



INVITATION FOR EXPRESSIONS OF INTEREST

FOR THE

PROVISION OF EXTERNAL AUDIT SERVICES TO ERB ON A THREE-YEAR CONTRACT

Date: 16th May 2024

Contract Identification N^o: **ERB/ONS/003/2024**

1. The **Energy Regulation Board (ERB)** has reserved funds towards the cost of **Provision of External Audit Services to the Energy Regulation Board (ERB) for the period 2024 to 2026**. The ERB intends to apply part of the funds to cover eligible payments under the Contract for the **Provision of External Audit Services to ERB for the Period 2024 to 2026**. Bidding is being conducted using Open National Selection (ONS) Procedures and is open to citizen and local bidders in accordance with the provisions of the Public Procurement Act No. 08 of 2020 and the Public Procurement Regulations of 2022.
2. The Energy Regulation Board (ERB) is a statutory body established under the Energy Regulation Act No 12 of 2019 and is charged with the responsibility of regulating the energy sector in Zambia.
3. The ERB is a public entity and a grant aided institution. The ERB, like any other public institution, is guided by the Public Finance Management Act, the Finance and Accounting Manual and the Energy Act in the execution of its functions. The ERB is therefore mandated by law to ensure that it keeps proper books of accounts and other records relating to the status of the Institution for each financial year.
4. The **Energy Regulation Board** invites sealed expressions of interest from eligible Consultants for carrying out the **Provision of External Audit Services to ERB for the Period 2024 - 2026**.
5. The following are the details and requirements of this request for expressions of interest:
 - 5.1. **Objective and Scope of the Assignment**
 - 5.1.1. **Objective of the Assignment**
 - i. To provide External Audit Consultancy Services for the Energy Regulation Board for the three-year period for the financial year ends 2024 to 2026.
 - 5.1.2. **Expected Outputs**
 - i. Management Letter; and
 - ii. Final Audit Report.

5.1.3. Scope of the Assignment

The Consultant will:

- a. Provide External Audit Services for the Energy Regulation Board for a period of three years starting with the financial year ending 31st December 2024 to 31st December 2026.
- b. In providing the audit service the Consultant shall ensure that the assignment is performed in accordance with International Auditing Standards, and that the Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS) and in a manner required by the Public Finance Management Act of 2018 and the Energy Regulation ACT No 12 of 2019 of the Laws of Zambia,
- c. Also be guided by the internal policies and manuals that are not in conflict with both IFRSs and the ACTs as stated in (b) above,
- d. Perform risk assessments and internal control evaluations of the ERB's operational environment and regulatory processes,
- e. Provide a comprehensive management letter that will highlight the internal control environment and any possible areas of improvement,
- f. Be expected to issue the management letter at most within two months of commencement of audit assignment and issue a final audit report within three months of commencement of the external audit assignment,
- g. Be expected to collect sufficient audit evidence to support any conclusions that will be made,
- h. Be allowed full and complete access to all necessary documentation, accounting systems and sites that they feel will be necessary for the external audit assignment,
- i. Be expected to provide professional advice to both Management and the Board and the consultant is further expected uphold professionalism and ethical behavior during the duration of the assignment,
- j. Ensure that reports are well structured and reflect industry best practice and shall be in English,
- k. Be able to present their final report for discussion to the Audit and Risk Committee of the Board.

5.2. Key Criteria for Shortlisting of Applicants

5.2.1. Eligibility Requirements

- i. A bidder **must** be registered on the Electronic Government Procurement (e-GP) system because Requests for Proposal will be issued to shortlisted bidders on (e-GP) system;
- ii. A statement that the Bidder has no conflict of interest with the Procuring Entity regarding this tender in accordance with the provisions of the Public Procurement Act No. 8 of 2020.

- iii. Copy of Certificate of Incorporation/Registration in accordance with the provisions of the Public Procurement Act No. 8 of 2020 (on legal capacity of the bidder);
- iv. Copy of a valid ZRA Tax Clearance Certificate in accordance with the provisions of the Public Procurement Act No. 8 of 2020 (on bidder having fulfilled the bidder's obligation to pay taxes);
- v. Documentary evidence/proof that the bidder has fulfilled the bidder's obligation to pay social security contributions in accordance with the provisions of the Public Procurement Act, No. 8 of 2020
- vi. Principal place of business;
- vii. Written Power of Attorney/Letter of authorization of the signatory of the proposal to commit the bidder. The Power of Attorney/Letter of authorization shall be issued by and signed by any authorized person (s) such as Chief Executive Director;
- viii. Information regarding any litigation, current or during the last three years, in which the Bidder is involved, the parties concerned, and disputed amount.
- ix. PACRA Printout (The bidders included on a shortlist shall not have the same ownership, in the sense that one shareholder has a controlling interest in other bidding companies on the shortlist and as proof of evidence that the bidder is a citizen or local bidder in accordance with the definitions provided in the Public Procurement Act No. 8 of 2020). Information stating among others, whether the Bidder is solvent and not in receivership, or any business rescue proceedings or the subject of legal proceedings under the Corporate Insolvency Act, 2017, whether its Directors or Officers have been convicted of any criminal offence related to professional misconduct in accordance with the provisions of the Public Procurement Act No. 8 of 2020); and
- x. A statement that the bidder does not misrepresent the bidder's bid status in relation to a bid by fronting or any other similar manner in accordance with the provisions of the Public Procurement Act No. 8 of 2020;

5.2.2. Applicant's Experience, Qualifications and Personnel

a. Personnel

- i. Team Leader (Minimum FZICA, FCCA or equivalent plus 10 years' audit experience. *Experience in the audit of similar organisations will be an added advantage*)
- ii. Project Manager (Minimum FZICA, FCCA or equivalent plus 5 years' audit experience. *Experience in the audit of similar organisations will be an added advantage.*)
- iii. Other Technical Staff (Minimum AZICA, ACCA plus 3 years' audit experience. Experience in the audit of similar organisations will be an added advantage).

b. Firm

- i. Demonstration of capacity to undertake the external audit through submission of the following:
 - Valid practicing license from Zambia Institute of Chartered Accountants (ZICA);
 - Company profile;

- Previous experience in similar organisations with at least three references;
 - Proven track record of meeting challenging deadlines; and
 - Evidence of having audited grant aided institutions will be added advantage
6. The Request for Proposal (RFP) documents will only be issued to shortlisted Consultants on (e-GP) system.
 7. Sealed Expressions of Interest including one (1) original and five (5) copies shall be delivered and deposited in the tender box situated at the **Energy Regulation Board, Ground Floor, Reception Area, Plot No. 9330, Danny Pule Road, P.O Box 37631, Lusaka** on or before **30th May 2024 at 10:30 hours local time.**

Electronic submissions shall not be accepted.

Interested bidders may obtain further information at the same address.

ENERGY REGULATION BOARD

Brian Lombe
Manager-Procurement and Supplies
For/ DIRECTOR GENERAL

Interested bidders may visit the ERB website for more information on www.erb.org.zm