

Terms of reference (ToR) for the procurement of services up to the value of EUR 20,000



GIZ Ethiopia: Audit services on tax and social security compliance

Contents

1.	General information	1
2.	Tender requirements	2
3.	Specification of inputs	3
4.	Option: extension of contract	3

1. General information

a. Brief information on the project

As a service provider with worldwide operations in the fields of international cooperation for sustainable development and international education work, GIZ works with its partners to develop effective solutions that offer people better prospects and sustainably improve their living conditions. GIZ is a public-benefit federal enterprise and supports the German Government and a host of public and private sector clients in a wide variety of areas, including economic development and employment promotion, energy and the environment, and peace and security.

GIZ has been working in Ethiopia on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) since 1964. Our work force amounts to 800 employees with Ethiopian employment contracts.

Currently, GIZ Country Office Addis Ababa is looking for external auditing services to audit GIZ Ethiopia's compliance with internal and external regulations on tax and social security.

b. Contract term:

GIZ shall hire the contractor for the anticipated contract term, from September 1, 2021 to December 31, 2021 (Gregorian Calendar).

c. Services:

The contractor shall provide the following services and deliverables:

Human Resources Administration:

- Analyse, assess and evaluate all tax-related processes in the Human Resources Administration for internal and external compliance
- Analyze, assess and evaluate employees' taxation for accuracy and compliance with Ethiopian laws and practises based on a sample of at least 5 employees (including regional tax bodies)

- Review taxation of all remuneration items (cash and non-cash) provided to employees (e.g. Provident Fund, transportation allowance)
- Review of tax adjustments made
- Examination as to whether the taxes and social security contributions have been correctly collected or remitted
- Examine proper documentation and filing of tax and social security related processes
- Propose to GlZ means of action in order to improve shortcomings or gaps (discussion and written report)
- Identify risk areas and provide recommendations on how to address and mitigate the exposure areas.
- Draft process descriptions on tax and social security-related payroll processes, including the precise legal / national / regional sources
- Provide written attestation of compliance with Ethiopian regulations (1 page document) including findings and shortcomings, if any

Finance Administration

- Analyse, assess and evaluate all tax-related processes in the Finance Administration for internal and external compliance
- Examine proper documentation and filing of tax related processes
- Propose to GlZ means of action in order to improve shortcomings or gaps (written report)
- Provide written attestation of compliance with Ethiopian regulations (1 page document)

2. Tender requirements

Qualifications of proposed staff

2.1 Expert 1:

2.1.1 General qualifications

Education:

- Masters degree in Accounting, Tax, Business law, Management or similar
- ACCA-qualification

Professional experience:

- 7 years experience in auditing and tax analysis
- In-depth and up-to-date knowledge of Ethiopian tax legislation and social security schemes
- Proven competence in taxation
- Profound know-how in company processes in taxation and social security
- Advanced user in report writing and calculations in Microsoft Office, i.e. MS Excel, MS Word
- Advanced user-know how in advanced XLS-formulas, Word editing like track change mode and commenting fuction

2.1.2 Experience in the region/knowledge of the country: Ethiopia

2.1.3 Language skills: business fluency in English and Amharic (written and spoken)

3. Specification of inputs

- The location of the assignment will be in Addis Ababa, Kazenchis.
- Payments are based on an invoice reflecting actual number of expert hours or expert days used to deliver the services.

Fee days	Number of experts	Number of days per expert up to	Comments
• Preparation/debriefing	1	1	HR and Finance
• Audit	1	6	4 days HR, 2 days Finance

Note:

If restrictions are introduced to combat coronavirus/COVID-19 (restrictions on air travel and travel in general, entry restrictions, quarantine measures, etc.), GIZ and the contractor are obliged to make adjustments to their contractual services to reflect the changed circumstances on the basis of good faith; this may involve changes to the service delivery period, the services to be delivered and, if necessary, to the remuneration.

4. Option: extension of contract

Extension of contract

As stipulated by GIZ, after the expiration of the initial contract, it can be extended for a further period of 12 months twice (with 7 expert days per each extension). However, this option can be exercised only by GIZ.

Price escalation clause

Any claim for modifications in daily fees on account of any reason whatsoever will not be entertained.