

POVABILO K ODDAJI PONUDBE

PRESOJA DELOVANJA ITF USTANOVE ZA KREPITEV ČLOVEKOVE VARNOSTI PO STEBRIH DOLOČENIH S STRANI EVROPSKE KOMISIJE »EU PILLAR ASSESSMENT«

1. KRATKA PREDSTAVITEV ITF USTANOVE ZA KREPITEV ČLOVEKOVE VARNOSTI

Vlada Republike Slovenije je marca 1998 ustanovila ITF Ustanovo za krepitev človekove varnosti (ITF) z namenom zbiranja sredstev za organiziranje in financiranje aktivnosti, namenjenih razminiraju miniranih področij Bosne in Hercegovine ter zagotavljanju pomoči in rehabilitacije invalidom, žrtvam min iz Bosne in Hercegovine. Vse od ustanovitve naprej ITF nenehno razvija in krepi svoje poslanstvo ter širi obseg aktivnosti in geografsko območje delovanja, da bi v nenehno spreminjačem se okolju človekove varnosti upošteval potrebe držav upravičenk in prioritete donatorske skupnosti.

1.1. Organizacija ITF

ITF sestavlja 3 glavna telesa:

- **Glavna pisarna**, ki ima sedež na Igu, predstavniki pisarni v Sisku (RH) in Sarajevu (BiH) ter začasni predstavništvi v Libiji in Afganistanu. Skupaj je v ITF zaposlenih 22 ljudi;
- **Upravni odbor**, ki je sestavljen iz petih predstavnikov Slovenije, treh predstavnikov Bosne in Hercegovine in enega predstavnika iz Hrvaške;
- **Svetovalni odbor**, ki je sestavljen iz 32 donatorjev ITF.

1.2. Vizija in poslanstvo ITF

“Spodbujanje in krepitev človekove varnosti v državah, ki se soočajo s problemom protipehotnih min/eksplozivnimi ostanki vojne in drugimi posledicami konfliktov.”

Poslanstvo ITF je krepitev varnosti in omogočanje oživitve ter razvoja v državah udeleženkah oboroženih spopadov, in sicer z obravnavanjem in reševanjem takojšnjih in dolgoročnih posledic, ki jih povzročajo protipehotne mine/eksplozivni ostanki vojn, ter druga tveganja, prisotna po končanju oboroženega nasilja. ITF na vseh področjih delovanja uporablja pristop »človekove varnosti«, saj zagotavlja dinamičen in praktičen akcijski okvir za obravnavo vsesplošnih in večplastnih groženj. Omenjen pristop hkrati podpira povezavo med humanitarnim protiminskim delovanjem in zmanjševanjem presežnih količin orožja ter predstavlja vez med splošno varnostjo in razvojem. Podpira tudi razvoj tistih osnovnih predpogojev, zmožnosti in zmogljivosti, ki utirajo pot celovitemu razvoju, nacionalnemu lastništvu ter posledično tudi prevzemu odgovornosti v pokonfliktnih državah.

Vodilna načela

Pristop ITF se sklada z naslednjimi vodilnimi načeli:

- (1) Regionalni pristop. Spodbujanje regionalnega sodelovanja je pomemben ukrep za graditev zaupanja, zlasti v bližnjih državah, kjer so se spopadi končali šele pred kratkim. Ključna elementa uspešnosti ITF v regiji jugovzhodne Evrope sta spodbujanje regionalnega pristopa k boju proti minam ter pomoč in sodelovanje v regionalnih strukturah in sistemih.
- (2) Partnerstva. ITF bo svoje delo opravljal v tesnem sodelovanju z donatorji, mednarodnimi organizacijami, nacionalnimi in lokalnimi organi ter javnimi in zasebnimi izvajalskimi organizacijami.
- (3) Državna odgovornost. ITF se zaveda, da so za reševanje izzivov, s katerimi se soočajo države po spopadih in drugih razdiralnih dogodkih, v prvi vrsti odgovorni nacionalni organi prizadete države.
- (4) Humanitarni poudarek. Dejstvo je, da so izzivi, s katerimi se soočajo države po spopadih in drugih razdiralnih dogodkih, prvenstveno humanitarno vprašanje in jih je treba obravnavati s humanitarnega stališča. Delo ITF se bo tako osredotočalo na reševanje življenj, preprečevanje poškodb, zmanjševanje trpljenja, nudenje pomoči tistim, ki pomoč najbolj potrebujejo, in omogočanje najbolj ogroženim, da ohranijo človeško dostojanstvo. Izbera nacionalnih programov in lokalnih projektov, ki naj jih podpre ITF, mora odražati temeljna humanitarna načela nevtralnosti, nepristransnosti in človečnosti.
- (5) Transparentnost. ITF si je s svojim delom v regiji jugovzhodne Evrope in drugod po svetu pridobil sloves popolne transparentnosti in zaupanja, da so sredstva porabljeni učinkovito in za tisto, čemur so bila namenjena. ITF dosega

svojo transparentnost s pomočjo svojih organizacijskih postopkov, strogega upoštevanja računovodskih pravil in profesionalne drže zaposlenih.

Strateški stebri

Humanitarna protiminska dejavnost in uničevanje konvencionalnega orožja sta dejavnosti, usmerjeni h krepitvi človekove varnosti in povrnitvi človeškega dostojanstva. Dejavnosti naj ne bi bili omejeni le na nudenje neposredne pomoči, temveč bi morali obravnavati tudi obnovo in dolgoročni razvoj v pokonfliktnih državah. Obe dejavnosti utirata pot k miru in dolgoročni stabilnosti, prinašata varnost v pokonfliktnne skupnosti ter postavljata temelje za pokonfliktno obnovo in dolgoročni razvoj. Ker ljudje in skupnosti občutijo tudi dolgoročne posledice in zapuščino min in eksplozivnih ostankov vojn, ITF opredeljuje dva glavna stebra svojega dela. Stebra uspešneje podpirata prizadevanja, usmerjena h krepitvi skupnosti – z obravnavanjem takojšnjih in dolgoročnih posledic, ki jih puščajo mine/eksplozivni ostanki vojn ter presežki orožja in streliva v pokonfliktnih skupnostih.

Naslednja dva strateška stebra napovedujeta vizijo prihodnjega razvoja tistih skupnosti in držav, ki so jih prizadele mine in eksplozivni ostanki vojn:

Strateški Steber I

Zmanjševanje groženj, ki jih predstavljajo protipehotne mine in drugi eksplozivni ostanki vojne.

Strateški steber II

Omogočanje varnega, dolgoročnega razvoja in izgradnja vzdržljivosti skupnosti, ki so jih prizadeli konflikti.

Področja delovanja:

- Razminiranje, uničevanje eksplozivnih ostankov vojn, vključno s kasetno municijo;
- Izobraževanje o nevarnosti min, krepitev varnosti v prizadetih skupnostih, posledično zmanjševanje tveganja poškodb in smrti;
- Nudenje pomoči žrtvam min s ciljem družbenoekonomske reintegracije ter zdravstvene in psihosocialne blaginje žrtev eksplozivnih ostankov vojn;
- Krepitev zmogljivosti s ciljem razvoja učinkovitih in prožnih nacionalnih zmogljivosti skupnosti oz. držav, ki bodo sposobne nasloviti minski problem in druge pokonfliktnne izzive v daljšem časovnem obdobju in s tem prispevati k nadaljnemu okrevanju in razvoju. Krepitev zmogljivosti omogoča posameznikom, skupinam, organizacijam, ustanovam in

družbam izboljšanje možnosti upravljanja in izpolnjevanja aktivnosti, prevzem reševanja problemov in posledično rezultatov. Vključuje tudi implementacijo ustreznih nacionalnih zakonov in standardov, razvoj sistema upravljanja, dobave opreme in gradnje infrastrukture, koordinacijo in učinkovito projektno vodenje ter zmožnost nacionalnih organov, da mobilizirajo sredstva;

- Fizično varovanje in upravljanje zalog (PSSM) vključuje varno in zanesljivo skladiščenje orožja in streliva ter nudenje strokovnega usposabljanja na področju najboljših praks in ustreznih postopkov na področju upravljanja z zalogami orožja in streliva;
- Uničevanje presežka orožja in streliva predstavlja varen in dokončen postopek predelave orožja in streliva v stanje, v katerem osnovna funkcionalnost ni več možna;
- Nujni odziv ob nenačrtovanih eksplozijah v skladiščih municij;
- Usklajevanje, sodelovanje in mobilizacija virov v podporo humanitarni protiminski dejavnosti in razvoju projektov uničevanja konvencionalnega orožja za doseganje večje kakovosti, stroškovne učinkovitosti in vpliva na pokonfliktne skupnosti. Poudarek bo na omogočanju in spodbujanju boljšega usklajevanja in sodelovanja – ne le v protiminskem delovanju in uničevanju konvencionalnega orožja, temveč tudi pri drugih pomembnih vladnih razvojnih akterjih in civilni družbi;
- Delo na področju zagovorništva s ciljem, usmerjenim k spodbujanju pravic, ustvarjanju publicite in ozaveščanju v zvezi z nevarnostmi, posledicami min in neeksplodiranih ubojnih sredstev ter nevarnostmi, ki jih predstavljajo presežki orožja in streliva ter presežki slabih zalog orožja in streliva;
- Zbiranje donacij in uporaba mehanizma podvajanja prvotnih donacij, s katerimi posamezni donatorji zagotavljajo podvajanje doniranih sredstev za določene projekte.

2. PREDMET POVPRAŠEVANJA

Izvajalec bo za naročnika izvedel Presojo delovanja ITF Ustanove za krepitev človekove varnosti po stebrih določenih s strani Evropske komisije »EU PILLAR ASSESSMENT«. Naročnik bo z izbranim ponudnikom podpisal pogodbo, po in na podlagi odobritve Upravnega odbora ITF – odobritev se nanaša na ponujeno ceno presoje.

3. TERMINSKI NAČRT IZVEDBE REVIZIJE

Presoja delovanja se bo izvajala na sedežu ITF oziroma po potrebi na sedežu izbrane revizijske hiše. ITF bo na zahtevo revizijske hiše pripravil vso potrebno dokumentacijo za presojo delovanja ITF.

Evalvacijski pregled bi se predvidoma začel izvajati **oktobra 2018.**

Poročilo neodvisnega revizorja se pričakuje v angleškem jeziku.

4. PONUJENA CENA

Cena brez DDV _____ EUR

DDV po stopnji _____ % _____ EUR

Cena z vključenim DDV: _____ EUR

5. POGOJI, KI JIH MORA IZPOLNJEVATI PONUDNIK

- Tim min. 4 revizorjev opravi presojo petih stebrov, in sicer:

- 1. steber: Notranja kontrola,**
- 2. steber: Računovodstvo,**
- 3. steber: Zunanja revizija,**
- 5. steber: Naročanje.**

- Presojo opravi tim min. 4 revizorjev z ustreznimi znanji ter kvalifikacijami kot je opredeljeno v **Prilogi 2** tega dokumenta.
- Presojo opravi neodvisni zunanji revizor in/ali revizorska hiša, ki je registrirana članica Slovenskega inštituta za revizijo - SIR, ki je hkrati član Mednarodne zveze računovodskih strokovnjakov – International Federation of Accountants - IFAC®.
- Presojo opravi neodvisni zunanji revizor in/ali revizorska hiša, ki je registrirana v javni register nadzornega telesa ustanovljenega skladno z Zakonom o revidiranju (Uradni list

RS, št. 65/08 in 63/13 – ZS-K), ki je hkrati prenos Direktive 2006/43/ES Evropskega parlamenta in Sveta v pravni red Republike Slovenije.

- Revizorska hiša razpolaga z zadostnimi tehničnimi, finančnimi in kadrovskimi zmogljivostmi za izvedbo naročila.
- Revizorska hiša ali revizor ni v postopku prisilne poravnave, stečaju ali likvidacijskem postopku.
- V zadnjih petih letih ni bila izdana pravnomočna odločba za kaznivo dejanje, povezano s poslovanjem, ali pravnomočna odločba, s katero bi bilo prepovedano opravljanje dejavnosti, kot tudi, da ponudnik in njegovi zaposleni niso bili obsojeni zaradi kaznivih dejanj, ki so opredeljena v 1. in 2. odstavku 75. člena ZJN-3.
- So plačane vse zapadle obveznosti do podizvajalcev v predhodnih postopkih naročanja.

6. ROKI ZA ODDAJO PONUDBE

Rok za predložitev ponudbe je **ponedeljek, 20. 08. 2018** na naslov Ursa.Marinsek-Srot@itf.si.

7. DODATNA POJASNILA PONUDNIKOM

Ponudnik pripravi ponudbo skladno z določili točke 5. tega dokumenta ter določili iz Priloge 2 – Terms of Reference for a Pillar Assessment Contracted by an Entity Requesting to be Entrusted with Implementation of the EU Budget under Indirect Management.

Ponudniki se seznanijo s prilogami dokumenta Pogoji presoje delovanja ITF Ustanove za krepitev človekove varnosti po stebrih določenih s strani Evropske komisije »EU PILLAR ASSESSMENT« (Priloga 2 - Terms of Reference for a Pillar Assessment Contracted by an Entity Requesting to be Entrusted with Implementation of the EU Budget under Indirect Management) na internet strani:

https://ec.europa.eu/europeaid/funding/about-funding-and-procedures/audit-and-control/pillar-assessments_en. Če tovrstni pregled ni mogoč lahko ponudnik zaprosi naročnika za posredovanje prilog po elektronski pošti.

Končna izbira cene ponudnika Presoje delovanja ITF Ustanove za krepitev človekove varnosti po stebrih določenih s strani Evropske komisije »EU PILLAR ASSESSMENT« bo določena na podlagi najnižje cene ter izpolnjevanja zahtevanih pogojev, opredeljenih v točki 5 tega dokumenta ter določili iz Priloge 2 – Terms of Reference for a Pillar

Assessment Contracted by an Entity Requesting to be Entrusted with Implementation of the EU Budget under Indirect Management.

Uporabljeni izrazi, zapisani v slovnični obliki moškega spola, so uporabljeni kot nevtralni in veljajo enakovredno za oba spola.

Za potrebe preverjanja lahko naročnik naknadno pozove ponudnike po predložitvi dokazil kot je opredeljeno v prilogi 1.

Dodatna vprašanja se lahko predloži po elektronski pošti na naslov: Ursa.Marinsek-Srot@itf.si. Druge informacije si lahko ponudniki pogledajo na www.itf.si.

Priloga 1

IZJAVA

**PONUDNIKA O IZPOLNJEVANJU POGOJEV ZA IZVEDBO NAROČILA IN SPREJEMU
POGOJEV IZ RAZPISNE DOKUMENTACIJE**

Predmet in oznaka naročila: Presoja delovanja ITF Ustanove za krepitev človekove varnosti po stebrih določenih s strani Evropske komisije »EU PILLAR ASSESSMENT«

Ponudnik (firma in sedež oz. ime, priimek in naslov):

Izjavljamo, da izpolnjujemo naslednje pogoje (ustrezno obkroži):

1. smo veljavno registrirani in imamo vsa potrebna dovoljenja za opravljanje dejavnosti, ki je predmet javnega naročila.
2. Nismo v postopku prisilne poravnave, stečaju ali likvidacijskem postopku.
3. Da nam v zadnjih petih letih ni bila izdana pravnomočna odločba za kaznivo dejanje, povezano s poslovanjem, ali pravnomočna odločba, s katero bi nam bilo prepovedano opravljanje dejavnosti, kot tudi, da nismo bili obsojeni zaradi kaznivih dejanj, ki so našteta v 1. in 2. odstavku 75. člena ZJN-3.
4. Imamo plačane vse zapadle obveznosti do podizvajalcev v predhodnih postopkih javnega naročanja.
5. Razpolagamo z zadostnimi tehničnimi, finančnimi in kadrovskimi zmogljivostmi za izvedbo javnega naročila.

S podpisom te izjave ponudnik potrjuje tudi naslednje:

1. da se v celoti strinja z določbami razpisne dokumentacije in sprejema pogoje naročnika, da po njih daje svojo ponudbo in da pod navedenimi pogoji pristopa k izvedbi predmeta naročila;
2. da je ob izdelavi ponudbe pregledal vso razpoložljivo dokumentacijo;
3. da je v celoti seznanjena z obsegom in zahtevnostjo naročila;
4. da ne bo imel do naročnika nobenega odškodninskega zahtevka, če ne bo izbran kot najugodnejši ponudnik.

Pod kazensko in materialno odgovornostjo izjavljamo, da so zgoraj navedeni podatki resnični in da jih bomo ob naročnikovi zahtevi dokazali s predložitvijo ustreznih potrdil oz. soglašamo, da naročnik od pristojnih organov pridobi dokazila o izpolnjevanju zgoraj navedenih pogojev.

Datum:

Ponudnik:
(žig in podpis odgovorne osebe)

Priloga 2

<LETTERHEAD OF THE ENTITY>

TERMS OF REFERENCE
FOR A PILLAR ASSESSMENT CONTRACTED BY
AN ENTITY REQUESTING TO BE ENTRUSTED WITH
IMPLEMENTATION OF THE EU BUDGET
UNDER INDIRECT MANAGEMENT

[NAME OF THE ENTITY]

Entity requesting the assessment:	[Entity name and full address of the Entity]
Country:	[Country where the Entity is established]
Reference / date of request for services:	[reference / date of the request for services or other equivalent document issued by the Entity]
Period subject to assessment:	The year (12 months period) ending on the day of the start of the field work (<u>on-site</u> procedures) of the assessment
Starting date of the Assessment:	[<u>Indicative</u> starting date. The <u>estimated contractual</u> date of the assessment (order form date)]
Ending date of the Assessment:	[<u>Indicative</u> ending date. The <u>estimated</u> date of receipt of the final report]

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INSTRUCTIONS FOR USING THESE ToR

- All grey shaded text in *</italic>* is guidance which should be removed.
- Text indicated in [text] must be completed by the Entity
- **The prescribed text and wording of these Terms of Reference should be respected at all times and cannot be changed.**

This instruction should be removed from the ToR

1 Introduction

Context

Article 58 of the Financial Regulation ('FR') applicable to the General Budget of the European Union ('EU') sets out the methods of implementation of the budget including 'indirect management'. Under indirect management the Commission can entrust budget implementation tasks to the countries, organisations and bodies (further referred to as 'Entities') indicated in Article 58 of the FR. The following Entities may be concerned:

- Third countries or the bodies they have designated. *E.g.* Ministry of Interior, Kingdom of Cambodia;
- International organisations and their agencies. *E.g.:* UNDP (United Nations development Programme);
- Public law bodies. *E.g.:* DFID, KfW;
- Bodies governed by private law with a public service mission to the extent that they provide adequate financial guarantees. *E.g.:* British Council.

These Entities shall guarantee a level of protection of the financial interests of the EU equivalent to that required under the FR when they manage EU funds. They must meet requirements with regard to seven 'Pillars' relating to the internal control system, the accounting system, an independent external audit and rules and procedures for providing financing from EU funds through grants, procurement and financial instruments and Sub-Delegation. Hence, Entities wishing to work with EU funds under the indirect management mode must therefore be made subject to a comprehensive Pillar Assessment.

Based on the results of the Pillar Assessment the Commission will decide whether it can entrust budget implementation tasks to the Entity and whether it can conclude specific agreements (i.e. Indirect Management Delegation Agreements) with the Entity.

The following are the terms of reference ('ToR') on which [full name and address of the Entity] agrees to engage the Auditor to perform a **Pillar Assessment** of [name of the Entity] and to report on this assessment. These ToR are annexed to the Entity's [request for services; or equivalent document]. The ToR are for the use of the Auditor and the Entity and may be disclosed to the European Commission upon its request.

In these ToR and in Annexes 1 to 5 which form an integral part of these ToR the following terms apply:

- **'Pillar Assessment', 'assessment' or 'engagement'** refers to this assurance engagement. Pillars are the broad areas covered by this assessment and include internal control, accounting and independent external audit. Moreover, Pillars may also include procedures and rules for grants, procurement and financial instruments as well as a specific Pillar for Sub-Delegation. At least one of the latter four Pillars should always apply otherwise no budget implementation tasks can be entrusted (see Section 2 Objectives below).
- 'Auditor' refers to the audit firm contracted for performing this engagement and for submitting a report to the Commission. 'Auditor' can refer to the person or persons conducting the assessment, usually the engagement partner or other members of the engagement team. The engagement partner is the partner or other person in the firm who is responsible for the engagement and its performance, and for the report that is issued on behalf of the firm, and who has the appropriate authority from a professional, legal or regulatory body.
- '*Entity*', refers to the entity subject to the Pillar Assessment and which is the contracting authority for this assessment.
- '*Commission*' refers to the European Commission which may be represented by a service or unit of EuropeAid Development and Co-operation Directorate General ('DEVCO') or by an EU Delegation of the Commission.

2 Objectives

The Auditor is engaged to assess the systems put into place and the controls, rules and procedures applied by the Entity for each Pillar against the criteria set by the Commission for each Pillar. The **objective** of this Pillar Assessment is to enable the Auditor to report on whether the Entity fulfils the requirements set out in points (a) to (d) of the first subparagraph of Article 60.2 of the Financial Regulation applicable to the General Budget of the European Commission and Article 29.1 of the Financial Regulation applicable to the European Development Fund for each relevant Pillar and to express a conclusion as to whether the Entity:

- has set up and ensures the functioning in all material respects of an effective and efficient **internal control system** and in accordance with the criteria set by the European Commission; and
- uses an **accounting system** that provides in all material respects accurate, complete and reliable information in a timely manner and in accordance with the criteria set by the European Commission; and
- is subject to an **independent external audit**, required to be performed in all material respects in accordance with internationally accepted auditing standards by an audit

service functionally independent of the entity concerned and in accordance with the criteria set by the European Commission; and

- applies appropriate rules and procedures in all material respects for providing financing from EU funds through **grants and** in accordance with the criteria set by the European Commission; and *<remove if this Pillar is not applicable>*.
- applies appropriate rules and procedures in all material respects for providing financing from EU funds through **procurement** and in accordance with the criteria set by the European Commission; and *<remove if this Pillar is not applicable>*.
- applies appropriate rules and procedures in all material respects for providing financing from EU funds through **financial instruments** and in accordance with the criteria set by the European Commission. *<remove if this Pillar is not applicable>*.
- has taken measures in all material respects which ensure that **Sub-Delegatees** and **Financial Intermediaries** *<remove Financial Intermediaries if not applicable>* to which the Entity sub-delegates budget implementation tasks, will implement EU funded actions with systems and procedures that comply with international standards and with the criteria set by the European Commission.

3 Standards and Guidance

The Auditor who performs this Pillar Assessment is governed by:

- The IFAC *International Framework for Assurance Engagements* and *International Standard on Assurance Engagements ('ISAE') 3000 for Assurance Engagements other than Audits or Reviews of Historical Financial Information* insofar as these can be applied in the specific context of this Pillar Assessment.
- The IFAC *Code of Ethics for Professional Accountants* (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;
- The IFAC *International Standards on Quality Control* (ISQCs), which establish standards and provide guidance on an Auditor's system of quality control.

4 Requirements for the Auditor

4.1 General Principles

The Auditor must be an **independent external** auditor who is a registered member of a national accounting or auditing body or institution which in turn is member of the International Federation of Accountants (IFAC) and who is certified to perform audits.

The Auditor must be functionally independent of the Entity concerned and hence the Internal Auditor of an Entity subject to assessment is not eligible to perform a Pillar Assessment.

By agreeing these ToR the Auditor confirms that s/he meets at least one of the following conditions:

- The Auditor and/or the firm is a member of a national accounting or auditing body or institution which in turn is member of the International Federation of Accountants (IFAC).
- The Auditor and/or the firm is a member of a national accounting or auditing body or institution. Although this organisation is not member of the IFAC, the Auditor commits him/herself to undertake this engagement in accordance with the IFAC standards and ethics set out in these ToR.
- The Auditor and/or the firm 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)¹.
- The Auditor and/or the firm 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).

4.2 Qualifications, Experience and Team Composition

Qualifications and Experience

¹ 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.

The Auditor will employ adequate staff with appropriate professional qualifications and suitable experience with IFAC standards, in particular the *International Framework for Assurance Engagements and International Standard on Assurance Engagements ('ISAE') 3000 for Assurance Engagements other than Audits or Reviews of Historical Financial Information* and with experience in performing institutional or compliance assessments and/or performing systems audits or equivalent engagements of entities comparable in size and complexity to the Entity.

In addition the engagement team as a whole should have:

- Experience with institutional or compliance assessments and/or systems audits or equivalent engagements of development aid programmes and projects funded by national and/or international donors and institutions. It is desirable that the leader of the fieldwork team i.e. either the manager (category 2) or the senior auditor (category 3) has experience with systems audits of EU funded external aid actions and/or institutional or compliance assessments of organisations in the development aid sector.
- [Optional: fluency in [specify language(s)]]

Team composition

The team of auditors required for this Pillar Assessment will be composed of a category 1 auditor who has the ultimate responsibility for the assessment and an engagement team which is composed of an appropriate mix of category 2 – 4 auditors. It is the responsibility of the Auditor to propose and use an engagement team which is composed of an appropriate mix of auditors for this engagement.

The Commission distinguishes 4 categories of auditors.

Category 1 – Audit Partner

An audit partner should be a highly qualified expert with a relevant professional qualification and assuming or having assumed senior and managerial responsibilities in public audit practice.

S/he should be a member of a national accounting or auditing body or institution. S/he must have at least 12 years of professional experience as a professional Auditor or accountant in public audit practice. Experience with working with the recipient countries of Community external aid will also be taken into account.

An audit partner, or another person in a position similar to that of a partner, is the person of the audit firm who is responsible for the audit and its performance, and for the report that is issued on behalf of the firm. S/he has the appropriate authority from a professional, legal or regulatory body and is authorized to certify accounts by the laws of the country in which the audit firm is registered.

Category 2 - Audit Manager

Audit managers should be qualified experts with a relevant university degree or professional qualification. They should have at least 6 years' experience as a professional auditor or accountant in public audit practice including relevant managerial experience of leading audit teams.

Category 3 – Senior Auditor

Senior auditors should be qualified experts with a relevant university degree or professional qualification and at least 3 years professional experience in public audit practice.

Category 4 – Assistant Auditor

Assistant auditors should have a relevant university degree and at least 6 months professional experience in public audit practice.

Curricula Vitae ('CVs')

The Auditor will provide the Entity with CV's of the partner or other person in the audit firm who is responsible for the Pillar Assessment and for signing the report together with the CVs of the managers, senior auditors and assistant auditors proposed as part of the engagement team. CVs will include appropriate details on the type of engagements carried out by the staff indicating capability and capacity to undertake the assessment as well as details on relevant specific experience. The Entity will examine the CV's before it signs an order form or other applicable contractual document for this engagement and reserves the right to reject them if they are not considered suitable for the requirements of the engagement.

5 Scope

5.1 Location and period covered by the Assessment

This Pillar Assessment will be performed at **[location(s)]**. ***<It is essential to indicate the correct location(s) where the assessment is to be performed>***. The Auditor should confirm the location(s) for the assessment with the Entity **prior** to the start of the fieldwork and ensure that relevant supporting documents as well as key staff will be available during the assessment. The Auditor should take into account that the Entity normally requires meetings to prepare the assessment and to discuss the draft report and that this may involve additional travelling (see Section 7).

The **period to be covered by the assessment** should normally be the year (12 months period) ending on the day of the start of the field work of the assessment i.e. the day on which the Auditor effectively starts on-site (at the location where the Entity is established) assessment procedures and tests.

5.2 Engagement context

Use of Annex 1 Engagement Context – Key Information for a Pillar Assessment

The Auditor must obtain a preliminary understanding of the **engagement context** on the basis of *Annex 1 Engagement Context – Key Information for A Pillar Assessment*. The understanding must be sufficient for the Auditor to submit a meaningful offer to the Entity.

Use of Annex 2a Assessment Questionnaire (indicative questions)

The Entity will provide a completed **Annex 2a** to the Auditor as soon as possible **after** the Auditor has been contracted by the Entity but **prior to** the start of the Auditors' assessment procedures.

In a second phase **Annex 2a** will become a support tool for the Auditor to design, plan and perform the assessment procedures and to take into account the criteria which the European Commission deems essential or important for the Entity subject to assessment to comply with.

The completed **Annex 2a** Questionnaire is an essential source of assessment information and evidence for the Auditor. However, it is by no means the only source for the Auditor to plan and perform assessment procedures and to draw conclusions. All information completed and provided by the Entity is indicative and provisional and subject to the assessment procedures the Auditor deems necessary. The Auditor must not rely on information until s/he has ensured through assessment procedures that information is sufficiently accurate and complete for the purpose of the assessment and to arrive at informed conclusions for key questions.

Hence the Auditor can modify, complete and add information in the findings column as s/he sees fit. The Auditor may also add additional questions if s/he considers that this is necessary to arrive at an informed conclusion for key questions.

The Auditor must take into account the specific engagement circumstances and apply professional judgment throughout the assessment process. The Auditor remains fully responsible at all times to design, plan and perform the assessment procedures he/she deems necessary in addition to the indicative questions and procedures in the **Annex 2a** Questionnaire.

The Auditor uses the information in the **Annex 2a** Questionnaire and the results of the assessment procedures to complete *Annex 2 Assessment Questionnaire and Criteria* (see Section 5.4 below) and to draw a conclusion for each pillar subject to assessment.

5.3 Nature, extent and timing of procedures and tests for each pillar

For each pillar the Auditor must assess the **design** of relevant systems, controls, rules and procedures. This means that the Auditor should perform procedures and tests on the basis of which s/he should arrive at a conclusion whether the system, controls, rules and procedures are present i.e. existing.

Moreover the Auditor must assess the **operating effectiveness** of systems, controls, rules and procedures for all relevant Pillars (see Section 2 Objectives above) except for the Pillar Independent External Audit where the Auditor only assesses the design of the procedures for external audit.

The design and operating effectiveness of relevant systems, rules and procedures must be assessed against the criteria defined by the Commission for each pillar (see Section 5.4 below). For this purpose the Auditor must use the questionnaires provided by the Commission.

The Auditor determines the nature, extent and timing of all the procedures and tests s/he deems necessary to perform in order to arrive at a conclusion with regard to the design and operating effectiveness of systems, controls, rules and procedures.

5.4 Criteria and materiality

For each Pillar there are 3 levels of criteria which have been defined by the European Commission through the formulation of (key) questions in *Annex 2 Assessment Questionnaire and Criteria* and in *Annex 2a Assessment Questionnaire (indicative questions)*.

For the purpose of determining what is a material weakness or deficiency in systems, controls, rules and procedures the Auditor must take into account the criteria and the levels of importance (i.e. scoring thresholds) defined by the Commission as these factors might influence the decision of the Commission to entrust budget implementation tasks under indirect management to the Entity.

Level 1 (Financial Regulation)

For each pillar there is **one** overarching Level 1 question (in *Annex 2 Assessment Questionnaire and Criteria*) defined on the basis of the Financial Regulation. This question is fundamental. Only two types of conclusions are possible:

- The answer to the question at level 1 is 'yes'. This means that the Entity complies with the requirements for the Pillar concerned. The conclusion of the Auditor must be formulated in the positive form which is equivalent to an 'unqualified opinion'.
- The answer to the question at level 1 is 'no'. This means that the Entity does not comply with the requirements the Pillar concerned. In this case the conclusion must be formulated in the adverse form which is equivalent to what is called an 'adverse opinion' under international standards.

Level 2 (Pillar key components)

Key questions at level 2 relate to criteria which the Commission considers essential. For this purpose key questions and criteria are defined for the key components of each Pillar. Components are essentially 'sub-pillars' which in turn are composed of blocks of indicative questions in **Annex 2a** *Assessment Questionnaire (indicative questions)*.

The Auditor must apply professional judgment to **attribute a score on a scale 0 to 10 to each level 2 component** in **Annex 2** *Assessment Questionnaire and Criteria* based on the information and evidence s/he has obtained in **Annex 2a**.

Level 3 (Assessment Questionnaire with blocks of indicative questions)

Annex 2a *Assessment Questionnaire (indicative questions)* includes blocks of **indicative** questions which relate to the Pillar key components at level 2. These blocks of detailed questions provide directions to the Auditor and basically serve as non-exhaustive examples. This means that the Auditor can – but does not necessarily have to – use (all) these (blocks of) questions to determine a score for each component at level 2.

The Auditor can formulate additional questions and perform additional tests and procedures as s/he deems necessary or appropriate. The Auditor fully applies his / her professional judgment for all questions in **Annex 2a** in order to attribute scores to the Pillar key components at level 2.

5.5 Other matters

The Auditor is requested to collect information with regard to some specific accounting policies / methods which the Entity may apply and on which the European Commission would like to be informed for the purpose of managing future specific agreements / contracts that the Commission may conclude with the Entity. This information is not subject of the Pillar Assessment. The Auditor is requested to obtain relevant and appropriate information (see Annex 3 Other questions) and to report on these matters in Chapter 10 (Other Specific Matters) of the Pillar Assessment report.

5.6 Limitations in the scope

The Auditor will inform the Entity of any **limitations in the scope** of work s/he may find prior to or during the assessment and discuss with the Entity what action may be required and whether or how the assessment can be continued.

6 Assessment Procedures

The Auditor should perform the assessment in accordance with **Annex 4** *Assessment Procedures* which cover documentation and evidence, planning, fieldwork, and reporting. This Annex includes assessment procedures which the Auditor should apply and

procedures which the Auditor may opt to use. The Auditor's attention is drawn to the specific aspects set out in Sections 6.1 to 6.3 below. The Auditor should exercise due professional care and judgment and determine the nature, timing and extent of assessment procedures to fit the objectives, scope and context of the assessment.

6.1 Documentation and Evidence

The Auditor should in accordance with ISAE 3000, prepare documentation and obtain sufficient appropriate evidence to support assessment findings and to draw reasonable conclusions on which to base the conclusion of the assessment for each Pillar. The Auditor uses professional judgment to determine whether evidence is sufficient and appropriate (see Annex 4.1).

6.2 Planning and Fieldwork

Start of the assessment

The date of signature of the Entity's order form or other applicable contractual document for the assessment is the official starting date of the assessment. The Auditor shall then agree as soon as possible a date to start the fieldwork with the Entity.

Preparatory meeting with the Entity

The Entity foresees a preparatory meeting with the Auditor (see Annex 4.2.1) which will be held at [name and address of the Entity]. The Entity shall inform the Commission about this meeting which may be attended by Commission representatives.

Procedures for the planning and fieldwork of the assessment

The Auditor's procedures should include obtaining an understanding of the engagement context which is sufficient to design and perform further assessment procedures.

- Obtaining evidence regarding the design of systems, controls, rules and procedures (Annex 4.3.1);
- Performing tests of the operational effectiveness of systems, controls, rules and procedures (Annex 4.3.2);
- Sampling and other means of selecting items for testing where appropriate (Annex 4.3.3);
- Using the work of Internal Auditors where applicable (Annex 4.3.4);

6.3 Reporting

Use of the Pillar Assessment model report in Annex 5

The use of the model report for a Pillar Assessment in Annex 5 is compulsory.

Language

The report should be presented in [language]. [An executive summary of the assessment report in [English/French] should be provided along with the report] (See Annex 4.4.1).
<Remove if not applicable>.

Findings

There are two types of findings:

- Main findings are findings which relate to material weaknesses or deficiencies in systems, controls, rules and procedures. Material means that the Auditor considers that these factors are so important for the Commission that they might influence the decision of the Commission to entrust budget implementation tasks under indirect management to the Entity. Hence, where material findings are found for a Pillar this must lead the Auditor to express an adverse conclusion for the Pillar.

Main findings also include cases where several findings which taken individually do not relate to a material weakness or deficiency but which taken in the aggregate involve a finding of material weakness or deficiency. The combined impact of such findings is so important (i.e. material) that this must lead the Auditor to the conclusion that the Entity does not meet the requirements for the Pillar concerned (i.e. the conclusion is 'No').

- Other findings are all non-material findings which the Auditor believes should be brought to the attention of the Entity. These findings relate to weaknesses and deficiencies in systems, controls, rules or procedures which, individually or in the aggregate, involve a less immediate level of risk that objectives for the Pillar concerned are not achieved.

Findings must be reported in accordance with the (table) formats specified in the model report for a Pillar Assessment in Annex 5.

Recommendations

There are two types of recommendations:

- Critical recommendations relate to material weaknesses and deficiencies in systems, controls, rules or procedures and to cases where the criteria defined by the European Commission and /or internationally accepted standards for Pillars are not complied with (on a regular basis).
- Other recommendations relate to all other findings which are not of a material nature. In these cases the weaknesses and deficiencies in systems, controls, rules or procedures have no major and immediate impact on the objectives of these systems, controls, rules or procedures. Nevertheless, it is relevant for the Entity to implement the suggested measures as it would have the opportunity to improve systems, controls, rules or procedures and to achieve greater effectiveness and/or efficiency.

Recommendations must be reported in accordance with the (table) formats specified in the model report for a Pillar Assessment in Annex 5.

Conclusions

The assessment report should include a conclusion for each pillar. There are two types of conclusions. Conclusions must either be formulated in the positive form (i.e. has set up, uses, is subject to or applies) or by using an adverse formulation (i.e. has not set up, does not use, is not subject to or does not apply).

The use of a conclusion of the qualified type (using the 'except for' formulation) is not possible in a Pillar Assessment.

Date of the Assessment Report

The date of draft and pre-final reports should be the date when these reports are sent for consultation. The date of the final assessment report should be the date when the final Independent Auditor's Report is signed (Annex 4.4.2).

Procedures and timetable for the submission of draft and final assessment reports

The Auditor should respect the procedures and timetable for the consultation and submission of the draft and final assessment report as set out in Annex 4.4.3 and 4.4.4.

The Auditors' attention is specifically drawn to the following:

- The Auditor should submit a **draft report** to the Entity within [21; to be determined by the Entity] **calendar days after the day of the closing meeting** (i.e. the end of field work).

- The period between the **assessment closing meeting** and the submission to the Entity of the **final assessment report** should **not exceed** [105; to be determined by the Entity] **calendar days** or [15] weeks. The Auditor should explain and document any reporting delays in the working papers.

7 Other Matters

7.1 Follow-Up

The Entity may request the Auditor for further assistance with the follow-up of the final assessment report. The Entity may also request the Auditor to carry out a re-assessment of one or more Pillars if the final assessment report concluded that the Entity did not comply with the requirements for the Pillar(s) concerned.

This work is not covered by these ToR and if this is required the Entity will issue an addendum to the order form or to the other applicable contractual document for such an engagement.

7.2 Various Matters

< Section 7 can be used for specific administrative conditions which are not covered in previous sections. For example: to specify the fees agreed and reimbursable expenses resulting from the tender for services.>

Annexes

- Annex 1 Engagement Context – Key Information for a Pillar Assessment**
- Annex 2 Assessment Questionnaire and Criteria**
- Annex 2a Assessment Questionnaire (indicative questions)**
- Annex 3 Other Questions**
- Annex 4 Assessment Procedures**
- Annex 5 Pillar Assessment Report**

IMPORTANT: Annexes 1 to 5 form an integral part of the present terms of reference.

Ponudniki se seznanijo s prilogami 1, 2, 2a, 3, 4 in 5 na internet strani:

https://ec.europa.eu/europeaid/funding/about-funding-and-procedures/audit-and-control/pillar-assessments_en