

CENTRAL BANK OF ESWATINI REQUEST FOR PROPOSAL (RFP)



CBE_EXT AUDIT_FINANCE_RFP_10-2022_L

Updated on : OCT, 2022

Version : 1.0

CONFIDENTIAL

CENTRAL BANK OF ESWATINI

REQUEST FOR PROPOSAL (RFP)

RFP No: CBE_EXT AUDIT_FINANCE_RFP_10-2022_L

RFP Name: EXTERNAL AUDIT SERVICES

Tender Closing Date: 28TH OCTOBER 2022, (2 pm GMT+2)

CONFIDENTIALITY

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IMPORTANT: FILL IN PAGE 3 AND EMAIL OR FAX IMMEDIATELY

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Schedule A - Tenderers Acknowledgement/Preliminary Non-Disclosure Agreement

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SECHULE "A" - Respondents' Acknowledgement / Preliminary Non-Disclosure Agreement

To:	The Central Bank of Eswatini
Attention :	The Secretary, Tender Committee
E-Mail	tenders@centralbank.org.sz
Tel:	+268 2408 2000
Fax:	+268 2404 8636

From Company:	
Date:	
Fax:	
Tel:	
Mobile:	
E-mail:	

INVITATION TO TENDER NUMBER: CBE_EXT AUDIT_FINANCE_RFP_10-2022_L
INVITATION TO TENDER NAME: EXTERNAL AUDIT SERVICES

RESPONDENT'S ACKNOWLEDGEMENT: *Please mark as appropriate:*

We acknowledge receipt and acceptance of the RFP and intend to submit a response
As required:

☐

We acknowledge receipt of the RFP but decline to respond for the following reasons:

☐

We undertake to return to Central Bank of Eswatini within three (3) working days from receipt of the complete RFP package with all attachments, information, documents, drawings, samples, material, etc. related thereto as provided by Central Bank of Eswatini and any copies made thereof.

PRELIMINARY NON-DISCLOSURE AGREEMENT

1. We agree that all information, documents, drawings, samples, material, etc. contained in or related to this RFP as provided by Central Bank of Eswatini is proprietary information and shall be treated as confidential.
2. We undertake that all such information, documents, drawings, samples, material, as described above, shall not be divulged to any other party (such prohibition applies to any further release of information regarding this RFP by Central Bank of Eswatini without the prior written permission from Central Bank of Eswatini to do so.
3. We agree that this RFP and all information, documents, drawings, samples, material, etc. relating thereto and provided hereunder by Central Bank of Eswatini are not to be used for any purpose other than for preparation of our Tender submission. This undertaking will also apply to any subsequent contract resulting from this RFP.

Name:

Designation:

Signed:

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SCHEDULE "B". SCOPE OF WORKS

BACKGROUND

The Central Bank of Eswatini (CBE) has a mission to foster price and financial stability that is conducive to the economic development of Eswatini. The vision of the Bank is to have a stable price and self-regulating financial system to foster economic development.

1. (a) Introduction

The Central Bank of Eswatini (the Bank) is a legal entity established by law (the Constitution of Swaziland and the CBS Order (as amended) of 1974) to facilitate and foster monetary policies. Its main stakeholders include the Eswatini Government and by extension the general public. It is therefore required by law, the CBS Order in particular, to periodically engage external audit services to review financial and non-financial performance of the Bank on a yearly basis. The Bank also administers two other government schemes - the Export Credit Guarantee Scheme (ECGS) and the Small Scale Enterprise Loan Guarantee Scheme (SSELGS). These form part of the annual external audit.

The Central Bank of Eswatini has its main operations in Mbabane which acts as a head office with a branch in Matsapha which currently accommodates the Currency Office and the Disaster Recovery Site (DR Site). The Bank operates on modern IT systems spread across the various departments in processing its financial and non-financial information. In addition to these systems, it is also guided by policies, procedures and relevant legislation, mainly the CBS Order. Further, financial operations of the Bank are guided by International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

(b) Main Scope of Audit

These terms of reference address the requirement for external audit of financial statements of the Bank for the three financial years from 2022/23 to 2024/25, each lasting from 1st April to 31st March.

(i) The External Auditor(s) shall perform such audit of the accounts of the Bank, as deemed necessary to ensure:

- (a) that the financial statements are in agreement with the books and records of the Bank; and that they reflect the true and fair position of Bank's affairs.
- (b) that the financial transactions reflected in the statements have been performed in accordance with the rules and regulations (CBS Order), IASs, IFRSs, the budgetary provisions, and other applicable directives;
- (c) that the internal financial controls are adequate in light of the extent of reliance placed thereon;
- (d) That appropriate procedures satisfactory to the external auditors have been applied to the recording of all assets, liabilities, income, losses, and other financial information.

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The audits should be carried out in accordance with international auditing standards. Sufficient audit evidence should be gathered to substantiate the accuracy of the financial statement. The audit report should clearly state if the audit was not in conformity with any of the above and indicate the alternative standards or procedures followed.

(ii) The external auditors will be required to test our information technology environment (general and application controls) to ensure that they can be relied upon.

(c) Reports Delivery Schedule

The External Auditor will have to present the annual statutory audit report to the CBE Board Audit Committee (BAC) and the CBE Board of Directors (the Board) during its May sittings. Pertinent logistics for the delivery of the audit report from draft stage to final report will form part of the engagement contract.

(d) Contract Conditions and Period

An open competitive bidding process shall be used for the appointment of the External Auditor. The appointment of the External Auditor will be for a maximum period of 5 years, renewable once for an additional term of 5 years. Any renewal will not be automatic.

The external auditor can, under special circumstances, be engaged for non-audit services that are not, or not perceived to be in conflict with their primary role as external auditor. The guiding principles on the prohibition of non-audit engagements are:

- (i) Not to function as management
- (ii) Not to audit their own work; and
- (iii) Not to serve in an advocacy role for the Bank.

THE AUDIT REPORT AND MANAGEMENT LETTER

(a) Audit Report

The audit report should clearly indicate the auditor's opinion. This would include at least the following:

- An introductory paragraph containing:
 - a) Identification of the financial information audited including the period covered; and
 - b) Statement of responsibility of the entity's management, the Board of Directors and the responsibility of the auditor (external).
- A scope and methodology paragraph describing the nature of the audit referencing:
 - a) The accounting and financial reporting standards that have been applied and indicate the effect of any deviations from those standards;
 - b) The audit standards and or legislation that were applied; and
 - c) The work the auditor performed.
- An opinion paragraph disclosing:

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- a) Whether the financial statements and supporting schedules truly and fairly represent the operations of the Bank.
- b) Whether the financial transactions reflected in the statements are in accordance with financial regulations and procedures, IASs, IFRSs, budgetary provisions and other applicable directives; and
- c) Summary assessment of the efficiency of the management and internal control systems.

The auditor may expand the audit report to include other information and explanations deemed necessary as per the dictates of the standards and corporate governance practices.

(b) Management Letter

The auditor should submit a management report at the completion of the audit to apprise the Board of Directors on key audit issues and how management intends to address those issues. This should cover, and not be limited to:

- Assessment of the internal control systems and their adequacy as a basis for the preparation of the accounts and to establish whether proper accounting records have been maintained throughout the audit period;
- Management comments/responses to audit findings and recommendations.
- Assessment of adherence to administrative guidelines and internal procedures; and
- Follow-up on previous audit issues and review recommendations.

I. AUDITOR INDEPENDENCE AND QUALIFICATION

The auditor must be completely impartial and independent from all aspects of management or financial interests of the Bank. The auditor should not, during the period covered by the audit nor during the undertaking of the audit, be employed by, serve as director for, or have any financial or close business relationships with any member of senior management of the Bank. The auditor should disclose any relationship that might possibly compromise his/her independence. The auditor may however provide other business services to the Bank, provided that the audit firm maintains independence and these other services are not provided by the same partner(s) / team.

The auditor should be experienced in applying either IASs or IFRSs, whichever is applicable for the audit. The auditor must have adequate staff with appropriate professional qualifications and suitable experience with IASs or IFRSs, including experience in auditing the accounts of comparable entities.

Curriculum vitae (CVs) should be provided to the Bank by the partner-in-charge of the audit firm who will be responsible for signing the opinion, together with the CVs of managers, supervisors and key personnel proposed as part of the audit team. CVs should include details on previous audits carried out by the applicable staff, indicating capability and capacity to undertake the audit and experience in auditing financial statements compliant with the IFRSs.

II. ACCESS TO FACILITIES AND DOCUMENTS (INFORMATION)

The External Auditor(s) and staff shall have free access at all convenient times to all books, records, relevant personnel and other documentation which are, in the opinion of the External Auditor(s),

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necessary for the performance of the audit. The auditor will have a right of access to banks, counterparties and other stakeholders engaged by the Bank over the period under the audit review. In addition to the financial statements, the Bank shall provide the external auditors with information on:

- Total value of property, plant and equipment and intangible assets for which records are kept;
- Losses of cash, and other assets written off; and
- Such other information as the external auditor may require.

Information classified as privileged yet is required by the External Auditor(s) for the purposes of the audit, and information classified as confidential, shall be made available on application. The External Auditor(s) may draw the attention of the Bank to any denial of information which, in his/her/their opinion, was required for the purpose of the audit.

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SCHEDULE "C" EVALUATION CRITERIA

Evaluation Criteria

The following table highlight the deal breakers and therefore if one document/action listed below is missing, the bid will be disqualified from further evaluation

DEAL BREAKERS	YES	NO
Attendance of mandatory pre-briefing meeting		✓
Company Profile	✓	
Form J & Form C/Equivalent documents in SA or other countries	✓	
List of key staff and qualifications	✓	
Organogram of the team to be deployed	✓	
Current Trading License	✓	
VAT Registration Certificate	✓	
SNPF Compliance Certificate - Swazi Registered companies	✓	
Certified Copy of a workmen's compensation certificate		✓
Certified copy of Certificate of Incorporation	✓	
Current Tax Clearance Certificate	✓	
Latest Audited or independently reviewed financial statements	✓	

The CBE is seeking reliable, financially stable suppliers who can meet its stringent cost, quality and service requirements.

The evaluation of Tenderers will be based on, but not limited to, the following criteria:

Criterial Elements	Points
1. Document Compliance Extent to which tender documents comply with CBE terms and conditions as set out in the RFP Legal capacity of Tenderer i.e. certificate of incorporation, current trading license, current tax clearance certificate, form C, Form J, including validity of partnerships and joint ventures, where applicable. Brief company profile and financial statements (to assist in the evaluation of the bidder's capacity to perform the contract work)	5
2. Resources	

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<p>Resource allocation and organisation and how this fits into the overall project structure;</p> <p>Financial capacity to undertake the project, based on financial statements - liquidity ratio, current ratio and asset base in order to assess ability of the tenderer to source and service additional funding;</p> <p>Availability of funding for the project if applicable - confirmed by a financial institution;</p> <p>Reputation/brand/size of Tenderer</p> <p>Key personnel and their experience</p> <p>Key personnel commitment to this project as a percentage of their total time;</p> <p>Trade references. A list of relevant/similar projects completed within the last 3 years, complete with dates, descriptions, project cost;</p>	10
<p>3. Technical</p> <p>Quality of product or service, i.e. extent to which it meets tender specifications;</p> <p>Total cost of ownership. The total operational costs over the full lifecycle of the equipment, excluding the purchase price.</p> <p>Quality of service/product; standard of performance based on previous work and experiences in other similar organisations; compatibility with products within CBE;</p> <p>Post service support or after sales service; training and related issues; availability of spares; warranties.</p>	20
<p>4. Risk Assessment</p> <p>All factors which may be prejudicial to CBE and performance of the contract, including but not limited to availability of resources (human, financial, logistics or suitable equipment for the tender) or extent of the tenderer's commitment in other projects;</p> <p>Size of tender in relation to the size and turnover of the company in order to determine the ability to complete the tendered works;</p> <p>Level of exposure by CBE to on sole supplier or sole proprietor;</p> <p>Terms for goods; preference should always be given to tenderers who will deliver goods at CBE in order to minimise the risk of delivery.</p>	10

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Ascertain the integrity and general conduct in business dealings, professional conduct of the tenderer's directors and senior management;

Compliance with all applicable laws and regulations;

Circumstances which may expose CBE and hinder due performance under the contract, e.g. criminal records in connection with corruption, fraud, theft or forgery by the tenderer's directors and management, etc.

5. Eswatini Business Promotion

5

Degree to which ownership of business vests with Emaswati citizen

Whether the business is incorporated and operates in Eswatini;

Degree to which business is managed by Emaswati citizen.

Extent to which Tenderer will;

- encourage more Emaswati citizens to be involved in business;
- encourage the impartation of technical and business skills to Emaswati citizens;
- improve levels of Emaswati citizens participation in CBE business;
- promote opportunities for employment of Emaswati citizens;
- increase the numbers and types of Emaswati business activities in the area;

NB:

Points will be allocated to ownership of the business by Emaswati citizens. Consideration has to be given for companies who are registered and operate in Eswatini.

Points will be allocated to management of the business by Emaswati citizen; and

Points will be allocated to the degree to which the Tenderer partners with or subcontracts to Eswatini entrepreneurs.

It is the intention of CBE to award contract(s) based on information contained in this RFP and any subsequent presentations and negotiations.

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SCHEDULE "D" INSTRUCTION TO TENDERERS

Instructions to Tenderers

Please read the following instructions carefully. Failure to comply with the requirements of these Instructions to Tenderers may cause the return or rejection of your Tender.

1.0 THE PURCHASER

- 1.1 This Invitation to Tender ("RFP") is issued by The Central Bank of Eswatini.

2.0 RIGHTS OF THE CENTRAL BANK OF ESWATINI

The Central Bank of Eswatini, in its sole discretion reserves the right to:

- 2.1 Accept or decline any proposal issued by a prospective Tenderer;
- 2.2 Award the contract for the **Name of Tender** based solely on a proposal received without entering into any further discussion;
- 2.3 Shortlist prospective/ successful Tenderers;
- 2.4 Refrain from issuing any contract
- 2.5 Award the tender in its entirety or in part
- 2.6 Extend without notice, the evaluation period

3.0 TENDER PREPARATION

- 3.1 The submission of the RFP must be strictly in accordance with these instructions, including the information described in "SCHEDULE B" "Scope of Work"
- 3.2 Tenders must be prepared and submitted in strict accordance with the RFP documentation. In the event of the tender being awarded, the successful Tenderer(s) will be required to enter into a formal Contract. No valid contract shall exist between the parties unless the parties have entered into a valid written contract.
- 3.3 Preparation of the Tenders, including but not limited to attendance at any pre-tender meetings, site visits and tender clarification meetings or presentations, shall be at the sole expense of the Tenderer.

4.0 TENDER SUBMISSION

- 4.1 Submitted Tenders must be complete in all respects and received on or before the tender closing date and time specified in the RFP invitation letter
- 4.2 Electronic copies should be sent to this email address: tenders@centralbank.org.sz

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- 4.3 The Tenders shall be submitted without review by, or the comparison of figures of, any other person or company submitting a tender for the same work and shall in all respects be without collusion with other Tenderers. Where collusion is discovered by the CBE all affected Tenderers shall be disqualified.
- 4.4 All Companies forming a joint venture (whether one or both companies has bought a Tender) in order to submit a single consolidated tender shall advise The CBE in writing prior to the submission of the tender and include in their tender full details of the joint venture including a copy of the signed joint venture agreement. It is left to the discretion of the CBE to accept such joint venture. Where The CBE has not been informed of such joint venture The CBE may at its sole discretion disqualify such submission.

5.0 LATE RECEIPT OF TENDERS

- 5.1 Tenders received after the Tender closing date and time will be disqualified by The CBE, with or without notice to the Tenderer.

6.0 EXAMINATION OF RFP AND ACKNOWLEDGEMENT

- 6.1 In the event that a Tenderer that is invited to tender does not intend to do so, the complete RFP including but not limited to all attachments, information, documents and material related thereto and any copies made thereof shall be returned to The CBE within three (3) days of receipt of the Tender documentation.
- 6.2 The Central Bank of Eswatini may modify any part of the RFP at any time prior to the closing date of the tender. Modifications to the RFP will be made in the form of addenda to the RFP and will be transmitted simultaneously to all Tenderers.
- 6.3 The Tenderer is responsible for the examination of the RFP and any addenda thereto including any special conditions or provisions which may affect the performance of the services to be rendered in terms of the tender. Should the Tenderer find discrepancies or omissions in the RFP the Tenderer shall notify The CBE in writing immediately on discovery of any discrepancy or omission.

7.0 SITE INSPECTION AND CONDITIONS

- 7.1 The Tenderer is responsible for making arrangements it considers necessary to become fully informed regarding all conditions that might in any way affect the performance of the services rendered in terms of the tender.

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- 7.2 Failure by the Tenderer to satisfactorily investigate the conditions as aforementioned shall not relieve the Tenderer from the responsibility for properly estimating the difficulty or the cost of fulfilling its Tender.

8.0 TENDER VALIDITY, MODIFICATION AND WITHDRAWAL OF TENDERS

- 8.1 The Tenderer may modify or withdraw its tender provided that notification of such withdrawal or modification is received by the CBE in writing prior to the closing date. Withdrawal or modifications will be acknowledged by the CBE by means of facsimile, e-mail or hand delivered letter to the respective Tenderer.
- 8.2 Once submitted, the tender shall be fully binding upon the Tenderer and must be valid for a period of 3 months from the date of submission of the tender.

9.0 CRITERIA TO BE USED IN EVALUATION OF PROPOSALS

- 9.1 The CBE will evaluate all proposals submitted in accordance with the criteria indicated in "SCHEDULE C" of this RFP.
- 9.2 The CBE in its sole discretion reserves its right to apply weightings to the criteria listed in "SCHEDULE C".
- 9.3 The CBE will not divulge its final selection criteria to any prospective Tenderers nor will it be obliged to furnish any reasons for its selection(s).

10.0 AWARD OF CONTRACT

- 10.1 The CBE reserves the right to accept or reject any or all tenders, to waive any provision or deviate from the RFP process or any formality with regard to tenders received and to accept or reject one or more of the items in the tender if such items, at The CBE's sole discretion, is in the best interest of CBE.
- 10.2 The CBE shall not be bound by the lowest price contained in any tender, and it may accept all or any part of a tender. It shall not be liable for any costs or expenses or damages whether direct or indirect, incurred by any Tenderer who submits a tender, irrespective of the outcome of such tender. If, however, any such tender leads to the conclusion of a contract, then the rights and obligations of The CBE and the Tenderer shall be governed solely by the provisions of the mutually agreed and signed written agreement between the parties.
- 10.3 The CBE reserves the right to invite the Tenderers, prior to the date of award and/or allocation of its tenders, to discuss any matter relating to the tender and/or to issue supplements or addenda to the tender.

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11.0 QUESTIONS AND EXPLANATIONS

- 11.1 All queries and communication in relation to this RFP shall be directed in writing to the Secretary to the Tender Committee at tender@centralbank.org.sz prior to the tender closing date, all questions and clarifications arising from this RFP and CBE's responses thereto will be transmitted or distributed to all Tenderers.

Any Tenderer desiring any explanation or interpretation of this RFP must request it in writing from:

The Secretary of the Tender Committee

The Central Bank of Eswatini

tenders@centralbank.org.sz

All Correspondence shall bear the reference:

"Name of Tender - Tender number."

12.0 AMENDMENTS AND CLARIFICATIONS

- 12.1 The CBE reserves the right, after receipt of the tender submissions, to invite the Tenderers(s) for clarification, presentation or negotiation of its tender. Any such clarifications, presentations or supplements shall be considered to form part of the tender submission. Any such discussion, issue of supplements or addenda or invitation to clarify or negotiate, should not be construed as an acceptance, award or allocation of the tender to that particular Tenderer.
- 12.2 No amendments to the provisions contained in this RFP will be binding on the CBE. Written addenda will however be issued by CBE when amendments and/or clarifications to the RFP are deemed necessary. The CBE reserves the right to make whatever amendments or clarifications that in its view are reasonably necessary at any time.
- 12.3 The CBE shall provide a written notice of any addenda issued to all known recipients of the RFP. CBE shall however, not be responsible for any prospective Tenderers failure to receive any addenda. The prospective Tenderer shall be solely responsible for ascertaining, prior to submission of its proposal, that any addenda issued have been received.

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SCHEDULE "E" PRICING SCHEDULE

PRICING SCHEDULE TO BE COMPLETED BY TENDERERS

RFP Name: EXTERNAL AUDIT SERVICES

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Please document any additional costing of financial data on a separate sheet and clearly identify the Tender Name and Number.

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