

Request for Proposals: Framework contract for Project Specific Audit Services

RFI n#: 2023-12-GIF-AUDITSERVICES

Location: India & Pakistan

Start date: 01 April 2024

End date: 31 March 2025



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Finance

All applications must be submitted via [this form](#).

You may submit questions to tender@bettercotton.org - RFI n# 2023-12-GIF-AUDITSERVICES until 20 January 2024.

Responses to requests for clarifications will be issued to all tenderers on our website <http://www.bettercotton.org/>. Therefore, tenderers are advised to check the website regularly during the process.

Questions, requests and applications sent after the deadline **28 January 2024** will only be considered in exceptional circumstances.

Description

The BCI Growth and Innovation Foundation (hereafter "GIF" or the "Foundation") is a foundation incorporated in Geneva in May 2016 under Article 80 et seq. of the Swiss Civil Code at Chemin de Balexert 7-9, 1219 Châtelaine, Geneva Switzerland. The GIF's primary funder is Better Cotton Initiative, trademark registered as Better Cotton, a members' association based in Geneva. The Foundation's mission is to help cotton communities, through effective and transformative funding, to survive and thrive, while protecting and restoring the environment. The Foundation supports Better Cotton projects

in several countries, in season 2023-24 these included mainly China, India, Pakistan, Mozambique, Turkey and Mali. Better Cotton Growth & Innovation Fund: investing in farming communities.

More information about the GIF: [Better Cotton Growth & Innovation Fund: investing in farming communities](#)

Background & Scope of Work

BCI GIF now invites proposals from qualified audit firms with international network for project audit services. The services include the audit of projects within specific countries as follows:

- For India - Audit firm to be based in **India**. In this country, GIF currently has active projects in Maharashtra, Gujarat, Rajasthan, Punjab, Telangana, and Karnataka. The estimated number of projects in India is 18.
- For Pakistan – Audit firm should be based in **Pakistan**. In this country, GIF has active projects in Punjab, and in Sindh. The estimated number of projects in Pakistan is 8.

Generally, each project is expected to be audited once a year depending on the conditions of the funding agreement between GIF and the Programme Partner.

Tentative timeframe: It is anticipated that the Framework contract will commence on 1 April 2024 and to cover projects' period 01 April 2023 - 31 March 2024. The initial Framework contract will be for 1 year with possible renewal.

Application Requirements

Proposals should include details of a mix of audit staff members for an audit of maximum 56 hours per audited project. This will be used to do a like for like financial evaluation of the proposals. This mix should include ALL relevant hours for all levels of internal quality assurance by the audit firm and should include time for the Partner, Audit Manager, and all related Staff Members.

Pre-Qualification Criteria (to be completed on the online form, upon submission)

- (i) Language: The official language for the proposal, contract, reports and any other documents in relation to the assignment is English.
- (ii) Format: The proposals must be submitted in pdf format.
- (iii) List of minimum 4 clients for references about assignments that have been carried out for non-profit organisations where project specific audits have been concluded; note that GIF can contact the referees;
- (iv) Confirmation of the countries that you wish to bid for;
- (v) Copies of relevant certifications and practice certificates (confirming that you have all the necessary legal registrations to perform the work in the countries you are bidding for); Certificates of Practice by ICAI. For Pakistan – Licences of ICAP;

- (vi) Confirm that your organisation has formal policies and/or procedures for the following (e.g. procurement, health & safety, code of conduct, sustainability, accounting).

Company Overview

- (vii) A **brief** description of the audit firm and an outline of recent experience on assignments of a similar nature;
- (viii) State your annual turnover for each of the past 3 years.

Technical Proposal

- (ix) The proposed methodology and work plan for performing the assignment in accordance with the Terms of Reference, along with any comments or suggestions on the Terms of Reference;
- (x) The list of the proposed staff by title (and name if already identified and location), the tasks that would be assigned to each staff team member, and their timing, estimates of the total staff input needed to carry out an assignment of maximum 56 hours per audited project;
- (xi) CVs of the Partner and Audit Manager (or similar) and other proposed professional staff, including information on their previous experience in similar assignments;
- (xii) How many employees does your organisation have who are qualified for this work? For India – Certificates of Practice by ICAI. For Pakistan – Licences of ICAP.
- (xiii) An indication of any other value-added services to support this assignment.
- (xiv) An indication of the rate per hour in EURO, for the various levels of audit team members to be assigned to audits.

Financial Proposal

1. The prices must be quoted in EURO to obtain the evaluation price (E).
2. The price broken down in fees showing unit (hourly) rates and input, and incidental expenses likely to be incurred for a 56-hour audit.
3. BCI GIF is not exempt from taxes and does not have a VAT number. The Bidder must act in accordance with the tax legislation of its country regarding the provision of services/goods to customers. The Bidder shall be liable for its own tax obligations in accordance with the laws of its respective countries.
4. The evaluation of the financial tender shall be based on the price (including taxes) for the sample 56-hour audit as set out in the bidder's proposal.

Submission of Proposals

Proposals should be submitted in electronic format through the dedicated online form. Technical and Financial Proposals must be submitted in separate files and marked accordingly.

Proposals must remain valid for at least 90 days following the deadline for their submission.

Evaluation Criteria

Technical Evaluation

The proposals will be evaluated and scored against the following technical criteria with respective corresponding weights:

- Specific experience in relevant sector (non-profit sector) (maximum 40 points); The proposal must show that the bidding firm has worked on assignments in compliance with International Standards on Auditing (ISA) as well as on the audits of projects funded by donor organisations like the EU, USAID, Sida etc. The proposal must also demonstrate that the bidder has experience in working on assignments within the region for which they are bidding.
- Adequacy of the proposed methodology and work plan in responding to the ToRs (maximum 30 points). The proposal must list methodologies that have previously been used in similar assignments.
- Qualifications and experience of the key staff proposed to perform the assignment (maximum 30 points); The proposal must list the qualifications and experience of the planned senior assignment staff as indicated above.

The maximum technical score (T) is 100 points. To proceed to the financial evaluation, the technical proposal must score 80 points.

Financial Evaluation

- The financial proposals will be verified and, if necessary, adjustments will be made to the prices to ensure consistency with the technical proposals in terms of work input and to eliminate arithmetical errors.
- Prices must be quoted in EURO to obtain the evaluation price (E).
- Breakdown for rates and prices. For information only, the price needs to be broken down as follows:

| | Description – audit team member - tasks | Quantity (number of hours per task) | Unit Price (hourly rate) | Total Price = Quantity x hourly rate |
|---|---|-------------------------------------|--------------------------|--------------------------------------|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| | TOTAL | | | |

- The financial scores (F) will be computed as follows:

The lowest evaluation price proposal (E_m) will be given a financial score (F_m) of 100 points.

The financial scores of the other proposals will be computed applying the formula:

$$F = 100 \times E_m / E, \quad \text{where:}$$

E_m is the lowest evaluation price, and E is the evaluation price of the proposal under consideration.

Consolidated Technical & Financial Score

- The final consolidated scores (S) will be computed by applying the formula:

$$S = t \times T + f \times F, \quad \text{where: } t \text{ is the weight given to the technical score}$$

f is the weight given to the financial score

- The weights given to the technical and financial scores are:

$$t = 70\%$$

$$f = 30\%$$

- The firms ranked highest will be invited to negotiate the contracts for each region as set out under Background and Scope of Work above and if negotiations are successful the selected firms will be awarded the contract/(s). Should the negotiations fail; the second ranked firm/(s) will be invited to negotiations.
- BCI GIF reserves the right during the negotiation stage to vary at the time of award of contract, the quantity of services and/or goods, or scope of work by up to a maximum of twenty-five per cent (25%) of the original TOR. This negotiation will not permit any changes to unit fee rates or other terms and conditions outlined in the tender proposal.
- It is our intention to appoint an audit firm for assignments for each region as set out under Background and Scope of Work above. Contracts will not however be exclusive. Although it is our intention to award assignments to the specific audit firm appointed in each region, BCI GIF reserves the right to select a different audit firm to deliver on a specific project assignment should operational reasons require this.
- BCI GIF reserves the right to directly award a follow up contract to the audit firm selected for the tender to carry out potential future work related to this initial assignment. This will depend on satisfactory delivery of the tender assignment.

The following documents are enclosed with this Request for Proposals:

- Terms of Reference
- Example of GIF audit instructions is available upon request.

Final Consideration

We thank all applicants for their interest; however only shortlisted applicants will be contacted. BCI GIF will not be bound to select any of the proposals.

We are committed to good practice and transparency in the management of natural, human and financial resources. All applications will be reviewed under the principles and subject to our policies on equal opportunity, non-discrimination, anti-bribery & corruption and conflict of interest.

By accepting this invitation to take part in the tender process, you agree to keep in confidence all information provided to you, whether written or oral, in relation to the tender process and/or in relation to GIF's business generally which is not already in the public domain, to use it only for the purposes of this tender and for no other reason and not to disclose any of the said information to any third party.

High-level timeline.

| | |
|---------------------------------------|---|
| 28 January 2024 | Applications deadline |
| 29 January to 10 February 2024 | Applications review & shortlisting / Interviews |
| By 15 February 2024 | The successful applicant will be notified. |
| 01 March 2024 | Planned date of contract award |

GIF Project Specific Audit Services Request for Proposals TERMS OF REFERENCE

RFI n#2023-12-GIF-AUDITSERVICES

Project Name: GIF Project Specific Audit Services Tender

Assignment Name: Provision of Project Specific Audit Services in India and Pakistan

I. Background

The BCI Growth and Innovation Foundation (hereafter "GIF" or the "Foundation") is a foundation incorporated in Geneva in May 2016 under Article 80 et seq. of the Swiss Civil Code at Chemin de Balexert 7-9, 1219 Chatelaine, Geneva Switzerland. The GIF's primary funder is Better Cotton Initiative, trademark registered as Better Cotton, a members' association based in Geneva. The Foundation's mission is to help cotton communities, through effective and transformative funding, to survive and thrive, while protecting and restoring the environment. The Foundation supports Better Cotton projects in several countries, in season 2023-24 these included mainly China, India, Pakistan, Mozambique, Turkey and Mali.

Better Cotton GIF grants are directed to projects that contribute to progress towards Better Cotton 2030 strategy. The projects target any of five impact areas: soil health, women's empowerment, climate change mitigation, pesticides, smallholder livelihoods. GIF funding benefits Better Cotton Programme partners strengthening farmers' capacity to adopt better practices consistent with the Better Cotton Principles and Criteria. A smaller amount of funding is dedicated to innovative or research-based projects that show promise in the future of sustainable cotton farming.

The assignment is limited to the audits of projects implemented by GIF Partners ("Partner(s)") in India and Pakistan during the seasons April 2023-March 2024 and April 2024-March 2025. The estimated number of projects in India is 18. The estimated number of projects in Pakistan is 8. The number of projects can vary from year to year. The projects are audited each season in May of 2024 and 2025 respectively.

We seek to appoint an auditor to conduct audits of our restricted funded projects as per funding agreements signed with the Partners. The projects' audits must comply with International Standards on Auditing (ISA), and accounting principles applied by GIF. The financial information of the projects'

audits will be included in the GIF financial statements and the results of the projects audits will be used for the purpose of the GIF statutory audit.

The financial management of the projects according to the terms and conditions of the Funding Agreement is the responsibility of the Partner, party to the Funding Agreement with GIF. Project audits must be carried out Face to Face (F2F) in the local office of the Partner.

II. Objectives of the Assignment

The primary objective of the assignment is to carry out project specific audits and report to GIF and to the statutory auditor of GIF as per the funding agreements signed with GIF Partners. Generally, the TOR's will cover the following:

III. Scope of Work

- The audit and examination shall be conducted by an independent, external Auditor in conformity with International Standards on Auditing ("ISA") and subject to audit instructions that will be issued by the statutory auditor of GIF. ("audit instructions").
- The audit shall be performed onsite depending on the location of the project office.
- The Auditor shall issue a report on examining the GIF Grant Financial Report according to the audit instructions.
- The final audit report along with the financial report shall be sent to GIF and to GIF auditors on the conclusion of the audit.
- All reporting to GIF and to GIF auditors should be in English.

IV. Work plan and scheduling

The Auditor shall work closely with the relevant staff of GIF Partner for each project.

To carry out an audit, the following work will need to be undertaken by the Auditor:

- agree and sign a letter of engagement/Terms of Reference (ToRs) for the conduct of the projects' audit.
- agree a timetable for performance of the audits. This should allow adequate time for: planning; on-site work; follow up work and questions; and reporting to GIF and GIF auditors.
- ensure that qualified and experienced staff is available for the duration of the audit.
- agree and adhere to a price for the audit.
- carry out a comprehensive background study of the relevant documents, internal control structure, risk management and any other aspect of the project of the GIF Partner(s).
- share with GIF Partner(s) the transaction samples in advance.
- carry out the on-site work at GIF Partner(s)' location as planned and agreed.
- hold an exit meeting at the end of the on-site audit work.
- carry out follow up work including the exchange of drafts for commentary and feedback.
- finalise the report in a timely manner.

V. Deliverables

The Auditor will be expected to deliver the following in relation to each project audit carried out:

- an Auditor's Report.
- the deliverables specifically required as part of the audit of the project, in accordance with Appendices 1 to 7 of audit instructions.

If necessary for review purposes, we would like to obtain:

- Unrestricted access to your audit working papers (including access by our regulators)
- Copies of your audit working papers.

Due to review activities, we urge you to run your audit working papers in English.

VI. Management and administration:

- Both parties will be responsible for cooperating in the scheduling and setting up of briefing meetings and audit schedules.
- All deliverables shall be submitted to BCI GIF and GIF auditor.