



PROVINCIA AUTONOMA DI TRENTO

Unità di missione strategica coordinamento
enti locali, politiche territoriali e della montagna

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AVVISO PER LA MANIFESTAZIONE DI INTERESSE

Affidamento di un incarico di auditing per il progetto europeo "REBUILD - Research and Education Building Urban Institutions for Local Development" codice NEAR-TS/2020/422-410 - CUP C69J20001020006 - CIG Z1B39F14AE

Oggetto

Indagine di mercato per la ricezione di manifestazioni di interesse per favorire la partecipazione del maggior numero di operatori economici, in possesso dei requisiti necessari, potenzialmente interessati a partecipare a procedure negoziate ai sensi dell'art. 36 c. 2, lett. b) del D.Lgs. n. 50/2016, dell'art. 8 della legge provinciale 9 marzo 2016, n. 2 e della Linea guida n. 4 dell'ANAC, finalizzate all'affidamento di un incarico per il servizio di auditing dei costi del Progetto co-finanziato dalla Commissione europea "REBUILD - Research and Education Building Urban Institution for Local Development" - NEAR-TS/2020/422-410 Call for proposals: EuropeAid/167744/DH/ACT/Multi-4 - Local Authorities: Partnerships for sustainable cities 2020 - Application reference: CSO-LA/2020/167744-4/11" codice CUP C69J20001020006 - CIG Z1B39F14AE

Valore massimo stimato dell'affidamento

Euro 18.850,00 (diciottomilaottocentocinquanta,00) al netto dell'I.V.A, compresi eventuali altri oneri, imposte, contributi, altri diritti e tutte le altre spese a carico del consulente in relazione al lavoro, incluse le spese di viaggio e soggiorno in Italia e all'estero (costo onnicomprensivo euro 23.000,00).

Breve descrizione del contesto

Il servizio di auditing si configura nell'ambito del progetto "Research and Education Building Urban Institution for Local Development" (in breve REBUILD), co-finanziato dalla Commissione Europea, Direzione Generale per la cooperazione e lo sviluppo Europeaid - Call for proposals: EuropeAid/167744/DH/ACT/Multi-4 - Local Authorities: Partnerships for sustainable cities 2020 - Application reference: CSO-LA/2020/167744-4/11". Il contratto di finanziamento (Grant contract) è gestito dalla DG NEAR (Directorate-Generale European Neighbourhood Policy and Enlargement Negotiations) - Delegazione UE per la Libia.

L'obiettivo principale di REBUILD è contribuire allo sviluppo di servizi pubblici locali di qualità in Libia, rafforzando nello specifico le capacità delle Municipalità libiche partner nel progettare, implementare e valutare politiche pubbliche locali eque, sostenibili, inclusive e resilienti.

Il progetto REBUILD intende strutturare un sistema di apprendimento continuo erogato dalle Università libiche a favore degli attuali e futuri amministratori e funzionari locali di 10 Municipalità libiche, con riferimento ai vari settori dell'amministrazione, come ad esempio sviluppo locale, governance locale, gestione delle risorse umane, sviluppo economico e sociale e fornitura di servizi pubblici locali.

Partner del progetto, cui la Provincia autonoma di Trento è capofila, con il Centro per la Cooperazione Internazionale in veste di Affiliated Entity, sono 10 municipalità libiche (Az-zawya,

Bengasi, Beni Walid, Gharyan, Sebha, Sirte, Tobruk, Tripoli Central, Zintan, Zliten) e la Regione autonoma Friuli Venezia Giulia.

Il periodo di durata del progetto in oggetto è pari a 48 mesi a partire dal giorno 1 aprile 2021.

Il progetto viene principalmente implementato in Europa e nei Paesi MENA, in particolare Libia e Tunisia.

La dotazione finanziaria del progetto è pari ad Euro 4.470.342,72 Euro

Per maggiori informazioni sul progetto è consultabile il sito: <https://www.libyarebuild.eu/it/>

Breve descrizione del servizio

Il servizio di auditing riguarda la revisione degli interim financial report anno 1, anno 2 e anno 3, e del final financial report.

L'ambito di lavoro comprende la verifica dei documenti, la certificazione delle spese maturate, e la redazione di una relazione di revisione contabile che ne attesti la correttezza e corrispondenza al Budget da inviare alla Commissione Europea - DG NEAR.

La prestazione del servizio prevede 4 momenti di verifica della documentazione di progetto e la redazione di n. 4 relazioni di revisione contabile annuali (3 intermedie e 1 finale) da inviare alla Commissione europea - DG NEAR.

Il servizio include la verifica della documentazione e la certificazione delle spese maturate dal capofila e da tutti i Partner di progetto, nonché la stesura della relazione di revisione contabile.

Il pagamento sarà effettuato in quattro rate (da concordare nell'importo) corrispondenti ai quattro rendiconti annuali inviati alla Commissione europea - DG NEAR, a seguito della verifica della regolare esecuzione della prestazione resa da parte di un funzionario della struttura competente, previa presentazione di fattura in formato elettronico.

Lo scopo generale dell'audit è verificare la documentazione e certificare le spese maturate dal capofila e dai Partner per i 48 mesi di implementazione (più eventuale proroga se necessaria).

È prevista inoltre la redazione di una relazione di revisione contabile in lingua inglese, firmata dal soggetto selezionato da allegare alle relazioni narrativa e finanziaria per ognuno dei rendiconti presentati alla Commissione europea - DG NEAR.

La revisione dovrà inoltre essere svolta conformemente a quanto previsto dal documento di UE-DEVCO "Annex G – Annex VII – Expenditure verification terms of reference and report of factual findings (Annex VII)", allegato al presente documento (allegato 2 TERMS OF REFERENCE FOR AN EXPENDITURE VERIFICATION OF A GRANT CONTRACT - EXTERNAL ACTIONS OF THE EUROPEAN UNION).

La conoscenza della lingua italiana e inglese è un requisito indispensabile per la scelta della persona (fisica o giuridica) che svolgerà il servizio di auditing del progetto REBUILD.

Metodologia del servizio

Il soggetto eventualmente incaricato del servizio di auditing dovrà prevedere di:

- concordare almeno un incontro con il capofila (in particolare con il *project manager*, il *finance manager* e *administrative assistant*), con il *project administrator* della Regione Friuli Venezia Giulia e con il *project manager* di ciascun Partner libico, ai fini della pianificazione del lavoro;
- garantire il controllo in loco dei documenti presso il capofila nella sede di Trento;
- ottenere una comprensione chiara del contesto di lavoro, delle condizioni contrattuali applicabili al contratto e delle leggi e dei regolamenti europei e nazionali applicabili, ricevendo e verificando tutti i documenti rilevanti a questo fine sia in lingua italiana che in lingua e inglese e in maniera telematica (via e-mail o tramite Google Drive);
- dare indicazioni al capofila su eventuali integrazioni da richiedere ai Partner in caso di documentazione carente (in tempi da concordare col capofila e i Partner);
- verificare che la spesa sia conforme ai requisiti della legislazione fiscale e di sicurezza sociale, anche locali, laddove possibile;
- rispettare i tempi di consegna concordati con il capofila;
- redigere una relazione in lingua inglese di revisione contabile da allegare ad ogni report;

- ottemperare ad altre eventuali previsioni di cui all'allegato "Annex G – Annex VII – Expenditure verification terms of reference and report of factual findings (Annex VII)" (allegato 2);
- garantire la flessibilità necessaria per portare a termine il lavoro secondo le necessità del capofila, con riferimento anche ad altri eventuali adempimenti connessi ai sopra descritti compiti di revisione.

Durata dell'appalto

La durata del servizio decorre dalla data di sottoscrizione del contratto fino alla consegna della relazione finale prevista per il 20 giugno 2025, salvo eventuali proroghe del progetto che comporteranno una rinegoziazione della scadenza. Alla scadenza del succitato periodo, l'incarico conferito si intende automaticamente risolto.

Criterio di aggiudicazione

Ai sensi dell'art. 17 della legge provinciale n. 2/2016, secondo i criteri e sub-criteri e relative ponderazioni che saranno contenute nella lettera di invito (RDO tramite ME-PAT), verrà selezionata l'offerta ritenuta economicamente più vantaggiosa per l'Amministrazione.

Criteri di selezione

Per poter manifestare interesse e formulare l'eventuale offerta il concorrente dovrà possedere i seguenti requisiti minimi obbligatori:

REQUISITI MINIMI (obbligatori):

1. Essere membro di un organismo o di un'istituzione contabile o di revisione nazionale che a sua volta è membro della Federazione internazionale dei contabili (IFAC). In alternativa, se tale organizzazione non è membro dell'IFAC, il verificatore delle spese si impegna ad effettuare questa verifica delle spese in conformità con gli standard e l'etica dell'IFAC stabiliti nell'allegato 2.
2. Essere registrato come revisore legale dei conti nel registro pubblico di un organismo di controllo pubblico in uno Stato membro dell'UE conformemente ai principi di controllo pubblico di cui alla direttiva 2006/43/CE del Parlamento europeo e del Consiglio (questo vale per i revisori dei conti e le imprese di revisione contabile con sede in uno Stato membro dell'UE).
3. Il verificatore delle spese è iscritto come revisore legale nel registro pubblico di un organismo di controllo pubblico in un paese terzo e tale registro è soggetto ai principi di controllo pubblico stabiliti dalla legislazione del paese interessato (questo vale per i revisori dei conti e le imprese di revisione contabile con sede in un paese terzo).
4. Inesistenza delle cause di esclusione di cui all'art. 80 del D.Lgs.n. 50/2016.
5. Iscrizione entro il termine di presentazione della presente domanda al ME-PAT per la categoria Servizi di gestione di progetti, esclusi i progetti di costruzione pena l'impossibilità di essere oggetto di RDO
(si veda il link:
http://www.appalti.provincia.tn.it/mercato_elettronico/ME_bandi/pagina85.html).
6. A seguito dell'avvenuta iscrizione, inserimento entro il termine di presentazione della presente domanda nel catalogo del ME-PAT di almeno un prodotto pena l'impossibilità di essere oggetto di RDO.
7. Esperienza negli ultimi 5 anni nel servizio di auditing di almeno 3 progetti finanziati tramite finanziamenti diretti della Commissione europea su incarico di una pubblica amministrazione.
8. Ottima conoscenza delle lingue italiana e inglese, per le quali è richiesta una conoscenza minima complessiva di C1 (secondo il Common Framework of reference for Languages).

REQUISITI AGGIUNTIVI (non obbligatori):

Nella valutazione delle offerte i seguenti requisiti saranno considerati come aggiuntivi. Questi saranno considerati un plus, rispetto ai requisiti minimi obbligatori:

1. Esperienza nel servizio di auditing in progetti finanziati tramite finanziamenti diretti dalla Commissione europea, Direzione Generale per la Cooperazione allo Sviluppo (oggi Direzione Generale Partenariati Internazionali, DG INTPA) e/o dalla (Direzione generale Politica europea di vicinato e negoziati di allargamento, DG NEAR).
2. Conoscenza della lingua araba.

STANDARD DA RISPETTARE E CLAUSOLE ETICHE

L'auditor effettuerà i propri compiti in base ai seguenti standard e rispettando le seguenti clausole etiche:

- il principio internazionale ISRS 4400 (International Standard on Related Services) per realizzare Procedure di verifica concordate riguardanti le informazioni finanziarie, così come promulgate da IFAC
- il Codice etico dell'IFAC (International Federation of Accountants), nonché ai codici nazionali di deontologia.

Sebbene l'ISRS 4400 preveda che l'indipendenza non sia un requisito per le procedure concordate, il coordinatore richiede che il verificatore delle spese sia indipendente dal coordinatore e rispetti i requisiti di indipendenza del codice etico dell'IFAC per i contabili professionisti.

Termini di presentazione della domanda

Gli operatori economici interessati a essere invitati alle future procedure negoziate tramite RDO sul ME-PAT devono inviare la propria manifestazione di interesse, tassativamente entro e non oltre le ore 23.59 (ora italiana) del giorno **1 aprile 2023** a mezzo PEC (posta certificata elettronica) all'indirizzo: ufficio.cooperazione sviluppo@pec.provincia.tn.it utilizzando preferibilmente il modulo allegato al presente avviso (allegato 1).

Responsabile del procedimento

Dott.ssa Lorenza Biasetto, Direttore sostituto Ufficio cooperazione allo sviluppo, UMST
Coordinamento Enti Locali, Politiche Territoriali e della Montagna.

ATTENZIONE

Il presente avviso ha esclusivamente funzione di pubblicità/notizia e non è vincolante per l'UMST Coordinamento Enti Locali, Politiche Territoriali e della Montagna.

Per eventuali richieste di informazioni Inviare una PEC all'indirizzo:
ufficio.cooperazione sviluppo@pec.provincia.tn.it

Sono uniti al presente avviso:

1. modulo manifestazione di interesse (allegato 1)
2. Annex G – Annex VII – Expenditure verification terms of reference and report of factual findings (Annex VII)" (allegato 2)

MODULO PER LA MANIFESTAZIONE DI INTERESSE

Spettabile
Umst Coordinamento Enti Locali, Politiche Territoriali e della Montagna
Ufficio cooperazione allo sviluppo
Casa Moggioli, via Grazioli 25
38122 Trento
@ ufficio.cooperazioneviluppo@pec.provincia.tn.it

Oggetto: Indagine di mercato per la ricezione di manifestazioni di interesse per favorire la partecipazione del maggior numero di operatori economici, in possesso dei requisiti necessari, potenzialmente interessati a partecipare a procedure negoziate ai sensi dell'art. 36 c. 2, lett. b) del D.Lgs. n. 50/2016, dell'art. 8 della legge provinciale 9 marzo 2016, n. 2 e della Linea guida n. 4 dell'ANAC, finalizzate all'**affidamento di un incarico di auditing** per il progetto europeo "REBUILD - Research and Education Building Urban Institutions for Local Development" codice NEAR-TS/2020/422-410 - CUP C69J20001020006 - CIG *Z1B39F14AE*

Il/La sottoscritto/a

..... nato/a il

..... a

residente in.....via/Piazza.....

in qualità di legale rappresentante dell'operatore economico

.....

sede legale a

via/Piazza

Codice Fiscale.....

P. IVA

E-mail

MANIFESTA

l'interesse ad essere invitato alla procedura di cui in oggetto e dichiara sin d'ora di disporre dei requisiti obbligatori minimi previsti dall'avviso di manifestazione di interesse;

SI IMPEGNA

qualora non fosse già presente, ad iscriversi al ME-PAT della Provincia autonoma di Trento e a caricare a sistema almeno un prodotto, pena l'impossibilità di essere oggetto di richieste di offerta;

A U T O R I Z Z A

a) l'invio delle comunicazioni inerenti ai procedimenti al seguente indirizzo di posta elettronica certificata (PEC):

b) ai sensi e per gli effetti del combinato disposto ex artt. 13 e 14 del Regolamento UE/2016/679, e del D.Lgs. n. 196/2003, la raccolta dei dati personali - che potranno essere trattati con l'ausilio di strumenti elettronici - per l'esecuzione di un compito di interesse pubblico o connesso all'esercizio di pubblici poteri di cui è investita la Provincia autonoma di Trento, in qualità di titolare del trattamento dati (art. 6, par. 1, lett. e) del Regolamento), e/o per l'esecuzione di un contratto di cui l'interessato è parte o per l'esecuzione di misure precontrattuali adottate su richiesta dello stesso (art. 6, par. 1, lett. b) del Regolamento).

Data e firma

Documento firmato digitalmente dal/la legale rappresentante ai sensi della normativa vigente.

In caso di firma autografa allegare documento di identità

TERMS OF REFERENCE FOR AN EXPENDITURE VERIFICATION OF A GRANT CONTRACT EXTERNAL ACTION OF THE EUROPEAN UNION

- How to use this terms of reference MODEL

- (also applies to Annex 1)

- **insert** the information requested between the <...>
- **choose** the optional text between [...] highlighted in grey when applicable or delete
- **delete** all yellow instructions and the present text box

The present terms of reference apply to the verification of expenditure declared in financial reports under the following contracts:

1) Grant Contract¹ number and title of the action: <...>

[2) Grant Contract² number and title of the action: <...>]

<Repeat contracts/reports as applicable>

Detailed information is provided at the cover page of Annex 1

1 Contract in relation to which the financial report subject to verification is issued. The contract established with the expenditure verifier will be identified as "Verification Contract"

2 Contract in relation to which the financial report subject to verification is issued. The contract established with the expenditure verifier will be identified as "Verification Contract"

Table of Contents

1	INTRODUCTION	3
2	OBJECTIVES AND CONTEXT	3
3	STANDARDS AND ETHICS	3
4	REQUIREMENTS FOR THE EXPENDITURE VERIFIER	3
5	SCOPE	4
5.1	CONTRACTS AND FINANCIAL REPORTS COVERED BY THESE TOR	4
5.2	CONDITIONS FOR ELIGIBILITY OF EXPENDITURE	4
6	VERIFICATION PROCESS AND METHODOLOGY	4
6.1	PREPARATION OF THE VERIFICATION	4
6.2	PREPARATORY MEETING, FIELDWORK, DESK REVIEW	4
6.2.1	<i>Engagement Context, Materiality, Risk Analysis, Sampling</i>	<i>5</i>
6.2.2	<i>Fieldwork / Desk Review</i>	<i>5</i>
6.2.3	<i>Debriefing Memo and Closing Meeting</i>	<i>6</i>
6.2.4	<i>Documentation and Verification Evidence</i>	<i>6</i>
6.3	REPORTING	6
6.3.1	<i>Structure and Content of the Report</i>	<i>6</i>
6.3.2	<i>Expenditure Verification Findings and Recommendations</i>	<i>6</i>
7	OTHER MATTERS	7
7.1	SUBCONTRACTING	ERROR! BOOKMARK NOT DEFINED.
8	ANNEXES	7

1 Introduction

The present document and the Annexes listed in Section 8 are the terms of reference ('ToR') on which the Coordinator (The term "Coordinator" refers to the Beneficiary identified as the Coordinator in the Special Conditions) agrees to engage 'the Expenditure Verifier' to perform a verification of reported expenditure .

Where in these ToR the 'Contracting Authority' is mentioned, this refers to the < European Commission or name of another contracting authority>, which has signed the Grant Contract with the Beneficiary and is providing the grant funding. The Contracting Authority is not party to this agreement.

These ToR will become an integral part of the contract concluded between the Coordinator and the Expenditure Verifier.

They apply to expenditure verifications contracted by the Coordinator and cover the verification of expenditure incurred under the EU financed contracts on the cover sheet.

2 Objectives and context

The Expenditure Verifier is expected

- to carry out the agreed-upon procedures listed in Annex 2, and
- to issue reports based on the template in Annex 3 which will support the Contracting Authority's conclusions on the eligibility of the reported expenditure and the related follow-up.

The expenditure verification will be performed as [Choose either one or both] a desk review or/and fieldwork at the location indicated in Annex 1.]

The Expenditure Verifier is not expected to provide an audit opinion.

3 Standards and Ethics

The Expenditure Verifier shall undertake this engagement 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), which establishes fundamental ethical principles for Auditors with regard to integrity, objectivity, independence, professional competence and due care, confidentiality, professional behaviour and technical standards.

Although ISRS 4400 provides that independence is not a requirement for agreed-upon procedures engagements, the Coordinator requires that the Expenditure Verifier is independent from the Coordinator and complies with the independence requirements of the IFAC Code of Ethics for Professional Accountants.

4 Requirements for the Expenditure Verifier

By agreeing these ToR, the Expenditure Verifier confirms meeting at least one of the following conditions:



- The Expenditure Verifier is a member of a national accounting or auditing body or institution which in turn is a member of the International Federation of Accountants (IFAC).
- The Expenditure Verifier is a member of a national accounting or auditing body or institution. Although this organisation is not member of the IFAC, the Expenditure Verifier commits to undertake this expenditure verification in accordance with the IFAC standards and ethics set out in these ToR.
- The Expenditure Verifier is registered as a statutory auditor in the public register of a public oversight body in an EU member state in accordance with the principles of public oversight set out in Directive 2006/43/EC of the European Parliament and of the Council (this applies to auditors and audit firms based in an EU member state)³.
- The Expenditure Verifier is registered as a statutory auditor in the public register of a public oversight body in a third country and this register is subject to principles of public oversight as set out in the legislation of the country concerned (this applies to auditors and audit firms based in a third country).

5 Scope

5.1 *Contracts and Financial Reports covered by these ToR*

The Contract(s) and Financial Reports subject to this expenditure verification are indicated on the cover sheet and in Annex 1.

5.2 *Conditions for Eligibility of Expenditure*

The conditions for eligibility are stipulated in the Contracts which are provided in Annex 1 (including riders).

6 Verification Process and Methodology

6.1 *Preparation of the Verification*

The Expenditure Verifier shall prepare the verification and to agree on the timing for carrying out the expenditure verification, notably with regard to fieldwork (if any) (see Section 6.2. for applicable maximum time lags). The Expenditure Verifier will then also confirm with the Coordinator the location(s) indicated in Annex 1 and ensure that relevant supporting documents as well as key staff will be available during the verification.

6.2 *Preparatory Meeting, Fieldwork, Desk Review*

[The Coordinator foresees a preparatory meeting with the Expenditure Verifier which will be held [<Choose either one or both> by conference call or at <name and address of the meeting place should be clearly stated>.]

The field work or desk review shall commence as soon as possible and not later than <number> calendar days after the signature of the verification contract or the date of

³ Directive 2006/43 of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253 EEC.

availability of the Financial Report (i.e. financial report, supporting documents and other relevant information).

6.2.1 Engagement Context, Materiality, Risk Analysis, Sampling

The Expenditure Verifier's procedures should include:

- obtaining a sufficient understanding of the engagement context including the contractual conditions, the Coordinator and the applicable EC laws and regulations which are set out in Section 5 above (Scope). The Expenditure Verifier should pay specific attention to the contractual provisions relevant for the following aspects:
 - documentation, filing and record keeping for expenditure and income;
 - eligibility of expenditure and income;
 - procurement and origin rules insofar as these conditions are relevant to determine the eligibility of expenditure;
 - asset management (management and control of fixed assets; e.g. equipment).
 - cash and bank management (treasury);
 - payroll and time management;
 - accounting (including the use of exchange rates) and financial reporting of expenditure and income; and
 - internal controls and notably financial internal controls.

The understanding should be sufficient to identify and assess the risks of material errors or misstatements in the expenditure and revenue stated in the Financial Report in order to determine the size and structure of the expenditure sample to be tested, whether caused by error or fraud, and sufficient to design and perform further verification procedures.

- performing a risk analysis (Annex 2).

The outcome of the risk analysis has to be clearly described in the Verification Report (Annex 3, Section 2.1);

- determining the sample size;

For the purpose of determining what the overall material misstatement or error is, the Expenditure Verifier will apply a materiality threshold of 2% of the total amount of the gross reported expenditure with a confidence level of 95%.

- establishing the sample and selecting the individual items for testing (Annex 2).

The link between the risk assessment and the size and composition of the sample, as well as the sampling method (statistical/non-statistical) must be clearly described in the Verification Report (Annex 3, Section 2.2);

6.2.2 Fieldwork / Desk Review

The main task during the fieldwork or desk review will be to perform the substantive tests (Annex 2, Section 2). Key information about the testing process must be provided in the Verification Report (Annex 3, Section 4).

6.2.3 Debriefing Memo and Closing Meeting

At the end of the fieldwork or desk review, the Expenditure Verifier should prepare a debriefing memo, organize a closing meeting with the Coordinator in order to discuss the findings, obtain its initial comments and agree on additional information to be provided at a later date.

6.2.4 Documentation and Verification Evidence

The evidence to be used for performing the procedures in Annex 2 is all financial and non-financial information which makes it possible to examine the expenditure declared in the Financial Report.

The Expenditure Verifier documents matters which are important in providing evidence to support the report of factual findings, and evidence that the work was carried out in accordance with ISRS 4400 and these ToR.

6.3 Reporting

6.3.1 Structure and Content of the Report

The use of the Expenditure Verification Report template in Annex 3 of these ToR, including the annexed tables, is **compulsory**.

If the verification scope covers Financial Reports related to different Contracts, a separate and specific report should be issued for each Contract.

The report should provide basic information about the Contract and should describe the outcome of the risk analysis and its implications on the sampling. The report should also give an overview of the substantive testing and fully disclose the information regarding the items included in the expenditure population and in the sample. The report should finally detail the findings identified through the performance of the agreed-upon procedures.

The report should be presented in <language>.

The Expenditure Verifier will submit within < number of working days to be indicated by the Coordinator> working days of the conclusion of the field work a draft report to the Coordinator for comments to be received within < number of working days to be indicated by the Coordinator>working days. This delay expired, the Expenditure Verifier will provide the final report to the Coordinator within < number of working days to be indicated by the Coordinator>working days from the receipt of the comments (if any).

6.3.2 Expenditure Verification Findings and Recommendations

The factual findings shall be reported in accordance with the formats and criteria specified in the Expenditure Verification Report template (Annex 3). The description of findings will include the standard applied (e.g. art. xx of the General Conditions of the Contract), the facts and the analysis of the Expenditure Verifier.

The verification report should include all financial findings made by the Expenditure Verifier, regardless of the amount involved. Changes in the financial findings occurring between the draft and final report as a result of the consultation procedure should be clearly and sequentially reported.

7 Other Matters

7.1 Subcontracting

The Expenditure Verifier will not subcontract without prior written authorisation from the Coordinator.

8 Annexes

Annex 1 - Engagement Context / Key Information

Annex 2 – Guidelines for Risk Analysis and Verification Procedures

Annex 3 - Model for Expenditure Verification Report



Annex 1: Engagement Context / Key Information

Contract⁴ and report summary

[Annex to be completed by the Coordinator]

Information about the Grant Contract	
Reference number and date of the Grant Contract	< Contracting Authority's reference for the Grant Contract>
Grant contract title	
Country	
Coordinator	< full name and address of the Coordinator as per the Grant Contract>
Beneficiary(ies) and affiliated entity(ies)	< full name and address of the Beneficiary(ies) and related affiliated entity(ies) as per the Grant Contract>
Start date of the implementation period of the Action	
End date of the implementation period of the Action	
Financial Report(s) subject to verification:	<DD/MM/YYYY-DD/MM/YYYY> <DD/MM/YYYY-DD/MM/YYYY> <DD/MM/YYYY-DD/MM/YYYY>
Total amount received to date by the Coordinator from Contracting Authority	< Total amount received as per dd.mm.yyyy>
Total amount of the payment request	< provide the total amount requested for payment as per Annex V to the Special Conditions for Grant Contracts (Payment Request for a grant contract for European Union external actions) >
Contracting Authority	[<Provide the name, position/title, phone and E-mail of the contact person at the Contracting Authority>. (To be completed only if the Contracting Authority is not the Commission.)]
European Commission	< provide the name, position/title, phone and E-mail of the contact person in the Delegation of the European Union in the country concerned, or if applicable at Headquarters>
Auditor	< Name and address of the audit firm and names/positions of the auditors>

⁴ Contract in relation to which the financial report subject to verification is issued. The contract established with the expenditure verifier will be identified as "Verification Contract"

A Logistics		
Issue	Question	Reply
Locations	1. Where do the Coordinator and other Beneficiary(ies) and affiliated entity(ies) retain the accounting records?	
	2. Where do the Coordinator and other Beneficiary(ies) and affiliated entity(ies) retain the original supporting documents?	
	3. Where were contractual activities carried out?	
	4. Where are key project staff available to provide information and explanations?	
Languages	5. Which is the contractual language?	
	6. Which is the language of the accounting records?	
	7. Which are the languages of supporting documents?	
	8. Which languages are spoken by key project staff?	

B Contractual Conditions		
Contract amount	9. What is the total amount of the contract?	
EC contribution	10. What is the amount of the EC contribution?	
Other contributions	11. Which are the other sources of funding (including the Coordinator)?	Source 1 / amount
		Source 2 / amount
		Source 3 / amount
		Source 4 / amount
		Source 5 / amount

C Financial Report (enclosed as Annex 1.1)		
Financial report	12. Approximately how many expense transactions have been reported / are expected to be reported in the Financial Report?	
	13. What is the distribution of these transactions (e.g. capital expenditure, operating expenditure, fees, simplified costs, per diem, etc.), Are the transactions few/many of large/small value?	
	14. To what extent have Project transactions been carried out in cash?	[high, medium, low]
	15. In which currencies has expenditure been incurred?	

	16. What is the reporting currency?	
	17. How many other Financial Reports have already been presented by the Coordinator under this contract?	

D Procurement

Procurement	18. How many procurement procedures have been undertaken during the period covered by the Financial Report?	
	19. Was the EC involved in any of the procurement procedures referred to in question 18 (e.g. ex-ante verifications or derogations to the rule of origin)?	
	20. Are works done and supplies delivered under the contract located centrally or are they dispersed?	

E Previous contracts verifications, audits or monitoring

Previous verifications, audits or monitoring	21. Which previous experience did the Entity have with EC contracts and associated regulations?	
	22. How many of the previously presented Financial Reports (if any) have been subject to audit/verification by external consultants contracted by the Coordinator?	
	23. Have any verification, audit or monitoring exercises other than those referred to under numeral 22 been carried out with regard to the contract or the Coordinator that are relevant for the scope of the current verification?	
	24. Have any significant findings been raised under the exercises referred to in questions 22 and 23? If so, what are they?	
	25. Have any instances of fraud or irregularities been previously identified in dealings with the particular Entity?	

Annex 1/<... >.1: Financial Report(s) to be verified

F Contact Details

Coordinator: <full name of the entity subject to audit>

Address		Country	
Phone		Fax	
Website			

Key contact

Annex 1/<... >.2: Contract and riders

<Other documents to be sent to the Auditor, (e.g. narrative reports, previous audit reports)>

Annex 2: Guidelines for risk analysis and verification procedures

Table of Contents

1. RISK ANALYSIS AND DETERMINATION OF THE SAMPLE	12
2. EXPENDITURE VERIFICATION PROCEDURES	12
2.1 THE EXPENDITURE WAS INCURRED BY AND PERTAINS TO THE ENTITY.....	12
2.2 THE EXPENDITURE IS RECORDED IN THE ACCOUNTING SYSTEM OF COORDINATOR AND OTHER BENEFICIARY(IES) AND AFFILIATED ENTITY(IES)	2
12	
2.3 EXPENDITURE INCURRED DURING THE CONTRACTUAL ELIGIBILITY PERIOD.....	12
2.4 EXPENDITURE INDICATED IN THE CONTRACTUAL ESTIMATED BUDGET	13
2.5 EXPENDITURE NECESSARY FOR THE IMPLEMENTATION OF THE CONTRACTUAL ACTIVITIES, REASONABLE AND JUSTIFIED	13
2.6 EXPENDITURE IDENTIFIABLE AND VERIFIABLE	13
2.7 COMPLIANCE WITH PROCUREMENT PRINCIPLES AND NATIONALITY AND ORIGIN RULES	13
2.8 EXPENDITURE COMPLIES WITH THE REQUIREMENTS OF APPLICABLE TAX AND SOCIAL LEGISLATION	13
2.9 FINANCIAL SUPPORT TO THIRD PARTIES (SUB-GRANTING).....	13
2.10 OTHER ELIGIBILITY REQUIREMENTS.....	14



1. RISK ANALYSIS AND DETERMINATION OF THE SAMPLE

The Expenditure Verifier should assess the risks of material errors or misstatements in the expenditure and revenue declared in the Financial Report in order to determine the size and structure of the expenditure sample to be tested according to the procedures described in Section 2.

This work involves an assessment of the inherent risks that:

- The Financial Report is not reliable, i.e. that it does not present, in all material aspects, the actual expenditure incurred and the revenue received in conformity with applicable conditions.
- Expenditure declared in the financial report has not, in all material aspects, been incurred in conformity with applicable contractual conditions.
- Revenues generated by the Coordinator in the execution of the contract are not deducted from the declared expenditure in conformity with applicable conditions.
- Fraud and irregularities have occurred which could have had an impact on expenditure and/or revenue reported under the contract.

The Expenditure Verifier should assess the inherent risk based, inter alia, on the number and complexity of the transactions, the complexity of the activities provided for by the Contract, the number of implementing Entities involved and the environment where the Contract is implemented. In addition the Expenditure Verifier, based inter alia on the information provided in annex 1 to the Terms of Reference (*Engagement Context / Key Information*) will consider the control risk, i.e. whether the design of the Internal Control System sufficiently mitigates the identified inherent risks and whether it is plausible that it is operating effectively.

2. EXPENDITURE VERIFICATION PROCEDURES

The following checks must be performed by the Expenditure Verifier unless they are irrelevant in relation to the eligibility criteria applicable to the contract type. Therefore the Expenditure Verifier is required to gain appropriate understanding of such requirements in order to carry out only the relevant checks and properly apply the relevant eligibility requirements.

2.1 The expenditure was incurred by and pertains to the Entity.

2.2 The expenditure is recorded in the accounting system of the Coordinator and other Beneficiary(ies) and affiliated entity(ies)

The expenditure is recorded in the accounting system of the Coordinator and other Beneficiary(ies) and affiliated entity(ies) in accordance with the applicable accounting standards and the Coordinator's usual cost accounting practices.

2.3 Expenditure incurred during the contractual eligibility period

The expenditure declared in the financial report was incurred during the contractual implementation period of the Action, except for expenditure relating to final reports, expenditure verification, audit and evaluation. Expenditure paid after the submission of the financial report, is listed in the final report along with the estimated date of payment.

2.4 Expenditure indicated in the contractual estimated budget

The expenditure included in the financial report was indicated in the contractual budget.

The applicable budget ceilings were not exceeded.

The expenditure has been allocated to the correct heading of the Financial Report.

2.5 Expenditure necessary for the implementation of the contractual activities, reasonable and justified

It is plausible that the direct and indirect expenditures included in the financial report were necessary for the implementation of the contractual activities.

The amount of the expenditure items included in the financial report is reasonable and justified and respects the principle of sound financial management.

2.6 Expenditure identifiable and verifiable

The expenditure is backed up by sufficient supporting documentation (e.g. invoices, contracts, order forms, pay slips, time sheets) and proof of payment.

Where expenditure was apportioned, the applied allocation key was based on sufficient, appropriate and verifiable underlying information.

The expenditure is backed up by evidence of works done, goods received or services rendered. The existence of assets is verifiable.

2.7 Compliance with Procurement Principles and Nationality and Origin Rules

For the expenditure items concerned, the Coordinator has complied with the contractual requirements for procurement. Contractual nationality and origin rules have been applied, including those on derogations to be awarded by the Commission.

2.8 Expenditure complies with the requirements of applicable tax and social legislation

For the expenditure items concerned, the Coordinator complies with the requirements of tax and social security legislation (for example: employer's part of taxes, pension premiums and social security charges).

2.9 Financial support to third parties (sub-granting)

Financial support to third parties is provided for by the contractual conditions and its amount does not exceed the contractual limits.

The expenditure incurred by the third parties meets the relevant eligibility requirements. In particular it was incurred by and pertains to the third party, during the contractual eligibility period, is necessary for the implementation of the contractual activities and is identifiable and verifiable (see definition at point 2.6).



2.10 Other eligibility requirements

Duties, taxes and charges, (e.g. VAT) included in the financial report cannot be recovered by the Entity unless otherwise provided for in the contractual conditions (accepted costs system). In the latter case these expenses are reported separately and relate to eligible direct expenditure.

The correct exchange rates are used where applicable.

The contingency reserve has been established in accordance to the contractual conditions and its use authorised by the Contracting Authority.

The indirect costs do not exceed the maximum contractual percentage of the eligible direct costs and do not include ineligible expenses or expenses already declared as direct ones.

Contributions in kind are not included in the financial report, unless otherwise provided for in the contractual conditions.

Expenditure specifically considered ineligible by the contractual conditions is not included in the financial report.

Expenditure declared under the simplified cost options respects the contractual requirements.

The revenues generated by the Coordinator in the execution of the contract are disclosed in the financial report and deducted from the declared expenditure, unless otherwise provided for in the contractual conditions.

<Annex 3: Model for > Expenditure verification Report

<To be printed on AUDITOR'S letterhead>

Report for an Expenditure Verification of a Grant Contract External Actions of the European Union

<Title of and number of the grant contract >

How this model should be completed by the Expenditure Verifier

- **insert** the information requested between the <...>
- **choose** the optional text between [...] highlighted in grey when applicable or delete
- **delete** all yellow instructions and the present text box



1. Background information

1.1. Short description of the action subject to verification

Contract number and title:	
Contract type	grant contract,
Financial Report(s) subject to verification	<DD/MM/YYYY-DD/MM/YYYY> <DD/MM/YYYY-DD/MM/YYYY> <DD/MM/YYYY-DD/MM/YYYY>
Coordinator and other Beneficiary(ies) and affiliated entity(ies)	< Identify the Coordinator and other Beneficiary(ies) and affiliated entity(ies) and provide key information about their legal form, nationality, size, main field(s) of activity and other elements deemed relevant – max 200 words>
Location(s) where the Contract is implemented	
Contract execution period	
Contract implementation status	< indicate on-going or completed >
General and specific objectives of the Contract	
Synthetic description of the activities, outputs and target group	<max 300 words>

1.2. Basic financial information of the Contract (at the time of the verification)**1.2.1 Expenditure**

Budget Headings	Budgeted Expenditure (amount)	Reported Expenditure (amount)
Budget Heading "..."		
...		
Total		

1.2.2 Contributions

Source of Contribution	Budgeted Contribution (amount)	Actual Contribution (amount)
EU		
Coordinator		
Other Beneficiary(ies) and affiliated entity(ies)		
...		
Other Donor 1		
...		
Total		

1.2.3 Revenues

Revenue Types	Budgeted Revenues (amount)	Actual Revenues (amount)
Type "..."		
Type "..."		
...		
Total		



1.3. Verified Financial Reports

See annex 3.1

2. Risk analysis

2.1. Outcome of risk analysis

Based on the risk analysis performed according to the Terms of Reference, provide succinct information about the identified risks possibly affecting the verified report, regarding the action, the context in which the latter is implemented, the beneficiaries and the target group.

<E.g. action implemented via complex procurement procedures, financial assistance to third parties (sub-grants) or revolving funds, transactions incurred in several currencies, technical complexity, high corruption perception index, instances of political interference, predominance of cash payments, number of parties involved, partners lacking administrative capacity, known weaknesses in internal control systems, lack of involvement or cooperation of the target group, history of fraud cases. (max. 300 words)>

In addition, please identify possible mitigating factors.

< E.g. previous audit or verification work, evidence of close follow up by the contracting authority, good results yielded in the past by the implementing partner, etc. (max. 150 words)>

2.2 Implications on the sampling

Explain how the identified risk factors are reflected in the structure and size of the sample.

<Based on the identified risk factors, describe how the sample was selected (e.g. statistical/judgemental sampling, stratification, etc.), what type of transactions were prioritised (e.g. amount above xx EUR, expensed declared by co-beneficiary XY, staff expenditure, payments to sub-grantees, etc.) what is the coverage ratio in amount and number of transaction (max. 200 words)>

3. Transaction population and sample

Sampling Highlights/Overview

The sample size was determined based on a materiality threshold of 2% of the total amount of reported expenditure with a confidence level of 95% and considering the risk analysis presented above.

Report/invoice: <indicate the report/invoice number and cut-off dates>		
	Population	Audited sample
Number of transactions		
Value of transactions EUR		

[If more than one financial report/invoice is verified, repeat as applicable]

A complete list of the transactions included in the population is to be included in Annex 3.3.

4. Substantive testing

Short description of the testing process

Compliance with the Terms of Reference and with the International Standard on Related Services (ISRS) 4400.

<Confirm that the testing procedures established in the annex 2 to the Terms of Reference were fully applied or disclose any scope limitation. Also confirm that the testing was executed in accordance with the International Standard on Related Services (ISRS) 4400, “Engagements to Perform Agreed-upon Procedures Regarding Financial Information”.>

Provide the key information about the testing process.

<E.g. describe if the verification work took place at the implementing partner's premises, whether qualified representatives of the auditee were present, if they were cooperative, if the supporting documentation was available in full, if additional documents had to be received after the field mission, whether evidence of the equipment transfer is available, if physical inspections were performed, any scope limitations, etc. (max. 300 words)>

5. Summary of findings

5.1 Summary of errors detected

<Description of the main outcomes of the transaction testing (e.g. type of errors detected, type of transactions, geographic scope, sector, involved implementing partners, etc.) (max. 200 words)>

5.2 Audit team

<List names and expert category levels for this report.>

<Name and signature of the Verifier>

<Verifier's address: office having responsibility for the audit>

[for final reports <Date of signature> the date when the **final** report is signed]

Annex 3.1: Financial reports provided by the auditee

Annex 3.2: Procedures performed

Annex 3.3: Table of transactions - provided as Excel file

Annex 3.4: Table of errors - provided as Excel file

Accounting reference (ID number)	Verified report reference	Budget line (if applicable)	Date	Payee	Description	Amount (currency)	Included in the sample	Error detected	Error number (if applicable)
							Y/N	Y/N	



