

Government of the People's Republic of Bangladesh
Department of Public Health Engineering
Office of the Project Director



Rural Water, Sanitation & Hygiene for Human Capital Development Project
DPHE Bhaban (5th floor), 14, Shaheed Captain Mansur Ali Sarani, Kakrail, Dhaka-1000
Phone: 02-55130517, E-mail: pd.rwshhcd@dphe.gov.bd

Memo No.: 46.03.2600.548.07.005.21-2463

Date: 19/09/2023

**Request for Expression of Interest
(Consulting Services – Firm Selection)**

Country : Bangladesh
Name of the Project : Rural Water, Sanitation & Hygiene for Human Capital Development Project.
Assignment Title : Engagement of Internal Audit Firm.
Reference No. : RWSHP-SD-19

The Government of the People's Republic of Bangladesh has received a loan from the World Bank (with co-financing from Asian Infrastructure Investment Bank -AIIB) to finance Rural Water, Sanitation & Hygiene for Human Capital Development Project and intends to apply part of the proceeds for consulting services. The Department of Public Health Engineering (DPHE), under the Ministry of Local Government, Rural Development and Co-operatives, Government of Bangladesh intends to apply a portion of mentioned credit to engagement an Internal Audit Firm to provide an independent, objective assurance and consulting activity designed to add value and improve the project's operations. It is intended to help the project accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, controls and governance process. The objective is achieved by examining, evaluating and reporting on the adequacy of the projects control environment via number of individual audit assignments each year. Based on this work, advice and recommendations will be made where necessary, as to how procedures can be improved to manage the risks faced in achieving project objectives.

The primary objectives of the internal audit are to review and report on:

- Reliability of the Financial Management system, financial data and report at all tiers of operation;
- Adequacy and effectiveness of the accounting, financial and operational controls;
- Internal Control Systems: completeness, written instructions, effective implementation and frequency of review and up-dating;
- Level of compliance with the established policies, plans and procedures;
- Interim Unaudited Financial Report (IUFR): completeness, timeliness, occurrence, measurement, recording, regularity including eligibility and propriety; and
- Assets: completeness, existence, recording, safeguard and utilization for the purpose intended.

The overall scope of services of the internal audit is but not limited to:

- Reviewing the operations of the financial management system including the project Financial statements, internal controls and compliance with financial agreements;
- To provide project management with timely information on agencies financial management aspects of the project to enable follow up actions;
- To provide project management with timely information on communities project financial management systems and suggest follow up action ;
- Transactional review of expenditures incurred by PMU on sample basis ;
- Physical verification of work and assets on sample basis.

The audit will be conducted at the Project office and field offices. The audit shall cover the period from July 2021 to December 2025. The duration of the contract might be extended upon extension of the project period and the satisfactory performance of the firm.

Now, DPHE invites interested Audit firm to demonstrate their qualifications and expertise to perform the services. The firm should fulfill the following requirements:

- Age of the firm based on legal establishment;
- Overall Experiences of the firm (s) over the last 10 years.

or

or

or

- Experience in similar assignments with proven track record of development project audit specially IDA funded project with at least the project value of 500 crore in Bangladesh ;
- Proven Experience in conducting internal audit in development partner funded projects.
- Must have at least 10 years' experience of audit management of which proven experience at a management level in the internal control/ internal audit function in public and private entities in Bangladesh.

Besides the above the following are required for eligibility:

- Company Registration and Financial statement (last Year);
- Reputed Registered Chartered Accountant (CA) firm in Bangladesh
- Audit Reports (Last 5 years);
- Bank Solvency Certificate;
- Bank Name, Branch name, account number, account type, closing balance etc.;
- Audited certification has to be attached with the audit report ;
- Project completion certificates from clients for similar projects; and
- Resource personnel qualification for the project.

The attention of interested Audit Firm is also drawn to Section III, Para 3.14, 3.16, and 3.17 of the World Bank's "Procurement Regulations for IPF Borrowers, July 2016 and updated in November 2020," setting forth the World Bank's policy on conflict of interest.

The interested Audit Firm is allowed to submit the Expression of Interest alone if it considers itself to be fully qualified on its own for the assignment, as it is not mandatory for consultants to associate with any other firm(s), whether foreign or local. Alternatively, if consultants themselves choose to associate to enhance their qualifications and capability for the assignment, then such associations may either be as a Joint Venture (i.e. all members of the joint venture shall be jointly and severally responsible) and/or Sub-consultants (i.e. the Consultant will be responsible, including for the services of the sub-consultant). In case of a joint venture all members of such association should have real and well defined inputs to the assignment and it is preferable to limit the total number of firms in the association to a maximum of three.

The audit should be carried out in accordance with the local as well as International Standards as would be applicable for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors and should include such tests and controls necessary for performance of the audit.

The Firm will be selected in accordance with the Quality and Cost Based Selection (QCBS) method set out in the Procurement Regulations. Interested firms should access EOI notice & Terms of Reference (TOR) from DPHE website (www.dphe.gov.bd).

Further information can be obtained at the address of the undersigned given at the letterhead during office hours from 9:00 am to 4:00 pm of Bangladesh Standard Time (BST).

All EOIs (one (01) original + one (01) duplicate copy along with one (01) soft copy in Pen drive) must be submitted in a sealed envelope to the undersigned by 2:00 pm (BST), 10 October, 2023.

The Procuring Entity reserves the right to accept or reject any/all EOI's without assigning any reason whatsoever.

(Md. Tabibur Rahman Talukder)

✓ Project Director ✓

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