equipment and other property; and
- (f) any other matters which should be brought to the notice of the SPREP Meeting.

### **Regulation 33 - Submission of Audit Report**

The Auditors shall submit their report to the Director General as soon as possible but no later than 31<sup>st</sup> May following the end of the fiscal year to which it relates. The Director General shall circulate the full report of the Auditors including comments on the financial operations of the Secretariat and accounts, together with such remarks as the Director General may wish to offer to members, prior to the next SPREP Meeting.

## ATTACHMENT 2

### TERMS OF REFERENCE

#### 1. Background

SPREP is the regional organisation established by the Governments and Administrations of the Pacific charged with protecting and managing the environment and natural resources of the Pacific. It is based in Apia, Samoa, with about 150 staff and a budget of about USD \$36.5 million for 2023.

The accounts of SPREP are prepared by the Secretariat based on International Financial Reports Standards (IFRS) and based on a calendar year basis. Audits to be carried out under this tender are for each of the two financial years ending 31 December 2023 and 31 December 2024.

#### 2. Financial Audit Requirements

The Auditors shall:

- (a) Conduct their audit each year in accordance with the International Standards on Auditing (ISA);
- (b) Prepare a report expressing an opinion as to the fairness of SPREP's financial statement. The Auditors in their report on the financial accounts, shall include:
  - i. the extent and character of their examination and any changes in accounting practice;
  - ii. matters affecting the completeness or accuracy of the accounts;
  - iii. the accuracy or otherwise of the supplies and equipment records as determined by stocktaking and examination of the records;
  - iv. the adequacy of financial procedures of SPREP including internal control matters and the adherence to the financial regulations;
  - v. the adequacy of insurance cover for the buildings, stores, furniture, equipment and other property of SPREP;
  - vi. a clause, on the extent and character of their examination on funds received by the Secretariat from NZAID, AUSAID and all other donors, whether they were spent in accordance with the Memorandum of Understanding (MOU) signed between the respective parties;
  - vii. Provide a categorization of risk for each finding raised in the report : High, Medium or Low,
  - viii. Identify the underlying cause of findings and observations reported eg. supervision, compliance, resources, human error etc,
  - ix. Provide an updated action plan for prior year audit recommendation,
  - x. Any other matter which should be brought to the notice of the SPREP Meeting.
- (c) Conduct, at the request of the SPREP Meeting, additional specific financial examinations and submit separate reports on the results of these examinations.

### 3. Accounting System

The financial management information systems used by the Secretariat is called Technology One. This is a multi-currency system with a number of financial modules. SPREP accounts are prepared in US dollars.

### 4. Reporting Requirements:

The operational functions of SPREP currently fall under two categories, Core Fund and Programme Fund.

The SPREP Financial Regulations require its accounts to be prepared in accordance with International Financial Reporting Standards (IFRS).

Based on our internal deadlines and biennial monitoring targets, we hope to finalize the accounts by 31<sup>st</sup> January and submit to the Auditors no later than 28<sup>th</sup> February each year. Hence, the auditors should be available to carry out the audit, in Apia, during February/March each year, and to be completed by **no later than 4 weeks after the date of the accounts being received from SPREP**. Accordingly, the Auditors are required to submit the Financial Audit Report to the Director General **by the end of this 4 weeks period and no later than 31<sup>st</sup> March**.

If auditors are based outside Samoa and that work can be completed remotely, virtual 'Teams' and /or Zoom meetings will need to be arranged by the auditor and soft copies of documents provided by the Secretariat shall be accepted by the contractor for review. Final copies of the audit report and financial statements need to be provided once the audit is completed. Proposed methodology also should consider this scenario and that any travel (if required) needs to be fully factored in the costs.

The format of the financial audit report would be expected to be in accordance with International Standards on Auditing (ISA), addressing the issues detailed above.