**Request for Expression of Interest (REoI)**

**For**

**Hiring a Consulting Firm for the Audit of Financial Statements of Da Afghanistan Bank**

**Country:** Islamic Emirate of Afghanistan
**Name of Project:** Hiring a Consulting Firm for the Audit of Financial Statements of Da Afghanistan Bank.
**Project Duration:** 3 years starting from 01/01/1404 to 30/12/1406.

**Reference No.:** DAB/1404/NCB/CS03.
**Implementing Agency:** Da Afghanistan Bank.
**Duty Station:** Kabul, Afghanistan.

## 1. Background

Da Afghanistan Bank (DAB) was established in 1938 as Islamic Republic of Afghanistan's Central Bank and plays a critical role in the economy and overseeing of the banking system in Afghanistan.

Article 103 of Da Afghanistan Bank law 2003 states that "the Accounts and Records of Da Afghanistan Bank shall be audited in accordance with international Auditing Standards by Independent external Auditors appointed By the Council Of Ministers of Afghanistan."

## 2. Overall Objectives

Auditors shall conduct audit in accordance with International Standards on Auditing (ISA) with the objective of expressing an opinion whether the Financial Statements give a true and fair view of the state of the bank's affairs as at the statement of financial position date and its financial performance and of its cash flows for the year ending in accordance with international financial reporting standards and requirements of Da Afghanistan Bank Law.

## 3. Scope of Work

These terms of reference address the requirement for external audit of financial statements of DA Afghanistan Bank for three financial years:

- The remaining two years accounting period auditing shall be 12 months starting from Hamal to Hoot for the years 1404,1405 and 1406.
- Audit will be conducted in accordance with International Standards on Auditing. Those standards require that with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

  the audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected shall depend on the

auditors' judgment, including the assessment of the risks of material misstatement of financial statements, whether due to fraud or error.

The audit procedures shall also include evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements, report will be addressed to the members of Supreme Council of the Bank.

- A draft audit report should be submitted 15 days before the supreme council meeting and final report should be Presented in three months after financial statement date which can allow Da Afghanistan Bank fulfill its legal responsibility of submitting audited financial statements in three months after financial year end to the supreme council.
- External auditors have to present the audit report to supreme council and provide necessary clarifications required by members
- Audit should be carried out in according to ISA (International Standards on Auditing) and DAB Law.
- Sufficient audit evidence should be gathered to substantiate in all material respects the accuracy of financial statements.
- The audit report of the auditors should state if the audit was not in conformity with any of the above and indicate the alternative standards or procedures followed.
- External auditors should arrange a meeting with Chief of audit Committee on necessary basis and at least once in a year.
- The external auditors should examine the reliability and appropriateness of information technology and related systems through which financial statements are prepared and accounts are maintained.
- External auditors should report on appropriateness of internal controls which has direct relation with accuracy of financial statements.

## 4. Reports and Deliverables

With regard to the financial and portfolio audit, the auditor is required to provide the following reports:

- The annual financial statements, after appropriate adjustments, for periods under review: Balance sheet, Profit and Loss Statement, Statement of changes in Shareholders' Equity.
- The basic audit opinion rendered of the financial statements;
- An enumeration and quantification of all adjustments necessary to fairly present the financial statements;
- The Auditor should submit a letter to the management at the completion of the audit that should include the followings:
    a. Auditor's observation on the accounting records, procedures, systems efficiency, Internal Control weaknesses.

b. Recommendations to resolve/eliminate the internal control weaknesses.
c. Management comments/response to audit findings and recommendations.
d. Any other issues the auditor finds relevant from their professional judgment.

In addition to the above, the financial audit report shall be prepared and submitted in Long Form, and shall discuss the following:

- Summary of efforts made by the auditors to verify the reliability of the accounting information processed in the IT system or through manual procedures.
- The auditors must mention any inability to obtain sufficient information or verify any part of work and enter a relevant reservation in judgment.

## 5. Timeline

The total length of the assignment is around 12 weeks for each calendar year.

## 6. Required Personnel

Composition of team for conducting audit of Da Afghanistan Bank should be as following:

| Designation | Number of persons required | Qualifications | Experience |
|---|---|---|---|
| **Team Leader** | One | CA or Equivalent | Seven years of Bank Audit |
| **Senior Auditor** | One | CA or Equivalent | Five years of Bank Audit |
| **Junior Auditor** | Two | Graduate in Commerce or Economics | Three years of Audit |
| **Banking expert** | One | Masters in Finance, banking or related field | Ten years' experience in banking and consulting (organizational and institutional audits) |
| **IT Audit Specialist** | One | Masters in IT or related field | Three years of IT Audit |

Since the audit will be for opinion of auditors on the financial statements which is a thorough process therefore it requires inclusion of qualified team on all the related areas.

Curriculum vitae (CVs) of the principals of the firms who would be responsible for providing the opinions and reports should be provided, together with the CVs of other personnel proposed for the project. CVs for audit personnel should include details on audits carried out by these staff, including ongoing assignments.

Recommended qualifications and experience are detailed below.

**Team Leader**

- Tertiary qualifications
- Member of an internationally recognized accounting professional body

- Minimum fifteen years' experience in the accounting profession
- Minimum seven years auditing experience of financial institutions
- Demonstrated analytical and communication skills
- Demonstrated similar experience in the management of complex engagements

**Senior Auditor**

- Tertiary qualifications
- Member of internationally recognized accounting professional body
- Minimum ten years' experience in the accounting profession
- Minimum five years auditing experience of financial institutions
- Demonstrated analytical and communication skills
- Similar experience in developing countries desirable

**Banking expert**

- Masters in Finance, banking or related field
- Minimum ten years' experience in the banking
- Demonstrated analytical and communication skills
- Demonstrated similar experience in the management of complex engagements

**IT Audit Specialist**

- Masters in IT or related field
- 3years experience of IT audit
- Demonstrated analytical and communication skills

**Junior Auditor**

- Graduate in Commerce or Economics
- Minimum three years' experience in the accounting profession
- Demonstrated analytical and communication skills

## 7. Location of the Assignment

The auditor will be based in the DAB Head-office, Kabul, Afghanistan, and will be able to undertake most of the work from Head-office. The Auditor will be based at the Accounting and Finance Department of DAB Head-office.

## 8. Reporting

The firm will provide regular progress reports on its Auditing to the Management of Da Afghanistan Bank and CFO.

## 9. Administrative Arrangements

DAB will provide the required office space and all necessary logistical arrangements to facilitate the performance of this assignment. These arrangements include lunch and refreshments at the Head Office, as well as breakfast, lunch, dinner, refreshments, and air or land transportation **costs** at the branch offices.

**10. Payment Schedule**

Payment for the audit service shall be made only after completion of the fiscal-year audit, submission of all required deliverables and official review and approval of the final audit report by Da Afghanistan Bank authorities.

**11. Qualification Requirements/Short listing Criteria**

Interested consulting firms ("Consultants") should demonstrate the following:

1. **Legal Status**: Must be a registered with the Islamic Emirate of Afghanistan, provide certificate of incorporation or business license.
2. **Annual Turnover**: The consultant shall demonstrate having a sound financial situation and capacity in the past Five years (should not have incurred losses) by submitting latest financial audit report with an annual turnover of at least **9,463,638 Afghanis** (Nine million four hundred sixty-three thousand six hundred thirty-eight) for any of the last 5 (five) years.
3. **One Similar Contract**: The consultant must provide evidence of having completed at least one similar project completed within the last five years. Value of similar contract must meet at least as follow: **Afghanis 5,161,984** (Five million one hundred sixty-one thousand nine hundred eighty-four).
4. **Two Similar Contract**: The consultant shall also provide proven experiences of having executed at least two contracts of similar nature, each with the value of minimum **Afghani 8,603,308** (Eight million six hundred three thousand three hundred eight).
5. **Financial Capacity**: The consultant should have at least **Afghani 2,150,827** (Two million one hundred fifty thousand eight hundred twenty-seven) as a liquid asset for carrying out the project operations.
6. **Declarations**:

a. Not black-listed by any government agency in Afghanistan.
b. No conflict of interest regarding previous involvement in the project or procurement process.
c. Information in EOI is accurate; misrepresentation will be subject to legal action.

**12. The short-listing criteria are:**

[The short-listing criteria shall be set out objectively and measureable so that a transparent and justifiable selection can be made. The commonly used short listing criteria are defined below. However, the Client can modify/add any other criteria if deemed necessary]

i. The Consultant should be registered legal entity and should have been in existence for the last (5) years in providing Consultancy Services of similar or related assignments. The consultant should provide a copy of the certification of incorporation/ business license with its EOI.

ii. The consultant shall also provide proven experiences of having executed at least one contracts of similar nature and complexity during last 5 years. The consultants are required to provide copies of the contract along with clients' certificate towards completion of such assignments with their EOI.

The Consultant while describing the assignment(s) should furnish the following details:

- Consultant should explain in what way the executed assignment(s) was/were similar in nature to the current assignment and also indicating the input of key experts provided for the same
- 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.

iii. Requirements for Consultants participating as Joint Venture, Consortium or Association:
Consultants may associate with other firms in the form of a joint venture or a sub-consultancy to enhance their qualifications. If consultants intend to associate with other firms, they are advised to clearly identify the lead partner and state the composition and nature of their association (JV/ sub-consultant) in their EOI.
In case associations between the firms are in the form of JV, the following requirements will also apply:

- Only the firm meeting the shortlisting criteria substantially shall act as the Lead Partner of the JV. In case, more than one firm meets the shortlisting criteria substantially, any of the firms may act as the Lead Partner. However, the lead partner needs to be identified in JV agreement or intention of forming JV to be submitted with the EOI.
- Other member(s) of JV also need to have proven experiences of having executed at least one contract of the nature of this assignment during last (5) years, however, the variance in similarity and complexity could be acceptable.

iv. Consultant having some regional experience is desirable
v. Declaration by the Consultant that the Consultant is not black-listed by any Government agencies in Afghanistan
vi. Declaration by the Consultant that the consultant does not have any conflict of interest in terms of taking any assistance / support from individual / firm / consultants who have been part of the Project Assessing the Internal Audit Department of the Da Afghanistan Bank consultancy or the procurement process.
vii. Declaration by the Consultant that the information furnished in EOI is correct and for any misrepresentation detected at any stage of selection process or during execution of the resultant contract if successful, the Consultant to be taken up under the Law of the Land.
viii. The EOI with all details should, preferably, not exceed 40 pages in total.

[The above short-listing criteria are indicative. The PE must ensure defining the criteria that meet their requirements best and appropriately]

## 13. Legal References

ix. The attention of interested Consultants is drawn to 'Chapter 4 - Process of Request for Proposal' of "Rule of Procurement Procedure" issued by Government of Islamic Emirate of

Afghanistan. The consultants are also required to maintain high standard ethics throughout the procurement process. The Consultants' attention is also drawn to Article 16 of Afghanistan Public Procurement Law for compliance. The consultants can download the Public Procurement Law and Procedure from: www.npa.gov.af

x. The Da Afghanistan Bank hereby invites competent and eligible firms to express their interest in providing the above services. Interested firms must provide information and documentation demonstrating that they are qualified to perform the above-mentioned services.

xi. Consultants will be short listed in accordance with Quality and cost Based Selection (QCBS) procedures set out in the Public Procurement Law (17th September 2016) of the Government of Islamic Emirate of Afghanistan. Interested consultants may obtain further information and collect the Terms of Reference at the address below from 8:30 am to 3:30 pm Kabul local time, Saturday to Wednesday.

**14. Submission of Request for the Expression of Interest (REoI)**

Request for Expression of interest (REoI) must be delivered on or before the **10.00 AM (Kabul local time), Monday, 08 December 2025 (1404/09/17)** to the address specified below.

3rd Floor, Procurement Directorate
Da Afghanistan Bank (Central Bank).
Ibni-Sina watt, Kabul, Afghanistan.

The REOI submissions shall be made as: One "Original" REOI is not signed will not be accepted. For any inquiries or clarifications, interested applicants may contact:

Attention:
Mr. Rahmanullah "Zarin" Procurement Manager- Services
Mr. Sayed Anas" Khalili" Procurement Officer – Services a
Ibni-Sina watt, Kabul, Afghanistan
Tel: +93(0)794 151 919 // +93(0)202103940
E-mail: rahman.zarin@dab.gov.af and anas.khalili@dab.gov.af
Copy to:
ihsanullah.ihsan@dab.gov.af
latif.fahim@dab.gov.af
ezatullah.ezat@dab.gov.af

# ANNEXURE 1: FORMAT FOR EXPRESSION OF INTEREST

The expression of interest in English language 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/Sub-Consultant, the information has to be submitted for the Lead Partner as well as other members of the Joint Venture separately/Sub-Consultant.)

| **Part 1: Organisation Detail** | | |
|---|---|---|
| I. | Name of the Organization | |
| II. | Details of the Organization | • Address of the Registered Office:<br>• Telephone:<br>• Facsimile:<br>• Website: |
| III. | Information about Organization | • Year of Establishment:<br>• Status of the Organization: (Public Ltd./Private Ltd./LLP etc.) |
| IV. | Name and designation of the person authorized | • Name<br>• Designation<br>• E-mail<br>• Contact Number |

| | | | |
|---|---|---|---|
| V. | Annual Turnover for the last [3/4/5] Financial Years | Financial Year | Annual Turnover (Million USD) |
| | | | |
| | | | |
| | | | |
| | | Average for three years (Specify Years) | |
| VI. | Number of Personnel | • Total employee strengths on the payroll of the company as on (specify the date)<br>• Number of qualified technical personnel on its payroll or panel working in the area of (specify the area) | |

| | |
|---|---|
| **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 3 pages** | |

**SECTION 2**: Documents to be submitted

| | Information to be provided | Documentary Evidence to be Provided | Page number as part of Annexure |
|---|---|---|---|
| 1 | Firm must be registered legal entity and should have been in existence for the last [3/4/5/8/10] | Copy Certificate of Incorporation issued by relevant authority in country of establishment | |

| | Information to be provided | Documentary Evidence to be Provided | Page number as part of Annexure |
|---|---|---|---|
| | years. Information on their status as a legal entity and submit relevant supporting documents. (In case of JV, it should be met by the lead Partner but need to be submitted for other JV Members/Sub-consultant also) | | |
| 2 | Average annual turnover during the last three years should not be less than equivalent to USD ……... In case of Joint Venture, the turnover criteria should be met by the lead Partner. However, the information need to be submitted for other JV Members/Sub-consultant also) | Statutory Auditor's certificate (i.e. FY xxx, FY xxx, FY xxx) that provides the information explicitly as per the specific requirement of the criterion.<br><br>OR<br><br>Financials statements duly certified by the Chartered Accountant<br><br>OR<br><br>Self-certification by the authorized signatory of the EOI mentioning the Annual Turnover for the last [3/4/5] years supported by financial statements or Annual Auditor Reports (for. . FY 2014, FY 2015, FY 2016) clearly indicating the annual turnover.<br><br>Please note:<br><br>The annual turnover quoted must be the annual turnover of the EOI Respondent firm/Lead Partner and | |

| | Information to be provided | Documentary Evidence to be Provided | Page number as part of Annexure |
|---|---|---|---|
| | | not its parent/child company | |
| 3 | The Consultant shall provide proven experiences to a minimum……...<br><br>maximum of best (xxx) such contracts having executed (by EOI Respondent firm or Lead Partner and not its parent/child company) during last [3/4/5] years of similar assignment (comprising of completed or on-going projects) which should showcase the expertise/ strength of the consultant for undertaking such assignments.<br><br>The information in regard to the experience also need to be submitted for other JV Members/Sub-consultant as separate statements) | Details of the experience should be submitted as per format in Section 3 along with the following documents:<br><br>For completed projects:<br><br>Copy of Contract(s)<br><br>Copy of the Completion Certificate from the client.<br><br>OR<br><br>Copy of the letter from authorised client representative / Self-Certified declaration by authorized Signatory of the EOI Respondent Entity with explicit information about the completion of the assignment.<br><br>For On-Going projects :<br><br>Copy of Contract<br><br>Copy of the letter from authorised client representative / Self-Certified declaration by authorized Signatory of the EOI Respondent Entity stating that scope of services | |

| | Information to be provided | Documentary Evidence to be Provided | Page number as part of Annexure |
|---|---|---|---|
| | | completed till date along with payment realised for the project.<br><br>Please note:<br><br>The credentials cited under this must have been executed by the EOI Respondent or the JV partner and not its parent/child company | |
| 4 | The details of the Consultant's regional experience if any. | List the Contracts executed with details such as contract number, the client detail, period of the contract, value of the contract, brief about the assignment etc. | |
| 5 | Other relevant documents | Declaration that the firm is not black-listed by any Government agencies in Afghanistan<br><br>Declaration that the consultant does not have any conflict of interest in terms of taking any assistance / support from individual / firm / consultants who have been part of the Project…<br>…….consultancy or the bid publication process.<br><br>Declaration by the Consultant that the information furnished in EOI is correct and for any misrepresentation detected at any stage of selection process or during | |

| | Information to be provided | Documentary Evidence to be Provided | Page number as part of Annexure |
|---|---|---|---|
| | | execution of the resultant contract if successful, the Consultant to be taken up under the Law of the Land. | |

**SECTION 3:** Format for furnishing details of Credentials / Past Experiences for projects 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:<br>Location within the country |
| Name of Client: | Address: |
| 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):<br>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:<br><br>Consultant should explain in what way the executed assignment(s) was/were similar in nature to the current assignment and also indicating key experts input for the assignment(s) including their qualifications and experience (CVs of such key staff are not required to be attached)<br><br>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. | |
| Relevance of Project to the current scope (i.e. relevant project components in detail) | |
| Details of the impact of the project for the client: | |
| Copy of Contract(s)? | YES / NO |
| Copy of certificate from the client with explicit information to meet the specific requirement of the criteria attached? | YES / NO |
| Copy of self-certificate with explicit information to meet the specific requirement of the criteria attached? | YES / NO |