

Call for Tender n° 2/2019

External Auditing Service

1. General Information

EPOS, the European Plate Observing System, is a long-term plan to facilitate integrated use of data, data products, and facilities from distributed research infrastructures for solid Earth science in Europe.

EPOS will bring together Earth scientists, national research infrastructures, ICT (Information & Communication Technology) experts, decision makers, and public to develop new concepts and tools for accurate, durable, and sustainable answers to societal questions concerning geo-hazards and those geodynamic phenomena (including geo-resources) relevant to the environment and human welfare.

EPOS mission is to integrate the diverse and advanced European Research Infrastructures for solid Earth science and build on new e-science opportunities to monitor and understand the dynamic and complex solid-Earth System.

EPOS vision is that the integration of the existing national and trans-national research infrastructures will increase access and use of the multidisciplinary data recorded by the solid Earth monitoring networks, acquired in laboratory experiments and/or produced by computational simulations. The establishment of EPOS will foster worldwide interoperability in the Earth sciences and services to a broad community of users.

EPOS will identify existing gaps and promote implementation plans with environmental, marine and space science to help solve the grand challenges facing the Earth and its inhabitants.

On October the 30th 2018, the European Commission granted the legal status of European Research Infrastructure Consortium (ERIC) to EPOS. The ERIC legal framework provides EPOS with legal personality and capacity recognised in all EU Member States and with the flexibility to adapt to the specific requirements of each infrastructure.

Based in Italy, EPOS ERIC is currently joined by thirteen countries: Belgium, Denmark, France, Greece, Italy, the Netherlands, Norway, Poland, Portugal, Slovenia and the United Kingdom, and Iceland and Switzerland participating as observers.

By linking up hundreds of individual research infrastructures located in the European countries, EPOS ERIC will provide open access to a large pool of integrated data, data products and facilities for researchers.

The EPOS ERIC legal seat is hosted in Rome, at the Istituto Nazionale di Geofisica e Vulcanologia (INGV) headquarter. The ICS Central Hub (ICS-C) is hosted in the United Kingdom (BGS) and France (BRGM) with technical operational support from Denmark (GEUS).

2. Information of tendering

1.1. Purpose

EPOS ERIC is planning to finalise a contract with a highly specialised external service provider for the provision of auditing services.

According to art. 16 of its Statute, EPOS ERIC shall be subject to the requirements of the law of the Country where it has its statutory seat as regards preparation, filing, auditing and publication of accounts. An auditor's assessment of the correctness of the organisation accounts will be an invaluable source of support for ERIC members and supervisory bodies, helping them fulfil their monitoring function.

The purpose of the present tender is to select a qualified company or natural person specialised in auditing consulting services to perform economic and financial audit for the EPOS ERIC accounts and Financial Statements for the financial years from 2019 to 2021.

This Call for Tender includes a description of the required services and instructions to be followed to take part in the tendering process.

EPOS ERIC procurement policy follows the principles of transparency, non-discrimination and competition. According to the provisions of article 24 of the EPOS ERIC Statutes, EPOS ERIC shall treat procurement candidates and tenderers equally and without discrimination.

1.2. Subject of the contract

The awarded contractor will be required to perform auditing services to the accounts of the EPOS ERIC financial years from 2019 to 2021 (three years), stating that assignment will continue until the approval by the General Assembly of the Financial Statements as at 31/12/2021.

The purpose of the audit will be to conduct the examination of the EPOS ERIC accounts and the annual Financial Statements, including the balance sheet of the assets and liabilities and profit and loss account and accompanying disclosures and notes, in order to gain assurance on the effective functioning of the management and control systems, and to give an evaluation of the appropriateness of accounting policies used and of the reasonableness of accounting estimates, made by the management; the Auditor is requested to give its professional opinion on these Financial Statements, whether they are prepared, in all material respects, in accordance with the applicable financial reporting framework, that is a general purpose one. The examination will be aimed to check and make certain that the ERIC accounts and annual Statements are correct and complete. The audit activity will entail an investigation on the accounting records, the internal control policies and accounts, to make sure they are in line with the accounting standards.

The result of this examination will be a "Certification of Financial Statements" expressed by the independent Auditor, representing the opinion of the Auditor on the fairness appropriateness correctness accuracy of the annual Statements of accounts and related disclosures.

EPOS ERIC, regarding the Financial Statements, adopts an accrual-based accounting system in accordance with IPSAS, integrated in order to be consistent with the legal structure, activities and scopes of EPOS ERIC.

Total turnover, including in-kind contributions, is foreseen as follows:

- 2019: EUR 2,500,000
- 2020: EUR 5,000,000
- 2021: EUR 7,500,000

These figures are merely indicative for the purposes of this tender and cannot be considered binding for EPOS ERIC.

1.3. Duration and maximum volume of the Contract

The duration of the contract will regard three financial years: 2019, 2020 and 2021. The contract might be renewed, previous written decision, for one time under specific conditions to be agreed by the Parties, in line with those provided in this tender.

The maximum amount of this contract is estimated at EUR 50,000.00 (fifty-thousand/00) over the three years period, divided as follows:

1. Year 2019 = Euro 8,000
2. Year 2020 = Euro 17,000
3. Year 2021 = Euro 25,000 (This includes the first portion of 2022, until the 2021 Financial Statements approval)

It will comprise the remuneration and all expenses to be paid to the Auditor in return for services rendered in accordance with the contract. No price revisions to the contract shall be allowed, except for considerable increases in audit activities required to the Auditor to be agreed between the Parties.

EPOS ERIC benefits of VAT exemption. Price is quoted in Euro and will be all inclusive. Costs incurred in preparing and submitting tenders are borne by the tenderers and cannot be reimbursed.

The price offered will include all remuneration and fees as well as all costs and working hours for meetings, work travel, fees, general and any indirect cost and administrative overheads. The price should be quoted free of all duties, taxes and other charges (social security and welfare contribution included) and any other costs incurred by the Auditor in performing its activities.

1.4. Contractual conditions

The tenderer should bear in mind the provisions of the draft contract which specifies the rights and obligations of the contractor, particularly those on payments, performance of the contract, confidentiality, and checks and audits.

1.5. Standards

The Auditor undertakes to comply with generally and internationally accepted standards for auditing - International Standard Auditing (ISA) and in particular with ISA Italia.

1.6. Compliance with applicable law

The tender, at the time of submitting the offer and beyond over the years of the assignment, if awarded, must comply with applicable environmental, social and labour law obligations established by Union law, Italian legislation, collective agreements or the international environmental, social security and labour conventions. The same compliance must be verified with regards to fiscal matters.

1.7. Subcontracting

The Auditor shall not subcontract any portion of the activities or contract.

3. Tender evaluation

Tenderers must prove their legal, regulatory, economic, financial, technical and professional capacity to carry out the work subject to this procedure.

The evaluation is based solely on the information provided in the submitted tender. It involves the following:

- Verification of non-exclusion of tenderers on the basis of the exclusion criteria;
- Selection of tenderers on the basis of selection criteria;
- Verification of compliance with the minimum requirements set out in these tender specifications;
- Evaluation of tenders on the basis of the award criteria.

EPOC ERIC may reject abnormally low tenders, in particular if it established that the tenderer does not comply with applicable obligations in the fields of environmental, social security and labour law, and fiscal matters. The tenders will be assessed in the order indicated above. Only tenders meeting the requirements of one step will pass on to the next step.

3.1 Verification of non-exclusion

All tenderers shall provide a Declaration on Honour (see Annex 1), duly signed and dated by the natural person himself/herself or, in case of company, by an authorised representative, stating that they are not in one of the situations of exclusion listed in the Annex 1.

The successful tenderer shall provide the documents mentioned as supporting evidence in the Declaration of Honour before signature of the contract and within a deadline given by EPOS ERIC.

3.2 Legal and regulatory capacity

Tenderers must prove that they are allowed to pursue the professional activity necessary to carry out the work subject to this call for tenders and must provide the following information in its tender:

a) For legal persons:

A certificate of legal effectiveness (chartered in its Country and preferably in Italy as well) issued by a Trade Register and a certificate of a VAT position, a legible copy of the notice of appointment of the persons authorised to represent the tenderer in dealings with third parties and in legal proceedings, or a copy of the publication of such appointment if the legislation applicable to the legal person requires such publication. Any delegation of this authorisation to another representative not indicated in the official appointment must be evidenced.

b) For natural persons:

A proof of registration on a professional or trade register (professional order valid for Italy or any other official document showing the registration number valid for other legislation), a certificate of a VAT position.

3.3 Economic and financial capacity criteria and evidence

The following economic and financial evidence should be provided:

a) For legal persons:

- I. Statement of turnover in respect of the services to which the contract relates for the previous two financial years of at least EUR 50,000.00 (fifty-thousand) per year;

- II. Copy of the financial statements (profit & loss account and balance sheet and notes) for the last two years for which accounts have been closed;
- III. Evidence of professional risk indemnity insurance.

b) For natural persons:

- I. Statement of turnover in respect of the services to which the contract relates for the previous two financial years of at least EUR 30,000.00 (thirty-thousand) per year;
- II. Evidence of professional risk indemnity insurance.

If, for some exceptional reason which EPOS ERIC considers justified, a tenderer is unable to provide one or other of the above documents, he or she or it may prove his or her or its economic and financial capacity by any other document which EPOS ERIC might consider appropriate. In any case, EPOS ERIC must at least be notified of the exceptional reason and of proper justification in the tender. EPOS ERIC reserves the right to request any other document enabling it to verify the tenderer's economic and financial capacity.

3.4 Technical and professional capacity criteria and evidence

a. Criteria relating to tenderers

Tenderers must comply with the following criteria:

- A full description of the tenderer's references in the domain of EU Research and Innovation Programme and in particular in the Research Infrastructures. This should include examples of work covering at least three years' work directly related to these services and products, indicating how the tenderer has carried out similar types of work in the past for public or private sector recipients.
- Evidence of affiliation to a body such as the IFAC (International Federation of Accountants), the IIA (Institute of Internal Auditors) or equivalent. In the absence of such an affiliation, the tenderers should demonstrate how they will undertake to comply with international audit standards. The Italian tenderers must be registered to the Italian *Registro dei Revisori Legali* in charge of the Italian Ministry of Economy and Finance (MEF).
- The tenderer must ensure that its own standards, in relation to all security matters including, but not limited to, physical security, data security, and virus protection, are in accordance at all times with the highest possible standards, best practice, and any relevant legislation or code of practice with which they are bound to comply.
- The tenderer must prove capacity to draft reports in English language.

b. Criteria relating to the team delivering the services:

The team delivering the services should include, as a minimum, the following two profiles:

Staff. N°1: Audit or Senior

Be an auditor who should have:

- at least ten years' professional experience carrying out audit and control activities;
- should have excellent knowledges of Italian Laws and Ue Directive and Regulation regarding research and innovation field;
- should have an excellent knowledge of written and spoken English and Italian languages,
- status of Certified Auditor and chartered Accountant;
- the statutory capacity to commit the Company in writing (only in the case of companies).

Staff. N°2: Audit or specialist

- at least five years' professional experience carrying out audit and control activities;
- should have excellent knowledges of Italian Laws and UE Directive and Regulation regarding research and innovation field;
- should have an excellent knowledge of written and spoken English and Italian languages,
- status of Certified Auditor and chartered Accountant.

The following **technical and professional evidence** should be provided to fulfil the above criteria:

- Technical and professional capacity by delivering **Curriculum Vitae of the two team members** involved in the provision of services in *Europass Format*. CVs should include information on work experience, qualifications and language ability.
- **A list of services** proving experience in auditing public administrations' expenditure especially research and innovation field. The provision of services directly relevant to the tender submitted must have been provided within the last three years. The list should include at least five audits with at least one audit of each of the following types:
 - financial audit regarding Financial Statements drawn for general purposes;
 - EU Research and Innovation Programme project audit.

The list should also include the amount, date and public or private recipients of the services.

- The tenderer should **prove the linguistic capacity** of the team.

4. Award Evaluation

The tender will be awarded according to the *best-value-for-money* criteria and procedure.

EPOS ERIC may, in its discretion, extend the closing date and time of the tender. The selection procedure will be based on the principles of equal treatment, fairness and transparency. An evaluation team will be established, made up of the Executive Director and two people appointed by him.

EPOS ERIC Executive Director, Dr Massimo Cocco is responsible for this procedure.

All applicants will receive acknowledgement of receipt of their tender and will be informed of the outcomes of the selection process of their offer by e-mail only within two weeks following the evaluation procedure conclusion. Tenderers should provide a valid e-mail address together with contact details in the tender and check this e-mail address regularly.

EPOS ERIC is not obliged to provide reasons for its decision to shortlist, accept or reject any tender. EPOS ERIC reserves the right to conclude or not the tender process and select the successful tenderer.

EPOS ERIC will not be contractually bound in any way to a bidder for this tender until EPOS ERIC and the successful winner have entered into a written contract.

The following offers will be excluded from the tendering procedure:

- those received after the deadline;
- those missing information about the professional economic operator or lacking the requested requirements;
- those submitted by professional economic operators whose position is inconsistent with the law or the procedure;
- those submitted by professional economic operators who are subject to one of the exclusion criteria at point 6;

- those submitted by professional economic operators who are subject to one of the causes of exclusion according to the Italian law.

In the event that, the documents delivered by the tenderer are inconsistent with the statements made in presenting its offer, and the award must be invalidated, the tenderer will be subject to the payment of a penalty of 5.000 euros, as compensation for damages suffered by EPOS.

4.1 Award criteria

4.1.1 Quality criteria

The quality of the tender will be evaluated with maximum 80 points (80/100). Tenders must score minimum 60% of quality criteria score. Tenders that do not reach the minimum quality thresholds will be rejected and will not be ranked.

Award criteria				
	Criteria	Sub-criterion	Information to be provided	Points
Quality criteria 80/100	1. Quality and relevance of the proposed methodology and work organisation for performing the audit tasks	1.1 Demonstrated technical and professional capacity proposed by the Tenderer.	Tenders must include in the proposal the Curricula of the two staff members which will be involved in the contract.	(max 20 points)
		1.2 – Management, and coordination of the contract	Tenderers should show how they will distribute and coordinate the work, and how they will arrange the communication/coordination between members of the audit team, between the contractor and the EPOS ERIC Executive Coordination Office.	(max 10 points)
		1.3 – Methodology, planning and tools for the audit tasks	A description should be provided of the methodologies and tools that will be used to undertake the different audit tasks defined for the call.	(max 10 points)
	2. Measures to achieve high quality services	2.1 – System of quality control to guarantee quality of services and adherence to deadlines	Presentation of methods and systems intended to control the quality of the services, and to ensure that they are provided within agreed deadlines and budgets.	(max 10 points)
		2.2 – Measures to ensure sufficient training and guidance of auditors	The tenders must explain how the tasks are going to be distributed, the roles, profiles, responsibilities and lines of reporting within their own hierarchy.	(max 10 points)
	3. Balance of profiles and breakdown of tasks	The tenders must explain how the tasks are going to be distributed, the roles, profiles, responsibilities and lines of reporting within their own hierarchy.	(max 10 points)	
	4. Confidentiality	The contractor's arrangements to guarantee the confidentiality of audit elements when required (documents, checklists, contracts, records of meetings, audit reports).	(max 10 points)	

4.1.2 Price criteria

Price criteria 20/100	The price proposal	(max 10 points)
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After evaluation of the quality of the tender, the tenders are ranked using the formula below to determine the tender offering *best-value-for-money*.

Score for tender X = (cheapest price / price of tender X * 20) + (total quality score (out of 100) / 100 * 80)
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EPOS ERIC benefits of VAT exemption ex art. 72 DPR 633/72 letter f). Price must be quoted in Euro and will not be subject to revision.

Costs incurred in preparing and submitting tenders are borne by the tenderers and cannot be reimbursed.

The tenderer will submit the tender and carry out all necessary activity related to the tender process including supporting any due diligence requirements entirely at its own cost. EPOS ERIC will not be liable for any bid costs, expenditure, work or effort incurred by a tenderer in proceeding with or participating in this procurement, including if the procurement process is terminated without an award.

In delivering the services the tenderer shall ensure the highest quality standards on which EPOS ERIC will be the sole judge.

5. Participation to the tendering procedure

Tenders should be dispatched no later than 15/09/2019 by using the following means of submission:

Means of submission	Time limit	Evidence of dispatch	Address for delivery
Post	17:00 CET	Postmark	EPOS ERIC c/o INGV - Via di Vigna Murata n°605 00143 Rome - ITALY
Courier	17:00 CET	Deposit slip of courier service	

Tenders must be submitted using the double envelope system – i.e. one outer envelope and two inner envelopes – in order to guarantee the confidentiality and the integrity of data. The outer envelope should indicate the number of the procurement procedure (n. 2/2019) and should be marked as it follows: “**Call for Tender – External Auditing Services**”. If self-adhesive envelopes are used, they must be sealed with adhesive tape and the sender must sign across this tape.

The two inner envelopes shall be indicated as:

ENVELOPE A) Administrative and Technical Offer

ENVELOPE B) Economic Offer.

The envelope A. “Administrative and Technical Offer” shall contain:

- The Declaration on Honour duly signed (Annex 1)
- The completed Submission Form duly signed (Annex 2);

- Documents about legal and regulatory capacity;
- Documents about economic and financial capacity;
- Documents about technical and professional capacity;
- A duly signed document in a frame freely adopted by the tenderer describing the offered services and the proposed methodology, including the table of contents (see table 4.1.1)

The envelope B. “Economic Offer” shall contain:

- The offered price quoted in Euro provided on the tenderer’s headed notepaper.

The tender must be:

- Signed and dated by the tenderer or the duly authorised representative (i.e. the Declaration on Honour, the Submission Form, the technical offer and the economic offer);
- Perfectly legible so that there can be no doubt as to words and figures.

6. Accuracy of proposal

The tender must be clear, concise and complete. Tenderers are advised to check the accuracy of their submission prior to return, paying particular attention to clerical errors and omissions. Tenderers will not be permitted to amend proposals after the proposal return date except as part of any proposal clarification process initiated by EPOS ERIC. EPOS ERIC reserves the right to mark a tenderer down or exclude them from the procurement if their tenders contains any ambiguities, caveats or lacks clarity. Tenderers should submit only such information as is necessary to respond effectively to this call. Tenders will be evaluated on the basis of information submitted by their tenders only, before the deadline for submission of tenders.

7. Tender procedure schedule

The tender is open from the 18/07/2019 to 15/09/2019. Tender submission and schedule of the work are as follows:

Launch of the Tender	18/07/2019
Close of the Tender	15/09/2019
Evaluation of received tenders and selection of the awarded Tender	15/10/2019
Signature of the contract / Briefing session with EPOS ERIC Executive Coordination Office to agree on the objectives, the methodology, and the process	30/10/2019

8. Confidentiality and conflict of interest

The tenderers undertake that they will not at any time, either before, during or after the termination of the service contract, use or disclose or communicate to any third parties confidential information relating to EPOS ERIC. This restriction shall continue to apply after the termination of the contract without limit in point of time. To ensure the independence of terms of the contract, the winning tenderer will sign a declaration

certifying that it has no conflict of interest in relation to the tasks to be undertaken and that it will inform EPOS ERIC should this status change.

9. Terms and condition

This invitation to tender is in no way binding on EPOS ERIC. Its contractual obligation commences only upon signature of the contract with the successful tenderer awarded.

EPOS ERIC may cancel the award procedure up to the point of signature without the candidates or tenderers being entitled to claim any compensation. This decision must be substantiated and the candidates or tenderers notified. Similarly, EPOS ERIC reserves the right to reject any and all proposals, to advertise for new proposals, to abandon the need for services, or amend this Call for Tender at any time prior to the execution of the written contract. EPOS ERIC reserves the right to waive any formalities in the call for tender process.

EPOS ERIC shall not be liable for any compensation with respect to tenderers whose tenders have not been accepted or ranked. Nor shall it be liable if it decides not to award the contract.

By submitting a tender, the Tenderer accepts all the terms and conditions set out in this Call for Tender. The Tenderer agrees that:

- EPOS ERIC may copy the proposal for purposes of facilitating the evaluation of the proposal and agrees that such copying will not violate the rights of any third party.
- It will not bring any claim or have any cause of action against EPOS ERIC based on any misunderstanding concerning the information provided or concerning EPOS ERIC's failure, neglect or otherwise, to provide the bidder with pertinent information as intended by this Call for Tender.

The agreement for services provision will be completed by signing a contract between the two Parties. It will include the terms and conditions for the services provision, the terms of delivery, invoicing and banking payment modalities, the termination of the contract.

10. Privacy Statement

Once EPOS ERIC has received and opened the tender, it becomes its property and it shall be treated confidentially. If processing the reply to the invitation to tender involves the recording and processing of personal data (such as names, addresses and CVs), such data will be processed pursuant to Article 13 of the REGULATION (EU) 2016/679 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) [1].

EPOS will treat your data with respect. The tenderer can contact EPOS at any time to cancel the consent to store and use its personal data, by sending an email to epos-eric@pec.it. For more information about EPOS privacy practice please read our EPOS Privacy Statement in the EPOS web site (www.epos-ip.org/content/privacy-policy-summary).

Unless indicated otherwise, the replies to the questions and any personal data requested are required to evaluate the tender in accordance with the specifications of the invitation to tender and will be processed solely for that purpose by EPOS ERIC.

11. Contact Person

Information and any question regarding the tender should be submitted to:

EPOS ERIC Executive Director Mr Massimo Cocco (epos-eric@pec.it or massimo.cocco@ingv.it)

and in copy to

EPOS ERIC Scientific Officer Ms. Carmela Freda (carmela.freda@ingv.it)

EPOS ERIC Head Secretariat Ms. Diana Piras (diana.piras@ingv.it)

Questions shall be submitted in English only and solely for the purpose of clarifying the procurement documents and procedure. EPOS ERIC may respond to questions or provide information from tenderers, but is under no obligation to provide such responses or information to all the other tenderers.

12. Contracting organisation

EPOS ERIC

Via di Vigna Murata n. 605

00143 ROME (ITALY)

FISCAL CODE 96409510581

VAT NUMBER IT15152381008

www.epos-eu.org

ANNEXES:

- Declaration Of Honour (Annex 1)
- Tender Submission Form (Annex 2)
- Draft of Contract