

(Unidade – Disciplina – Trabalho)
MINISTÉRIO DO PLANEAMENTO, FINANÇAS E ECONOMIA AZUL

Agência Fiduciária e de Administração de Projetos Institutional Capacity Building Project

REQUEST FOR EXPRESSIONS OF INTEREST (CONSULTING SERVICES – FIRMS SELECTION)

São Tome and Principe Institutional Capacity Building Project

Grant No.: IDA D3080

Assignment Title: Technical Assistance and Training to OTOCA (Order of Accountants and Auditors) Reference No. 29/C/ICB/2019

The Government of São Tome and Principe has received financing from the World Bank toward the cost of the Institutional Capacity Building Project, and intends to apply part of the proceeds for consulting services.

The consulting services ("the Services") include provide technical assistance and training to the national order of accounts and auditors.

The services include:

- (i) Review of the registration and accreditation processes of accountants and auditors, including companies (Year 1);
- (ii) Accounting and auditing standards (Year 1 and 2);
- (iii) Code of Ethics (Year 1)
- (iv) Training

The detailed Terms of Reference (TOR) for the assignment are attached to this request for expressions of interest.

AFAP (Projects Administrative and Fiduciary Agency) now invites eligible consulting firms ("Consultants"), members of the International Federation of Accountants (IFAC), to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services.

The shortlisting criteria are:

October 2019

Be member of the International Federation of Accountants (IFAC);

Specific experience in accounting and financial auditing;

Demonstrate experience in similar assignments in the last 3 years;

Technical and management capacity;

Portuguese as working language would be a plus.

Key Experts will not be evaluated at the shortlisting stage.

The attention of interested Consultants is drawn to Section III, paragraphs, 3.14, 3.16, and 3.17 of the World Bank's "Procurement Regulations for IPF Borrowers" July 2016 revised November 2017 and August 2018 ("Procurement Regulations"), setting forth the World Bank's policy on conflict of interest.

Consultants may associate with other firms to enhance their qualifications, but should indicate clearly whether the association is in the form of a joint venture and/or a sub-consultancy. In the case of a joint venture, all the partners in the joint venture shall be jointly and severally liable for the entire contract, if selected.

A Consultant will be selected in accordance with the QCBS method set out in the Procurement Regulations.

Further information can be obtained at the address below during office hours 08:30 to 12:00 and 14:30 to 17:00

Expressions of interest must be delivered in a written form to the address below (in person, or by mail, or by e-mail) no later than **05 November**, **2019 at 15h (local time)**.

AFAP – Agência Fiduciária de Administração de Projetos Attn: Alberto Leal, General Director Kwame Nkrumah Avenue, Predio do Afriland First Bank, 2º andar PO Box No. 1029, Sao Tome, Sao Tome and Principe

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Terms of Reference

29/C/ICB/2019

Supporting the Sao Tome and Principe (STP) Professional Accountancy Organization: Strengthening Accounting and Auditing Standards

1. Background

The Order of accountants and Auditors (OTOCA) was created through Law 14/2017 of September 5 and its congress held on May 10, 2019 elected the Organization's management structures with the functions of promoting and supervising the class, including the accreditation / certification process and registration of accountants and auditors, functions that were previously performed by the Ministry of Planning, Finance and Blue Economy.

In reference to the law, the main purpose of the STP Professional Accountancy Organization is to oversee all aspects related to the access to, status and practice of the professions of accountants and auditors, considering their relevant and public interest, which would result in improved quality of financial reports and auditing in the private and public sector and increased number of qualified technicians and professional accountants. The specific objectives of the OTOCA among others are:

- Superintend all aspects related to the access to the profession of accountants and auditors under the Law;
- Promote and contribute to improve and enhance the professional training of its members, in particular by organizing training courses, seminars, conferences and symposia;
- Define, disseminate, promote and enforce ethical and professional principles and standards;
- Certify its associates according to their corresponding professional categories, by issuing the respective Professional Licenses;
- Define the technical standards and norms for the practice, taking into account the internationally accepted standards, particularly those from the International Federation of Accountants (IFAC);
- Exercise disciplinary jurisdiction over its associates and over accounting and auditing firms;
- Propose to the legally competent entities, legislative, regulatory or other measures related to accounting and auditing, including the National Accounting Plan and sectorial accounts plans, the professions and functions of Accountants and Auditors and the professional and moral interests of the Associates;
- Issue an opinion on any draft legislation or regulations relating to the matters referred to in preceding subparagraph.

According to São Tome and Principe report on the observance of standards and codes accounting and auditing (June 2014), the legal framework governing financial report and auditing and the applicable reporting standards are outdated. One of the recommendations in the report is to strengthen the legal stipulations relating to financial reporting and updating the reporting standard. The report also sets out other recommendations to strengthen the accountancy profession in the country.

2. Scope of Work

The government of São Tome and Principe intends to appoint a strong Profession Accountancy Organization recognized by International Federation of Accountants (IFAC), a Twinning Partner, to support the Strengthening Accounting and Auditing Standards in São Tome and Principe. The Twining Partner will provide technical assistance specifically focusing on the following areas:

Review of registration and accreditation processes of accountants and auditors including firms (Year 1)

- Technical support for the revision of the registration and accreditation policy for accountants and auditors (individuals and firms). The policy should set out the registration criteria, process of issuance and renewal of certificates (including performance and quality control certificates).
- Review of the process of implementing an appropriate certification for registered accountants and auditors (individual and firms).

Accounting and auditing standards (Year 1 and 2)

- Updating national financial accounting and auditing standards. This will start with technical assistance to present various options to OTOCA and the Government, including pros and cons and associated implementation requirements of the standards. Specifically, the options should stipulate the applicable accounting and auditing standards, which organisations should apply which type of standard and required legal changes. The design of the options will include reference to global practices and broad consultations with stakeholders in STP and will stipulate the required legal changes. This will be followed by supporting OTOCA and the government to make an informed decision on the best option given local conditions (ie capacity constraints, regional integration concerns, etc.). On the basis of OTOCA's and government decision, the Congener Order will proceed to draft the new/updated accounting and auditing standards and an operational roll-out plan. The standards and roll-out plan will be approved by OTOCA.;
- Develop guidelines required for the implementation of the new/updated accounting and auditing standards. The guidelines are to be approved by OTOCA.
- Facilitate training of the new/updated accounting and auditing standards and respective implementation guidelines. This will involve (a) developing case study-based training material that will be made available to OTOCA. (b) Facilitation of a series of training and training of trainers of the new accounting and auditing standards and guidelines, using different forums and approaches, most of which should be practical and case study-based. The trainings should be conducted in the major centres of the country over a two-year period. It should also involve training officers of OTOCA who shall serve as the custodians of the Standards and relevant OTOCA Committee members.
- Design a Continuous Professional Development Plan for OTOCA focused on accounting, auditing and code of ethics for the next 3 years.
- Draft a proposed OTOCA Technical Department structure and capacity development requirements.

Code of Ethics (Year 1)

- Develop appropriate code of ethical conduct based on the IFAC Code of Ethics, including defining disciplinary procedures and sanctions;
- Facilitate training including train the trainer on the Code.

3. Timing and Resources

The duration period of the technical assistance shall be 24 months. The twinning partner will be expected to submit an Initiation report in Portuguese and executive summary in English within 2 months of starting the assignment setting out the work plan on how to deliver on the activities set out in the scope of work above; detailed budget, manpower resources and other inputs. The Twining partner can obtain the information regarding income tax and other applicable taxes from the STP Revenue Services if consultants need further clarification. The expenses for organizing a number of seminars and dissemination workshops on the Ministry and OTOCA capacity building with the help of the twinning arrangement will be met by a separate provision of funds to be administered by *Agência Fudiciária de Administração de Projectos (AFAP - Fiduciary Agent for Project Administration)* established under the Ministry of Planning, Finance, and Blue Economy. The number of such events, participants/invitees and agenda for each of the events will be determined during project implementation in close consultation with the Ministry of Planning, Finance, and Blue Economy, AFAP, OTOCA and the twinning partner.

4. Relevant experience for the Twinning Partner and team members

The Twinning Partner should be a developed Professional Accountancy Organization that is a member body of IFAC. The consulting team to be deployed by the twinning partner should comprise experts with skills mix to accomplish the various tasks mentioned under the scope of work on time and quality.

Key characteristics of the twinning partner are as follows:

- The leading professional accountancy organization in its home country;
- Track record of providing high quality technical and other services to its members for supporting their professional development;
- Recognition of its professional qualification in various jurisdictions;
- Proven record of successfully implementing arrangements for high level of compliance with the Statements of Membership Obligations (SMOs) of IFAC;
- Knowledge of the cultural, business, legal and economic aspects of Sub-Saharan Africa in general and Sao
 Tome and Principe in particular will be an advantage;
- Portuguese language ability of the Twining Partner team members would be a plus.
- Experience of implementing similar capacity building projects in developing countries.

The consulting team should comprise of international specialist for the following areas: accounting, auditing, and ethics. The team should also include one local consultant. The international team members should be from the twinning partner institution. Engagement of a local consultant with relevant experience and qualification will facilitate sustainable capacity building at OTOCA and facilitate coordination with various stakeholders (Directorate of Public Account at the Ministry of Planning, Finance, and Blue Economy, Central Bank, Court of Accounts (*Tribunal de Contas*), OTOCA, high education institutions, AFAP).

The international specialist should have demonstrated experience in supporting the development of Profession Accountancy Organization, updating/developing accounting and auditing standards and code of ethics. Specifically, each international specialist should have:

• Master's Degree in Accounting or on relevant field;

- Be a member of good standing with a Professional Accountant Body member of IFAC
- 10 years of experience in finance, accounting and auditing;
- Demonstrate experience in similar assignments;
- Fluent in Portuguese and English;
- Good presentation skills;

The local consultant should have demonstrated experience in finance or accounting and specifically should have

- Degree in finance, accounting or other relevant fields;
- At least 3 years of relevant work experience in finance, accounting and auditing;
- Computer skills with practical knowledge of Microsoft Office (especially Word & Excel);
- Fluent in Portuguese, and a working knowledge of English is an advantage

5. REPORTING ARRANGEMENTS

The twinning partner will report to the designated official(s) of the Ministry of Planning, Finance, and Blue Economy Directorate of Public Account and OTOCA. The Twining partner team members shall work closely with OTOCA team¹. The partner should prepare quarterly reports (in Portuguese with executive summary in English) presenting on status of each deliverable (as set out in the scope of work), achievements and challenges. The report should be submitted to the Ministry of Planning, Finance, and Blue Economy and OTOCA with copies to World Bank. At the completion of work, a comprehensive report (in Portuguese with executive summary in English) on delivery should be prepared by the Twinning Partner and submitted to the reporting authority for review. The Twinning Partner's outputs should be satisfactory to the Ministry of Planning, Finance, and Blue Economy, OTOCA and the World Bank task team.

6. Start date

The start of the consultancy will be the date of signing the contract.

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¹ OTOCA shall designate a team which shall be involved in the project especially in providing appropriate support and approval of developed deliverables.