



Request for Quotation (RFQ)
Expenditure and Revenue Verification
for the
Med SE(A)CAP integration through uniform adapted
assessment and financing methods, mainly targeting
buildings in education and health sectors, for
sustainable development goals in a smart society
SEACAP 4 SDG (C_B.4.3_0058)

Financed in the framework of the ENI CBC Mediterranean Sea Basin Programme 2014-2020



SEACAP 4 SDG



The enclosed document is prepared by the Lebanese Center for Energy Conservation (LCEC).

March 2022 - Beirut, Lebanon



I. Background

A. About ENI CBC MED

1. ENI CBC Med (the Programme) is the largest Cross-Border Cooperation (CBC) initiative implemented by the European Union (EU) under the European Neighbourhood Instrument (ENI). Through calls for proposals, ENI CBC Med finances cooperation projects for a more competitive, innovative, inclusive and sustainable Mediterranean area.
2. The Programme has a budget of € 209 million for the 2014-2020 period and the Managing Authority (MA) is the Autonomous Region of Sardinia in Italy.
3. Some of the main challenges addressed by the projects selected for funding in the framework of the Programme are the creation of innovative start-ups, the development of Mediterranean-wide economic value chains, the diversification of tourism, technological transfer, the inclusion of women in the labour market, better management of waste, water and coastal areas, and the improvement of energy efficiency in public buildings.

B. About SEACAP 4 SDG

4. Territories surrounding the Mediterranean Sea face similar specific issues with the adaptation to mitigation of climate change, specifically regarding energy efficiency and renewable energy measures in public buildings. It is thus proposed that they work together on a strategy to capitalize on reference projects' results.
5. SEACAP 4 SDG will consider the Sustainable Energy Access and Climate Action Plans (SE(A)CAP) background, under a common vision, strategy and evaluation tool, to achieve Med SE(A)CAP integration through uniform adapted assessment and financing methods, for sustainable development goals in a smart society.



6. SEACAP 4 SDG capitalizes on the outputs and outcomes of 10 projects, identifying characteristics to be generalized, and by adapting gained knowledge to maximize efficiency and effectiveness of energy refurbishment strategies adapted to local Mediterranean specificities, notably energy poverty.
7. These outputs and outcomes will be implemented in 9 cities around the Mediterranean, selected using an approach developed under of the European City Facility initiative.
8. Considering the Covid-19 pandemic and the global economic downturn, the project will focus primarily on education and health buildings. Buildings have high energy consumption and the intervention in public schools is critical, being a relevant part of buildings stock with a low/often unknown energy performance.
9. SEACAP 4 SDG is being implemented in eight Mediterranean countries and involving nine organizations: Nice Côte d'Azur Metropolis representing Euromed Cities Network, Arab Academy for Science, Technology and Maritime Transport, University of Patras- Special Account for Research Grants, Naples Agency for Energy and Environment, Royal Scientific Society, Lebanese Center for Energy Conservation, Catalonia Institute for Energy Research, Valencia Institute for Energy Research, Mediterranean Centre for Renewable Energy.
10. SEACAP 4 SDG will be implemented over a duration of 18 months starting december 2021.
11. For more information about SEACAP 4 SDG, please visit the following website:
<https://enicbcmed.eu/projects/seacap-4-sdg>

C. About LCEC

12. The Lebanese Center for Energy Conservation (LCEC) is an independent organization at the Ministry of Energy and Water in Lebanon. It is a technical point of reference specialized in renewable energy and energy efficiency.



13. LCEC works on setting national strategies and action plans to be adopted by the Lebanese Government and on the implementation and quality control of national projects and initiatives in the country. LCEC is also involved in the update and development of the legal and administrative framework needed for the greening of the energy sector.
14. LCEC provides both the public and private sector with expert advice, finance and accreditation, develops energy efficiency standards and labels, and provides national energy database indicators.
15. For more information about LCEC, please refer to the following website: <http://lcec.org.lb/en/LCEC>

II. Statement of Work

A. Important Notes

16. The objective of this Request for Quotation (RFQ) is for LCEC to select one Financial Auditor for SEACAP 4 SDG activities in Lebanon, following the National Procedures of ENI CBC Med.
17. Once selected and before signing the contract, the Financial Auditor has to be endorsed by the Control Contact Point (CCP) of ENI CBC Med in Lebanon.
18. CCPs are appointed in each participating country to support the Managing Authority (MA) in the control tasks related to project expenditure verification.
19. CCPs endorse the Auditors selected by Lead Beneficiary and Partners and check the Expenditure Verification Reports (EVR) if needed.
20. The proposers are invited to carefully read this document along with the Annexes.
21. All information included in all the pages of this document and its Annexes are an integral part of this RFQ.
22. Throughout the document, SEACAP 4 SDG will be referred to as “the Project”.



23. The Grant Contracts foresee three types of reports: Progress, Interim and Final. Each report has a specific goal with a narrative and a financial section.
24. The project submits a two "Progress" reports, one "Interim" report and one "Final" report by the end of the Project implementation period. All reports provide narrative and financial information.
25. Only Interim and Final reports are supported by auditor's reports (Expenditure Verification Reports – EVR).
26. The reports are addressed to the MA and the Joint Technical Secretariat (JTS) via the proper channels.
27. The Joint Technical Secretariat (JTS) is composed of international staff recruited through a public procedure. It operates by the Autonomous Region of Sardinia (Cagliari). The JTS performs a supporting function to assist the MA and other Programme bodies, and a direct function in coordination with the MA. The JTS is the initial reference for the beneficiaries on Project implementation.

B. Responsibilities

28. The tasks of the Auditor appointed by LCEC would include the following:
 - a) Verify that goods and services have been delivered and the works have been performed;
 - b) Verify that the expenditure declared by LCEC relates to the eligible period or previous ones and it has been paid;
 - c) Verify the compliance with applicable rules (including eligibility rules), also including procurement and visibility requirements;
 - d) Verify the compliance of the expenditures with the approved Project and the signed Grant Contract;
 - e) Check the related documents and accounting on avoidance of possible double funding;



- f) Verify the adequacy of supporting documents;
 - g) Check the registration of the expenditure in the accounting records of LCEC and that the expenditure is determined according to the accounting standards and the usual cost accounting practices applicable to LCEC;
 - h) Check the record-keeping and archiving rules for the documentary evidence related to the implementation of the Project; and
 - i) Notify irregularities and suspicion of fraud or corruption, as the case may be.
29. The selected Financial Auditor will verify the expenses declared in each payment claim under SEACAP 4 SDG, according to the Programme rules and procedures and the requirements of the Grant Contracts for each Project, to be issued as an Expenditure Verification Report (EVR) for each Project.
30. EVR is the document issued by the Auditor appointed by LCEC for the verification of expenses.
31. The financial Auditor must ensure to carry out an on site verification as needed and at least once during the verification of each EVR, in order to verify the original supporting documents, the procurement procedures, the outputs of the Project, the evidence of services, works, equipment, goods co-financed through the Projects, the adequacy of the accounting systems. A list of Project outputs will be produced and signed by the auditors as attachment to the EVR.
32. The expenditure verifications shall be carried out according to formats and checklists agreed with the MA and their outcome will be the EVR that will be attached to each payment request following the initial pre-financing. The Financial Auditor will have to verify the analytical report expenditure by expense, indicating for each individual expense, the compliance or not, the amount of ineligible expenses and the reasons for non-eligibility.
33. The Financial Auditor will have to verify the compliance with the auditing rules and complete all the needed documentation.



34. The Financial Auditor may need to process the model forms online through a Management Information System (MIS), if requested, as a final result of the verification.
35. The Financial Auditor is responsible for performing the agreed-upon procedures described in Annex 2 with due care and full respect of the Code of Ethics therein indicated, as well as submitting the reports to LCEC with its annexes, according to the templates and procedures established in the Annex.
36. LCEC is responsible for providing the Financial Report, as well as giving access to its accounting, supporting documents and Project documentation and physical investments to the Auditor, so that the procedures described in Annex 2 can take place in due time and without restrictions.
37. In case of identification of suspected and/or established fraud, the Financial Auditor shall submit the Report on suspected and/or established fraud (Annex 7) without delay directly to MA. This report shall not be submitted to LCEC.
38. Should the MA, JTS or the CCP have any doubt concerning the findings indicated in the EVR, the Auditor will receive a request for clarification via LCEC, which will be answered in a maximum of 7 calendar days.
39. The MA, the JTS or the CCP may carry out quality control of the work carried out by the Auditor, including the examination of the working papers, at any moment during the execution period of the Grant Contracts.
40. As a result of the quality control, the MA may request the early termination of this contract. Such termination shall be free of charge for LCEC.
41. As a result of the quality control, the CCP may remove the Auditor from the long (or short) list of authorized auditors or, in case of no list, the MA and the respective Lead Beneficiary of the Project may exclude the Auditor from any work in the framework of the Programme. The MA will immediately inform the CCP of the concerned country in order to take the appropriate actions.



- 42. The Auditor will attend the specific trainings and meetings for auditors organized by the competent Programme bodies. The MA may request the termination of the contract of the Auditor not attending these events.
- 43. EVR shall be revised by the MA and JTS after submission by LCEC. The CCP may assist the MA / JTS in the revision of these reports.

C. Implementation of Tasks and Audit Duration

- 44. The start date for implementation shall be the date of signature of the contract by both parties.
- 45. The EVR shall be delivered to LCEC within 30 calendar days from submission of the financial report by the LCEC.
- 46. Only Interim and Final reports are supported by auditor’s EVR.
- 47. In case of project extension requiring an additional expenses verification, the selected auditor shall deliver the required verification within the requested periods.
- 48. The table below shows the deadlines of submission for each of the Projects’ EVRs:

Table 1 Projects Reports Deadlines

Type of the Report	Months Covered by the Report – Reporting Period	Deadline for Submission of EVR
Interim	0-8	Within 2 months after the end of the reporting period
Final	9-18	Within 3 months after the end of the reporting period



III. Requirements for Quotation

A. Qualification of the Audit Firm

49. The expenditure verification required by ENI Implementing Rules (Article 32) shall be carried out by private external audit firms only.
50. The Financial Auditor/Auditing Firm must be registered at the Lebanese Association of Certified Public Accountants according to the requirements set by ENI Implementing Rules (Article 32) and in compliance with the national requirements.
51. The Financial Auditor should have experience in at least one Project under ENI CBC Med and/or ENPI CBC Med.

B. Documents to be submitted with the Quotation

52. Company profile (short info up to 1 page).
53. Copy of Company's Registration Certificate.
54. Full reference list demonstrating previous experience in ENI CBC Med Projects and/or ENPI CBC Med.
55. The documents shall be signed and stamped by a person duly authorized to bind the Auditor to the contract.

C. Submission Details

56. Deadline for the submission of quotation is 31 March 2022 at 2:00 p.m.
57. Any quotation received after the mentioned date and time will be rejected.
58. Submittals must be delivered to the LCEC offices at the following address: Ministry of Energy and Water (MEW), Corniche du Fleuve, 1st Floor, Room 303.
59. LCEC may, at its discretion, extend the deadline for the submission of proposals, in which case all rights and obligations of LCEC and the applicants subject to the previous deadline shall thereafter be subject to the deadline as extended.



For all questions, comments, suggestions, and clarifications regarding this proposal, communicate with LCEC **ONLY by email** to: energy@lcec.org.lb.

D. Quotation Details

60. The quotation must be submitted in Euro and exclusive of VAT.
61. The period of validity of quotation is 90 days and it starts on the submission deadline date.
62. In exceptional circumstances, LCEC may request the Proposer to extend the validity of the quotation beyond what has been initially indicated in this RFQ. The Proposer shall then confirm the extension in writing, without any modification whatsoever on the quotation.
63. At any time during the validity of the quotation, no price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted by LCEC after it has received the quotation.

IV. Evaluation Criteria and Selection of Auditor

64. Offers will be reviewed based on the following:
 - a) Completeness and compliance of the quotation with the minimum specifications described above and in the Annexes.
 - b) Full compliance to this RFQ requirements and conditions and lowest price.
 - c) Full acceptance to the Contract terms and conditions.
65. Once selected and before signing the contract, the Financial Auditor has to be endorsed by the CCP of ENI CBC Med in Lebanon.



V. Contract and Payment

66. The contract may be canceled if the delivery/completion by the Auditor is delayed by 30 calendar days.
67. As a result of the quality control, the MA may request to LCEC the early termination of this contract. Such termination shall be free of charge for the Project partner.
68. The contract will be in Euro.
69. All payments under the contract will be made in Euro.
70. The contract amount shall be disbursed upon achievement and approval of the corresponding milestones for the project in accordance with the below table:

Table 2 Payment Schedule per Project

Milestone	Payment Percentage
Contract Signature	30%
Interim Report	30%
Final Report	40%

71. The table below shows the processing time needed for some of the Auditor's activities.

Table 3 Key Dates

Activity	Maximum Allowed Processing Time
The contract may be canceled if the delivery/completion of any of the tasks by the Auditor is delayed by 30 calendar days	30 calendar days
The EVRs shall be delivered to LCEC within 30 calendar days	30 calendar days
The Auditor shall respond to any clarification request from LCEC within a maximum of 7 calendar days	7 calendar days



VI. General Terms and Conditions

A. Settlement of Disputes and Applicable Law

72. The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this Contract or the breach, termination or invalidity thereof. In case amicable efforts fail, the settlement of disputes will take place in the courts of Beirut according to Lebanese laws and regulations.

B. Data Protection

73. Any personal data included in the contract shall be processed with the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 (GDPR - General Data Protection Regulation) on the protection of individuals with regard to the processing of personal data. The data shall be processed solely for the purposes of the performance, management and monitoring of the contract by the Lead Beneficiary/Project partner without prejudice to possible transmission to the bodies charged with monitoring or inspection in application of EU law. The Auditor shall have the right to access his/her personal data and to rectify any such data.

74. The Auditor shall undertake to adopt technical and organisational measures to address the risks inherent in processing and in the nature of the concerned personal data and limit access to the data to staff strictly needed to perform, manage and monitor this contract.



VII. Annex

- 1- Declaration Form
- 2- Expenditure Verification Procedure
- 3- Control Checklist
- 4- Individual Report
- 5- Consolidated Report
- 6- List of Findings
- 7- Suspected Fraud
- 8- List of Contracts
- 9- Template Auditing Contract
- 10- Project Fiche