



BIDDING DOCUMENT FOR THE PROCUREMENT OF SERVICES

FOR

**CONTRACT TITLE: CONSULTANCY TO CONDUCT EXPENDITURE
VERIFICATION SERVICES FOR DISASTER RISK MANAGEMENT
STRENGTHENING IN THE SOUTHERN AFRICA DEVELOPMENT
COMMUNITY (DRMSS) PROJECT**

CONTRACT NUMBER: SADC/3/5/2/425.

(Global Price)

PROCURING ENTITY: SADC SECRETARIAT

ISSUED ON: 5 November 2025

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Section 1. Letter of Invitation

SADC Secretariat,
Gaborone, Botswana

5 November 2025

Dear Sir/Madam,

1. The Southern African Development Community (SADC) Secretariat invites proposals to provide the following services: **CONSULTANCY TO CONDUCT EXPENDITURE VERIFICATION SERVICES FOR DISASTER RISK MANAGEMENT STRENGTHENING IN THE SOUTHERN AFRICA DEVELOPMENT COMMUNITY (DRMSS) PROJECT**
2. More details on the services are provided in the attached Terms of Reference.
3. A contractor will be selected under the OPEN BIDDING procurement method and procedures described in this Bidding Documents.
4. The Request for Proposal includes the following documents:
 - Section 1 - Letter of Invitation
 - Section 2 - Information to Bidders
 - Section 3 - Technical Proposal - Standard Forms
 - Section 4 - Financial Proposal - Standard Forms
 - Section 5 - Terms of Reference
 - Section 6 - Standard Forms of Contract.

Yours sincerely,

Thomas Chabwera
Head -Procurement Unit

Section 2. Information to Bidders¹

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| Definitions | <ul style="list-style-type: none"> (a) “BD” means the Bidding Documents to be prepared by the Procuring Entity for the selection of Contractor, based on the SADC Secretariat Standard Template. (b) “Procuring Entity” means the procurement entity in charge of the procurement procedure. (c) “Contractor” means any entity or person that may provide or provides the Services to the Client under the Contract. (d) “Contract” means the Contract signed by the Parties and all the attached documents that are the General Conditions (GC), the Special Conditions (SC), and the Appendices. (e) “Contracting Authority” means the entity with which the selected Consultant signs the Contract for the Services. (f) “Data Sheet” means such part of the Instructions to Bidders used to reflect specific country and assignment conditions. (g) “Day” means calendar day. (h) “Evaluation Committee” it is a panel of experts appointed by the Procuring Entity and assigned to evaluate the bids. The Evaluation Committee consists in a Chairperson and a Secretary, with no voting rights and an odd number of voting members. (i) “Instructions to Bidders” (Section 2 of the BD) means the document which provides shortlisted Bidders with all information needed to prepare their Proposals. (j) “LOI” (Section 1 of the BD) means the Letter of Invitation being sent by the Procuring Entity to the shortlisted Bidders. (k) “Personnel” means professionals and support staff provided by the Bidders or by any Sub-Contractors and assigned to perform the Services or any part thereof; “Foreign Personnel” means such professionals and support staff who at the time of being so provided had their domicile outside the Procuring Entity’s country; “Local Personnel” means such professionals and support staff who at the time of being so provided had their domicile inside the Procuring Entity’s country. (l) “Proposal” means the Technical Proposal and the Financial Proposal. (m) “Services” means the consulting services or the work to be performed by the Contractor pursuant to the Contract. (n) “Subcontractor” means any person or entity with whom the Bidder or Contractors intends to subcontracts any part of the Services. (o) “Terms of Reference” (TOR) means the document included in the BD as Section 5 which explains the objectives, scope of |
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¹ This Information to Bidders section shall not be modified. Any necessary changes to address specific country and project issues, shall be introduced only through the Data Sheet (e.g., by adding new clauses). Likewise, modifications to the standard Form of Contract should be made only by including clauses outlining the special conditions and not by introducing changes in the wording of the general conditions.

work, activities, tasks to be performed, respective responsibilities of the Procuring Entity and the Contractor, and expected results and deliverables of the assignment.

1. Introduction

- 1.1 The Procuring Entity named in **the Data Sheet** will select a firm/eligible institution among those listed in the Letter of Invitation, in accordance with the procurement method indicated in **the Data Sheet**, method detailed in the edition of the Guidelines indicated in **the Data Sheet**.
- 1.2 The shortlisted Bidders are invited to submit a Technical Proposal and a Financial Proposal for global price services required for the assignment named in **the Data Sheet** and presented in details in the Terms of Reference attached as Section 5 of this Bidding Documents. The proposal and the Terms of Reference will be the basis for contract for a signed contract with the successful firm.
- 1.3 The assignment shall be implemented in accordance with the phasing indicated in **the Data Sheet**. When the assignment includes several phases, the performance of the Bidder under each phase must be to the Procuring Entity's satisfaction before work begins on the next phase.
- 1.4 The Bidders must familiarize themselves with local conditions and take them into account in preparing their proposals. To obtain first-hand information on the assignment and on the local conditions, Bidders are encouraged to request the Procuring Entity to provide further information before submitting a proposal and to attend a pre-bid conference if one is specified in **the Data Sheet**. Attending the pre-proposal conference is optional. The Bidders' representative should contact the Procuring Entity at the address stated in **the Data Sheet** or to obtain additional information on the pre-bid conference.
- 1.5 The Procuring Entity will provide the inputs specified in **the Data Sheet**, assist the firm in obtaining licenses and permits needed to carry out the services, and make available relevant project data and reports.
- 1.6 Please note that (i) the costs of preparing the proposal, including a visit to the Procuring Entity, are not reimbursable as a direct cost of the assignment; and (ii) the Procuring Entity is not bound to accept any of the proposals submitted.
- 1.7 SADC Secretariat policy requires that Bidders provide professional, objective, and impartial advice and at all times hold the Procuring Entity's interests paramount, without any

consideration for future work, and strictly avoid conflicts with other assignments or their own corporate interests. Bidders shall not be hired for any assignment that would be in conflict with their prior or current obligations to other clients, or that may place them in a position of not being able to carry out the assignment in the best interest of the Procuring Entity.

1.7.1 Bidders will be excluded from the bidding process if it will be in a conflict of interest situation as described below:

- (a) Conflict between consulting activities and procurement of goods, works or services. A bidder or a contractor that has been engaged by the SADC Secretariat or the Procuring Entity to provide goods, works, or services for the organization, and each of its affiliates, shall be disqualified from providing consulting services related to those goods, works or services. Conversely, a bidder or a contractor hired to provide services for the preparation or implementation of a project, and each of its affiliates shall be disqualified from subsequently providing goods, works or services resulting from or directly related to the contractor's consulting services for such preparation or implementation.
- (b) Conflict among consulting assignments: Neither, bidders or contractors (including their personnel and sub-Bidders) nor any of their affiliates shall be hired for any assignment that, by its nature, may be in conflict with another assignment of the bidder or contractor. For instance, a contractor assisting SADC Secretariat or the Procuring Entity to implement a project shall not be engaged to prepare an independent assessment for the implementation of the same project, or contractors hired to prepare Terms of Reference (TOR) for an assignment shall not be hired for the assignment in question.
- (c) Relationship with SADC Secretariat's or the Procuring Entity's staff: bidders or contractors (including their personnel and sub-contractors) having business or family relationship with a member of the SADC Secretariat's or the Procuring Entity's staff directly or indirectly involved in any part of: (i) the preparation of the TOR or Technical Specification of a contract, (ii) the selection process for such contract, or (iii) the supervision of the contract, may not be awarded the contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the SADC Secretariat throughout the selection process and the execution of the contract.

- 1.7.2 Since previous or ongoing participation in relation to the assignment by the Bidder, its professional staff, or its affiliates or associates under a contract with the SADC Secretariat and Procuring Entity may result in rejection of the proposal, the bidders should clarify their situation in that respect with the Procuring Entity before preparing the proposal.
- 1.7.3 Bidders may be hired for downstream work, when continuity is essential, in which case this possibility shall be indicated in **the Data Sheet** and the factors used for the selection of the Bidder should take the likelihood of continuation into account. It will be the exclusive decision of the Procuring Entity whether or not to have the downstream assignment carried out, and if it is carried out, which Bidder will be hired for the purpose.
- 1.8 It is the SADC Secretariat's policy to require that Procuring Entity's staff as well as Bidders under SADC Secretariat-financed contracts observe the highest standard of ethics during the selection and execution of such contracts. In pursuance of this policy, the SADC Secretariat:
 - (a) defines for the purposes of this provision, the terms set forth below as follows:
 - (i) “corrupt practice” is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
 - (ii) “fraudulent practice” is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefits or to avoid an obligation;
 - (iii) “collusive practices” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
 - (iv) “coercive practices” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
 - (v) “obstructive practice”
 - (aa) deliberately destroying, falsifying, altering or concealing material evidence to the investigation or making false statements to

investigators in order to materially impede a SADC Secretariat, or a governmental or independent investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or

(bb) acts intended to materially impede the exercise of the SADC Secretariat or governmental or inspection and audit rights.

(b) It will take the following measures against the bidder recommended for award who has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;

- (i) will reject the bid for award;
- (ii) will declare the bidder/the contractor, including its affiliates, ineligible, either indefinitely or for a stated period of time, to become a SADC Secretariat contractor;
- (iii) will cancel or terminate any ongoing contract with the bidder /the contractor;
- (iv) will request the relevant national authorities to conduct a joint investigation with SADC Secretariat to inspect or carry out audits of the bidder /the contractor' accounting records and financial statements in connection with the contract in question for which it was found guilty of engaging in corrupt, fraudulent, collusive, coercive, or obstructive practices;
- (v) will forfeit the bid or performance securities of the bidder /the contractor;
- (vi) will suspend any payments due to the bidder/contractor, under the contract in question or any other contract the bidder/contractor might have with the organization, until the extent of damage caused by the its engagement in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the SADC Secretariat's contract are determined and recovered, and
- (vii) will sue the bidder /contractor to recover the damages caused by its engagement in corrupt, fraudulent, collusive, coercive or obstructive

practices in competing for the contract in question, if they are not fully recovered by the securities and the payments otherwise due to the bidder/contractor.

- 1.9 Neither the shortlisted Bidders nor their personnel or subcontractor shall not be under a declaration of ineligibility for corrupt and fraudulent practices issued by the SADC Secretariat in accordance with the above sub para. 1.8 (d).
- 1.10 Bidders shall furnish information as described in the Financial Proposal submission form (Section 4A) on commissions and gratuities, if any, paid or to be paid to agents relating to this proposal, and to execute the work if the firm is awarded the contract.
- 1.11 Without limitation on the generality of this rule, Bidders, and their subcontractors and personnel shall not be hired under the circumstances set forth below:
 - (a) They are bankrupt;
 - (b) Payments to them have been suspended in accordance with the judgment of a court of law other than a judgment declaring bankruptcy and resulting, in accordance with their national laws in the total or partial loss of the right to administer and dispose of their property;
 - (c) Legal proceedings have been instituted against them involving an order suspending payments and which may result, in accordance with their national laws, in a declaration of bankruptcy or in any other situation entailing the total or partial loss of the right to administer and dispose of their property;
 - (d) They have been convicted, by a final judgment, of any crime or offence concerning their professional conduct;
 - (e) They are guilty of serious misrepresentation with regard to information required for participation in an invitation to tender;
 - (f) They have been sanctioned by SADC Secretariat according to the SADC Secretariat Policy for Procurement and Grants.
- 1.11 Only shortlisted Bidders are allowed to participate in this bidding process. If a Bidders is shortlisted as Joint Venture or Consortium, the composition of Joint Venture or Consortium can be changed with prior approval of the Procuring Entity and only if :(i) is supported by solid and objective arguments, (ii) does not alter the competition, (iii) is not generating a conflict of interest, and (iv) is not invalidating the criteria and

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| | | conditions in place when the joint venture or consortium was prequalified. |
| 2. Clarification and Amendment of Bidding Documents | 2.1 | Bidders may request a clarification of any of the Bidding Documents up to the number of days indicated in the Data Sheet before the proposal submission date. Any request for clarification must be sent in writing by paper mail, cable, telex, facsimile, or electronic mail to the Procuring Entity's address indicated in the Data Sheet . The Procuring Entity will respond by cable, telex, facsimile, or electronic mail to such requests and will send written copies of the response (including an explanation of the query but without identifying the source of inquiry) to all invited Bidders who intend to submit proposals. |
| | 2.2 | At any time before the submission of proposals, the Procuring Entity may, for any reason, whether at its own initiative or in response to a clarification requested by an invited firm, amend the BD. Any amendment shall be issued in writing through addenda. Addenda shall be sent by mail, cable, telex, facsimile, or electronic mail to all invited Bidders and will be binding on them. The Procuring Entity may at its discretion extend the deadline for the submission of proposals. |
| 3. Preparation of Proposal | 3.1 | Bidders are requested to submit a proposal written in the language indicated in the Bid Data Sheet . All correspondence between the Bidder and Contracting Authority shall be in this language. |
| Technical Proposal | 3.2 | In preparing the Technical Proposal, Bidders are expected to examine the documents constituting this BD in detail. Material deficiencies in providing the information requested may result in rejection of a proposal. |
| | 3.3 | While preparing the Technical Proposal, Bidders must give particular attention to the following: <ol style="list-style-type: none">If a Bidder considers that it does not have all the expertise for the assignment, it may obtain a full range of expertise by associating with individual Bidder(s) and/or subcontract part of the services to other consulting firms, as appropriate. In case of subcontracting this shall be in the limit stated in the Data Sheet but under no circumstances shall exceed forty percent (40%) of the total staff-days input. The Bidders are encouraged to seek the participation of regional Bidders when subcontracting part of the assignment. Under no circumstances, the Bidders shall associate with the other short listed Bidders, or their affiliates, invited for this assignment. Affiliates are the group of companies, firms, associations, etc. where the |

Bidder or any of the major shareholders owns a minimum of twenty percent (20%) of shares of the share capital. For the same purpose, major shareholder is any legal or physical person who owns no less than twenty percent (20%) of the shares of the Bidder.

(ii) For assignments on a global priced contract, the estimated number of professional working days is given in **the Data Sheet**.

(vi) Reports to be issued by the Bidders as part of this assignment must be in the language(s) specified in **the Data Sheet**. It is desirable that the firm's personnel have a working knowledge of the official languages of the country (ies) of the assignment.

3.4 The Technical Proposal shall provide the following information using the attached Standard Forms (Section 3):

(i) Any comments or suggestions on the Terms of Reference on facilities to be provided by the Procuring Entity and on Standard Form of Contract (Form Tech 2).

(ii) A description of the methodology and work plan for performing the assignment (Form Tech 3).

(iii) If requested in the TOR the list of the proposed staff team for the implementation.

(vi) A detailed description of the proposed methodology, staffing, and monitoring of training, if **the Data Sheet** specifies training as a major component of the assignment.

(vii) Any additional information requested in **the Data Sheet**.

3.5 The Technical Proposal shall not include any financial information. If financial information is included in the technical proposal this will be automatically disqualified.

Financial Proposal 3.6 In preparing the Financial Proposal, Bidders are expected to take into account the requirements and conditions outlined in the BD documents. The Financial Proposal should follow Standard Forms (Section 4). It lists all costs associated with the assignment, including (a) lump sums and (b) reimbursable expenses if the case. The Reimbursable expense shall cover **only** the cost indicated in **the Data Sheet**. All other cost

estimated by the bidders for the execution of the assignment shall be included in the lump sum.

3.7 The Financial Proposal **shall not** include the local taxes (including social security), duties, fees, levies, and other charges imposed under the applicable law in the Procuring Entity's country or in the countries of assignment, on the Bidders, the subcontractors, and their personnel (other than nationals or permanent residents of the Procuring Entity's country), unless **the Data Sheet** specifies otherwise. For this purpose, the bidders', the subcontractors' and their personnel' home countries shall not be considered as countries of assignment.

3.8 If so, specified in **the Data Sheet**, the Financial Proposal **must** include, without any modification, the amount indicated as fixed reimbursable expenses, to cover for the expenditures already priced by the Procuring Entity (i.e, cost of trainings, cost of study tours, cost of financial audits, cost of equipments, etc).

3.9 The total budget available for this assignment, including the taxes indicated at para. 3.7 and the reimbursable expenses indicated at paragraph 3.8, is indicated in **the Data Sheet**. **Financial Proposal exceeding the available budget will be rejected as non-responsive.**

3.10 Bidders **must** express the price of their services in the US Dollars. The payment will be made in **US Dollars**, and the Bidder shall bear all the cost and risks implied by the currency exchange. **Financial Proposals expressed in other currencies than the US Dollars will be automatically disqualified.**

3.11 Commissions and gratuities, if any, paid or to be paid by Bidders and related to the assignment will be listed in the Financial Proposal submission form (Section 4A).

3.12 **The Data Sheet** indicates how long the proposals must remain valid after the submission date. During this period, the Bidder is expected to keep available the professional staff proposed for the assignment. The Procuring Entity will make its best effort to complete evaluation within this period. If the Procuring Entity wishes to extend the validity period of the proposals, the Bidders who do not agree have the right not to extend the validity of their proposals.

4. Submission, Receipt, and

4.1 The original proposal (Technical and Financial Proposal) shall be prepared in indelible ink. It shall contain no interlineation

Opening of Proposals or overwriting, except as necessary to correct errors made by the firm itself. Any such corrections must be initiated by the persons or person who sign(s) the proposals.

4.2 *An authorized representative of the firm initials all pages of the proposal. The representative's authorization is confirmed by a written power of attorney accompanying the proposal.*

4.3 For each proposal, the Bidders shall prepare the number of copies indicated in the **Data Sheet**. Each Technical Proposal and Financial Proposal shall be marked “ORIGINAL” or “COPY” as appropriate. If there are any discrepancies between the original and the copies of the proposal, the original governs.

4.4 The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked “Technical Proposal,” and the original and all copies of the Financial Proposal in a sealed envelope clearly marked “FINANCIAL PROPOSAL” and warning: “DO NOT OPEN WITH THE TECHNICAL PROPOSAL.” Both envelopes shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address and other information indicated in the Data Sheet and be clearly marked, “DO NOT OPEN, EXCEPT IN PRESENCE OF THE EVALUATION COMMITTEE.” **Information on the outer and inner envelopes should also include the name of the Bidder and the contract name and reference number.**

4.5 The completed Technical and Financial Proposals must be delivered at the submission address on or before the time and date stated in the **Data Sheet**. Any proposal received after the closing time for submission of proposals shall automatically be rejected and shall be returned unopened to the Bidder.

5. Proposal Evaluation

General

5.1 From the time the bids are opened to the time the contract is awarded, if any Bidder wishes to contact the Procuring Entity on any matter related to its proposal, it should do so in writing at the address indicated in the **Data Sheet**. Any effort by the firm to influence the Procuring Entity in the Procuring Entity’s proposal evaluation, proposal comparison or contract award decisions may result in the rejection of the Bidder’s proposal.

5.2 Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation, including any SADC Secretariat reviews, is concluded.

Public Opening and Evaluation of Technical Proposals: Scoring

- 5.3 The Procuring Entity shall conduct the bid opening in public at the address, date and time specified in **the Data Sheet**. Only the representatives of the bidders and the Evaluation Committee members are allowed to participate in public opening sessions. Any other interested person shall request, in writing, the SADC Secretariat's permission to participate in a specific bid opening session.
- 5.4 The bid opening shall commence with the Chairperson the Evaluation Committee reading out the Bidders' names and the time of arrival of the proposal. A registration number will be given to each proposal. All envelopes shall be opened one at a time, by the Chairperson of the Evaluation Committee, in order of their arrival.
- 5.5 At the opening, only the Technical Proposal envelope shall be opened immediately and checked for compliance with formal submission requirements by the evaluation committee. The Financial Proposal shall remain sealed and deposited in a safe place until all submitted proposals, of technically responsive bids, are opened publicly. In case the envelopes are not submitted separately the Bidder will be excluded.
- 5.6 No Bid shall be rejected at Bid opening except for late bids, in accordance with ITB Sub-Clause 4.5 and the other listed in the template for opening checklist (see in Annex to Services to SADC Guidelines for Procurement and Grants). Only envelopes that are opened and read out at Bid opening shall be considered further.
- 5.7 The Procuring Entity shall prepare the minutes of the Bid opening that shall include a brief description of the bid opening procedures and its finding as. The Bidders' representatives who are present shall be requested to sign the attendance sheet. A copy of the minute shall be distributed to all Bidders who submitted bids in time.
- 5.8 Once the Bid opening is concluded, the Evaluation Committee, as a whole, and each of its voting members individually, evaluates the proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub criteria (typically not more than three per criteria), and point system specified in **the Data Sheet**. Each responsive proposal will be given a technical score (St). A proposal shall be rejected at this stage if it does not respond to important aspects of the Terms of Reference or if it fails to achieve the minimum technical score indicated in **the Data Sheet**.

**Public
Opening and
Evaluation
of Financial
Proposals:
Ranking**

5.9 After the evaluation of quality is completed, the Procuring Entity shall notify those Bidders whose proposals did not meet the minimum qualifying mark or were considered nonresponsive to the BD and Terms of Reference, indicating that their Financial Proposals will be returned unopened after completing the selection process. The Procuring Entity shall simultaneously notify the Bidders that have secured the minimum qualifying mark, indicating the date and time set for opening the Financial Proposals. The opening date shall not be sooner than two weeks after the notification date. The notification may be sent by registered letter, cable, telex, facsimile, or electronic mail.

5.10 The Financial Proposals shall be opened publicly in the presence of the Bidders' representatives who choose to attend. The name of the Bidder, the technical scores, and the proposed prices shall be read aloud and recorded when the Financial Proposals are opened. The Procuring Entity shall prepare minutes of the public opening.

5.11 The evaluation committee will determine whether the Financial Proposals are complete (i.e., whether they have costed all items of the corresponding Technical Proposals; if not, the Procuring Entity will cost them and add their cost to the initial price), correct any computational errors, and determine if the total price is within the maximum budget available. The evaluation shall exclude those taxes, duties, fees, levies, and other charges imposed under the applicable law; and to be applied to foreign and non-permanent resident Bidders (and to be paid under the contract, unless the Bidder is exempted), and estimated as per paragraph 3.7. **Should the Financial Proposal, after applying any correction or adjustments, exceeds the available budget for the assignment indicated at paragraph 3.9, this shall be automatically disqualified.**

5.12 **Once corrections or adjustments have been applied, the Financial Proposal shall be adjusted with the Regional Preference.** If so specified in the BDS, The Procuring Entity shall grant a margin of preference in the evaluation of bids from companies nationals from the SADC region when compared to bids from elsewhere. The margin of preference shall be calculated as a maximum fifteen percent (15%) discount to the evaluated total price. In case of a consortium, to qualify for the regional preference, the applicant must be from the region and the companies providing at least 50% of the services offered must be from the region.

5.13 The lowest Financial Proposal (Fm) will be given a financial score (Sf) of 100 points. The financial scores (Sf) of the other

Financial Proposals will be computed as indicated in the Data Sheet. Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T = the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; $T + P = 1$) indicated in **the Data Sheet**: $S = St \times T\% + Sf \times P\%$. The firm achieving the highest combined technical and financial score will be awarded the contract.

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| 6. Negotiations of Contract | <p>6.1 The Contracting Authority, prior to award the contract, may enter into negotiation with the successful bidder in order to confirm the availability for the assignment, incorporation in the methodology of the aspects for which clarifications were requested during the evaluation and the modification of the schedule of mobilization of the team and submission of deliverables under the contract.</p> <p>6.2 No negotiation on the: (i) unit or total price, and/or (ii) proposed methodology is allowed.</p> <p>6.3 As far as possible, the negotiation shall be conducted in writing. Only on exceptional circumstances, the Contracting Authority and the successful shall meet for negotiations. In such case the meeting shall take place at the address indicated in the Bid Data Sheet.</p> <p>6.5 The negotiations shall be recorded in a minute of the negotiations and be attached as annex to the contract.</p> |
| 7. Award of Contract | <p>7.1 The Bidder who submitted a technical and financial responsive proposal and received the highest combined score, calculated as per formula given in paragraph 5.13 and the Data Sheet, will be awarded the contract.</p> <p>7.2 After the approval of the Evaluation Report, the Procuring Entity will promptly notify both the success and the unsuccessful bidders about the outcome of the evaluation of the bids.</p> <p>7.3 In case of the successful Bidder, following the notification of award the validity of its offer shall be automatically extended with sixty (60) days.</p> <p>7.4 No later than thirty (30) days from that date of notification of the recommendation for the award of the contract, the Procuring Entity shall submit to the applicant the contract for the services. The successful Bidder shall be given fifteen (15) days to sign the contract to the Contracting Authority. If it fails</p> |

to do so, the Procuring Entity may consider cancelling the award of the contract.

7.5 The Contractor is expected to commence the assignment on the date and at the location specified in **the Data Sheet**.

8. Confidentiality 8.1 Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the Bidders who submitted the proposals or to other persons not officially concerned with the process, until the winning firm has been notified that it has been awarded the contract.

9. Appeals 9.1 Short listed Bidders may appeal any of the Procuring Entity's decision taken during the evaluation process by following the procedures described on the SADC Secretariat Guidelines at the article specified in **the Data Sheet**.

Information to Bidders

DATA SHEET

| Clause Reference | Clarifications and/or Amendment to Reference Clause |
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| 1.1 | <p>The name of the Procuring Entity is SADC Secretariat</p> <p>The name of the Contracting Authority is SADC Secretariat</p> <p>The procurement method is: Open Bidding</p> <p>The current bidding process is governed by SADC Procurement and Grants Policy, August 2019 and SADC Procurement and Grants Guidelines, January 2021, which can be downloaded from the SADC Secretariat website <u>https://www.sadc.int/opportunities/procurement/sadc-procurement-documentation/</u></p> |
| 1.2 | <p>Contract Name: CONSULTANCY TO CONDUCT EXPENDITURE VERIFICATION SERVICES FOR DISASTER RISK MANAGEMENT STRENGTHENING IN THE SOUTHERN AFRICA DEVELOPMENT COMMUNITY (DRMSS) PROJECT</p> <p>Contract Reference: SADC/3/5/2/425.</p> |
| 1.3 | <p>The assignment is phased: No</p> |
| 1.4 | <p>A pre-bid conference will be held: No</p> <p>For further information and clarifications, the Procuring Entity's Representative(s) can be contacted in writing at the address stated in BDS 2.1.</p> |
| 1.5 | <p>The Procuring Entity will provide the following inputs: The Contracting Authority shall use its best efforts to assist the Contractor to obtain, where necessary, from the responsible Government Authority in Contracting Authority's country the required permits or approvals.</p> |
| 1.7.3 | <p>The Procuring Entity envisages the need for continuity for downstream work: No</p> |
| 2.1 | <p>The Last date to receive requests for Clarifications is 12 November 2025, at 16:30 Hours Botswana time.</p> <p>The Last date for Responses is 17 November 2025 at Midnight Botswana time.</p> <p>The address for requesting clarifications is:</p> |

| | |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>Head of Procurement Southern African Development Community (SADC) Secretariat Attention: Mr. Grem Salima Email: gsalima@sadc.int and nmasheleng@sadc.int With copy to tchabwera@sadc.int</p> <p>The correspondence shall bear the following reference:</p> <p>Contract Name: CONSULTANCY TO CONDUCT EXPENDITURE VERIFICATION SERVICES FOR DISASTER RISK MANAGEMENT STRENGTHENING IN THE SOUTHERN AFRICA DEVELOPMENT COMMUNITY (DRMSS) PROJECT</p> <p>Contract Reference: SADC/3/5/2/425.</p> |
| 3.1 | <p>The language of the bidding process is: English.</p> <p>However, any supporting documents that are part of the bid shall be issued in any SADC Secretariat official languages (i.e: English, French and Portuguese). If the original documents are written in a language other than SADC Secretariat official languages, they shall be accompanied by an original certified translation into any of the SADC Secretariat official languages. The cost of the translation shall be borne by the bidders.</p> <p>In case of discrepancies between the original language and the language of translation, the language of translation shall prevail.</p> |
| 3.3 | <p>(i) The Bidder will not subcontract any portion of the assignment. (ii) The estimated implementation period for the assignment is: 150days (vi) Must be written in the following language(s): English only.</p> |
| 3.4(vi) | Training is Not the subject matter of this assignment. |
| 3.4(vii) | Additional information in the Technical Proposal includes: (i) Valid copy of Certificate of incorporation (ii) Valid copy of tax clearance |
| 3.6 | There are no reimbursable expenses. All expenses are included in the global price of the contract. |
| 3.7 | Taxes: The financial proposal should include all applicable taxes |
| 3.8 | This contract has no reimbursable expenses. |

| | | | | | | | |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|----|------------------------------------|----|---------------------------|----|
| 3.9 | The maximum available budget for this contract: US\$79,608 | | | | | | |
| 3.12 | Proposals must remain valid for 120 days after the submission date. | | | | | | |
| 4.3 | <p>Bidders must submit electronic version of the technical proposal only in PDF Format. Bidders passing the threshold under 5.8 below (i.e. technically responsive bids) will be asked to submit the financial proposals.</p> <p>Bidders must submit electronic version of technical proposal only via link: https://collab.sadc.int/s/oqaTeMS3xEnfzXP</p> <ul style="list-style-type: none"> • <i>Bidders are advised to submit their proposals during working hours for support in case of any technical problems. The technical support team will not be available after working hours.</i> • <i>Kindly upload your file on the link as a zipped folder containing all your documents and label it with your name.</i> | | | | | | |
| 4.4 | <p>The proposal submission is collab link provided below.</p> <p>https://collab.sadc.int/s/oqaTeMS3xEnfzXP</p> | | | | | | |
| 4.5 | <p>Proposals must be submitted no later than the following date and time:</p> <p>25 November 2025 by Midnight Botswana Time</p> | | | | | | |
| 5.1 | <p>The address to send information to the Procuring Entity is:</p> <p>Head of Procurement</p> <p>SADC Secretariat</p> <p>Email: gsalima@sadc.int and pncube@sadc.int</p> <p>With copy: tchabwera@sadc.int</p> | | | | | | |
| 5.3 | There will be no bid public opening. | | | | | | |
| 5.8 | <p>TECHNICAL SCORE (100 points)</p> <p>The number of points to be given under each of the evaluation criteria are:</p> <p>ORGANISATION AND METHODOLOGY: (40 points)</p> <table> <tr> <td>Understanding of the Terms of Reference</td> <td>15</td> </tr> <tr> <td>Technical Approach and Methodology</td> <td>15</td> </tr> <tr> <td>Organization and Staffing</td> <td>10</td> </tr> </table> <p>QUALIFICATION AND COMPETENCE OF KEY EXPERTS – (60 points) (FORM TECH 5)</p> | Understanding of the Terms of Reference | 15 | Technical Approach and Methodology | 15 | Organization and Staffing | 10 |
| Understanding of the Terms of Reference | 15 | | | | | | |
| Technical Approach and Methodology | 15 | | | | | | |
| Organization and Staffing | 10 | | | | | | |

| | | | | | | | |
|-------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------|----------------------------------------|-----------|-------------------------------------------------|-----------|
| | <ul style="list-style-type: none"> • Audit Manager – 30 points • Audit Supervisor-20 points • Audit Assistant – 10points. <p>The number of points to be given under each evaluation sub-criteria for key staff, expressed in percentage from the number points allocated to each key staff, are:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">(i) Qualifications & Skills:</td><td style="width: 60%;">30 Points</td></tr> <tr> <td>(ii) Specific professional experience:</td><td>50 Points</td></tr> <tr> <td>(iii) General Professional Experience & Skills:</td><td>20 Points</td></tr> </table> <p>The minimum technical score required to pass: 70 points. Bids not reaching 70 points shall be considered not compliant. Out of the 70 points thresholds, the best technical offer is awarded 100 points. The others receive points calculated using the following formula: Technical score = (final score of the technical offer in question/final score of the best technical offer) x100. Technical scores will then be multiplied/weighted by 0.8.</p> | (i) Qualifications & Skills: | 30 Points | (ii) Specific professional experience: | 50 Points | (iii) General Professional Experience & Skills: | 20 Points |
| (i) Qualifications & Skills: | 30 Points | | | | | | |
| (ii) Specific professional experience: | 50 Points | | | | | | |
| (iii) General Professional Experience & Skills: | 20 Points | | | | | | |
| 5.10 | There will be no financial public opening. | | | | | | |
| 5.12 | <p>Once corrections or adjustments have been applied, the Financial Proposal shall be adjusted with the Regional Preference.</p> <p>The Procuring Entity shall grant a margin of preference in the evaluation of bids from companies' nationals from the SADC region when compared to bids from elsewhere. The margin of preference shall be calculated as a maximum fifteen percent (15%) discount to the evaluated total price. In case of a consortium, to qualify for the regional preference, the applicant must be from the region and the companies providing at least 50% of the services offered must be from the region.</p> <p>For Services to qualify for the regional preference, a bid offering fifty percent (50) % or more expertise (experts) from the SADC Region will be discounted, for the purpose of financial evaluation only, with fifteen percent (15%)</p> | | | | | | |
| 5.13 | Financial evaluation: The Evaluation Committee shall proceed with the financial comparisons of the fees between the different financial offers. The offer with the lowest total fees shall receive 100 points. The others are awarded points by means of the following formula: Financial score = (lowest total fees /total fees of the tender being considered) x 100. Financial scores will then be multiplied/weighted by 0.2. | | | | | | |
| 6.3 | <p>The address where the negotiations of the contract (<i>if required</i>) will be held is:</p> <p>The SADC Secretariat,</p> <p>CBD Plot 54385</p> <p>New CBD, Gaborone, Botswana</p> | | | | | | |

| | |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7.5 | The expected date to commence the assignment will be communicated but under no circumstances shall be earlier than two (2) weeks after the contract signature by both parties. |
| 9.1 | The procedures to be followed to appeal a Procuring Entity decision in the procurement process are described in the article 7 of the SADC Secretariat Procurement Guidelines August 2021 Edition . |

Section 3. Technical Proposal Submission Form

[Comments in brackets [] provide guidance to the Bidders for the preparation of their Technical Proposals; they should not appear on the Technical Proposals to be submitted.]

Section 3. Technical Proposal Submission Form

Contents

- FORM TECH-1 Technical Proposal Submission Form
- FORM TECH- 2 Comments and Suggestions on the Terms of REFERENCE, on Counterpart Staff and Facilities to be Provided by the Procuring Entity and on Standard Contract Form
- FORM TECH-3. Description of Approach, Methodology and Work Plan for Performing the Assignment
- FORM TECH-4 Team Composition and Task Assignments
- Form TECH - 5Curriculum Vitae (CV) for Proposed Professional Staff
- Form TECH-6 Staffing Schedule
- Form TECH-7 Work Schedule

FORM TECH-1 TECHNICAL PROPOSAL SUBMISSION FORM

[Location, Date]

To: [Name and address of Procuring Entity]

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for **CONSULTANCY TO CONDUCT EXPENDITURE VERIFICATION SERVICES FOR DISASTER RISK MANAGEMENT STRENGTHENING IN THE SOUTHERN AFRICA DEVELOPMENT COMMUNITY (DRMSS) PROJECT -SADC/3/5/2/425** in accordance with your Bidding Documents dated 5 November 2025 and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

Our Proposal is binding upon us and subject to the modifications resulting from correction and clarification made during the evaluation process, for a period of **120 days** from the deadline for submission of the bid, as indicated in the Data Sheet reference to clauses 3.12 and 4.5.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Name and Title of Signatory:

Name of Firm:

Address:

Phone:

Facsimile:

e-mail:

FORM TECH- 2 COMMENTS AND SUGGESTIONS ON THE TERMS OF REFERENCE, ON COUNTERPART STAFF AND FACILITIES TO BE PROVIDED BY THE PROCURING ENTITY AND ON STANDARD CONTRACT FORM

A – On the Terms of Reference

[Present and justify here any modifications or improvement to the Terms of Reference you are proposing to improve performance in carrying out the assignment (such as deleting some activity you consider unnecessary, or adding another, or proposing a different phasing of the activities). Such suggestions should be concise and to the point, and incorporated in your Proposal.]

B – On Counterpart Staff and Facilities

[Comment here on counterpart staff and facilities to be provided by the Contracting Authority as indicated in the TORs or include your own requirements of administrative support, office space, local transportation, equipment, data, etc.]

C – On Standard Form of Contract

[Please recommend any change in the Standard Form of Contract's clauses you would like to see incorporated in the final Contract. Please indicate which of the proposed changes, if not accepted by the Procuring Entity could determine you to reject the Contract for this assignment. Use maximum 2 pages]

**FORM TECH-3 DESCRIPTION OF APPROACH, METHODOLOGY AND WORK PLAN
FOR PERFORMING THE ASSIGNMENT**

[Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical Proposal (**max. 15 pages, inclusive of charts and diagrams**) divided into the following three chapters:

- a) Technical Approach and Methodology,*
- b) Organization and Staffing,*

a) Technical Approach and Methodology. In this chapter you should explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You should highlight the problems being addressed and their importance, and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.

b) Organization and Staffing. In this chapter you should propose the structure and composition of your team. You should list the main disciplines of the assignment and proposed technical and support staff.]

FORM TECH-4 TEAM COMPOSITION AND TASK ASSIGNMENTS

| Professional Staff | | | |
|--------------------|-------------------|-------------------|---------------|
| Name of Staff | Area of Expertise | Position Assigned | Task Assigned |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

FORM TECH - 5 CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF¹

Proposed role in the project: [insert the name of the position and indicate the key position]

- 1. Family name:** [insert the name]
- 2. First names:** [insert the names in full]
- 3. Date of birth:** [insert the date]
- 4. Nationality:** [insert the country or countries of citizenship]
- 5. Civil status:** [insert: married/ divorced/single/ widower]
- 6. Contract details:**
Address: [insert the physical address]
Phone : [insert the phone and mobile no.]
E-mail: [insert the email]

8. Education:

| Institution: [Date from – Date to] | Degree(s) or Diploma(s) obtained: |
|---------------------------------------|----------------------------------------------------------|
| [indicate the month and the year] | [insert the name of the diploma and the specialty/major] |
| [indicate the month and the year] | [insert the name of the diploma and the specialty/major] |

7. Language skills: (Indicate competence on a scale of 1 to 5) (1 – excellent; 5 – basic)

| Language | Reading | Speaking | Writing |
|-----------------------|------------------|------------------|------------------|
| [insert the language] | [insert the no.] | [insert the no.] | [insert the no.] |
| [insert the no.] | [insert the no.] | [insert the no.] | [insert the no.] |
| [insert the no.] | [insert the no.] | [insert the no.] | [insert the no.] |

8. Membership of professional bodies: [indicate the name of the professional body]

9. Other skills: [insert the skills]

10. Present position: [insert the name]

11. Years of experience: [insert the no]

12. Key qualifications: (Relevant to the assignment)

[insert the key qualifications]

13. Specific experience in the region:

| Country | Date from - Date to |
|----------------------|-----------------------------------|
| [insert the country] | [indicate the month and the year] |
| [insert the country] | [indicate the month and the year] |
| [insert the country] | [indicate the month and the year] |

¹ The CV must not exceed eight (8) pages.

14. Professional experience:

| Date from – Date to | Location of the assignment | Company& reference person (name & contact details) | Position | Description |
|-----------------------------------------|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| [indicate the month and the year] | [indicate the country and the city] | <p><i>Name of the Company:</i> <i>Address of the company:</i> <i>Phone:</i> <i>Fax:</i> <i>Email:</i> <i>Name and title of the reference person from the company:</i></p> | [indicate the exact name and title and if it was a short term or a long term position] | <p><i>Name of the contract:</i> <i>Beneficiary of the contract:</i> <i>Brief description of the contract:</i> <i>Responsibilities:</i></p> |
| [indicate the month and the year] | [indicate the country and the city] | <p><i>Name of the Company:</i> <i>Address of the company:</i> <i>Phone:</i> <i>Fax:</i> <i>Email:</i> <i>Name and title of the reference person from the company:</i></p> | [indicate the exact name and title and if it was a short term or a long term position] | <p><i>Name of the contract:</i> <i>Beneficiary of the contract:</i> <i>Brief description of the contract:</i> <i>Responsibilities:</i></p> |
| [indicate the month and the year] | [indicate the country and the city] | <p><i>Name of the Company:</i> <i>Address of the company:</i> <i>Phone:</i> <i>Fax:</i> <i>Email:</i> <i>Name and title of the reference person from the company:</i></p> | [indicate the exact name and title and if it was a short term or a long term position] | <p><i>Name of the contract:</i> <i>Beneficiary of the contract:</i> <i>Brief description of the contract:</i> <i>Responsibilities:</i></p> |

14. **Other relevant information:** (e.g. Publications)
[insert the details]

15. Statement:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience. I understand that any wilful misstatement described herein may lead to my disqualification or dismissal, if engaged.

I hereby declare that at any point in time, at the SADC Secretariat request, I will provide certified copies of all documents to prove that I have the qualifications and the professional experience and indicated at points 8 and 14 above³, documents which are attached to this CV as photocopies.

By signing this statement, I also authorised the SADC Secretariat to contact my previous or current employers indicated at point 14 above, to obtain directly reference about my professional conduct and achievements.

Date: _____

ATTACHMENTS: 1) *Proof of qualifications indicated at point 8*
 2) *Proof of working experience indicated at point 14*

³ *The proof of stated qualifications shall be in the form of the copies of the degrees and diploma obtained, while for the professional experience the proof shall be either acknowledgement letters from the previous employers or copies of the contract signed with them.*

FORM TECH-6 STAFFING SCHEDULE

| N° | Name of Staff ¹ | Staff input (in the form of a bar chart) ² | | | | | | | | | | | | | Total staff-days input ³ | | |
|------------------------|----------------------------|-------------------------------------------------------|---|---|---|---|---|---|---|---|----|----|----|---|-------------------------------------|--------------------|-------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | n | Home | Field ⁴ | Total |
| Key Experts | | | | | | | | | | | | | | | | | |
| 1 | | [Home] | | | | | | | | | | | | | | [Home] | |
| | | [Field] | | | | | | | | | | | | | | [Field] | |
| 2 | | | | | | | | | | | | | | | | | |
| n | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | Subtotal | | |
| Non key experts | | | | | | | | | | | | | | | | | |
| 1 | TBA | [Home] | | | | | | | | | | | | | | [Home] | |
| | | [Field] | | | | | | | | | | | | | | [Field] | |
| 2 | TBA | | | | | | | | | | | | | | | | |
| n | TBA | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | Subtotal | | |
| | | | | | | | | | | | | | | | Total | | |

¹ Position held in the Contract must be indicated as well.

² Months/ weeks are counted from the start of the assignment. For each staff indicate separately staff input for home and field work.

³ Select months or weeks as needed.

⁴ Field work means work carried out at a place other than the Contractor's home office.

FORM TECH-7 WORK SCHEDULE

| Nº | Activity ¹ | Months ² | | | | | | | | | | | |
|----|-----------------------|---------------------|---|---|---|---|---|---|---|---|----|----|----|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 1 | | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | |
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¹ Indicate all main activities of the assignment, including delivery of reports (e.g.: inception, interim, and final reports), and other benchmarks such as Procuring Entity's approvals. For phased assignments indicate activities, delivery of reports, and benchmarks separately for each phase.

² Duration of activities shall be indicated in the form of a bar chart

Section 4. Financial Proposal Submission Forms

[Comments in brackets [] provide guidance to the Service Providers for the preparation of their Financial Proposals; they should not appear on the Financial Proposals to be submitted.]

- FORM FIN-1 FINANCIAL PROPOSAL SUBMISSION FORM
- FORM FIN-2 SUMMARY OF COSTS

FORM FIN-1 FINANCIAL PROPOSAL SUBMISSION FORM

[Location, Date]

To: **The SADC Secretariat**

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for **CONSULTANCY TO CONDUCT EXPENDITURE VERIFICATION SERVICES FOR DISASTER RISK MANAGEMENT STRENGTHENING IN THE SOUTHERN AFRICA DEVELOPMENT COMMUNITY (DRMSS) PROJECT: SADC/3/5/2/425.-** in accordance with your Bidding Documents dated **5 November 2025** and our Proposal (Technical and Financial Proposals). Our attached Financial Proposal is for the sum of US\$ *[insert the amount in words and figures]*. However, the Financial Proposal includes the reimbursable expenses indicated in the Data Sheet reference to the clause 3.8, amounting US\$ *[insert the amount(s) in words and figures]*.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from correction and clarification made during the evaluation process, up to expiration of the validity period of the Proposal.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Name and Title of Signatory:

Name of Firm:

Address:

Phone:

Facsimile:

E-mail:

FORM FIN-2 SUMMARY OF COSTS

| Cost component | Costs |
|-------------------------|---------------|
| | (US\$) |
| Contract Price** | |
| Total | |

Section 5. Terms of Reference



TERMS OF REFERENCE FOR AN EXPENDITURE VERIFICATION OF A GRANT CONTRACT

[Disaster Risk Management Strengthening in The Southern African Development Community (DRMSS) Project Grant Number Fed/2022/434-923]

The following are the terms of reference ('ToRs') under which the **SADC Secretariat** agrees to engage *[insert name of the audit firm]* ('the Auditor') to perform an expenditure verification and to report in connection with a SADC Secretariat financed grant contract for an external action concerning *[Disaster Risk Management Strengthening in the Southern African Development Community (DRMSS) project grant number FED/2022/434-923]* (the 'Grant Contract'). Where in these ToRs the 'Contracting Authority' is mentioned, this refers to *[European Commission]*, which has signed the Grant Contract with the Beneficiary and is providing the grant funding. The Contracting Authority is not a party to this agreement.

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OBJECTIVES OF THE PROJECT

The overall objective of the DRMSS Project is to contribute to the reduction of the impacts of natural and manmade hazards, strengthen disaster (risk) management, and regional capacity for preparedness and response and contribute to increased resilience. The Action aims to meet four Specific Objectives as follows:

- i. Strengthen the coordination and entrenchment of disaster risk management, as well as, capacity for disaster risk reduction (DRR) in development and sectoral policies at both regional and Member States levels;
- ii. Strengthen coordinated regional disaster risk assessments, early warning support mechanisms and integration of national early warning systems (EWSs), as well as disaster preparedness and response; Enhance regional disaster risk innovation and information management; and
- iii. effectively manage the DRMSS project

RESPONSIBILITIES OF THE PARTIES TO THE ENGAGEMENT

The term “Beneficiary(ies)” refers collectively to all Beneficiaries, including the lead applicant, of the Action. When there is only one Beneficiary of the Action, the terms Beneficiary(ies) and lead applicant should both be understood as referring to the only Beneficiary of the Action (see footnote 1). Where applicable the term 'Beneficiary(ies) includes its affiliated entity(ies).

The EU signed a multi-partner Contribution Agreement with SADC Secretariat (lead applicant/organisation) and International Federation of the Red Cross Red Crescent (IFRC) (beneficiary/party) and is fully financing the project. The agreement was signed on the 16th of January 2023 for a four-year period. The IFRC subsequently signed agreements with the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) (beneficiary/party) and the United Nations Human Settlements Programme (UN-Habitat) (beneficiary/party).

The lead applicant is responsible for providing a Financial Report for the action financed by the Grant Contract which complies with the terms and conditions of the Grant Contract and for ensuring that this Financial Report reconciles to the accounting and bookkeeping system and to the underlying accounts and records. IFRC is responsible for providing sufficient and adequate information, both financial and non-financial, to SADC Secretariat in support of the Financial Report. The information from IFRC includes that of UN-OCHA and UN-HABITAT

The lead applicant accepts that the ability of the Auditor to perform the procedures required by this engagement effectively depends upon the Beneficiary(ies), and as the case may be its affiliated entity(ies), providing full and free access to its (their) staff and its (their) accounting and bookkeeping system and underlying accounts and records.

‘The Auditor’ is responsible for performing the agreed-upon procedures as specified in these ToRs. ‘Auditor’ refers to the audit firm contracted for performing this engagement and for submitting a report of factual findings to the Beneficiary. ‘Auditor’ can refer to the person or persons conducting the verification, usually the engagement partner or other members of the engagement team. The engagement partner is the partner or other person in the audit firm who is responsible for the engagement and for the report that is issued on behalf of the firm, and who has the appropriate authority from a professional, legal or regulatory body.

By agreeing these ToRs, the Auditor confirms that he/she meets at least one of the following conditions:

The Auditor and/or the firm is a member of a national accounting or auditing body or institution which in turn is member of the International Federation of Accountants (IFAC).

The Auditor and/or the firm is a member of a national accounting or auditing body or institution. Although this organisation is not member of the IFAC, the Auditor commits him/herself to undertake this engagement in accordance with the IFAC standards and ethics set out in these ToRs.

The Auditor and/or the firm is registered as a statutory auditor in the public register of a public oversight body in a SADC member state.

TEAM COMPOSITION

The key audit team will comprise, at least:

- (a) **Audit Manager:** Professional Accountant (CA, ACCA, CPA, with a minimum of 10 years post qualification experience of which 5 years should have been in the audit of either, EU or other multilateral donor-funded project/programs.
- (b) **Audit Supervisor:** Professional Accountant (CA, ACCA, CPA, etc.) with a minimum of 5 years post qualification experience of which 3 years should have been in the audit of either, EU or other multilateral donor-funded project/programs.
- (c) **Audit assistant:** Partly qualified Accountant with a minimum of 3 years working experience in an audit firm, of which 2 years should have been in the audit of either, EU or other multilateral donor-funded project/programs..

SUBJECT OF THE ENGAGEMENT

The subject of this engagement is the Financial Report in connection with the Grant Contract for the period covering **[16 January 2023 to 15 January 2027]** and the action entitled **[Disaster Risk Management Strengthening in the Southern African Development Community (DRMSS) project]**, the 'Action'. Annex 1 to these ToR contains information about the Grant Contract.

REASON FOR THE ENGAGEMENT

The lead applicant is required to submit to the Contracting Authority an expenditure verification report produced by an external auditor in accordance with Article 3.11 of the General Conditions of the Grant Contract.

ENGAGEMENT TYPE AND OBJECTIVE

This expenditure verification is an engagement to perform certain agreed-upon procedures with regard to the Financial Report for the Grant Contract. The objective of this expenditure verification is for the Auditor to carry out the specific procedures listed in Annex 2A to these ToRs and to submit to the lead applicant a report of factual findings with regard to the specific verification procedures performed. Verification means that the Auditor examines the factual information in the Financial Report of the lead applicant and compares it with the terms and

conditions of the Grant Contract. As this engagement is not an assurance engagement the Auditor does not provide an audit opinion and expresses no assurance. The Contracting Authority assesses for itself the factual findings reported by the Auditor and draws its own conclusions from these factual findings.

STANDARDS AND ETHICS

The Auditor shall undertake this engagement in accordance with:

- the International Standard on Related Services ('ISRS') 4400 Engagements to perform Agreed-upon Procedures regarding Financial Information as promulgated by the IFAC.
- the IFAC Code of Ethics for Professional Accountants, developed and issued by IFAC's International Ethics Standards Board for Accountants (IESBA), which establishes fundamental ethical principles for Auditors with regard to integrity, objectivity, independence, professional competence and due care, confidentiality, professional behaviour and technical standards. Although ISRS 4400 provides that independence is not a requirement for agreed-upon procedures engagements, the Contracting Authority requires that the Auditor is independent from the Beneficiary(ies) and complies with the independence requirements of the IFAC Code of Ethics for Professional Accountants.

EVALUATION CRITERIA

TECHNICAL SCORE (100 points)

The number of points to be given under each of the evaluation criteria are:

ORGANISATION AND METHODOLOGY: (40 points)

| | |
|-----------------------------------------|----|
| Understanding of the Terms of Reference | 15 |
| Technical Approach and Methodology | 15 |
| Organization and Staffing | 10 |

QUALIFICATION AND COMPETENCE OF KEY EXPERTS – (60 points) (FORM TECH 5)

- Audit Manager – 30 points
- Audit Supervisor-20 points
- Audit Assistant – 10points.

The number of points to be given under each evaluation sub-criteria for key staff, expressed in percentage from the number points allocated to each key staff, are:

- (i) Qualifications & Skills: 30 Points
- (ii) Specific professional experience: 50 Points
- (iii) General Professional Experience & Skills: 20 Points

The minimum technical score required to pass: 70 points. Bids not reaching 70 points shall be considered not compliant. Out of the 70 points thresholds, the best technical offer is awarded 100 points. The others receive points calculated using the following formula: Technical score = (final score of the technical offer in question/final score of the best technical offer) x100. Technical scores will then be multiplied/weighted by 0.8.

SCOPE

7.1 CONTRACTS AND FINANCIAL REPORTS COVERED BY THESE ToR

The Contract(s) and Financial Reports subject to this expenditure verification are indicated in Annex 1 (Information about the Grant Contract).

7.2 CONDITIONS FOR ELIGIBILITY OF EXPENDITURE

The conditions for eligibility are stipulated in the Contracts which are provided in Article 16 of the General Conditions.

VERIFICATION PROCESS AND METHODOLOGY

8.1 PREPARATION OF THE VERIFICATION

The Expenditure Verifier shall prepare the verification and to agree on the timing for carrying out the expenditure verification, notably with regard to fieldwork (if any) (see Section 8.2. for applicable maximum time lags). The Expenditure Verifier will then also confirm with the Beneficiary the location(s) indicated in Annex 1 and ensure that relevant supporting documents as well as key staff will be available during the verification.

8.2 PREPARATORY MEETING, FIELDWORK, DESK REVIEW

[The Beneficiary foresees a preparatory meeting with the Expenditure Verifier which will be held virtually.

The fieldwork or desk review shall commence as soon as possible and not later than 15 calendar days after the signature of the verification contract or the date of availability of the Financial Report (i.e. financial report, supporting documents and other relevant information).

8.2.1 Engagement Context, Materiality, Risk Analysis, Sampling

The Expenditure Verifier's procedures should include:

- obtaining a sufficient understanding of the engagement context including the contractual conditions, the Beneficiary and the applicable laws and regulations. The Expenditure Verifier should pay specific attention to the contractual provisions relevant for the following aspects:
 - documentation, filing and record keeping for expenditure and income;
 - eligibility of expenditure and income;
 - procurement and origin rules insofar as these conditions are relevant to determine the eligibility of expenditure;
 - asset management (management and control of fixed assets; e.g. equipment);
 - cash and bank management (treasury);
 - payroll and time management;
 - accounting (including the use of exchange rates) and financial reporting of expenditure and income; and
 - internal controls and notably financial internal controls.

The understanding should be sufficient to identify and assess the risks of material errors or misstatements in the expenditure and revenue stated in the Financial Report in order to

determine the size and structure of the expenditure sample to be tested, whether caused by error or fraud, and sufficient to design and perform further verification procedures.

- performing a risk analysis .

The outcome of the risk analysis has to be clearly described in the Verification Report;

- determining the sample size;

For the purpose of determining what the overall material misstatement or error is, the Expenditure Verifier will apply a materiality threshold of 2% of the total amount of the gross reported expenditure with a confidence level of 95%.

- establishing the sample and selecting the individual items for testing

The link between the risk assessment and the size and composition of the sample, as well as the sampling method (statistical/non-statistical) must be clearly described in the Verification Report

8.2.2 Fieldwork / Desk Review

The main task during the fieldwork or desk review will be to perform the substantive tests (Annex 2, Section 2). Key information about the testing process must be provided in the Verification Report (Annex 3).

8.2.3 Debriefing Memo and Closing Meeting

At the end of the fieldwork or desk review, the Expenditure Verifier should prepare a debriefing memo, organize a closing meeting with the Beneficiary in order to discuss the findings, obtain its initial comments and agree on additional information to be provided at a later date.

8.2.4 Documentation and Verification Evidence

The evidence to be used for performing the procedures in Annex 2 is all financial and non-financial information which makes it possible to examine the expenditure declared in the Financial Report.

The Expenditure Verifier documents matters which are important in providing evidence to support the report of factual findings, and evidence that the work was carried out in accordance with these ToR.

8.3 PROCEDURES, EVIDENCE AND DOCUMENTATION

The Auditor plans the work so that effective expenditure verification can be performed. The Auditor performs the procedures listed in Annex 2A of these ToRs ('Listing of specific procedures to be performed') and applies the guidelines in Annex 2B (Guidelines for specific procedures to be performed). The evidence to be used for performing the procedures in Annex 2A is all financial and non-financial information which makes it possible to examine the expenditure claimed by the lead applicant in the Financial Report. The Auditor uses the evidence obtained from these procedures as the basis for the report of factual findings. The Auditor documents matters which are important in providing evidence to support the report of factual findings, and evidence that the work was carried out in accordance with these ToRs.

REPORTING

The report on this expenditure verification should describe the purpose, the agreed-upon procedures and the factual findings of the engagement in sufficient detail to enable the lead

applicant and the Contracting Authority to understand the nature and extent of the procedures performed by the Auditor and the factual findings reported by the Auditor. The report should be presented in English.

The use of the Model Report for an Expenditure Verification of an SADC Secretariat Grant Contract in Annex 3 of these ToRs is compulsory. The Expenditure Verifier will submit within 15 working days of the conclusion of the field work a draft report to the Beneficiary for comments to be received within 15 working days. This the Expenditure Verifier will provide the final report to the Beneficiary within 15 working days from the receipt of the comments (if any).

NOTE: *The lead applicant and the Auditor can use this section to agree any other specific terms*

Annex 1 Information about the Grant Contract
Annex 2A Listing of specific procedures to be performed
Annex 2B Guidelines for specific procedures to be performed
Annex 3 Model report for an expenditure verification of an EU grant contract

For the lead applicant:

Signature
[Insert name, function and date]

For the Auditor:

Signature
[Insert name, function and date]

Annex 1 Information about the Grant Contract

| Information about the Grant Contract | |
|-------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Reference number and date of the Grant Contract | FED/2022/434-923 |
| Grant contract title | Disaster Risk Management Strengthening in the Southern African Development Community (DRMSS) project |
| Country | Gaborone, Botswana |
| Lead applicant | SADC Secretariat |
| Beneficiary(ies) and affiliated entity(ies) | International Federation of Red Cross and Red Crescent Society -IFRC |
| Start date of the implementation period of the Action | 17 January 2023 |
| End date of the implementation period of the Action | 16 January 2027 |
| Period of verification | 17 January 2023-16 January 2027 |
| Total <i>[insert accepted or eligible depending on the case]</i> cost of the Action | USD4,602,338 |
| Grant maximum amount | USD4,602,338 |
| Total amount received to date by the lead applicant from Contracting Authority | USD2,911,434 |
| Total amount of the payment request | USD2,911,434 |
| Contracting Authority | European Commission |
| SADC Secretariat | |
| Auditor | |

Annex 2A Listing of Specific Procedures to be performed

1. General Procedures

1.1 TERMS AND CONDITIONS OF THE GRANT CONTRACT

The Auditor:

- obtains an understanding of the terms and conditions of the Grant Contract by reviewing the Grant Contract and its annexes and other relevant information, and by inquiry of the lead applicant;
- obtains a copy of the original Grant Contract (signed by the Beneficiary(ies) and the Contracting Authority) with its annexes;
- obtains and reviews the Report (which includes a narrative and a financial section) as per Article 3.1 of the General Conditions;
- verifies whether the Grant Contract is mono or multi-beneficiary (see Grant Contract introduction part; in case of a multi-beneficiary grant the term lead applicant is used);
- verifies whether there is (are) an affiliated entity(ies) to any of the Beneficiary(ies) (see Article 7.1 of the Special Conditions).

Note: the purpose of the latter two procedures is for the Auditor to understand the Beneficiary(ies) responsibilities for reporting and access to staff and documents.

The SADC Guidelines for Procurement and Grants provides important information for grant contracts (e.g. basic rules and award procedures). Where necessary or useful reference will be made to it.

1.2 FINANCIAL REPORT FOR THE GRANT CONTRACT

The Auditor verifies that the Financial Report complies with the following conditions of Article 32 of the General Conditions the Grant Contract:

- The Financial Report must conform to the model in Annexes I and III of the Grant Contract;
- The Financial Report should cover the eligible costs of the Action as a whole, regardless of which part of it is financed by the Contracting Authority;
- The Financial Report should be drawn up in the language of the Grant Contract;
- The proof of the transfers of ownership of equipment, vehicles and supplies for which the purchase cost was more than USD 5.000 per item (Article 7.6 of the General Conditions of the Grant Contract) should be kept for verification for the duration and along with the documents mentioned in Article 15.1.

1.3 RULES FOR ACCOUNTING AND RECORD KEEPING

- The Auditor examines — when performing the procedures listed in this Annex — whether the Beneficiary has complied with the rules for accounting and record keeping of Article 16 of the General Conditions the Grant Contract including and notably:
- The accounts kept by the Beneficiary for the implementation of the Action must be accurate and regular;
- The Beneficiary must have a double-entry book-keeping system;

- The accounts and expenditure relating to the Action must be easily traceable, identifiable and verifiable.

1.4 RECONCILING THE FINANCIAL REPORT TO THE BENEFICIARY(IES)'S ACCOUNTING SYSTEM AND RECORDS

The Auditor reconciles the information in the Financial Report to the Beneficiary's accounting system and records (e.g. trial balance, general ledger accounts, sub ledgers etc.).

1.5 EXCHANGE RATES

The Auditor verifies that the financial report for the Action is stated in the currency set out in the Special Conditions and in accordance with Article 3.13 of the General Conditions. The Auditor verifies that costs incurred in other currencies than the one used in the Beneficiary's accounts for the Action have been converted in accordance with the Beneficiary's usual accounting practices and in accordance with Article 3.14 of the General Conditions unless otherwise provided for in the Special Conditions.

1.6 SIMPLIFIED COST OPTIONS

- The Auditor verifies with **Annex III of the Grant Contract** i.e. **Budget for the Action** whether the Beneficiary(ies) have applied for the application of simplified costs i.e. for the application of any or a combination of unit costs, lump sums, flat-rate financing and apportionment. Eligible costs for the Action may be based on any or a combination of actual costs incurred, unit costs, lump sums, flat-rate financing and apportionment. Simplified cost options can apply to one or more of the direct cost headings of the Budget for the Action and Financial Report (i.e. cost headings), or to sub-cost headings or to specific cost items within these cost headings.
- The Auditor obtains an understanding of the conditions set out in:
 - **Articles 16.6-16.10** of the General Conditions; provisions for simplified cost options.
 -

If simplified cost options apply, the Auditor performs the specific procedures set out at 3.1.(2) below.

2 Procedures to verify conformity of Expenditure with the Budget and Analytical Review

2.1 BUDGET OF THE GRANT CONTRACT

The Auditor carries out an analytical review of the expenditure headings in the Financial Report.

The Auditor verifies that the budget in the Financial Report corresponds with the budget of the Grant Contract (authenticity and authorisation of the initial budget) and that the expenditure incurred was indicated in the budget of the Grant Contract.

2.2 AMENDMENTS TO THE BUDGET OF THE GRANT CONTRACT

The Auditor verifies whether there have been amendments to the budget of the Grant Contract. Where this is the case, the Auditor verifies that the lead applicant has:

- requested an amendment to the budget and obtained an addendum to the Grant Contract if such an addendum was required (Article 10.2 of the General Conditions).
- informed the Contracting Authority about the amendment if the amendment was within the scope of Article 10.3 of the General Conditions, and an addendum to the Grant Contract was not required.

3 Procedures to verify selected Expenditure

3.1 ELIGIBILITY OF COSTS

The Auditor verifies, for each expenditure item selected, the eligibility criteria set out below.

(1) Actual costs incurred (Article 16.1c)

The Auditor verifies that the actual expenditure for a selected item was incurred by and pertains to the Beneficiary(ies) or its (their) affiliated entity(ies). The Auditor should take into account the detailed conditions for actual costs incurred as set out in Article 16.1(a) to (h). For this purpose, the Auditor examines supporting documents (e.g. invoices, contracts) and proof of payment. The Auditor also examines proof of work done, goods received or services rendered and he/she verifies the existence of assets if applicable.

At final reporting stage the costs incurred during the implementation period but not yet paid can be accepted as actual costs incurred, provided that (1) a liability exists (order, invoice or equivalent) for services rendered or goods supplied during the implementation period of the action, (2) the final costs are known and (3) these costs are listed in the final Financial Report together with the estimated date of payment. The Auditor verifies whether these cost items have effectively been paid at the moment of the auditor's verification.

(2) Simplified cost options (Article 16.6-16.10)

Where simplified cost options apply (see general procedure 1.6 above) the Auditor verifies:

- which options (i.e. unit costs, lump sums flat-rate financing or apportionment) apply and to which (sub)cost-headings and/or cost items (Annex III (Budget for the Action) of the Grant Contract);
- which amount(s) or percentage rate(s) have been contractually agreed (Annex III (Budget of the Action) of the Grant Contract);
- which quantitative and/or qualitative information was used to determine and justify the declared costs (e.g. number of staff, number of items purchased; type of costs and activities financed by a lump sum)¹⁰;
- only for unit costs, lump sums and flat-rate financing: whether the maximum amounts of simplified cost options for each beneficiary (this includes if applicable simplified cost options of its affiliated entity(ies)) are not exceeded, in accordance with the conditions established in the Contract;

¹⁰ In Annex III (Budget for the Action), the second column of worksheet no.2 ("Justification of the estimated costs") for each of the corresponding budget item or heading should:

- describe the information and methods used to establish the amounts or percentages of simplified cost options, to which costs they refer, etc.;
- explain the formulas for calculation of the final eligible amount;
- identify the beneficiary who use the simplified cost option (in case of affiliated entity, specify first the beneficiary), in order to verify the maximum amount for each beneficiary (which includes if applicable simplified cost options of its affiliated entity(ies)).

- the plausibility (i.e. necessity, reasonableness, reality) of the quantitative and qualitative information related to the declared costs;
- that the costs covered by lump sums, unit costs, flat-rate financing or apportionment are not included (no double funding) in other direct costs (cost headings), either actual or under simplified cost options;
- that the total costs stated in the Financial Report have been correctly determined;
Note: the Auditor is not required to verify the actual costs on which lump sums, unit costs or flat-rate financing are based.

(3) Cut-off — Implementation period (Article 16.1e)

The Auditor verifies that the expenditure for a selected item was incurred during the implementation period of the Action. An exception is made for costs relating to final reports including expenditure verification, audit and final evaluation reports of the Action and which may be incurred after the implementation period of the Action.

(4) Budget (Article 16.1g)

The Auditor verifies that the expenditure for a selected item was indicated in the Action budget.

(5) Necessary (Article 16.1a)

The Auditor verifies whether it is plausible that the expenditure for a selected item was necessary for the implementation of the Action and that it had to be incurred for the contracted activities of the Action by examining the nature of the expenditure with supporting documents.

(6) Records (Article 16.1f)

The Auditor verifies that expenditure for a selected item is recorded in the Beneficiary(ies)'s accounting system and was recorded in accordance with the applicable accounting standards of the country where the Beneficiary is established and the Beneficiary's usual cost accounting practices.

(7) Applicable legislation (Article 16.1h)

The Auditor verifies that expenditure complies with the requirements of tax and social security legislation where this is applicable (for example: employer's part of taxes, pension premiums and social security charges).

(8) Justified (Article 16.1f)

The Auditor verifies that expenditure for a selected item is substantiated by evidence (see section 1 of Annex 2B, Guidelines for Specific Procedures to be performed) and supporting documents as specified in Article 16.1f of the General Conditions of the Grant Contract.

(9) Valuation

The Auditor verifies that the monetary value of a selected expenditure item agrees with underlying documents (e.g. invoices, salary statements) and that correct exchange rates are used where applicable.

(10) Classification

The Auditor examines the nature of the expenditure for a selected item and verifies that the expenditure item has been classified under the correct (sub)heading of the Financial Report.

(11) Compliance with Procurement Principles and Nationality and Origin Rules

The Auditor verifies whether the Beneficiary has concluded implementation contracts with contractors as set out in Articles 20.1 of the General Conditions and to which expenditure (sub)heading(s), a class(es) of expenditure items or expenditure item(s) this applies.

The Auditor verifies for the expenditure items concerned whether the Beneficiary has complied with the principles for procurement and the nationality and origin rules. For this purpose the Auditor inspects the underlying documents of the procurement and purchase process including where applicable proof of nationality and origin.

Where the Auditor finds issues of non-compliance, he/she reports the nature of such issues as well as their financial impact in terms of ineligible expenditure. When examining supporting documents the Auditor takes into account the risk indicators listed at the end of Annex 2B.

3.2 ELIGIBLE DIRECT COSTS (ARTICLE 16.1)

- (1) The Auditor verifies that expenditure for selected items which are recorded under one of the direct costs headings of the Financial Report, are covered by the direct costs as defined in Article 16.1b by examining the nature of these expenditure items.
- (2) The Auditor verifies that duties, taxes and charges, including VAT which are recorded under direct costs are **not recoverable** by the beneficiary(ies) and/or its(their) affiliated entities (see Article 16.5c) of the General Conditions). The Auditor obtains evidence that the Beneficiary(ies) and/or its affiliated entities cannot reclaim the duties, taxes or charges, including VAT through an exemption system and/or a refund *a posteriori*.

In case Article 7 of the Special Conditions provides that duties, taxes and charges, including VAT are not eligible, but the "accepted costs system" is introduced: they remain ineligible costs, but they can be accepted as co-financing. Therefore the Auditor additionally verifies that the tax amount concerned is reported under heading 12 of the financial report, is properly computed, in line with supporting documents (e.g. invoices) and relate to eligible costs and cost items included under headings 1 to 10 of the Financial Report.

3.3 CONTINGENCY RESERVE (ARTICLE 16.2)

The Auditor verifies that the provision for contingency reserve does not exceed 5 % of the direct eligible costs of the Action and that the lead applicant has obtained prior written authorisation from the Contracting Authority for the use of this contingency reserve.

3.4 INDIRECT COSTS (ARTICLE 16.4)

The Auditor verifies that the indirect costs to cover overhead costs do not exceed the maximum percentage of 7 % of the total final amount of eligible direct costs of the Action or the percentage established in article 3 of the Special Conditions of the Grant Contract if applicable.

3.5 IN KIND CONTRIBUTIONS (ARTICLE 16.5K)

- (1) The Auditor verifies that the costs in the Financial Report do not include contributions in kind. Any contributions in kind (these should be listed separately in Annex III, Budget for the Action), do **not** represent actual expenditure and are not eligible costs.
- (2) Contributions in kind can be accepted as co-financing and in this case this should be explicitly stipulated in Article 7.1 of the Grant Contract. The Auditor verifies whether such co-financing is applicable and whether it is properly stated in the Financial Report.

3.6 NON-ELIGIBLE COSTS (ARTICLE 16.5)

The Auditor verifies that the expenditure for a selected item does not concern an ineligible cost as described in Article 16.5 of the General Conditions. These costs include *inter alia* currency exchange losses.

3.7 REVENUES OF THE ACTION

The Auditor examines whether the revenues which should be attributed to the Action (including grants and funding received from other donors and other revenue generated by the Beneficiary as part of the Action have been allocated to the Action and disclosed in the Financial Report. For this purpose, the Auditor inquires with the Beneficiary and examines documentation obtained from the Beneficiary(ies). The Auditor is not expected to examine the completeness of the revenues reported.

Annex 2B Guidelines for Specific Procedures to be performed

Verification Evidence

When performing the specific procedures listed in Annex 2A, the Auditor may apply techniques such as inquiry and analysis, (re) computation, comparison, other clerical accuracy checks, observation, inspection of records and documents, inspection of assets and obtaining confirmations.

The Auditor obtains verification evidence from these procedures to draw up the report of factual findings. Verification evidence is all information used by the Auditor in arriving at the factual findings and it includes the information contained in the accounting records underlying the Financial Report and other information (financial and non-financial).

The contractual requirements that relate to verification evidence are:

Expenditure should be identifiable, verifiable and recorded in the accounting records of the Beneficiary (Article 16.1f of the General Conditions of the Grant Contract);

The Beneficiary(ies) will allow any external auditor to carry out verifications on the basis of supporting documents for the accounts, accounting documents and any other document relevant to the financing of the Action. The Beneficiary gives access to all documents and databases concerning the technical and financial management of the Action (Article 16 of the General Conditions);

Article 16 of the General Conditions of the Grant Contract provides a list of the types and nature of evidence that the Auditor will often find in expenditure verifications.

Moreover, for the purpose of the procedures listed in Annex 2A, records, accounting and supporting documents:

shall be easily accessible and filed so as to facilitate their examination (Article 16 of the General Conditions);

shall be available in the original form or in the form of copies (as set out in the PRAG), including in electronic form.

Guidance: records and accounting and supporting documents should be available in documentary form, whether paper, electronic or other medium (e.g. a written record of a meeting is more reliable than an oral presentation of the matters discussed). Electronic documents can be accepted only where:

- the documentation was first received or created (e.g. an order form or confirmation) by the Beneficiary(ies) in electronic form; or
- the Auditor is satisfied that the Beneficiary uses an electronic archiving system which meets established standards (e.g. a certified system which complies with national law).

should preferably be obtained from independent sources outside the entity (an original supplier's invoice or contract is more reliable than an internally approved receipt note);

which is generated internally is more reliable if it has been subject to control and approval;

obtained directly by the Auditor (e.g. inspection of assets) is more reliable than evidence obtained indirectly (e.g. inquiry about the asset).

If the Auditor finds that the above criteria for evidence are not sufficiently met, he/she should detail this in the factual findings.

Obtaining an understanding of the terms and conditions **of the Grant Contract (Annex 2A — procedure 1.1)**

The Auditor obtains an understanding of the terms and conditions of the Grant Contract. S/he should **pay particular attention to** Annex I of the Grant Contract (the Description of the Action) and Annex II (General Conditions), **which provide principles for procurement and nationality and origin rules. Failure to comply with these principles or rules makes expenditure ineligible for EU financing.**

The Auditor ensures with the Beneficiary that the applicable principles for procurement and the nationality and origin rules are clearly identified and understood. If the Auditor finds that the terms and conditions to be verified are not sufficiently clear he/she should request clarification from the Beneficiary.

Selecting Expenditure for Verification (Annex 2A — procedures 3.1 – 3.7)

The expenditure claimed by the lead applicant in the Financial Report is generally presented under the headings shown in Annex III. Expenditure subheadings can be broken down into individual expenditure items or classes of expenditure items with the same or similar characteristics. The form and nature of the supporting evidence (e.g. a payment, a contract, an invoice etc.) and the way expenditure is recorded (e.g. journal entries) vary with the type and nature of the expenditure and the underlying actions or transactions. However, in all cases expenditure items should reflect the accounting (or financial) value of the underlying actions or transactions, whatever the type and nature of the action or transaction concerned.

Value should be the principal factor used by the Auditor to select expenditure items or classes of expenditure items for verification. The Auditor selects high-value expenditure items to ensure an appropriate coverage of expenditure.

Verification Coverage of Expenditure (Annex 2A — procedures 3.1 – 3.7)

The Auditor applies the principles and criteria set out below when planning and performing the specific verification procedures for selected expenditure in Annex 2A (procedures 3.1 – 3.7).

Verification by the Auditor and verification coverage of expenditure items does not necessarily mean a complete and exhaustive verification of all the expenditure items that are included in a specific expenditure heading or subheading. The Auditor should ensure a systematic and representative verification. Depending on certain conditions (see further below) the Auditor may obtain sufficient verification results for an expenditure heading or subheading by looking at a limited number of selected expenditure items.

The Auditor may apply statistical sampling techniques for the verification of one or more expenditure headings or subheadings of the Financial Report. The Auditor examines whether 'populations' (i.e. expenditure subheadings or classes of expenditure items within expenditure subheadings) are suitable and sufficiently large (i.e. are made up of large numbers of items) for effective statistical sampling.

If applicable the Auditor should explain in the report of factual findings for which headings or subheadings of the Financial Report sampling has been applied, the method used, the results obtained and whether the sample is representative.

The Expenditure Coverage Ratio ('ECR') is the total amount of expenditure verified by the Auditor, expressed as a percentage of the total amount of expenditure reported by the lead applicant in the Financial Report. This amount is reported in Annex V of the Grant Contract.

The Auditor ensures that the overall ECR is at least **65 %**. If he/she finds an exception rate of less than 10 % of the total amount of expenditure verified (i.e. 6.5 %) the Auditor finalises the verification procedures and continues with reporting.

If the exception rate found is higher than 10 % the Auditor extends verification procedures until the ECR is at least **85 %**. The Auditor then finalises verification procedures and continues with reporting regardless of the total exception rate found. The Auditor ensures that the **ECR for each expenditure heading and subheading** in the Financial Report is at least **10 %**.

Procedures to verify selected Expenditure (Annex 2A — procedures 3.1 – 3.7)

The Auditor verifies the selected expenditure items by carrying out procedures 3.1–3.11 listed in Annex 2A and reports all the factual findings and exceptions resulting from these procedures. Verification exceptions are all verification deviations found when performing the procedures set out in Annex 2A.

The Auditor quantifies the amount of verification exceptions found and the potential impact on the SADC contribution, should the SADC Secretariat declare the expenditure item(s) concerned ineligible (The Auditor reports all exceptions found, including those for which he/she cannot quantify the amount of the verification exception found and the potential impact on the SADC contribution.

Example: if the Auditor finds an exception of USD 1.000 with regard to procurement principles for a grant contract where the SADC Secretariat finances 60 % of the expenditure and where indirect costs represent 7 % of total direct eligible expenses, the Auditor reports an exception of USD 1.000 and a financial impact of 642 USD (USD 1 000 x 60 % x 1.07).

RISK INDICATORS PROCUREMENT

Inconsistencies in the dates of the documents or illogical sequence of dates. Examples:

- Bid dated after the award of contract or before the sending of the invitations to tender
- Bid by the winning tenderer dated before the publication date of the tender or dated significantly later than tenders from other tenderers
- Bids by different candidates all having the same date
- Dates on documents not plausible/consistent with dates on accompanying documentation (e.g. date on the tender not plausible/consistent with the postal date on the envelope; date of a fax not plausible/consistent with the printed date of the fax machine)

Unusual similarities in tenders by candidates participating in the same tender.**Examples:**

- Same wording, sentences and terminology in tenders from different tenderers
- Same layout and format (e.g. font type, font size, margin sizes, indents, paragraph wrapping, etc.) in tenders from different tenderers
- Similar letterhead paper or logos
- Same prices used in tenders from different tenderers for a number of subcomponents or line items
- Identical grammar, spelling or typing errors in tenders from different tenderers
- Use of similar stamps and similarities in signatures

Financial statement or other information indicating that two tenderers participating in the same tender are related or part of the same group (e.g. where financial statements are provided, the notes to the financial statements may disclose ultimate ownership of the group. Ownership information may also be found in public registers for accounts.)**Inconsistencies in the selection and award decision process. Examples:**

- Award decisions not plausible / consistent with selection and award criteria
- Errors in the application of the selection and award criteria
- A regular supplier of the beneficiary participates as a member of a tender evaluation committee

Other elements and examples indicating a risk of a privileged relationship with tenderers:

- The same bidders (or small group of bidders) are invited with unusual frequency to bid for different contracts
- The same bidder (or small group of bidders) wins an unusually high proportion of the bids
- A bidder is frequently awarded contracts for different types of goods or services
- The winning bidder invoices additional goods not provided for in the tender (e.g. additional spare parts invoiced without clear justification, installation costs invoiced although not provided for in the tender).

Other documentation, issues and examples indicating a risk of irregularities:

- Use of photocopies instead of original documents
- Use of pro-forma invoices as supporting documents instead of official invoices
- Manual changes on original documents (e.g. figures manually changed, figures ‘tippexed’, etc.)
- Use of non-official documents (e.g. letterhead paper not showing certain official and/or compulsory information such as commercial registry number, company tax number, etc.)

Annex 3 Model Report for Expenditure Verification of an EU Grant Contract

Report for an Expenditure Verification of a Grant Contract *[Insert title of and number of the grant contract]*

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Report of Factual Findings

- 1 Information about the Grant Contract**
- 2 Procedures performed and Factual Findings**
- Annex 1 Financial report for the Grant Contract**
- Annex 2 Terms of Reference Expenditure Verification**

Report of Factual Findings

[insert name and position of contact person(s)]

[insert name and address of lead applicant]

[insert date]

Dear Sir/Madame:

In accordance with the terms of reference dated *[insert date]* that you agreed with us, we provide our Report of Factual Findings ('the Report'), with respect to the accompanying Financial Report for the period covering *[insert period]* (Annex 1 of this Report). You requested certain procedures to be carried out in connection with your Financial Report and the SADC Secretariat financed Grant Contract concerning *[insert name and number of the contract]*, the 'Grant Contract'.

Objective

Our engagement was an expenditure verification, which is an engagement to perform certain agreed-upon procedures with regard to the Financial Report for the Grant Contract between you and *[insert name of the Contracting Authority]* the 'Contracting Authority'. The objective of this expenditure verification is for us to carry out certain procedures to which we have agreed and to submit to you a report of factual findings with regard to the procedures performed.

Standards and Ethics

Our engagement was undertaken in accordance with:

International Standard on Related Services ('ISRS') 4400 *Engagements to perform Agreed-upon Procedures regarding Financial Information* as promulgated by the International Federation of Accountants ('IFAC'); the *Code of Ethics for Professional Accountants* issued by the IFAC. Although ISRS 4400 provides that independence is not a requirement for agreed-upon procedures engagements, the Contracting Authority requires that the auditor also complies with the independence requirements of the *Code of Ethics for Professional Accountants*;

Procedures performed

As requested, we have only performed the procedures listed in Annex 2A of the terms of reference for this engagement (see Annex 2 of this Report).

These procedures have been determined solely by the Contracting Authority and the procedures were performed solely to assist the Contracting Authority in evaluating whether the expenditure claimed by you in the accompanying Financial Report is eligible in accordance with the terms and conditions of the Grant Contract.

Because the procedures performed by us did not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the accompanying Financial Report.

Had we performed additional procedures or had we performed an audit or review of the financial statements of the Beneficiary in accordance with International Standards on Auditing, other matters might have come to our attention that would have been reported to you.

Sources of Information

The Report sets out information provided to us by you in response to specific questions or as obtained and extracted from your accounts and records

Factual Findings

The total expenditure which is the subject of this expenditure verification amounts to *[insert currency and amount]*

The Expenditure Coverage Ratio is *[insert percentage]*. This ratio represents the total amount of expenditure verified by us, expressed as a percentage of the total expenditure which is the subject of this expenditure verification. The latter amount is equal to the total amount of expenditure reported by you in the Financial Report and claimed by you for deduction from the total sum of pre-financing under the Grant Contract as per your Payment Request of *[insert date]*.

We report the details of our factual findings which result from the procedures that we performed in Chapter 2 of this Report.

Use of this Report

This Report is solely for the purpose set forth above under objective.

This report is prepared solely for your own confidential use and solely for the purpose of submission by you to the Contracting Authority in connection with the requirements as set out in Article 3.11 of the General Conditions of the Grant Contract. This report may not be relied upon by you for any other purpose, nor may it be distributed to any other parties. The Contracting Authority is not a party to the agreement (the terms of reference) between you and us and therefore we do not owe or assume a duty of care to the Contracting Authority, who may rely upon this expenditure verification report at its own risk and discretion. The Contracting Authority can assess for itself the procedures and findings reported by us and draw its own conclusions from the factual findings reported by us.

The Contracting Authority may only disclose this Report to others who have regulatory rights of access to it. This Report relates only to the Financial Report specified above and does not extend to any of your financial statements.

We look forward to discussing our Report with you and would be pleased to provide any further information or assistance which may be required.

Yours sincerely,

Auditor's signature *[insert person or firm or both, as appropriate and in accordance with company policy]*

Auditor's address *[insert office having responsibility for the engagement]*

Date of signature

1 Information about the grant contract

[Insert a brief description of the Grant Contract and the Action, the Lead applicant/Beneficiary(ies)/Affiliated entity(ies), and key financial/budget information (maximum 1 page)]

2 Procedures performed and factual findings

We have performed the following specific procedures listed in Annex 2A of the terms of reference for the expenditure verification of the Grant Contract ('ToRs'):

1. General procedures
2. Procedures to verify conformity of expenditure with the budget and analytical review
3. Procedures to verify selected expenditure

We have applied the rules for selection of expenditure and the principles and criteria for verification coverage as set out in Annex 2B (sections 3 and 4) of the ToRs for this expenditure verification.

[Explain here any difficulties or problems encountered]

The total expenditure verified by us amounts to *[insert amount and currency]* and is summarised in the table below. The overall Expenditure Coverage Ratio is *[insert percentage]*.

[Provide here a summary table of the Financial Report in Annex 1, presenting for each (sub) heading the total expenditure amount reported by the lead applicant, the total expenditure amount verified and the percentage of expenditure covered]

We have verified the selected expenditure as shown in the above summary table and we have carried out, for each expenditure item selected, the verification procedures specified at point 3.1 to 3.7 of Annex 2A of the ToRs for this expenditure verification. We report our factual findings resulting from these procedures below.

1. General Procedures

1.1 Terms and Conditions of the Grant Contract

We have obtained an understanding of the terms and conditions of this Grant Contract in accordance with the guidelines in Annex 2B (section 2) of the ToRs.

[Describe factual findings and specify errors and exceptions. Procedures 1.1–1.6 in Annex 2A. If there are no factual findings, this should be explicitly stated as follows for each procedure: 'No factual findings have arisen from this procedure']

1.2 Financial Report for the Grant Contract

1.3 Rules for Accounting and Record Keeping

1.4 Reconciling the Financial Report to the Beneficiary's Accounting System and Records

1.5 Exchange Rates

1.6 Simplified Cost Options

2. Procedures to verify conformity of Expenditure with the Budget and Analytical Review

2.1 Budget of the Grant Contract

2.2 Amendments to the Budget of the Grant Contract

[Describe factual findings and specify errors and exceptions. Procedures 2.1–2.2 in Annex 2A. If there are no factual findings this should be explicitly stated as follows for each procedure: ‘No factual findings have arisen from this procedure’]

3 Procedures to verify selected Expenditure

We have reported further below all the exceptions resulting from the verification procedures specified at point 3.1–3.7 of Annex 2A of the ToRs for this expenditure verification insofar as these procedures applied to the selected expenditure item.

We have quantified the amount of the verification exceptions found and the potential impact on the SADC contribution, should the SADC Secretariat declare the expenditure item(s) concerned ineligible). We have reported all the exceptions found, including the ones for which we cannot quantify the amount or the potential impact on the SADC contribution.

[Specify the expenditure amounts / items for which exceptions (= deviations between facts and criteria) were found, and the nature of the exception — this means which of the specific condition(s) described in point 3.1– 3.7 of Annex 2A of the ToRs were not respected. Quantify the amount of verification exceptions found and the potential impact on the SADC contribution, should the SADC Secretariat declare the expenditure item(s) concerned ineligible]

3.1 Eligibility of Costs

We have verified, for each expenditure item selected, the eligibility criteria set out at procedure 3.1 in Annex 2A of the ToRs for this expenditure verification.

[Describe factual findings and specify errors and exceptions. Procedure 3.1 in Annex 2A: eligibility of costs and the eligibility criteria (1) to (9). Example: we found that an expenditure amount of USD 6.500 included in subheading 3.2 (furniture, computer equipment) of the Financial Report was not eligible. An amount of USD 2.000 related to expenditure incurred outside the implementation period. Supporting evidence was not available for 3 transactions totalling USD 1.200. The required procurement rules for purchases of office computers for USD 3.300 were not respected. (Note: relevant details such as accounting record references or documents should be provided)]

- 3.2 Eligible Direct Costs (Article 16.1)**
- 3.3 Contingency Reserve (Article 16.2)**
- 3.4 Indirect Costs (Article 16.4)**
- 3.5 In kind contributions (Article 16.5k)**
- 3.6 Non-eligible costs (Article 16.5)**
- 3.7 Revenues of the Action**

[Describe factual findings and specify errors and exceptions. Procedures 3.2–3.7 in Annex 2A]

Annex 1 Financial Report for the Grant Contract

[Annex 1 should include the Beneficiary's financial report for the Grant Contract which is the subject of the verification. The financial report should be dated and indicate the period covered]

Annex 2 Terms of Reference Expenditure Verification

[Annex 2 should include a signed and dated copy of the terms of reference for the expenditure verification of this Grant Contract including Annex 1 (information about the Grant Contract) and Annex 2A (Listing of the specific procedures to be performed)]

Section 6. Standard Form of Contract

S T A N D A R D C O N T R A C T F O R S E R V I C E S

CONSULTANCY TO CONDUCT EXPENDITURE VERIFICATION SERVICES FOR DISASTER RISK MANAGEMENT STRENGTHENING IN THE SOUTHERN AFRICA DEVELOPMENT COMMUNITY (DRMSS) PROJECT

CONTRACT NUMBER: SADC/3/5/2/425

BETWEEN SADC Secretariat (“the Contracting Authority”)

AND

(“the Contractor”)

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I. Form of Contract

The Southern African Development Community (SADC) Secretariat, having its principal place of business at the SADC Headquarters, Plot No. 54385, Central Business District, Private Bag 0095, Gaborone, Botswana (hereinafter referred to as the “Procuring Entity”),

and

XXXXXXXXXXXXXXXXXXXX with registered business at **XXXXXXXXXXXX** (hereinafter called the “Contractor”).

WHEREAS

- (a) the Contracting Authority has requested the Contractor to provide certain services as defined in this Contract (hereinafter called the “Services”);
- (b) the Contractor, having represented to the Contracting Authority that he has the required professional skills, and personnel and technical resources, has agreed to provide the Services on the terms and conditions set forth in this Contract;

NOW THEREFORE the parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this Contract, in order of precedence:

- (a) The Special Conditions of Contract;
- (b) The General Conditions of Contract;
- (c) The following Appendices:

Appendix A: Terms of Reference
Appendix B: Technical Proposal
Appendix C: Financial Proposal

2. The mutual rights and obligations of the Contracting Authority and the Contractor shall be as set forth in the Contract, in particular:

- (a) the Contractors shall carry out the Services in accordance with the provisions of the Contract; and
- (b) the Contracting Authority shall make payments to the Contractor accordance with the provisions of the Contract.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

For and on behalf of SADC Secretariat

Date: _____

For and on behalf of xxxxxxxxxxxxxxxx

Date: _____

xxxxxxxxxxxxxxxxxx

II. General Conditions of Contract

1. GENERAL PROVISIONS

1.1 Definitions

Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

- (a) “Applicable Law” means the laws and any other instruments having the force of law in the Contracting Authority’s country, or in such other country as may be specified in the Special Conditions of Contract (SC), as they may be issued and in force from time to time.
- (b) “Contracting Authority ” means legal entity named in the SC who procures the Services described in Appendix A hereto from the Contractor.
- (c) “Contractor” means any private or public entity named in the SC that will provide the Services to the Contracting Authority under the Contract.
- (d) “Contract” means the Contract signed by the Parties and all the attached documents listed in its Clause 1, that is these General Conditions (GC), the Special Conditions (SC), and the Appendices.
- (e) “Day” means calendar day.
- (f) “Effective Date” means the date on which this Contract comes into force and effect pursuant to Clause GC 2.1.
- (h) “GC” means these General Conditions of Contract.
- (k) “Member” means any of the entities that make up the joint venture/consortium/association; and “Members” means all these entities.
- (l) “Party” means the Contracting Authority or the Contractor, as the case may be, and “Parties” means both of them.
- (m) “Personnel” means professionals and support staff provided by the Contractors or by any Sub-Contractors and assigned to perform the Services or any part thereof; “Foreign Personnel” means such professionals and support staff who at the time of being so provided had their domicile outside the Contracting Authority’s country; “Local Personnel” means such professionals and support staff who at the time of being so provided had their domicile inside the Contracting Authority’s country; and “Key Personnel” means the Personnel referred to in Clause GC 4.2(a).

- (n) “Reimbursable expenses” means all assignment-related costs other than Contractor’s remuneration.
- (o) “SC” means the Special Conditions of Contract by which the GC may be amended or supplemented.
- (p) “Services” means the work to be performed by the Contractor pursuant to this Contract, as described in Appendix A hereto.
- (q) “Sub-Contractors” means any person or entity to whom/which the Contractor subcontracts any part of the Services.
- (r) “Third Party” means any person or entity other than the Contracting Authority, the Contracting Authority, the Contractor or a Sub-Contractor.
- (s) “In writing” means communicated in written form with proof of receipt.

1.2 Relationship Between the Parties

Nothing contained herein shall be construed as establishing a relationship of master and servant or of principal and agent as between the Contracting Authority and the Contractor. The Contractor, subject to this Contract, has complete charge of Personnel and Sub-Contractors, if any, performing the Services and shall be fully responsible for the Services performed by them or on their behalf hereunder.

1.3 Law Governing Contract

This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Law.

1.4 Language

This Contract has been executed in the English language which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

1.5 Headings

The headings shall not limit, alter or affect the meaning of this Contract.

1.6 Notices

- 1.6.1 Any notice, request or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent to such Party at the address **specified in the SC**.
- 1.6.2 A Party may change its address for notice hereunder by giving the other Party notice in writing of such change to the address **specified in the SC**.

| | |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.7 Location | The Services shall be performed at such locations as are specified in Appendix A hereto and, where the location of a particular task is not so specified, at such locations, whether in the Contracting Authority's country or elsewhere, as the Contracting Authority may approve. |
| 1.8 Authority of Member in Charge | In case the Contractor consists of a joint venture/consortium/association of more than one entity, the Members hereby authorize the entity specified in the SC to act on their behalf in exercising all the Contractor's rights and obligations towards the Contracting Authority under this Contract, including without limitation the receiving of instructions and payments from the Contracting Authority. |
| 1.9 Authorized Representatives | <ul style="list-style-type: none">1.9.1. Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the Contracting Authority or the Contractor may be taken or executed by the officials specified in the SC.1.9.2. The Contracting Authority's authorized representative shall be called Task Manager. The Task Manager may exercise the authority attributable to him/her in the as specified in the SC.1.9.3. The Task Manager shall have no authority to amend the Contract.1.9.4. The Contractor authorized representative shall be called Project Director and his/her may exercise the authority attributable to him/her in the as specified in the SC.1.9.5. The either Party shall promptly inform the other of any change of their authorized representative of any change to the authority attributed to their authorized representative. |
| 1.10 Taxes and Duties | The Contractor, Sub-Contractors and Personnel shall pay such indirect taxes, duties, fees and other impositions levied under the Applicable Law as specified in the SC . |
| 1.11 Fraud and Corruption | <p>If the Contracting Authority determines that the Contractor and/or their Sub-Contractors has engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices, in competing for or in executing the Contract, then the Contracting Authority may, after giving 14 days notice to the Contractor, terminate the Contractor's employment under the Contract, and the provisions of Clause 2 shall apply as if such expulsion had been made under Sub-Clause 2.9.1(d).</p> <p>Should any personnel of the Contractor be determined to have engaged in corrupt, fraudulent, collusive, coercive, or obstructive practice during the execution of the Contract, then that personnel shall be removed in accordance with Sub-Clause 4.5.</p> |

1.11.1 Definitions

For the purposes of this Sub-Clause, the terms set-forth below are defined as follows:

- (i) “corrupt practice”¹¹ is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
- (ii) “fraudulent practice”¹² is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (iii) “collusive practice”¹³ is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
- (iv) “coercive practice”¹⁴ is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
- (v) “obstructive practice” is
 - (aa) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a SADC Secretariat investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or
 - (bb) acts intended to materially impede the exercise of the SADC Secretariat’s inspection and audit rights provided for under Clause 3.6.

1.11.2 Commissions and Fees

The Contracting Authority will require the successful Contractors to disclose any commissions or fees that may have been paid or are to be paid to agents, representatives, or commission agents with respect to the selection process or execution of the contract.

¹¹ “Another party” refers to a public official acting in relation to the selection process or contract execution. In this context, “public official” includes SADC Secretariat staff and employees of other organizations taking or reviewing procurement decisions.

¹² A “party” refers to a public official; the terms “benefit” and “obligation” relate to the selection process or contract execution; and the “act or omission” is intended to influence the selection process or contract execution.

¹³ “Parties” refers to participants in the selection process (including public officials) attempting to establish bid prices at artificial, non competitive levels.

¹⁴ A “party” refers to a participant in the selection process or contract execution.

The information disclosed must include at least the name and address of the agent, representative, or commission agent, the amount and currency, and the purpose of the commission or fee.

2. COMMENCEMENT, COMPLETION, MODIFICATION AND TERMINATION OF CONTRACT

2.1 Effectiveness of Contract This Contract shall come into force and effect on the date (the “Effective Date”) of the Contracting Authority’s notice to the Contractor instructing the Contractor to begin carrying out the Services. This notice shall confirm that the effectiveness conditions, if any, **listed in the SC** have been met.

2.2 Termination of Contract for Failure to Become Effective If this Contract has not become effective within such time period after the date of the Contract signed by the Parties as specified in the SC, either Party may, by not less than twenty one (21) days written notice to the other Party, declare this Contract to be null and void, and in the event of such a declaration by either Party, neither Party shall have any claim against the other Party with respect hereto.

2.3 Commencement of Services The Contractor shall begin carrying out the Services not later than the number of days after the Effective Date **specified in the SC**.

2.4 Expiration of Contract Unless terminated earlier pursuant to Clause GC 2.9 hereof, this Contract shall expire at the end of such time period after the Effective Date as **specified in the SC**.

2.5 Entire Agreement This Contract contains all covenants, stipulations and provisions agreed by the Parties. No agent or representative of either Party has authority to make, and the Parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein.

2.6 Modifications , or Variations

- 2.6.1. Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the scope of the Services, may only be made by written agreement between the Parties. Pursuant to Clause GC 7.2 here of, however, each Party shall give due consideration to any proposals for modification or variation made by the other Party.
- 2.6.2. Substantial modifications to the contract, including modifications of the General or Special Conditions of the contract, changes in the scope or the duration of the contract, to the total contract amount and replacement of Key Experts, must be made by means of an addendum .If the request for an amendment comes from the Contractor, the latter must submit such a request to the Contracting Authority at least 30 days before the amendment is intended to enter into force, except in cases which are duly substantiated by the Contractor and accepted by the Contracting Authority.

2.6.3. However, where the amendment does not affect the basic purpose of the contract and, for a time based contract, the financial impact is limited to a transfer within the remuneration or between the remuneration and the provision for reimbursable expenses involving a variation of less than 15% of the original amount (or as modified by addendum) for the categories of expense where the money was taken from, the Task Manager shall have the power to order any variation to any part of the services necessary for the proper implementation of the tasks, without changing the object or scope of the contract. Such variations may include additions, omissions, substitutions, changes in quality, quantity, specified sequence, method or timing of performance of the services, changes in contact details and reporting requirements.

2.6.4. Prior to any administrative order for variation, the Task Manager shall notify the Contractor of the nature and form of such variation. As soon as possible, after receiving such notice, the Contractor shall submit to the Task Manager a written proposal containing:

- (a) a description of the service to be performed or the measures to be taken and a programme for implementation of the tasks; and
- (b) any necessary modifications to the programme of implementation of the tasks or to any of the Contractor's obligations under the contract; and
- (c) For a time based contract, any adjustment to the contract value in accordance with the following principles:
 - (1) where the task is of similar character and executed under similar conditions to an item priced in the budget breakdown the equivalent numbers of working days shall be valued at the fee rates contained therein;
 - (2) where the task is not of a similar character or is not executed under similar conditions, the fee rates in the contract shall be applied to the estimated numbers of working days so far as is reasonable, failing which, a fair estimation shall be made by the Task Manager;
 - (3) where a variation is necessitated by a default or breach of contract by the Contractor, any additional cost attributable to such variation shall be borne by the Contractor.

- 2.6.5. Following the receipt of the Contractor's proposal, the Task Manager shall decide as soon as possible whether or not the variation shall be carried out. If the Task Manager decides that the variation shall be carried out he/she shall issue the administrative order stating that the variation shall be carried out under the conditions given in the Contractor's proposal or as modified by the Task Manager in accordance with pursuant to Clause GC 2.6.4.
- 2.6.6. On receipt of the administrative order requesting the variation, the Contractor shall proceed to carry out the variation and be bound by these General Conditions in so doing as if such variation were stated in the contract.
- 2.6.7. No amendment shall be made retroactively except in cases which are duly substantiated by the Contractor and accepted by the Contracting Authority.
- 2.6.8. Any change to the contract which has not been made in the form of an administrative order or an addendum or in accordance with this Clause shall be considered null and void.

2.7 Force Majeure

2.7.1 Definition

- (a) For the purposes of this Contract, "Force Majeure" means an event which is beyond the reasonable control of a Party, is not foreseeable, is unavoidable, and which makes a Party's performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible in the circumstances, and includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial action (except where such strikes, lockouts or other industrial action are within the power of the Party invoking Force Majeure to prevent), confiscation or any other action by Contracting Authority agencies.
- (b) Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of a Party or such Party's Sub-Contractors or agents or employees, nor (ii) any event which a diligent Party could reasonably have been expected both to take into account at the time of the conclusion of this Contract, and avoid or overcome in the carrying out of its obligations hereunder.
- (c) Force Majeure shall not include insufficiency of funds or failure to make any payment required hereunder.

2.7.2 No Breach of Contract

The failure of a Party to fulfil any of its obligations hereunder shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure,

provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of this Contract.

2.7.3 Measures to be Taken

- (a) A Party affected by an event of Force Majeure shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall take all reasonable measures to minimize the consequences of any event of Force Majeure.
- (b) A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any case not later than fourteen (14) days following the occurrence of such event, providing evidence of the nature and cause of such event, and shall similarly give written notice of the restoration of normal conditions as soon as possible.
- (c) Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.
- (d) During the period of their inability to perform the Services as a result of an event of Force Majeure, the Contractor, upon instructions by the Contracting Authority, shall either:
 - (i) demobilize, in which case the Contractor shall be reimbursed for additional costs they reasonably and necessarily incurred, and, if required by the Contracting Authority, in reactivating the Services; or
 - (ii) continue with the Services to the extent possible, in which case the Contractor shall continue to be paid under the terms of this Contract and be reimbursed for additional costs reasonably and necessarily incurred.
- (e) In the case of disagreement between the Parties as to the existence or extent of Force Majeure, the matter shall be settled according to Clause GC 8.

2.8 Suspension

The Contracting Authority may, by written notice of suspension to the Contractor, suspend all payments to the Contractor hereunder if the Contractor fails to perform any of its obligations under this Contract, including the carrying out of the Services, provided that such notice of suspension (i) shall specify the nature of the failure, and (ii) shall request the Contractor to remedy such failure within a period not exceeding thirty (30) days after receipt by the Contractor of such notice of suspension.

2.9 Termination

2.9.1 By the Contracting Authority

The Contracting Authority may terminate this Contract in case of the occurrence of any of the events specified in paragraphs (a) through (g) of this Clause GC 2.9.1. In such an occurrence the Contracting Authority shall give a not less than thirty (30) days' written notice of termination to the Contractors, and sixty (60) days' in case of the event referred to in (g).

- (a) If the Contractor fails to remedy a failure in the performance of its obligations hereunder, as specified in a notice of suspension pursuant to Clause GC 2.8 hereinabove, within thirty (30) days of receipt of such notice of suspension or within such further period as the Contracting Authority may have subsequently approved in writing.
- (b) If the Contractor becomes (or, if the Contractor consists of more than one entity, if any of its Members becomes) insolvent or bankrupt or enter into any agreements with their creditors for relief of debt or take advantage of any law for the benefit of debtors or go into liquidation or receivership whether compulsory or voluntary.
- (c) If the Contractor fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GC 8 hereof.
- (d) If the Contractor, in the judgment of the Contracting Authority, has engaged in corrupt or fraudulent practices in competing for or in executing this Contract.
- (e) If the Contractor submits to the Contracting Authority a false statement which has a material effect on the rights, obligations or interests of the Contracting Authority.
- (f) If, as the result of Force Majeure, the Contractor is unable to perform a material portion of the Services for a period of not less than sixty (60) days.
- (g) If the Contracting Authority, in its sole discretion and for any reason whatsoever, decides to terminate this Contract.

2.9.2 By the Contractor

The Contractor may terminate this Contract, by not less than thirty (30) days' written notice to the Contracting Authority, in case of the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause GC 2.9.2.

- (a) If the Contracting Authority fails to pay any money due to the Contractor pursuant to this Contract and not subject to dispute pursuant to Clause GC 8 hereof within forty-five (45) days after receiving written notice from the Contractor that such payment is overdue.

- (b) If, as the result of Force Majeure, the Contractor is unable to perform a material portion of the Services for a period of not less than sixty (60) days.
- (c) If the Contracting Authority fails to comply with any final decision reached as a result of arbitration pursuant to Clause GC 8 hereof.
- (d) If the Contracting Authority is in material breach of its obligations pursuant to this Contract and has not remedied the same within forty-five (45) days (or such longer period as the Contractor may have subsequently approved in writing) following the receipt by the Contracting Authority of the Contractor's notice specifying such breach.

2.9.3 Cessation of Rights and Obligations

Upon termination of this Contract pursuant to Clauses GC 2.2 or GC 2.9 hereof, or upon expiration of this Contract pursuant to Clause GC 2.4 hereof, all rights and obligations of the Parties hereunder shall cease, except (i) such rights and obligations as may have accrued on the date of termination or expiration, (ii) the obligation of confidentiality set forth in Clause GC 3.3 hereof, (iii) the Contractor's obligation to permit inspection, copying and auditing of their accounts and records set forth in Clause GC 3.6 hereof, and (iv) any right which a Party may have under the Applicable Law.

2.9.4 Cessation of Services

Upon termination of this Contract by notice of either Party to the other pursuant to Clauses GC 2.9.1 or GC 2.9.2 hereof, the Contractor shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the Services to a close in a prompt and orderly manner and shall make every reasonable effort to keep expenditures for this purpose to a minimum. With respect to documents prepared by the Contractor and equipment and materials furnished by the Contracting Authority, the Contractor shall proceed as provided, respectively, by Clauses GC 3.9 or GC 3.10 hereof.

2.9.5 Payment upon Termination

Upon termination of this Contract pursuant to Clauses GC 2.9.1 or GC 2.9.2 hereof, the Contracting Authority shall make the following payments to the Contractor:

- (a) remuneration pursuant to Clause GC 6 hereof for Services satisfactorily performed prior to the effective date of termination, and reimbursable expenditures pursuant to Clause GC 6 hereof for expenditures actually incurred prior to the effective date of termination; and
- (b) except in the case of termination pursuant to paragraphs (a) through (e) of Clause GC 2.9.1 hereof, reimbursement of any reasonable cost incidental to the prompt and orderly termination of this Contract including the cost of the return travel of the Personnel and their eligible dependents.

2.9.6 Disputes about Events of Termination If either Party disputes whether an event specified in paragraphs (a) through (f) of Clause GC 2.9.1 or in Clause GC 2.9.2 hereof has occurred, such Party may, within forty-five (45) days after receipt of notice of termination from the other Party, refer the matter to Clause GC 8 hereof, and this Contract shall not be terminated on account of such event except in accordance with the terms of any resulting arbitral award.

3. OBLIGATIONS OF THE CONTRACTOR

3.1 General

3.1.1 Standard of Performance The Contractor shall perform the Services and carry out their obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods. The Contractor shall always act, in respect of any matter relating to this Contract or to the Services, as faithful adviser to the Contracting Authority, and shall at all times support and safeguard the Contracting Authority's legitimate interests in any dealings with Sub-Contractors or Third Parties.

3.1.2 Law Governing Services The Contractor shall perform the Services in accordance with the Applicable Law and shall take all practicable steps to ensure that any Sub-Contractors, as well as the Personnel of the Contractor and any Sub-Contractors, comply with the Applicable Law. The Contracting Authority shall notify the Contractor in writing of relevant local customs, and the Contractor shall, after such notification, respect such customs.

3.2 Conflict of Interests

The Contractor shall hold the Contracting Authority's interests paramount, without any consideration for future work, and strictly avoid conflict with other assignments or their own corporate interests.

3.2.1 Contractor Not to Benefit from Commissions, Discounts, etc.

- (a) The payment of the Contractor pursuant to Clause GC 6 hereof shall constitute the Contractor's only payment in connection with this Contract and, subject to Clause GC 3.2.2 hereof, the Contractor shall not accept for its own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Contract or in the discharge of its obligations hereunder, and the Contractor shall use its best efforts to ensure that any Sub-Contractors, as well as the Personnel and agents of either of them, similarly shall not receive any such additional payment.
- (b) Furthermore, if the Contractor, as part of the Services, has the responsibility of advising the Contracting Authority on the procurement of goods, works or services, the Contractor shall comply with the Bank's applicable procurement guidelines, and

shall at all times exercise such responsibility in the best interest of the Contracting Authority. Any discounts or commissions obtained by the Contractor in the exercise of such procurement responsibility shall be for the account of the Contracting Authority.

3.2.2 Contractor and Affiliates Not to Engage in Certain Activities

The Contractor agrees that, during the term of this Contract and after its termination, the Contractor and any entity affiliated with the Contractor, as well as any Sub-Contractors and any entity affiliated with such Sub-Contractors, shall be disqualified from providing goods, works or services (other than consulting services) resulting from or directly related to the Contractor's Services for the preparation or implementation of the project.

3.2.3 Prohibition of Conflicting Activities

The Contractor shall not engage, and shall cause their Personnel as well as their Sub-Contractors and their Personnel not to engage, either directly or indirectly, in any business or professional activities that would conflict with the activities assigned to them under this Contract.

3.3 Confidentiality

Except with the prior written consent of the Contracting Authority, the Contractor and the Personnel shall not at any time communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the Contractor and the Personnel make public the recommendations formulated in the course of, or as a result of, the Services.

3.4 Liability of the Contractor

Subject to additional provisions, if any, set forth in the SC, the Contractors' liability under this Contract shall be provided by the Applicable Law.

3.5 Insurance to be Taken out by the Contractor

The Contractor (i) shall take out and maintain, and shall cause any Sub-Contractors to take out and maintain, at their (or the Sub-Contractors', as the case may be) own cost but on terms and conditions approved by the Contracting Authority, insurance against the risks, and for the coverages specified in the SC, and (ii) at the Contracting Authority's request, shall provide evidence to the Contracting Authority showing that such insurance has been taken out and maintained and that the current premiums therefore have been paid.

3.6 Accounting, Inspection and Auditing

The Contractor shall permit the SADC Secretariat and/or persons appointed by the SADC Secretariat to inspect its accounts and records as well as those of its Sub-Contractors relating to the performance of the Contract, and to have such accounts and records audited by auditors appointed by the SADC Secretariat if required by the SADC Secretariat. The Contractor's attention is drawn to Clause 1.11.1 which provides, inter alia, that acts intended to materially impede the exercise of the SADC Secretariat's inspection and audit rights provided for under Clause 3.6 constitute a prohibited practice subject

to contract termination (as well as to a determination of ineligibility under the Contractor Guidelines).

3.7 Contractor's Actions Requiring Contracting Authority's Prior Approval

The Contractor shall obtain the Contracting Authority's prior approval in writing before taking any of the following actions:

- (a) Any change or addition to the Personnel listed in Appendix B.
- (b) Subcontracts: the Contractor may subcontract work relating to the Services to an extent and with such experts and entities as may be approved in advance by the Contracting Authority. Notwithstanding such approval, the Contractor shall retain full responsibility for the Services. In the event that any Sub-Contractors are found by the Contracting Authority to be incompetent or incapable in discharging assigned duties, the Contracting Authority may request the Contractor to provide a replacement, with qualifications and experience acceptable to the Contracting Authority, or to resume the performance of the Services itself.
- (c) Any other action that may be specified **in the SC**.

3.8 Reporting Obligations

The Contractor shall submit to the Contracting Authority the reports and documents specified in Appendix A hereto, in the form, in the numbers and within the time periods set forth in the said Appendix. Final reports shall be delivered in CD ROM in addition to the hard copies specified in said Appendix.

3.9 Documents Prepared by the Contractor to be the Property of the Contracting Authority

All plans, drawings, specifications, designs, reports, other documents and software prepared by the Contractor for the Contracting Authority under this Contract shall become and remain the property of the Contracting Authority, and the Contractor shall, not later than upon termination or expiration of this Contract, deliver all such documents to the Contracting Authority, together with a detailed inventory thereof. The Contractor may retain a copy of such documents and software, and use such software for their own use with prior written approval of the Contracting Authority. If license agreements are necessary or appropriate between the Contractor and third parties for purposes of development of any such computer programs, the Contractor shall obtain the Contracting Authority's prior written approval to such agreements, and the Contracting Authority shall be entitled at its discretion to require recovering the expenses related to the development of the program(s) concerned. Other restrictions about the future use of these documents and software, if any, **shall be specified in the SC**.

3.10 Equipment, Vehicles and Materials

Equipment, vehicles and materials made available to the Contractor by the Contracting Authority, or purchased by the Contractor wholly or partly with funds provided by the Contracting Authority, shall be

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| Furnished by the Contracting Authority | the property of the Contracting Authority and shall be marked accordingly. Upon termination or expiration of this Contract, the Contractor shall make available to the Contracting Authority an inventory of such equipment, vehicles and materials and shall dispose of such equipment and materials in accordance with the Contracting Authority's instructions. While in possession of such equipment, vehicles and materials, the Contractor, unless otherwise instructed by the Contracting Authority in writing, shall insure them at the expense of the Contracting Authority in an amount equal to their full replacement value. |
| 3.11 Equipment and Materials Provided by the Contractors | Equipment or materials brought into the Contracting Authority's country by the Contractor and the Personnel and used either for the Project or personal use shall remain the property of the Contractor or the Personnel concerned, as applicable. |
| 3.12 Liability for Personal Data Breach | <p>3.12.1 The Contractor shall indemnify or hold harmless, the Contracting Authority, from and against all loss, costs, harm, claims, fines, group actions, liabilities, damages, expenses (including legal fees) suffered or incurred by the Contracting Authority or for which the Contracting Authority may become liable due to any failure by the Contractor or its personnel to lawfully process Personal Data under the Contract.</p> <p>3.12.2 The aggregate liability of the Contractor in respect of the indemnity set out in Paragraph 3.12.1 above shall in no event exceed the total Contract Price.</p> <p>3.12.3 The Contractor shall adhere to data protection requirements as set forth in the SCC.</p> |

4. CONTRACTORS' PERSONNEL AND SUB-CONTRACTORS

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| 4.1 General | The Contractor shall employ and provide such qualified and experienced Personnel and Sub-Contractors as are required to carry out the Services. |
| 4.2 Description of Personnel | <p>(a) The title, agreed job description, minimum qualification and estimated period of engagement in the carrying out of the Services of each of the Contractor's Key Personnel are described in Appendix B. If any of the Key Personnel has already been approved by the Contracting Authority, his/her name is listed as well.</p> <p>(b) If required to comply with the provisions of Clause GC 3.1.1 hereof, adjustments with respect to the estimated periods of engagement of Key Personnel set forth in Appendix B may be made by the Contractor by written notice to the Contracting Authority, provided (i) that such adjustments shall not alter the originally estimated period of engagement of any individual by</p> |

more than 10% or one week, whichever is larger, and (ii) that the aggregate of such adjustments shall not cause payments under this Contract to exceed the ceilings set forth in Clause GC 6.1(b) of this Contract. Any other such adjustments shall only be made with the Contracting Authority's written approval.

(c) If additional work is required beyond the scope of the Services specified in Appendix A, the estimated periods of engagement of Key Personnel set forth in Appendix B may be increased by agreement in writing between the Contracting Authority and the Contractor. In case where payments under this Contract exceed the ceilings set forth in Clause GC 6.1(b) of this Contract, this will be explicitly mentioned in the agreement.

4.3 Approval of Personnel

The Key Personnel and Sub-Contractors listed by title as well as by name in Appendix B are hereby approved by the Contracting Authority. In respect of other Personnel which the Contractor proposes to use in the carrying out of the Services, the Contractor shall submit to the Contracting Authority for review and approval a copy of their Curricula Vitae (CVs). If the Contracting Authority does not object in writing (stating the reasons for the objection) within twenty-one (21) days from the date of receipt of such CVs, such Personnel shall be deemed to have been approved by the Contracting Authority.

4.4 Working Hours, Overtime, Leave, etc.

(a) Working hours and holidays for Key Personnel are set forth in Appendix B hereto. To account for travel time, Foreign Personnel carrying out Services inside the Contracting Authority's country shall be deemed to have commenced, or finished work in respect of the Services such number of days before their arrival in, or after their departure from the Contracting Authority's country as is specified in Appendix B hereto.

(b) The Key Personnel shall not be entitled to be paid for overtime nor to take paid sick leave or vacation leave except as specified in Appendix B hereto, and except as specified in such Appendix, the Contractor's remuneration shall be deemed to cover these items. All leave to be allowed to the Personnel is included in the staff-months of service set forth in Appendix B. Any taking of leave by Personnel shall be subject to the prior approval by the Contractor who shall ensure that absence for leave purposes will not delay the progress and adequate supervision of the Services.

4.5 Removal and/or Replacement of Personnel

(a) Except as the Contracting Authority may otherwise agree, no changes shall be made in the Personnel. If, for any reason beyond the reasonable control of the Contractor, such as retirement, death, medical incapacity, among others, it becomes

necessary to replace any of the Personnel, the Contractor shall forthwith provide as a replacement a person of equivalent or better qualifications.

- (b) If the Contracting Authority (i) finds that any of the Personnel has committed serious misconduct or has been charged with having committed a criminal action, or (ii) has reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Contractor shall, at the Contracting Authority's written request specifying the grounds therefore, forthwith provide as a replacement a person with qualifications and experience acceptable to the Contracting Authority.
- (c) Any of the Personnel provided as a replacement under Clauses (a) and (b) above, as well as any reimbursable expenditures (including expenditures due to the number of eligible dependents) the Contractors may wish to claim as a result of such replacement, shall be subject to the prior written approval by the Contracting Authority. The rate of remuneration applicable to a replacement person will be obtained by multiplying the rate of remuneration applicable to the replaced person by the ratio between the monthly salary to be effectively paid to the replacement person and the average salary effectively paid to the replaced person in the period of six months prior to the date of replacement. Except as the Contracting Authority may otherwise agree, (i) the Contractor shall bear all additional travel and other costs arising out of or incidental to any removal and/or replacement, and (ii) the remuneration to be paid for any of the Personnel provided as a replacement shall not exceed the remuneration which would have been payable to the Personnel replaced.

4.6 Resident Project Director

If required by the SC, the Contractor shall ensure that at all times during the Contractor's performance of the Services in the Contracting Authority's country a resident Project Director, acceptable to the Contracting Authority, shall take charge of the performance of such Services.

5. OBLIGATIONS OF THE CONTRACTING AUTHORITY

5.1 Assistance and Exemptions

Unless otherwise specified in the SC, the Contracting Authority shall use its best efforts to ensure that the Contracting Authority shall:

- (a) Provide the Contractor, Sub-Contractors and Personnel with work permits and such other documents as shall be necessary to enable the Contractor, Sub-Contractors or Personnel to perform the Services.
- (b) Arrange for the Personnel and, if appropriate, their eligible dependents to be provided promptly with all necessary entry

and exit visas, residence permits, exchange permits and any other documents required for their stay in the Contracting Authority's country.

- (c) Facilitate prompt clearance through customs of any property required for the Services and of the personal effects of the Personnel and their eligible dependents.
- (d) Issue to officials, agents and representatives of the Contracting Authority all such instructions as may be necessary or appropriate for the prompt and effective implementation of the Services.
- (e) Exempt the Contractor and the Personnel and any Sub-Contractors employed by the Contractor for the Services from any requirement to register or obtain any permit to practice their profession or to establish themselves either individually or as a corporate entity according to the Applicable Law.
- (f) Grant to the Contractor, any Sub-Contractors and the Personnel of either of them the privilege, pursuant to the Applicable Law, of bringing into the Contracting Authority's country reasonable amounts of foreign currency for the purposes of the Services or for the personal use of the Personnel and their dependents and of withdrawing any such amounts as may be earned therein by the Personnel in the execution of the Services.
- (g) Provide to the Contractor, Sub-Contractors and Personnel any such other assistance as may be **specified in the SC**.

5.2 Access to Land

The Contracting Authority warrants that the Contractor shall have, free of charge, unimpeded access to all land in the Contracting Authority's country in respect of which access is required for the performance of the Services. The Contracting Authority will be responsible for any damage to such land or any property thereon resulting from such access and will indemnify the Contractor and each of the Personnel in respect of liability for any such damage, unless such damage is caused by the default or negligence of the Contractor or any Sub-Contractors or the Personnel of either of them.

5.3 Change in the Applicable Law Related to Taxes and Duties

If, after the date of this Contract, there is any change in the Applicable Law with respect to taxes and duties which increases or decreases the cost incurred by the Contractor in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the Contractor under this Contract shall be increased or decreased accordingly by agreement between the Parties hereto, and corresponding adjustments shall be made to the ceiling amounts specified in Clause GC 6.1(b).

5.4 Services, Facilities and Property of

- (a) The Contracting Authority shall make available to the Contractor and the Personnel, for the purposes of the Services

the Contracting Authority

and free of any charge, the services, facilities and property described in Appendix A at the times and in the manner specified in said Appendix A.

(b) In case that such services, facilities and property shall not be made available to the Contractor as and when specified in Appendix A, the Parties shall agree on (i) any time extension that it may be appropriate to grant to the Contractor for the performance of the Services, (ii) the manner in which the Contractor shall procure any such services, facilities and property from other sources, and (iii) the additional payments, if any, to be made to the Contractor as a result thereof pursuant to Clause GC 6.1(c) hereinafter.

5.5 Payment

In consideration of the Services performed by the Contractor under this Contract, the Contracting Authority shall make to the Contractor such payments and in such manner as is provided by Clause GC 6 of this Contract.

5.6 Counterpart Personnel

(a) The Contracting Authority shall make available to the Contractor free of charge such professional and support counterpart personnel, to be nominated by the Contracting Authority with the Contractor's advice, if specified in Appendix A.

(b) If counterpart personnel are not provided by the Contracting Authority to the Contractor as and when specified in Appendix A, the Contracting Authority and the Contractor shall agree on (i) how the affected part of the Services shall be carried out, and (ii) the additional payments, if any, to be made by the Contracting Authority to the Contractor as a result thereof pursuant to Clause GC 6.1(c) hereof.

(c) Professional and support counterpart personnel, excluding Contracting Authority's liaison personnel, shall work under the exclusive direction of the Contractor. If any member of the counterpart personnel fails to perform adequately any work assigned to such member by the Contractor that is consistent with the position occupied by such member, the Contractor may request the replacement of such member, and the Contracting Authority shall not unreasonably refuse to act upon such request.

6. PAYMENTS TO THE CONTRACTOR**6.1 Cost Estimates; Ceiling Amount**

(a) An estimate of the cost of the Services payable in US Dollars is set forth in Appendix C.

- (b) Except as may be otherwise agreed under Clause GC 2.6 and subject to Clause GC 6.1(c), payments under this Contract shall not exceed the ceiling **specified in the SC**.
- (c) Notwithstanding Clause GC 6.1(b) hereof, if pursuant to any of the Clauses GC 5.3, 5.4 or 5.6 hereof, the Parties shall agree that additional payments shall be made to the Contractor in order to cover any necessary additional expenditures not envisaged in the cost estimates referred to in Clause GC 6.1(a) above, the ceiling or ceilings, as the case may be, set forth in Clause GC 6.1(b) above shall be increased by the amount or amounts, as the case may be, of any such additional payments.

6.2 Remuneration and Reimbursable Expenses

Option 1: Global Price Contracts

Subject to the ceilings specified in Clause GC 6.1(b) hereof, the Contracting Authority shall pay to the Contractor, in fix instalments, (i) the remuneration as set forth in SC hereunder, and (ii) the reimbursable expenses as set forth in Clause SC hereunder, based on the following Schedule stated in SC.

Unless otherwise specified in the SC, the remuneration shall be fixed for the duration of the Contract.

Option 2: Fee Based Contracts

- (a) Subject to the ceilings specified in Clause GC 6.1(b) hereof, the Contracting Authority shall pay to the Contractor (i) remuneration as set forth in Clause GC 6.2(b) hereunder, and (ii) reimbursable expenses as set forth in Clause GC 6.2(c) hereunder. Unless otherwise **specified in the SC**, said remuneration shall be fixed for the duration of the Contract.
- (b) Payment for the Personnel shall be determined on the basis of time actually spent by such Personnel in the performance of the Services after the date determined in accordance with Clause GC 2.3 and **Clause SC 2.3** (or such other date as the Parties shall agree in writing), at the rates referred to in Appendix C to this Contract, and subject to price adjustment, if any, **specified in SC**.
- (c) Reimbursable expenses actually and reasonably incurred by the Contractor in the performance of the Services and identified in Appendix C of this Contract, shall not exceed the ceiling **specified in SC**.
- (d) The remuneration rates referred to under paragraph (b) here above shall cover: (i) such salaries and allowances as the Contractor shall have agreed to pay to the Personnel as well as factors for social charges and overhead (bonuses or other

means of profit-sharing shall not be allowed as an element of overhead), (ii) the cost of backstopping by home office staff not included in the Personnel listed in Appendix B, and (iii) the Contractor's fee.

- (e) Any rates specified for Personnel not yet appointed shall be provisional and shall be subject to revision, with the written approval of the Contracting Authority, once the applicable salaries and allowances are known.
- (f) Payments for periods of less than one month shall be calculated on an hourly basis for actual time spent in the Contractor's home office and directly attributable to the Services (one hour being equivalent to 1/176th of a month) and on a calendar-day basis for time spent away from home office (one day being equivalent to 1/30th of a month).

6.3 Currency of Payment

All payments shall be made in US Dollars.

6.4 Mode of Billing and Payment

Billings and payments in respect of the Services shall be made as follows:

Option 1: Global Price Contracts

- (a) All payments under this Contract shall be made to the accounts of the Contractor **specified in the SC**.
- (b) Within the number of days after the Effective Date specified in the SC, the Contracting Authority shall cause to be paid to the Contractor advance payments as **specified in the SC**. When the SC indicate advance payment, this will be due after provision by the Contractor to the Contracting Authority of an advance payment guarantee acceptable to the Contracting Authority in an amount (or amounts) and in a currency specified in the SC. Such guarantee (i) to remain effective until the advance payment has been fully set off, and (ii) to be in the form set forth in Appendix D hereto, or in such other form as the Contracting Authority shall have approved in writing. The advance payments will be set off by the Contracting Authority in equal instalments against the statements for the number of months of the Services specified in the SC until said advance payments have been fully set off.
- (c) The payments shall be done within thirty (30) days upon receipt of the original invoice accompanied by the supporting documents to demonstrate the acceptance by the Contracting Authority of the Contractor deliverable which the payment is tight upon.

Option 2: Fee Based Contracts

- (a) All payments under this Contract shall be made to the accounts of the Contractor **specified in the SC**.
- (b) Within the number of days after the Effective Date specified in the SC, the Contracting Authority shall cause to be paid to the Contractor advance payments as **specified in the SC**. When the SC indicate advance payment, this will be due after provision by the Contractor to the Contracting Authority of an advance payment guarantee acceptable to the Contracting Authority in an amount (or amounts) and in a currency **specified in the SC**. Such guarantee (i) to remain effective until the advance payment has been fully set off, and (ii) to be in the form set forth in Appendix D hereto, or in such other form as the Contracting Authority shall have approved in writing. The advance payments will be set off by the Contracting Authority in equal installments against the statements for the number of months of the Services **specified in the SC** until said advance payments have been fully set off.
- (c) As soon as practicable and not later than fifteen (15) days after the end of each calendar month during the period of the Services, or after the end of each time intervals **otherwise indicated in the SC**, the Contractor shall submit to the Contracting Authority, in duplicate, itemized statements, accompanied by copies of invoices, vouchers and other appropriate supporting materials, of the amounts payable pursuant to Clauses GC 6.3 and GC 6.4 for such month, or any other period indicated in the SC. Separate statements shall be submitted in respect of amounts payable in foreign currency and in local currency. Each statement shall distinguish that portion of the total eligible costs which pertains to remuneration from that portion which pertains to reimbursable expenses.
- (d) The Contracting Authority shall pay the Contractor's statements within sixty (60) days after the receipt by the Contracting Authority of such statements with supporting documents. Only such portion of a statement that is not satisfactorily supported may be withheld from payment. Should any discrepancy be found to exist between actual payment and costs authorized to be incurred by the Contractor, the Contracting Authority may add or subtract the difference from any subsequent payments. Interest at the annual rate **specified in the SC** shall become payable as from the above due date on any amount due by, but not paid on, such due date.
- (e) The final payment under this Clause shall be made only after the final report and a final statement, identified as such, shall have been submitted by the Contractor and approved as satisfactory

by the Contracting Authority. The Services shall be deemed completed and finally accepted by the Contracting Authority and the final report and final statement shall be deemed approved by the Contracting Authority as satisfactory ninety (90) calendar days after receipt of the final report and final statement by the Contracting Authority unless the Contracting Authority, within such ninety (90) day period, gives written notice to the Contractor specifying in detail deficiencies in the Services, the final report or final statement. The Contractor shall thereupon promptly make any necessary corrections, and thereafter the foregoing process shall be repeated. Any amount, which the Contracting Authority has paid or caused to be paid in accordance with this Clause in excess of the amounts actually payable in accordance with the provisions of this Contract, shall be reimbursed by the Contractor to the Contracting Authority within thirty (30) days after receipt by the Contractor of notice thereof. Any such claim by the Contracting Authority for reimbursement must be made within twelve (12) calendar months after receipt by the Contracting Authority of a final report and a final statement approved by the Contracting Authority in accordance with the above.

- (f) Payments in respect of remuneration or reimbursable expenses, which exceed the cost estimates for these items as set forth in Appendices D, may be charged to the respective contingencies only if such expenditures were approved by the Contracting Authority prior to being incurred.
- (g) With the exception of the final payment under (d) above, payments do not constitute acceptance of the Services nor relieve the Contractor of any obligations hereunder.

7. FAIRNESS, GOOD FAITH AND NON-WAIVER

7.1 Good Faith

The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.

7.2 Operation of the Contract

The Parties recognize that it is impractical in this Contract to provide for every contingency which may arise during the life of the Contract, and the Parties hereby agree that it is their intention that this Contract shall operate fairly as between them, and without detriment to the interest of either of them, and that, if during the term of this Contract either Party believes that this Contract is operating unfairly, the Parties will use their best efforts to agree on such action as may be necessary to remove the cause or causes of such unfairness, but no failure to agree on any action pursuant to this

Clause shall give rise to a dispute subject to arbitration in accordance with Clause GC 8 hereof.

7.3 Non waiver

Non waiver means that:

- (a) No relaxation, forbearance, delay, or indulgence by either party in enforcing any of the terms and conditions of the Contract or the granting of time by either party to the other shall prejudice, affect, or restrict the rights of that party under the Contract, neither shall any waiver by either party of any breach of Contract operate as waiver of any subsequent or continuing breach of Contract.
- (b) Any waiver of a party's rights, powers, or remedies under the Contract must be in writing, dated, and signed by an authorized representative of the party granting such waiver, and must specify the right and the extent to which it is being waived.

8. FINANCIAL GUARANTEE (Advance Payment Guarantee)

8.1.

Unless otherwise provided for in the Special Conditions, the Contractor shall provide a financial guarantee for the full amount of the pre-financing payment. The financial guarantee shall be in the format provided for in the contract and may be provided in the form of a bank guarantee, a banker's draft, a certified cheque, a bond provided by an insurance and/or bonding company, an irrevocable letter of credit or a cash deposit made with the Contracting Authority. If the financial guarantee is to be provided in the form of a bank guarantee, a banker's draft, a certified cheque or a bond it shall be issued by a bank or bonding and/or insurance company approved by the Contracting Authority. This financial guarantee shall remain valid until it is released by the Contracting Authority as appropriate. Where the Contractor is a public body the obligation for a financial guarantee may be waived depending on a risk assessment made.

The financial guarantee shall be provided on the letterhead of the financial institution using the template provided in Appendix D.

Should the financial guarantee cease to be valid and the Contractor fail to re-validate it, either a deduction equal to the amount of the pre-financing may be made by the Contracting Authority from future payments due to the Contractor under the contract, or the Contracting Authority shall give formal notice to the Contractor to provide a new guarantee on the same terms as the previous one. Should the Contractor fail to provide a new guarantee, the Contracting Authority may terminate the contract giving 30 days notice.

If the contract is terminated for any reason whatsoever, the financial guarantee may be invoked forthwith in order to repay any balance still owed to the Contracting Authority by the Contractor, and the guarantor shall not delay payment or raise objection for any reason whatsoever.

For fee-based contracts, the financial guarantee shall be released when the advance is reimbursed according to article 6.4 (option two).

For global price contracts, (i) if the contract is not divided between different outputs that the Contracting Authority can approve independently, or has a duration of less than two years, the advance guarantee shall remain in force until the final payment has been made and (ii) if the contract has a duration of at least two years and if the budget is divided between different outputs that the Contracting Authority can approve independently, the guarantee shall be released when the pre financing is reimbursed in accordance with article 6.4.

9. SETTLEMENT OF DISPUTES

9.1 Amicable Settlement

If either Party objects to any action or inaction of the other Party, the objecting Party may file a written Notice of Dispute to the other Party providing in detail the basis of the dispute. The Party receiving the Notice of Dispute will consider it and respond in writing within 14 days after receipt. If that Party fails to respond within 14 days, or the dispute cannot be amicably settled within 14 days following the response of that Party, Clause GC 8.2 shall apply.

9.2 Dispute Resolution

Any dispute between the Parties as to matters arising pursuant to this Contract that cannot be settled amicably according to Clause GC 8.1 may be submitted by either Party for settlement in accordance with the provisions **specified in the SC**.

III. Special Conditions of Contract

| Number of GC Clause | Amendments of, and Supplements to, Clauses in the General Conditions of Contract |
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| 1.1(a) | Applicable law is the one of Botswana. |
| 1.1 (b) | The Contracting Authority is: SADC Secretariat |
| 1.1 (c) | The Contractor is: |
| 1.6 | <p>The addresses are:</p> <p>Contracting Authority SADC Secretariat CBD Plot 54385 Gaborone Botswana Phone: +2673951863 Ext 1762</p> <p>Contractor: Attention: Phone:</p> |
| 1.8 | The Member-in-charge authorized to act on behalf of the Joint Venture / Consortium / Association is: Francois Conradie |
| 1.9.1 | <p>The Authorized Representatives are:</p> <p>For the Contracting Authority:</p> <p>The Task Manager is:</p> <p>The alternate Task Managers are:</p> <p>For the Contractor:</p> <p>The Project Director is:</p> |
| 1.9.2 | <p>The Contracting Authority delegates to the Task Manager the following authority under this Contract:</p> <p><i>The Task manager shall be the first point of contact for operational implementation and shall oversee operational implementation on a day-to-day basis. The Task Manager will approve reports submitted</i></p> |

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| | <p><i>by the Contractor, approve invoices, provide technical guidance on programme implementation.</i></p> <p><i>The Alternate Task Managers shall be the point of contact for operational implementation in the absence of the Task Manager.</i></p> |
| 1.9.4 | The Contractor delegates the Project Director the following authority under this Contract: <i>[list the authority of the Project]</i> |
| 1.10 | Taxes and Duties: It is the responsibility of the Contractor to ensure that they familiarize themselves with the relevant tax regulations in their home country and in Botswana. The Contractor, its sub-contractors and its personnel shall be liable for all applicable taxes. |
| 2.1 | The effective date of the contract is the date of its signing by the Contractor (i.e. the signature of the second party). |
| 2.3 | Commencement of services is expected to start within 30 days of the effective date of the contract. |
| 2.4 | The duration of the contract is 150days |
| 3.4 | <p>3.4 Limitation of the Contractors' Liability towards the Contracting Authority</p> <p>(a) Except in case of gross negligence or willful misconduct on the part of the Contractors or on the part of any person or firm acting on behalf of the Contractors in carrying out the Services, the Contractors, with respect to damage caused by the Contractors to the Contracting Authority's property, shall not be liable to the Contracting Authority:</p> <ul style="list-style-type: none"> (i) for any indirect or consequential loss or damage; and (ii) for any direct loss or damage that exceeds by 2 times the total value of the Contract. <p>(b) This limitation of liability shall not affect the Contractors' liability, if any, for damage to Third Parties caused by the Contractors or any person or firm acting on behalf of the Contractors in carrying out the Services.</p> |
| 3.5 | <p>The risks and the coverage shall be as follows:</p> <p>(a) Third Party motor vehicle liability insurance in respect of motor vehicles operated in the Contracting Authority's country by the Contractor or its Personnel or any Sub-Contractors or their Personnel, with a minimum coverage of US\$5,000</p> |

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| | <ul style="list-style-type: none"> (b) Third Party liability insurance, with a minimum coverage of <i>US\$5,000</i>; (c) professional liability insurance, with a minimum coverage of <i>US\$50,000</i> (d) employer's liability and workers' compensation insurance in respect of the Personnel of the Contractor and of any Sub-Contractors, in accordance with the relevant provisions of the Applicable Law, as well as, with respect to such Personnel, any such life, health, accident, travel or other insurance as may be appropriate; and (e) insurance against loss of or damage to (i) equipment purchased in whole or in part with funds provided under this Contract, (ii) the Contractor's property used in the performance of the Services, and (iii) any documents prepared by the Contractor in the performance of the Services. |
| 3.9 | The Contractor shall not use these documents and software for purposes unrelated to this Contract without the prior written approval of the SADC Secretariat. |
| 5.1 (a) (b) (c) (e) (f) | GCC 5.1(a) (b) (c) (e) (f) is replaced by “The Contracting Authority shall use its best efforts to assist the Contractor to obtain, where necessary, from the responsible Government Authority in Contracting Authority's country the required permits or approvals. |

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| 3.12.3 | <p>3.12.3Processing of Personal Data</p> <p>3.12.3.1 For the avoidance of doubt, references to the term Personal Data shall only apply to Personal Data processed in the course of the performance of the obligations imposed on the Contractor pursuant to or under the Contract.</p> <p>3.12.3.2 The Contractor shall:</p> <ul style="list-style-type: none">(a) process Personal Data provided by the Contracting Authority for fulfilling specific obligations and instructions from the Contracting Authority as set out in the Contract.(b) comply with all Applicable Data Protection Law when Processing Personal Data.(c) not utilize Personal Data transferred to it by the Contracting Authority for any other purpose than provided in the Contract.(d) keep the Personal Data confidential and not disclose it to third parties or in any other way use the Personal Data in contravention of the provisions of the Contract; and(e) ensure that any of its personnel, agent, or sub-contractor who may have access to the Personal Data, commit themselves to confidentiality of the Personal Data processed under the Contract unless they are under an appropriate statutory obligation of confidentiality. <p>3.12.3.3Data Subject Rights</p> <p>3.12.3.3.1 The Contractor shall assist the Contracting Authority by implementing appropriate technical and organisational measures for the fulfilment of the Contracting Authority's obligations to respond to requests by Data Subjects in respect of Personal Data.</p> <p>3.12.3.3.2 The Contractor shall:</p> <ul style="list-style-type: none">(a) promptly notify the Contracting Authority if it receives a request from a Data Subject in respect of the Personal Data.(b) ensure that it does not respond to any request except on the documented instructions of the Contracting Authority.(c) promptly notify the Contracting Authority if it receives any communication from any Supervisory or Regulatory Authority in connection with the Personal Data; and(d) promptly notify the Contracting Authority if it receives a request from any third party for disclosure of Personal Data where compliance with such request is required or purported to be required by law. |
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| 3.12.3.3.4 Transfer of Personal Data |
| <p>3.12.3.3.4.1 The Contractor shall not transfer or authorise the transfer of Personal Data outside the country of the Contracting Authority without prior written authorisation of the Contracting Authority.</p> <p>3.12.3.3.4.2 Subject to clause SC 3.12.3.3.4.1 above, Personal Data may only be transferred to a jurisdiction or international organisation that ensures adequate level of protection. If Personal Data processed under the Contract is transferred outside of the country of the Contracting Authority, the Contractor as Data Processor shall ensure that there are appropriate safeguards to protect the Personal Data.</p> <p>3.12.3.3.4.3 The Contractor shall ensure the following before transferring Personal Data:</p> <ul style="list-style-type: none">(a) the party receiving the Personal Data will apply a protection level equivalent to or higher than the measures set out in the Applicable Data Protection Laws.(b) the party receiving the Personal Data has appropriate safeguards if the third country does not provide adequate level of protection.(c) processing of Personal Data by the party receiving it is restricted to the purpose authorised by the Contracting Authority; and(d) the transfer of Personal Data is compatible with the reasonable expectations of the Data Subject. <p>3.12.3.3.5 Information Security</p> <p>3.12.3.3.5.1 The Contractor must implement all appropriate technical and organisational measures necessary to ensure a level of security as required under the SADC Protection of Personal Data Policy and Applicable Law.</p> <p>3.12.3.3.5.2 The Contractor undertakes to inform the Contracting Authority of the technical and organisational measures it will implement to protect the Personal Data processed on behalf of the Contracting Authority.</p> <p>3.12.3.3.5.3 The Contractor must inform the Contracting Authority of any changes that could affect the protection of Personal Data before implementing such changes.</p> <p>3.12.3.3.6 Personal Data Breach</p> |

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| | <p>3.12.3.3.6.1 The Contractor must immediately notify the Contracting Authority of any security compromise or data breach which involves Personal Data.</p> <p>3.12.3.3.6.2 The Personal Data breach notification from the Contractor must provide sufficient information to allow the Contracting Authority to meet any obligations or to report or inform the affected Data Subjects.</p> <p>3.12.3.3.6.3 The notification must provide the following information:</p> <ul style="list-style-type: none">(a) a description of the nature of the data breach.<ul style="list-style-type: none">(i) a list of Data Subjects affected; and(ii) the security measures implemented or to be implemented to address the data breach.(b) The Contractor shall cooperate with the Contracting Authority and take reasonable steps as directed by the Contracting Authority to assist the investigation, mitigation, and remediation of such Personal Data breach. |
| | <p>3.12.3.3.7 Records</p> |
| | <p>3.12.3.3.7.1 The Contractor shall maintain complete, accurate and up-to-date written records of all Data Processing carried out under or in connection with the Contract.</p> <p>3.12.3.3.7.2 The records maintained by the Contractor shall contain the following information:</p> <ul style="list-style-type: none">(a) the name and contact details of the Contractor's representative or the Data Protection Officer, if any;(b) the categories of Data Processing carried out on behalf of the Contracting Authority;(c) where applicable, details of any transfers of Personal Data, including the identity of the recipient of such transferred Personal Data and the countries to which such Personal Data is transferred together with details of the appropriate safeguards put in place; and(d) a general description of the security measures implemented by the Contractor. |
| | <p>3.12.3.3.8 Sub-Processing</p> |
| | <p>The Contractor shall ensure that any Sub-Contractors processing Personal Data shall do so lawfully and in line with this Clause, where applicable.</p> |

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| | <p>3.12.3.3.9 Deletion or Return of Personal Data</p> <p>3.12.3.3.9.1 Upon the expiration of the Contract, or termination of the Contract pursuant to Clause GC 30, the Contractor shall immediately cease processing Personal Data under its possession or control.</p> <p>3.12.3.3.9.2 Within 10 (ten) days following the date of expiration or termination of the Contract, the Contractor shall, at the written direction of the Contracting Authority, securely return or delete Personal Data including any copies of it.</p> <p>3.12.3.3.9.3 The Contractor shall provide the Contracting Authority with written certification that it has fully complied with the provisions of this Clause.</p> <p>3.12.3.3.9.4 If the Contractor is required by law to retain the Personal Data, the Contractor shall advise the Contracting Authority accordingly.</p> | | | | | | | | | | | | |
| 6.1(b) | The contract ceiling in US\$ | | | | | | | | | | | | |
| 6.2 | <p>Global Price Contract</p> <p>6.2 (i) The payment schedule is the following: Payment schedule is related to reports and their approvals, as follows: 100% upon completion of the assignment</p> | | | | | | | | | | | | |
| 6.4(a) | <p>The payments will be made into the following account:</p> <table border="1" data-bbox="509 1244 1377 1473"> <tr><td>Account Name</td><td></td></tr> <tr><td>Account Number</td><td></td></tr> <tr><td>Bank Name</td><td></td></tr> <tr><td>Bank Branch</td><td></td></tr> <tr><td>Bank Sort Code</td><td></td></tr> <tr><td>Currency</td><td></td></tr> </table> | Account Name | | Account Number | | Bank Name | | Bank Branch | | Bank Sort Code | | Currency | |
| Account Name | | | | | | | | | | | | | |
| Account Number | | | | | | | | | | | | | |
| Bank Name | | | | | | | | | | | | | |
| Bank Branch | | | | | | | | | | | | | |
| Bank Sort Code | | | | | | | | | | | | | |
| Currency | | | | | | | | | | | | | |
| 6.4(b) | There is no advance payment under this contract. | | | | | | | | | | | | |
| 9.2 | <p>Disputes shall be settled by negotiation and arbitration in accordance with the following provisions:</p> <p>(a) The Parties shall use all their best efforts to settle all disputes arising out of, or in connection with, this Contract or its interpretation amicably.</p> <p>(b) In the event that, through negotiation, the parties fail to resolve a dispute arising from the conclusion, interpretation, implementation or termination of the contract, the parties shall settle the dispute by arbitration.</p> <p>(c) The arbitral tribunal shall consist of three arbitrators. Each party to the dispute shall appoint one arbitrator. The two</p> | | | | | | | | | | | | |

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| | <p>arbitrators so appointed shall appoint the third arbitrator, who shall be the Chairperson. If within 15 days of receipt of the request for arbitration either party has not appointed an arbitrator, or if within 7 days of the appointment of the two arbitrators the third arbitrator has not been appointed, either party may request an appointing authority agreed by the parties to appoint an arbitrator.</p> <p>(d) If no appointing authority has been agreed upon by the parties, or if the appointing authority agreed upon refuses to act or fails to appoint the arbitrator within 30 days of the receipt of a party's request, either party may request the Chairman of the Botswana Institute of Arbitrators to appoint a sole arbitrator.</p> <p>(e) The appointing authority shall, at the request of one of the parties, appoint the sole arbitrator as promptly as possible.</p> <p>(f) The procedure of arbitration shall be fixed by the arbitral tribunal/sole arbitrator which shall have full power to settle all questions of procedure in any case of disagreement with respect thereto.</p> <p>(g) The decisions of the arbitral tribunal/sole arbitrator shall be final and binding upon the parties.</p> <p>(h) The arbitration shall take place in Botswana and the substantive laws of Botswana shall apply.</p> <p>Nothing in this Clause shall affect the privileges and immunities of SADC as an Organisation.</p> |
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IV. Appendices

APPENDIX A – TERMS OF REFERENCE

Note: This Appendix will include the final Terms of Reference worked out by the Contracting Authority and the Contractors during technical negotiations, dates for completion of various tasks, place of performance for different tasks, specific tasks to be approved by Contracting Authority, etc.

APPENDIX B – TECHNICAL PROPOSAL

Note: List format, frequency, and contents of reports; persons to receive them; dates of submission; etc. If no reports are to be submitted, state here “Not applicable.”

APPENDIX C – FINANCIAL PROPOSAL



Signed with Impression - Chain of Custody



Signature Request

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| Signature Request ID: | 4871f6db-dc04-4748-a494-c77478897794 | Timestamp: | 2025-11-05 13:04:29 GMT |
| Signee Name: | Diana Sello | Sender Name: | Diana Sello |
| Request Type: | WebSigning | Request Status: | WEBVIEWER SIGNED |

Original Document

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Email Evidence

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|-----------------------|------------------------------|-------------------------|------------------------------|
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| Email Sent Timestamp: | Not available in Silent Mode | Email Opened Timestamp: | Not available in Silent Mode |

Web Evidence

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| Security Challenge: | NONE | Part of Workflow: | NONE |

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Signed with Impression - Chain of Custody



Signature Request

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| Signee Name: | Thomas Chabwera | Sender Name: | Thomas Chabwera |
| Request Type: | WebSigning | Request Status: | WEBVIEWER SIGNED |

Original Document

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Email Evidence

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|-----------------------|------------------------------|-------------------------|------------------------------|
| Signee Email: | tchabwera@sadc.int | Email Subject: | Not available in Silent Mode |
| Email Sent Timestamp: | Not available in Silent Mode | Email Opened Timestamp: | Not available in Silent Mode |

Web Evidence

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Signing Evidence

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Chain Of Custody Generation

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