

FEDERAL MINISTRY OF FINANCE, BUDGET AND NATIONAL PLANNING

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

NIGERIA

**STATES FISCAL TRANSPARENCY, ACCOUNTABILITY AND SUSTAINABILITY
(SFTAS) PROGRAM FOR RESULTS**

Loan No./Credit No./ Grant No.: IDA 6296

**Assignment Title: THIRD-PARTY EXTERNAL AUDIT FIRM TO WORK WITH AND
SUPPORT THE INDEPENDENT VERIFICATION AGENT FOR THE SFTAS
PROGRAMME**

Reference No. NG-HOME FINANCE DEPT-217857-CS-QCBS

1. The Federal Government of Nigeria has agreed with the World Bank on a multi-year (2018-2022) program to support Nigerian states to strengthen fiscal performance and sustainability: The State Fiscal Transparency, Accountability and Sustainability (SFTAS) Program for Results (“The Program”). The Federal Government of Nigeria has received financing from the World Bank towards the cost of the SFTAS Program, and intends to apply part of the proceeds for consulting services.

2. *About the Program:* The Program development objective is to strengthen the fiscal transparency, accountability and sustainability in the participating states, including in the context of COVID-19. The Program is supporting participating states to implement a strategic set of reforms from government programs: The Fiscal Sustainability Plan (FSP), The Open Government Partnership (OGP) and the NEC COVID-19 Plan. Ex-ante, the Program is open to all states and FCT to participate. The Program provides performance-based financing to states that meet the annual eligibility criteria and achieve a pre-agreed set of disbursement-linked results (DLRs or results) related to increasing state-level fiscal transparency and accountability, strengthening state-level domestic revenue mobilization, increasing efficiency in state public expenditures, and strengthening state debt sustainability. States’ compliance with the eligibility criteria and achievement of the results are to be verified through annual performance assessments (APAs). The APAs will be carried out by the Office of the Auditor-General for the Federation (OAuGF) in their role as the independent verification agent (IVA) for the Program. Given the importance of having a credible, accurate and high-quality verification process, an external audit firm will be engaged to work with the IVA in the conduct of the APAs. The selected firm is expected to reach its own independent conclusions on all results.

2. The consulting services (“the Services”) are to work with and support the IVA in the conduct of the two remaining APAs. The assignment will be for a period of 18 months, with a target to start in June 2021. The specific tasks expected under the proposed assignment:

A. Work jointly with the OAuGF SFTAS IVA team in the preparation and implementation of the APAs, including conducting desk-based reviews, field visits to states and provision of project management services. The APAs will cover all participating states and verify their achievement of the Program’s DLRs/results against the approved verification protocol in accordance with the APA process outlined in the Program Operations Manual (POM).

- B. Provide the requisite technical expertise for assessing specific DLRs/results on fiscal policy, budgets/budgeting, tax policy and administration, procurement (e-procurement), debt management/reporting and sustainability, PFM Legislation (Audit, Debt, Procurement and Revenues). The technical expertise is to be provided to the IVA and also applied by the selected firm to support the firm's own assessment of the results.
- C. Provide training to selected staff of the OAuGF to strengthen their capacity to conduct effectively the verification process/APA, using virtual platforms and information technology, and the conduct of risk-based audits including IPSAS, ISSAIs, Report writing, IT skills and others.

3. The Federal Ministry of Finance, Budget and National Planning (FMFBNP) now invites eligible consulting firms ("Consultants") to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services. The shortlisting criteria are:

- Experience of working with Supreme Audit Institutions across sub-Saharan Africa. Deep knowledge of the standard setting processes adopted by INTOSAI and AFROSAI-E is desirable.
- Familiarity with the public financial management operating environment in Nigeria (including legislation, rules, regulations). Familiarity at both the federal and state level is desirable.
- The firm must be a member of and comply fully with the standards and ethical codes of a recognized professional accounting body.
- Comprehensive knowledge and understanding of controls within an IT environment is an advantage.
- Successful track record of leading the implementation of similar-sized contracts (with value of US\$1.5 million (N570 million) or more) for audit, verification and assurance assignments in the public sector with national coverage in sub-Saharan Africa. Firms with experience of contracts outside Nigeria that can bring relevant lessons to this assignment is desirable.
- At least 2 decades of practicing experience.
- Operational Project Management - Demonstrates in depth knowledge and understanding of project management tools & methodologies and processes related to project preparation & implementation, resource management, and stakeholder communications.
- IT, security and logistical capabilities to set up and run a virtual-based work program to operate under COVID-19 and high-risk conditions.
- Proven technical expertise and experience on the range of fiscal policy and PFM areas covered under the Program's results/DLRs:
 - Budget preparation and fiscal planning (medium-term expenditure frameworks);
 - Tax policy and administration including property tax collection;
 - Procurement (e-procurement);
 - Debt reporting, management and debt sustainability analysis;
 - Public financial management-related legislation (Audit, Debt, Procurement and Revenues)

- Proven experience and competence in the design and delivery of training and capacity building activities to the public sector. Experience of delivering same to Audit Institutions will be an advantage.
- The selected firm is expected to be of an adequate professional staff size to provide the necessary team members to cover the work across all states in Nigeria without the use of temporary hires in management roles. The minimum complement of permanent professional staff expected to be in place at the selected firm as at 31 December 2020 is 100. Smaller firms are able to partner to achieve this requirement. Where temporary staff are to participate as team members, the firm is required to provide evidence of an acceptable on-boarding or induction process for temporary staff that includes guidance on conduct and ethics, and an adequate system of providing oversight and management of temporary staff.

4. The attention of interested Consultants is drawn to the World Bank's Procurement Regulations for IPF Borrowers(4th Edition, November) and the World Bank's Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by International Bank for Reconstruction and Development (IBRD) Loans and IDA Credits and Grants (revised as of July 1, 2016). A Consultant will be selected in accordance with the QCBS method set out in the Consultant Guidelines.

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

6. For further information, the draft Terms of Reference can be found on the SFTAS website (www.sftas.org.ng) alongside other Program information. Further information can be obtained from procurement@sftas.org.ng, +2348055123388.

7. Expressions of Interest accompanied by company's profile must be delivered in a written form to the address below (in person, or by mail or by e-mail) by **Thursday, 11th March, 2021 at 4.00 pm prompt.**

Federal Ministry of Finance (Nigeria)

Attn: Mr Stephen Okon

SFTAS National Programme Coordinator

Director - Home Finance Department,

Block B, Room 330, Third Floor,

Federal Ministry of Finance Building

Central Business District, Abuja, FCT, Nigeria

Tel: +2348055123388

E-mail: procurement@sftas.org.ng