



Islamic Republic of Afghanistan

Ministry of Economy

Deputy Ministry of Policy and Technical Affairs

Eshteghal Zaiee- Karmondena project (Ez-Kar)

**REQUEST FOR EXPRESSIONS OF INTEREST (REOI)
(CONSULTING SERVICES – FIRMS SELECTION)**

Country: Government of Islamic Republic of Afghanistan
Project: Eshteghal Zaiee – Karmondena Project (EZ-Kar)
Project ID: P166127
Grant No: IDA Grant D416-AF and ARTF Grant TF-A9092-AF
Reference No. NPA/MoEc/98/CS-2700/LCS
Contract Duration: (18 Months)
Date of Issuance: September 23, 2019
Date of Closing: October 15, 2019

Assignment Title: FM Capacity Assessment & Capacity Building for all Components

Consultancy to cover: Financial management for
Component 1: MoFA EZ-Kar Component 1 PIU
Component 2: IDLG CCAP/ EZ-Kar Component 2 PIU
Component 3: IDLG CIP/ EZ-Kar Component 3 PIU
Component 4: KM KMDP/ EZ-Kar Component 4 PIU
Component 5: MoEc EZ-Kar Component 5 PIU

Background

1. The Government of Islamic Republic of Afghanistan (GoIRA) has received US\$ 50 million from the Afghanistan Reconstruction Trust Fund (ARTF) and US\$ 150 million from the World Bank's International Development Association (IDA) towards the Eshteghal Zaiee – Karmondena Project (EZ-Kar) spread across the Ministry of Foreign Affairs (MoFA); Deputy Ministry of Municipalities of Independent Directorate of Local Governance (IDLG-DMM); Kabul Municipality (KM); and the Ministry of Economy.
2. The EZ-Kar aims to strengthen the enabling environment for economic opportunities in cities with a high influx of displaced populations. (Refer annex for links to key project documents). To achieve intended Project's outputs and outcomes, the implementing entities need financial management systems to effectively plan, budget and execute projects activities in a timely manner and in accordance with applicable control framework. To meet decision-making, management, and reporting

needsthe entities financial management system should be able to maintain accurate and reliable records as well as produce information and reports at appropriate times.

3. The PEFA assessment 2018 illustrates the persistence of PFM challenges in Afghanistan. Significant issues exist throughout the PFM cycle, including low budget credibility, imperfect disclosure of public finances, poor asset and liability management, anomalies in budget execution, low standard of financial reporting, and lack of audit independence. As the development project largely relies on the country systems, the inherent weaknesses impact project performance. Further, due to the low capacity environment, significant deviations are noted in compliance with applicable control framework during project implementation.
4. Financial management reviews of the ARTF and IDA financed projects identified numerous issues of weak fiduciary oversight including; i)lack of coordination between agencies implementing a project and also the program and finance teams of the projects; ii) excel based book keeping limiting data accuracy and completeness; iii) ad hoc management reporting that restrains timely decision making; iv) low budget credibility as budget estimates are not based on work plans; v) significant unadjusted advances due to absence of a monitoring system; vi) inadequate record keeping by the communities implementing project financed schemes; vii) limited capacity information systems to monitor physical and financial progress; and viii) delayed payment processing due to absence of notified service standards.
5. As recipient of the ARTF and IDA grants, GoIRA and the project implementing entities are required to maintain adequate financial management arrangements in accordance with the grant agreements in respect of the above-mentioned projects. The grant agreements require each project implementing entity to maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the World Bank, in a manner adequate to reflect the project operations, resources and expenditures. Project Appraisal Document (PAD) of each project provides an overview of the financial management arrangements agreed at project appraisal. To facilitate the projects, the Financial Management Manual (FMM) for ARTF and IDA financed projects (adopted on February 21, 2019) has been prepared that explains the process, controls, responsibilities and timelines for the projects in detail. For each process, the FMM defines key tasks, responsibilities, specific steps and timelines so it also serves as a benchmark for management to measure its performance. The project implementing entities require technical assistance to strengthen their financial management systems to make them compliant with FMM.
6. The MoEc, in its role as lead IA for the EZ-Kar, will also serve as the lead agency for this procurement and contract management, across all IAs and all Components. While the actual procurement of this Consultancy will be handled by the National Procurement Agency (NPA) of Afghanistan, representatives from all four IAs will participate in the evaluation, shortlisting and/or scoring of Expressions of Interest (EoIs), technical and financial proposals, etc. The MoEc EZ-Kar PIU will serve in coordination of all procurement activities between the NPA, the World Bank and the 4 IAs. The Contract itself will be made between the Consultant firm and the MoEc.

1. Objectives

The assignment's objective is to support the implementing entities of the EZ-Kar in maintaining satisfactory financial management arrangements in full compliance with the financial management manual, government regulation, the World Bank fiduciary guidelines and relevant best practices.

2. **Scope of Work:** For acquiring information on the scope of the services, you can access the draft ToR under the above-mentioned assignment title and reference number from the NPA website: www.ageops.net.

National Procurement Authority on behalf of Ministry of Economy (MoEc) now invites eligible consulting firms (“Consultants”) to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services.

4. Qualification Requirements/Short listing Criteria:

The short-listing criteria are:

- a) The Consultant should be a registered legal entity and should have been in business for the last 5 years in providing Consultancy Services. (The consultant is required to provide the Copy Certificate of Incorporation issued by relevant authority in country of establishment).
- b) The Consultant shall demonstrate having sound financial standing by submitting audited financial reports or any other credible financial documents for the last three years (2016, 2017 and 2018) where the consultant’s turnover for any of the last three should be **USD 800,000 (Eight Hundred Thousand US Dollar)**
- c) The consultant shall provide proven experience for completed a minimum of one contract with the value of **USD 640,000 (Six Hundred Forty Thousand US Dollar)** having executed during last 5 years of similar nature indicating the duration, value and years of performance, which should showcase the expertise/ strength of the consultant for undertaking such assignments.

Guidance Note for JV and Sub-Consultants:

The requirements for Consultants who intends to associate with other firm(s) in the form of a Joint Venture (JV) or Consortium or a sub-consultancy to enhance their qualifications are indicated as under:

- I. The lead partner is required to be identified clearly and state the composition and nature of their association (JV/ sub-consultant) in their EOI.
- II. In case of JV, both the lead and partners shall meet all the requirement indicated above.
- III. In case of Consultant who intends to associate with other firm(s) in the form of a sub-consultancy, the lead partner **shall provide valid reason for proposing a sub-consultant.**

Note: The Consultant should explain the exact role played by the Consultant in the assignment if the assignment was carried out in association with other firms as JV.

- a) The Consultant should furnish only true and factual information in the EOI (for itself, its partners and sub-consultant(s), if any). By an act of submission of an EOI against this REoI, the Consultant shall be deemed to be aware that for any misrepresentation by the Consultant in regards to its EOI including any qualification documents/information about the consultant itself, its partner and/or sub-consultant detected at any stage of selection process or during execution of the resultant contract, if successful, the Consultant will be prosecuted under the Laws of Afghanistan.

5. Eligibility requirements in compliance with the **Procurement Regulations for IPF Borrowers – July 2016 revised November 2017 and August 2018** the consultants should also provide a copy of the certification of incorporation/business license.

A consultant firm will be selected through **LCS** following open international market approach method as defined in **Procurement Regulations for IPF Borrowers – July 2016 revised November 2017 and August 2018**.

Further information can be obtained at the address below during office hours, i.e. 08:00 to 16:00 hours Kabul standard time. Electronic queries will be entertained.

Expressions of interest must be delivered in a written form to the address below (in person, by mail, or by e-mail) by **October 15, 2019 15:00 Hrs (Kabul Local Time)** duly quoting the case's reference number i.e. **NPA/MoEc/98/CS-2700/LCS**

The EOI with all details should, preferably, not exceed 40 pages in total and information may be provided as per annexure 1.

For EOI submission purpose only:

Attention: Safiullah Alokozai
Head of Secretary (Bids/ Proposals Opening Committee)
National Procurement Authority (NPA), AOP
Pashtunestan Wat, Kabul, Afghanistan
Phone Number: +93(0)202147556
Email: safiullah.alokozai@npa.gov.af (copy to Mirwais.Rahimi@npa.gov.af, ahmad.naqshbandi@npa.gov.af , hamedfhamidy@gmail.com and fahimraheenjr@gmail.com)
Web site: www.ageops.net

For Clarification purpose only:

Attention: Nasir Ahmad Mohammadi, Procurement Specialist, Project Analysis and Project Development Directorate, National Procurement Authority (NPA), AOP
Pashtunestan Wat, Kabul, Afghanistan
Phone Number: +93(0)202147488|
Email: nasir.mohammadi@npa.gov.af (copy to Aziz.obaidi@npa.gov.af, wais.rahimi@npa.gov.af
Web site: www.ageops.net

Annexure 1: Format for Expression of Interest

The expression of interest must be submitted as per the following format:

{Note: In case documents submitted are in any language other than English, the consultant should submit a self-certified copy of the translated document in English (along with originals).}

SECTION 1: Organization Details (In case the EoI is being submitted as a Joint Venture, the information has to be submitted for the Lead Partner as well as other members of the Joint Venture separately.)

Part 1: Organisation Detail			
I.	Name of the Organization		
II.	Details of the Organization	<ul style="list-style-type: none"> • Address of the Registered Office: • Telephone: • Facsimile: • Website: 	
III.	Information about Organization	<ul style="list-style-type: none"> • Year of Establishment: (copy the incorporation certificate shall be provided) • Status of the Organization: (Public Ltd./Private Ltd./LLP etc.) 	
IV.	Name and designation of the person authorized	<ul style="list-style-type: none"> • Name • Designation • E-mail • Contact Number 	
V.	Annual Turnover for any of the last three (3) Financial Years	Financial Year	Annual Turnover (USD)
		2016	
		2017	
		2018	
VI.	Number and qualifications of Personnel		
Part 2	EOI Respondent firm needs to mention its core business areas and any other relevant details / experience in a descriptive format. EOI Respondent firm needs to mention its Technical and managerial capability for executing the scope of services.		
Please provide a response with details in not more than 2 pages			

SECTION 2: Documents to be submitted

	Information to be provided	Documentary Evidence to be Provided	Page number as part of Annexure
a	a) The Consultant should be a registered legal entity and should have been in business for the last 5 years in providing Consultancy Services. (The consultant is required to provide the Copy Certificate of Incorporation issued by relevant authority in country of establishment).	Copy Certificate of Incorporation issued by relevant authority in country of establishment	
b	The Consultant shall demonstrate having sound financial standing by submitting audited financial reports or any other credible financial documents for the last three years (2016, 2017 and 2018) where the consultant's turnover for any of the last three should be at least USD 800,000 (Eight Hundred Thousand US Dollar)	<p>Statutory Auditor's certificate (i.e. FY 2016, FY 2017, FY 2018) that provides the information explicitly as per the specific requirement of the criterion.</p> <p>OR</p> <p>Financials statements duly certified by the Chartered Accountant</p> <p>OR</p> <p>Self-certification by the authorized signatory of the EoI mentioning the Annual Turnover for any of the last Three (3) years supported by financial statements or Annual Auditor Reports (for FY 2016, FY 2017, FY 2018) clearly indicating the annual turnover.</p> <p>Please note: The annual turnover quoted must be the annual turnover of the EoI Respondent firm/Lead Partner/JV and not its parent/child company The contact detail (email and phone number with address) for the auditors shall be provided for verification purposes.</p>	

	Information to be provided	Documentary Evidence to be Provided	Page number as part of Annexure
c	<p>The consultant shall provide proven experience for completed a minimum of one contract with the value of USD 640,000 (Six Hundred Forty Thousand US Dollar) having executed during last 5 years of similar nature indicating the duration, value and years of performance, which should showcase the expertise/ strength of the consultant for undertaking such assignments.</p> <p>The consultant should provide proven similar nature indicating the duration, value, years of performance, which should showcase the expertise/strength of the consultant for the undertaking such assignments. The Consultant while describing the assignment(s) for similar experience should furnish the following details:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Consultant should explain in what way the executed assignment(s) was/were similar in nature to the current assignment. <input type="checkbox"/> The Consultant should explain the exact role played by the Consultant in the assignment if the assignment was carried out in association with other firms as JV or in sub-consultancy for carrying out the assignment. 	<p>Details of the experience should be submitted as per format in Section 3.</p> <p>Please note: <i>The credentials cited under this must have been executed by the EoI Respondent or the Lead/JV partner and not its parent/child company</i></p>	
d	<p>Consultant having some regional experience is desirable.</p>	<p>Details of the experience should be submitted as per format in Section 3.</p>	

	Information to be provided	Documentary Evidence to be Provided	Page number as part of Annexure
		<p>Please note: <i>The credentials cited under this must have been executed by the EoI Respondent or the Lead/JV partner and not its parent/child company</i></p>	
e	<p>The requirements for Consultants who intends to associate with other firm(s) in the form of a Joint Venture (JV) or Consortium or a sub-consultancy to enhance their qualifications are indicated as under:</p> <p>I. The lead partner is required to be identified clearly and state the composition and nature of their association (JV/ sub-consultant) in their EOI.</p> <p>II. In case of JV, both the lead and partners shall meet all the requirement indicated above.</p> <p>III. In case of Consultant who intends to associate with other firm(s) in the form of a sub-consultancy, the lead partner <u>shall provide valid reason for proposing a sub-consultant.</u></p> <p>I. The short listing criteria provided under Part 4 above (Qualification Requirements/Short listing Criteria), paragraphs (b) and (c) will not be applied for sub-consultant.</p>		

SECTION 3: Format for furnishing details of Credentials / Past Experiences for projects in undertaking related or similar assignment as at Sl. No. 3 of Section 2. The information need to be furnished as per the Format below for each credential.

The project citation should be a maximum of 2 pages per credential/project along with documents as mentioned under Sl. No. 3 of Section 2 (above). The citation need to be furnished for each credential.

Assignment name:	Country: Location within the country
Name of Client:	Address: Email and Phone No.

Name of the Legal Entity in whose name the contract is:	Duration of assignment (months):
No. of man month of the assignment:	Start date (Month/year): Completion date (Month/year):
Approx. value of the overall contract (in USD):	Approx. value of the services provided by your firm under the contract (in USD):
Name of associated organizations, if any:	Role of Consortium member:
Narrative description of the Project:	
Detailed Scope of services, coverage of the project: <ul style="list-style-type: none"> • <i>Consultant should explain in what way the executed assignment(s) was/were similar in nature to the current assignment</i> • <i>The Consultant should explain the exact role played by the Consultant in the assignment if the assignment was carried out in association with other firms as JV or in sub-consultancy for carrying out the assignment.</i> • <i>Key-person inputs provided by the Consultant in executing the assignment giving particulars such as qualification and experience of Key staff provided for the assignment (CVs of such key staff are not required to be attached)</i> 	
Relevance of Project to the current scope (i.e. relevant project components in detail)	
Details of the impact of the project for the client:	