

Request for proposals

CFS audit services

EIT InnoEnergy

1. Table of contents

1.	Table of contents	2
2.	Overview of EIT InnoEnergy	3
3.	Scope of work	3
4.	Proposal Process	7
4.1.	<i>Participation</i>	7
4.2.	<i>Submission of proposal</i>	7
4.3.	<i>Validity of the proposals</i>	8
4.4.	<i>Requests for additional information or clarification</i>	8
4.5.	<i>Costs for preparing proposals</i>	8
4.6.	<i>Ownership of the proposals</i>	8
4.7.	<i>Clarification related to the submitted proposals</i>	9
4.8.	<i>Negotiation about the submitted proposal</i>	9
4.9.	<i>Evaluation of proposals</i>	9
4.10.	<i>Signature of contract(s)</i>	9
4.11.	<i>Cancellation of the proposal procedure</i>	10
4.12.	<i>Appeals/complaints</i>	10
4.13.	<i>Ethics clauses / Corruptive practices</i>	10
4.14.	<i>Annexes (→ Only available upon request)</i>	10

2. Overview of EIT InnoEnergy

EIT InnoEnergy is a European company fostering the integration of education, technology, business, and entrepreneurship and strengthening the culture of innovation. The challenge is big, but our goal is simple: to achieve a sustainable energy future for Europe. Innovation is the solution. New ideas, products and services that make a real difference, new businesses, and new people to deliver them to market. At EIT InnoEnergy we support and invest in innovation at every stage of the journey – from classroom to end-customer. With our network of partners, we build connections across Europe, bringing together inventors and industry, graduates and employers, researchers and entrepreneurs, businesses, and markets.

We work in three essential areas of the innovation mix:

- Education to help create an informed and ambitious workforce that understands the demands of sustainability and the needs of industry.
- Innovation Projects to bring together ideas, inventors, and industry to create commercially attractive technologies that deliver real results to customers.
- Business Creation Services to support entrepreneurs and start-ups who are expanding Europe's energy ecosystem with their innovative offerings.

Bringing these disciplines together maximises the impact of each, accelerates the development of market-ready solutions, and creates a fertile environment in which we can sell the innovative results of our work.

For more information about our company please visit the following website:

<http://www.innoenergy.com/about-innoenergy/>

3. Scope of work

General objectives

KIC InnoEnergy is looking to engage several audit firms (min. 2 to max. 4 firms) and conclude a multiple framework contract in cascade to perform Certificate on the Financial Statements (CFS) Audits for expenditure incurred by a numerous of EIT KIC partners across the EU. These partners are EIT eligible partners and differ in size, type of organization and requested funding value.

An overview of the population of KIC Partners, information will be provided upon request by sending an e-mail to jaouad.el.yazidi@innoenergy.com. Please note, the list of KIC partners that require CFS audits as validated by the EIT at the time of this RfP procedure is indicative and serves to help the potential suppliers to submit a qualitative offer. The final population of partners falling under CFS obligation for a reporting period and subject to the specific contracts to be signed may change.

The required CFS is stated in article 24.2 of the Horizon Europe Model Grant Agreement (MGA) and follows the Horizon Europe financial rules. The coordination of the CFS audits will be managed by EIT InnoEnergy SE from Eindhoven (the Netherlands) and will be the client. As the main stakeholder of the reports, the European Institution of Technology (EIT) remain having an important role within the project and therefore shall be involved during project execution.

The collaboration for this tender will be for 2 Years (Grant cycle CFS audit linked to GA2021 and GA2022) and cover KIC partners. In case of mutual satisfaction, the EIT InnoEnergy could extend the agreement with an additional 2-year agreement under the exact same conditions and pricing. The extension will be announced with a written request to the tenderers and signing an extension of the main framework- and specific agreements. The amount of CFS audits to be performed within a short period of time and potential conflict of interest situations, makes it necessary to contract a minimum of 2 and a maximum of 4 contractors. Therefore, we aim to have a framework agreement with multiple contractors and in addition sign a specific agreement with the different tenderers. EIT InnoEnergy together with the EIT decides the allocation of work between the different contractors based on the following criteria:

- 1.) The winning tenderer will get most of the CFS audits but with a maximum of 60% of the total CFS audits to be performed
- 2.) The rest of the CFS audits (40%) will be allocated to the 2nd best tenderer or between the 2nd best and the 3rd and 4th best tenderers (if applicable)

The splitting of partners between the specific contracts will be based on objective criteria:

- A) The amount of work to be done within the short time frame.
- B) Segregation based on conflict-of-interest situation for partners with ongoing or past collaboration with certain audit firms. Conflict of interest reviews by EIT Innoenergy and the EIT shall be made before the allocation of partners, the suppliers are obliged to confirm their conflict-of-interest status and possible mitigation measures.
- C) Geographical split for synergy and optimal execution.

Please be aware that this decision will be made by EIT InnoEnergy and the EIT and cannot be argued by the contractors. Changes from and towards other contractors can be made last minute (in collaboration and acceptance of all parties) to achieve the best scenario and successful closing of all CFS audits. The agreement can be extended by InnoEnergy to close ongoing dossiers after the deadline of 31st of March 2022.

The audits will be performed directly with- and at the different partners premises across Europe. A certain pre-agreed process needs to be followed with each partner which requires a CFS audit, and each process step will be monitored and approved. This process is explained below in detailed work scope section of this RFP. There will be no direct- or indirect contractual agreement with those partners as they are all aware and contractually agreed on CFS collaboration within the consortium.

The overall kick-off will be a meeting between the winning tenderers, EIT InnoEnergy and EIT representatives to discuss the overall project, kick-off, the partners, the process & milestones, reporting, deadlines, and communication. The aim is also to achieve an efficient project monitoring, acceptance and document sharing and therefore we also look at the proposed system technical solution provided by the tenderer.

All partners in need of an audit will be categorized in Small, Medium or Large partners according to pre-set criteria defined by EIT InnoEnergy SE and the EIT. The time spending on field work and financial offer will be linked to the different categories. The percentual sample always remains the same for all partners.

Detailed work scope

- A) Participating in a kick-off meeting with EIT InnoEnergy and EIT representatives, present the approach by the winning tenderer to align and agree upon details.
- B) Creation and distribution of questionnaire by winning tenderer to all partners involved to understand the workload and organization and prepare the CFS audit.
- C) Winning tenderer to agree with each partner the exact period of performing the CFS audit but will always take place between end of January (N+1) and halfway March (N+1).
- D) Field work at partners' premises to perform and conclude CFS audit (Incl. closing meeting).
- E) Continuously report to the EIT (and partially to EIT InnoEnergy) on progress, status, and content related elements.

Deliverables

- A) System technical solution to monitor the overall process and exchange heavy documents and able to create different partners, roles with own authorization to be set
- B) Auditors' independent report of factual findings (per partner)
- C) Agreed-upon procedure to be performed by the auditor (per partner)
- D) Overall factual findings (central document consolidated for all partners)
- E) Letter of Representation (LOR) (per partner)
- F) If applicable: Feed the system technical proposed solution to monitor the process

Statistics

- A) Approx. 270 CFS audits per reporting exercise (so 270 partners)
- B) Out of the 270 there are 8 KIC LE's to be audited (Coordinators)
- C) CFS audit threshold set on 430K EUR of KAVA
- D) All partners are located in Europe
- E) The framework contract is a 2-year contract with the possibility to be extended with an additional 2 years maximum.

Methodology and organization of work

The winning tenderer's responsibility is to perform CFS audits for KIC partners falling under CFS obligation, the partners will be split, into at least two subgroups in line with the principles referred to in the general objectives above (covered under at least 2 specific contracts) and provide the EIT with the results of the audit (core: report + factual findings) and continuously feeding a (preferable) technical system to update and monitor the whole process.

The preferred methodology is a fixed central coordination team from the winning tenderer who will manage all local audits with their own local audit teams and / or using local partnerships to perform the local audits. The central coordination team remains fully responsible for all audits and will always be the single contact in between the local audit teams and the InnoEnergy.

Largely deriving from Horizon Europe CFS methodology, EIT will provide pre-fixed templates to be used by all audit teams, and together with the winning tenderer harmonize the working processes to ensure a smooth and compliant audit process. All audit teams are obliged to work with the same templates and will submit the conclusion in a certain pre-agreed report template.

The sample to be taken from all partner's cost report should be based on Horizon Europe CFS requirements. The audit instructions will be provided by EIT / InnoEnergy and are related to different cost categories.

Some procedure measure points will be mentioned in the agreement, in order to make sure all processes are followed correctly and timely. The audit will be based on Horizon Europe regulation and EIT principles.

Organizational the work for the winning tenderer consists of 3 phases:

Phase 1: Preparation

The winning tenderers need to make sure to understand the scope correctly and complete, reaching out to the different partners to be audited to announce the audit, gather required information needed and agree on period of audit / sampling. All this respecting the main pre-agreed timetable between the coordination team of the winning tenderers and InnoEnergy / EIT. (Oct '21 – Dec '21)

Phase 2: Audit execution

The actual audit (field work) consists of number of working days per partner's size / Grant consumption. Each partner is categorized as small, medium, or large partner. For the small partners max. 2 working days of audit on sight is permitted. For medium sized partners 2 to max 4 working days and for large partners max. 7 working days between January '21 and March '21). The leading entities (the KIC's itself can have an extended audit period due to their separate status and larger budget consumption) The winning tenderers are free to start audit work remotely as soon as they receive the requested documentation that has been sampled. The max. working days mentioned above are for on-site visits.

Phase 3: Reporting

The final to be submitted documents can be found as an Annex, but throughout the process the winning tenderer is expected to report continuously in an own proposed system

The Auditor must comply with these Tender Specifications and with:

- The International Standard on Related Services ('ISRS') 4400 Engagements to perform Agreed-upon Procedures regarding Financial Information as issued by the International Auditing and Assurance Standards Board (IAASB);
- The Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA). Although ISRS 4400 states that independence is not a requirement for engagements to carry out agreed-upon procedures, the EIT requires that the Auditor also complies with the Code's independence requirements.

The Auditor's Report must state that there is no conflict of interests in establishing the Report between the Auditor and the KIC LE / Partner / linked third party.

The Auditor must provide services in accordance with the provisions of Article II.4 of the General Conditions of the draft framework contract (Annex 2).

Under Article 25.4 of the MGA, the EIT, the European Anti-Fraud Office and the Court of Auditors have the right to audit any work that is carried out under the specific action and for which costs are declared from the EIT grant. This includes work related to this engagement. The Auditor must provide access to all working papers (e.g. recalculation of hourly rates, verification of the time declared for the action) related to this assignment if the EIT, Commission, the European Anti-Fraud Office or the European Court of Auditors requests them

Timing & planning

September 14	Publish RFP on several websites
September 23	Online clarification session for potential tenderers
October 11	Deadline for submitting proposals
October 15	Intended date of notification
October 29	Intended date of contract signature
November 1	Intended start date of activity

Between September 14th and October 15th 2021 the tender will be finalized to contract the winning tenderers and start working on the activity.

October 15th 2021 – November 1st 2021 → The winning tenderer will get the time to setup their own teams and prepare for the assignment.

November 1st 2021 – December 15th 2021 → Winning tenderer to get in touch with all partners, agree on timing and questionnaire.

January 2nd 2022 – March 30th 2022 → Field (audit) work and reporting

After March 31st 2022 → Evaluation of process

4. Proposal Process

4.1. Participation

- a) Participation in this proposal procedure is open to all tenderers.
- b) All participants must sign the Tenderers' declaration form attached and submit it with the proposal. Please note that the tenderer may not modify the text, it must be submitted signed as provided by EIT InnoEnergy attached to the request for proposal document.

4.2. Submission of proposal

	DATE (Calendar dates)
Publishing RFP	September 14, 2021
Online clarification session for potential tenderers	September 23, 2021
Deadline for submitting proposals	October 11, 2021
Intended date of notification of award	October 15, 2021
Intended date of contract signature	October 29, 2021

Proposals must be emailed in English to the following address to:

Contact name: for the attention of Mr. Jaouad El Yazidi

E-mail: jaouad.el.yazidi@innoenergy.com

The proposal shall contain:

- **the technical response to the service requested (point 3).**
- **the financial offer (the price for the services.)** The Financial offer must be presented in EUR. Prices must be indicated as net amount + VAT.
 - **Price offer must follow the instructions and only fixed prices per audit per partner category will be accepted.**
- **an indication of supplier's insurance coverage.** The proposal must specify whether the supplier has taken out a company liability insurance and/or professional liability insurance including the maximum amount of coverage in EUR per event per insurance.

Responses should be concise and clear. The tenderer's proposal will be incorporated into any contract that results from this procedure. Tenderers are, therefore, cautioned not to make claims or statements that they are not prepared to commit to contractually. Subsequent modifications and counterproposals, if applicable, shall also become an integral part of any resulting contract.

The tenderer represents that the individual submitting the natural or legal entity's proposal is duly authorized to bind its entity to the proposal as submitted. The tenderer also affirms that it has read the instructions to tenderers and has the experience, skills, and resources to perform, according to conditions set forth in this proposal and the tenderers' proposal.

Tenderers are requested to submit with their proposal together with the filled-out Tenderers' declaration form (see point 4.1).

4.3. Validity of the proposals

Tenderers are bound by their proposals for 90 days after the deadline for submitting proposals or until they have been notified of non-award. The selected winner must maintain its proposal for a further 60 days to close the contract. The work will be carried out under the EIT InnoEnergy and EIT supervision and all communications and reporting to the EIT shall be done in written form in English

Proposals not following the instructions of this Request for Proposal can be rejected by EIT InnoEnergy.

4.4. Requests for additional information or clarification

The request for proposal should be clear enough to avoid tenderers having to request additional information during the procedure. In case the tenderers need additional information or clarification, please address it to the address below. All requested information will only be answered via the publish site only. Potential suppliers are invited to login to the clarification session organized by InnoEnergy on **September 23rd 2021 time: 11.00 AM**. The link to login to this session can be found below and questions shall be answered on the spot during this clarification session. **Link to login:**

<https://innoenergy-meetings.webex.com/innoenergy-meetings/j.php?MTID=mad87bd31e7884b8da453d850f3d2c2b5>

Thursday, 23 Sep, 2021 11:00 | 1 hour | (UTC+02:00) Amsterdam, Berlin, Bern, Rome, Stockholm, Vienna

Event number: 2733 810 4627

Event password: 3fPquER8JT5 (33778378 from phones)

Join by phone

+44-203-478-5289 United Kingdom toll

0800-051-3810 United Kingdom toll-free

Access code: 273 381 04627

Contact name: Mr. Jaouad El Yazidi

E-mail: jaouad.el.yazidi@innoenergy.com

EIT InnoEnergy has no obligation to provide clarification.

4.5. Costs for preparing proposals

No costs incurred by the tenderer in preparing and submitting the proposal are reimbursable. All such costs must be borne by the tenderer.

4.6. Ownership of the proposals

EIT InnoEnergy retains ownership of all proposals received under this tendering procedure. Proprietary information identified as such, which is submitted by tenderer in connection with this procurement, will be kept confidential.

The potential or actual supplier should accept that during the implementation of the contract and for four years after the completion of the contract, for the purposes of safeguarding the EU's financial interests, EIT InnoEnergy may transfer the proposal and the contract of the supplier to internal audit services, to the EIT, to the European Court of Auditors, to the Financial Irregularities Panel or to the European Anti-Fraud Office.

4.7. Clarification related to the submitted proposals

After submission of the proposals, they shall be checked if they satisfy all the formal requirements set out in the proposal dossier. Where information or documentation submitted by the tenderers are or appears to be incomplete or erroneous or where specific documents are missing, EIT InnoEnergy may request the tenderer concerned to submit, supplement, clarify or complete the relevant information or documentation within an appropriate time limit. All information requested or answered may only be done through written communication – email only.

4.8. Negotiation about the submitted proposal

After checking the administrative compliance of the tenderers, EIT InnoEnergy may negotiate the contract terms with the tenderers. In this negotiation EIT InnoEnergy will ask all tenderers to adjust the proposal or specific sections of the proposal within an appropriate time limit. In case of negotiation, EIT InnoEnergy shall provide further information about the proceedings and timing.

4.9. Evaluation of proposals

The quality of each proposal will be evaluated in accordance with the below mentioned award criteria. The award criteria will be examined in accordance with the requested service indicated in Section 3 of the document.

Evaluation criteria

1. Project experience and competences of the members of the proposed project teams (maximum point: 40)
2. Methodology approach of project and proposed project implementation (maximum point: 15)
3. Liability exposure: tenderer with best insurance coverage and least changes to contract template shall receive the highest score (maximum point: 5)

Total technical score: 60 points maximum

4. Price or total cost: lowest offered expert unit price shall receive the highest score, other shall be calculated in relation to that in linear equation (maximum point: 40)

Total financial score: 40 points maximum

Total maximum score: 100.

4.10. Signature of contract(s)

The successful and unsuccessful tenderers will be informed in writing (via email) about the result of the award procedure.

For the contract the Framework Contract (FWC) & Specific Contract (SC) in Annex 2 shall apply. Any change desired by the tenderer in the provisions contained in the body of this Service Agreement needs to be communicated to EIT InnoEnergy as part of the proposal of such tenderer. Background for this is that such desired changes need to be taken into account in the evaluation of the proposal of each tenderer under Liability Exposure above. Significant changes are likely to lengthen the negotiation process, making it less likely that the Service Agreement can be signed in time.

Within 5 days of receipt of the contract from EIT InnoEnergy, the selected tenderer shall sign and date the contract and return it to EIT InnoEnergy. Upon receipt, EIT InnoEnergy shall also sign and send back to the winner one signed copy. In case the winning tenderer is unable to enter the

contract within the above-mentioned time period, EIT InnoEnergy may decide to contract the second best or cancel the procedure.

4.11. Cancellation of the proposal procedure

In the event of cancellation of the proposal procedure, EIT InnoEnergy will notify tenderers of the cancellation. In no event shall EIT InnoEnergy be liable for any damages whatsoever including, without limitation, damages for loss of profits, in any way connected with the cancellation of a proposal procedure, even if EIT InnoEnergy has been advised of the possibility of damages. InnoEnergy remains allowed to cancel the complete tender procedure until signature of contract.

4.12. Appeals/complaints

Tenderers believing that they have been harmed by an error or irregularity during the award process may file a complaint. Appeals should be addressed to EIT InnoEnergy. The tenderers have 10 days to file their complaints from the receipt of the letter of notification of award.

4.13. Ethics clauses / Corruptive practices

EIT InnoEnergy reserves the right to suspend or cancel the procedure, where the award procedure proves to have been subject to substantial errors, irregularities, or fraud. If substantial errors, irregularities, or fraud are discovered after the award of the Contract, EIT InnoEnergy may refrain from concluding the Contract.

The supplier shall take all measures to prevent any situation where the impartial and objective implementation of the contract is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest ('conflict of interests'). He should inform EIT InnoEnergy immediately if there is any change in the above circumstances at any stage during the implementation of the tasks.

4.14. Annexes (→ Only available upon request)

Annex 1: Tenderers' Declaration form.

Annex 2: FWC & SC (contract templates)

Annex 3: Partner information list

Annex 4: Template auditors' independent report of factual findings

Annex 5: Template agreed-upon procedure to be performed by the auditor

Annex 6: Template overall factual findings

Annex 7: LOR template