

ToR – First Level Control (expenditure Verification) For MEDinCHAMBERS Project (Interreg NEXT MED)

Terms of Reference (ToR)

Call for Proposals: First Level Control (Expenditure Verification)

MEDinCHAMBERS – Interreg NEXT MED Programme

Project Number: A_G_4.1_0342

Contracting Authority: Confederation of Egyptian European Business Associations (CEEBA)

1. Background

The MEDinCHAMBERS **project** is funded under the Interreg NEXT MED Programme and implemented through a transnational partnership. CEEBA participates as a project partner and is responsible for the implementation of project activities and the sound financial management of the allocated budget.

In line with Interreg NEXT MED Programme requirements, all expenditure declared by CEEBA must be independently verified by an approved **First Level Controller (FLC)** prior to submission to the Managing Authority.

CEEBA hereby launches a call for proposals to select a qualified and independent auditor / controller to provide **First Level Control (expenditure verification) services covering four (4) Expenditure Verification Reports (EVRs)** during the 24 months MEDinCHAMBERS project implementation period.

2. Objectives of the Assignment

The objective of this assignment is to provide independent assurance that all expenditures declared by CEEBA under the MEDinCHAMBERS project:

- Comply with Interreg NEXT MED Programme rules, the Subsidy Contract, applicable EU and national legislation;
- Are actually incurred, paid, and recorded in CEEBA's accounting system;
- Are supported by adequate, accurate, and verifiable documentation;
- Respect procurement rules, state aid provisions (if applicable), communication and visibility obligations, and Interreg NEXT MED principles.

Alexandria main office: Alexandria Chamber of Commerce, 31, Chamber of Commerce street, Ramleh, Alexandria info@ceeba.org, <https://ceeba.org>, Tel.: 0020 100 101 4024

- Verification is required of at least 25% of the expenditures

3. Scope of Work

The selected First Level Controller shall perform independent expenditure verification for CEEBA and prepare **four (4) Expenditure Verification Reports**, corresponding to the official reporting periods of the MEDinCHAMBERS project.

The scope of work shall include, but not be limited to, the following tasks:

3.1 Administrative and Financial Verification

- Verification of completeness, correctness, and internal consistency of financial reports;
- Verification that declared expenditure corresponds to approved activities and budget lines;
- Verification that costs are incurred within the eligible period and effectively paid by CEEBA;
- Verification of accounting records and audit trail;
- Verification of correct application of exchange rates, where applicable.

3.2 Eligibility of Expenditure

- Verification of eligibility of costs in accordance with Interreg NEXT MED rules and programme manuals;
- Verification of staff costs (employment contracts, job descriptions, timesheets, payroll, and social contributions);
- Verification of travel and accommodation costs;
- Verification of external expertise and services, equipment, and other relevant budget categories;
- Verification of indirect costs, if applicable.

3.3 Public Procurement and Contracting

- Verification of compliance with EU, programme, and national procurement rules;
- Verification of transparency, competition, and equal treatment principles;
- Verification of procurement files, contracts, invoices, and related deliverables.

3.4 On-the-Spot Checks (if required)

- Carrying out on-the-spot checks at CEEBA premises when deemed necessary to verify documentation, accounting systems, and project implementation.

3.5 Reporting

- Preparation and submission of **four (4) signed Expenditure Verification Reports** using the official Interreg NEXT MED templates and platform;
- Clear identification of validated amounts, ineligible or partially eligible expenditure (if any), and recommendations;
- Timely coordination with CEEBA to clarify findings and address issues prior to final submission.

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4. Deliverables

The contractor shall provide:

- Four (4) Expenditure Verification Reports, duly signed and fully compliant with Interreg NEXT MED requirements;
- Verification checklists and supporting working papers, upon request;
- Written clarification notes for any identified ineligible or doubtful expenditure.

All deliverables shall be submitted in **English**.

5. Duration and Timing

The assignment shall cover the full reporting period of CEEBA under the MEDinCHAMBERS project and shall include:

- Verification and submission of **four (4) expenditure reports**, aligned with the project reporting schedule;
- Completion of each verification within the deadlines agreed with CEEBA to allow timely submission to the Managing Authority.

The contract shall enter into force upon signature and remain valid until acceptance of the fourth Expenditure Verification Report.

6. Profile and Qualifications of the First Level Controller

The auditor / controller must meet the following minimum requirements:

- Legal entity or independent professional legally authorized to provide audit or expenditure verification services;
- The External auditor / controller must be registered in the general register of accountants and auditors in the Ministry of Finance; they must be a colleague of the Egyptian Association of Accountants.
- Must have reviewed the financial statements of at least (3) joint stock companies in the last (5) years.
- The number of employees in the organization must be a minimum of (5).
- They must not reissue any financial statements reviewed in the last (5) years.
- Ensure the payment of all audit, taxes, and social insurances due, and that there are no old debts or any disputed amounts.
- Must have not received any judicial rulings against them in the last (5) years.

- At least **five (5) years of proven experience** in auditing or expenditure verification of EU-funded projects;
- Demonstrated experience with Interreg programmes (ENI CBC or Interreg NEXT MED experience is a strong asset);
- Solid knowledge of EU eligibility rules, public procurement procedures, and financial management requirements;
- Full independence from CEEBA and from the MEDinCHAMBERS project partnership, in line with Interreg NEXT MED rules;
- Availability of qualified staff with relevant professional certifications (e.g. CPA, ACCA, certified auditor) is an asset.

7. Independence and Confidentiality

The First Level Controller must remain fully independent throughout the assignment. The contractor shall ensure strict confidentiality of all information and documentation accessed during the verification process and shall not disclose any information without prior written consent from CEEBA.

8. Contract Type and Payment

The contract shall be a service contract covering **four (4) Expenditure Verification Reports**. Payments shall be made upon satisfactory submission and acceptance of each Expenditure Verification Report, in accordance with the agreed financial offer and payment schedule.

9. Proposal Submission Requirements

Interested bidders shall submit:

- A technical proposal describing understanding of the assignment, methodology, and work plan;
- A company profile and CV(s) of the proposed key expert(s);
- Evidence of relevant experience with EU-funded projects;
- A financial offer indicating the cost per Expenditure Verification Report and the total cost for four (4) EVRs;
- A signed declaration of independence and absence of conflict of interest.

10. Evaluation Criteria

Proposals will be evaluated according to a weighted scoring system combining technical quality and financial offer.

10.1 Evaluation Grid and Scoring Table

Maximum score: 100 points

- Technical Evaluation: 70 points
- Financial Evaluation: 30 points

Only proposals scoring at least **49/70** in the technical evaluation will proceed to the financial evaluation.

A. Technical Evaluation (70 points)

No.	Criterion	Description	Max. Score
A1	Understanding of the Assignment	Understanding of Interreg NEXT MED FLC requirements and the specific context of the MEDinCHAMBERS project and CEEBA	10
A2	Methodology and Work Plan	Quality and suitability of the proposed methodology and timelines for the 4 EVRs	15
A3	Relevant Experience	Experience in expenditure verification / audit of EU-funded projects, preferably Interreg	40
A4	Qualifications of Key Experts	Professional qualifications and relevant experience	15
Total Technical Score			70

B. Financial Evaluation (30 points)

The financial score will be calculated using the following formula:

$$\text{Financial Score} = (\text{Lowest Financial Offer} / \text{Financial Offer of the Bidder}) \times 30$$

The financial offer must specify:

- Cost per Expenditure Verification Report; and
- Total cost for four (4) Expenditure Verification Reports.

Criterion	Max. Score
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Financial Offer 30

10.2 Contract Award

The contract shall be awarded to the bidder achieving the **highest total score** (technical + financial), subject to verification of eligibility, independence, and administrative compliance. Contract awarding is subject to the approval of the National Contact Point of the Interreg Next med programme.

CEEBA reserves the right to request clarifications, negotiate with the highest-ranked bidder, or cancel the procedure without obligation to award a contract.

11. Submitting your offer

Interested companies are invited to submit their offer till the 5th of February 2025 by mail to info@ceeba.org. Questions in regards to these ToR can be addressed to the same mail till the 5th of January latest.