Global Rights Compliance

Request for Proposal (RFP)
Contractual Expenditure Verification / Agreed-Upon Procedures for Two EU-Funded Actions - No Child Forgotten: Strengthening Child-Sensitive Justice and Protection Responses to Deportation in Ukraine and Embedding Accountability: Sustaining and Scaling Ukraine's Capacity to Prosecute International Crimes
GRC/RFP/P26-050

https://globalrightscompliance.org/

Stichting "Global Rights Compliance Foundation", Prinses Margrietplantsoen 33, 2595 AM Gravenhage Nederland Kvk number 70 048436, RSIN number 85811884.

Procuring Entity	Global Rights Compliance Foundation (https://globalrightscompliance.org/)
Type of the Contract	Professional contractual expenditure-verification and agreed-upon procedures (AUP) services for two EU-funded actions
RFP/RFQ Issue Date	21 August 2026
Clarification Deadline	28 August 2026 , 18:00 CET
RFP/RFQ Closing Date & Time	21 September 2026, 18:00 CET
Indicative Engagement Timeline	**Child Justice:** Project end date: 31 August 2027 | Engagement commencement: no later than 21 working days following project end | Final AUP Report: no later than 45 working days following project end. **Embedding Accountability:** Indicative project end date: 31 March 2028 | Engagement commencement: no later than 21 working days following project end | Final AUP Report: no later than 45 working days following project end. *Approximate dates are provided for planning purposes only. The binding requirement is that each engagement commence no later than 21 working days following the applicable project end date and be completed, including issuance of the Final AUP Report and required EU annexes, no later than 45 working days following the applicable project end date.*

The successful bidder will be formally notified by GRC via e-mail.

Enclosed is a Request for Proposal (RFP) for No Child Forgotten: Strengthening Child-Sensitive Justice and Protection Responses to Deportation in Ukraine and Embedding Accountability: Sustaining and Scaling Ukraine's Capacity to Prosecute International Crimes

Global Rights Compliance Foundation acting as the Procuring Entity, invites qualified auditing firms to submit their best-value proposal for the specified service (s).

The award of any subcontract is contingent upon the availability of donor funds, successful negotiation of the budget and contractual terms, and donor/client approval where required.

The resulting agreement will be issued as a single firm fixed-price purchase order.

The audit will be conducted primarily remotely. GRC operates as a virtual organisation and does not maintain physical offices in the Netherlands. Financial records, supporting documentation and accounting records will be made available electronically. GRC uses Quickbooks as its accounting software, base currency euro. GRC's external accounting firm, located in The Hague, may provide additional documentation where required. Its business model is based on remote work sites around the globe in implementing foreign assistance programs for a portfolio of countries' government assistance programs, mainly grants and contracts. It has no private donations. The Foundation works through consultants; it has no employees, and it is a Foundation thus no profit and is VAT exempt.

Offerors are advised that, following the submission of proposals, payment schedules and implementation timelines may be subject to revision prior to the signing of the final contractual agreement with the selected Service Provider(s).

General Background

Global Rights Compliance is an international human rights legal practice based in the UK and the Netherlands, specialising in international human rights, criminal, and humanitarian law. We have a dedicated Business and Human Rights Unit focused on providing advice to businesses, public sector institutions, civil society organisations, and investors on both the legal and practical aspects of human rights due diligence, responsible business conduct, as well as heightened human rights due diligence in conflict-affected and high-risk areas.

Project Background

GRC seeks to appoint one qualified and independent audit firm/practitioner to undertake contractual expenditure verification engagements in relation to two separate actions funded, or anticipated to be funded, by the European Union.

> **Project 1 - No Child Forgotten: Strengthening Child-Sensitive Justice and Protection Responses to Deportation in Ukraine ("Child Justice"):**
>
> The action has a total eligible budget of EUR 1,250,000 and an implementation period of 18 months, ending on 31 August 2027. The action is funded by the European Union under Grant Contract NDICI CRISIS FPI/2026/489-863. There will be approximately 1700 Quickbooks transactions with 20% under 21 euros (bank fees).
>
> **Project 2 - Embedding Accountability: Sustaining and Scaling Ukraine's Capacity to Prosecute International Crimes:**

GRC has submitted a proposal to the European Union for an anticipated 18-month action with an indicative value of approximately EUR 3,500,000 and an anticipated start date of 1 October 2026. Estimated transactions based on a previous award of the same size is 2700 Quickbooks transactions with 20% under 21 euors (bank fees),

Action	Approximate Project End Date	Engagement to Commence By	Final AUP Report to be Completed By
Child Justice	31 August 2027	Approx. 29 September 2027	Approx. 2 November 2027
Embedding Accountability	Approx. 31 March 2028*	Approx. 1 May 2028*	Approx. 2 June 2028*

At the date of publication of this RFP, the Embedding Accountability proposal remains subject to approval by the European Union and execution of the relevant grant agreement. Accordingly, inclusion of this second engagement in this procurement does not constitute a commitment by GRC to proceed with or pay for the engagement unless and until the relevant EU funding is approved and the grant agreement is executed.

The Embedding Accountability price shall be based on the assumptions and indicative information contained in this RFP. Following execution of the relevant EU Grant Contract, GRC may confirm or adjust the engagement scope to reflect the final contractual requirements. No price adjustment shall apply solely because the applicable EU contractual expenditure-verification procedures or sampling requirements are those ordinarily applicable to an EU External Aid grant of the nature described in this RFP. Any material scope change giving rise to a proposed price adjustment must be agreed by GRC in writing before the additional work is undertaken.

GRC's intention is to appoint **one firm for both engagements** in order to ensure consistency of approach, institutional knowledge, efficiency and continuity across GRC's EU-funded portfolio. Each EU action will nevertheless remain a separate engagement for contractual expenditure-verification and reporting purposes.

Purpose and Objective of the Service

GRC seeks to appoint a qualified and independent practitioner to perform contractual expenditure verification through agreed-upon procedures (“AUP”) in relation to the financial reports submitted under the two EU-funded actions described above.

The purpose of each engagement is to provide the relevant EU Contracting Authority with factual findings enabling it to assess whether the expenditure and revenue declared by GRC in the applicable financial report are real, accurately recorded and eligible in accordance with the relevant EU grant contract.

The practitioner will perform the agreed-upon procedures prescribed by the applicable EU contractual expenditure-verification Terms of Reference and issue the required AUP report using the applicable EU reporting templates.

The engagement is an agreed-upon procedures engagement and the practitioner is not expected to provide an audit opinion.

For purposes of this RFP, “Offeror” means an entity submitting a proposal; “Service Provider” means the successful Offeror appointed by GRC; and “Practitioner” means the Service Provider acting in its professional capacity when performing the agreed-upon procedures engagement in accordance with ISRS 4400 (Revised) and the applicable EU Terms of Reference.

Applicable Standards and Contractual Requirements

The engagements shall be undertaken in accordance with the contractual expenditure-verification requirements applicable to the relevant EU grant contract, including the applicable version of the EU Terms of Reference for an Agreed-Upon Procedures Engagement for a Grant Contract to Issue a Contractual Expenditure Verification.

The practitioner shall undertake the engagements in accordance with:

- International Standard on Related Services (ISRS) 4400 (Revised), Agreed-Upon Procedures Engagements, as promulgated by the International Federation of Accountants (IFAC); and
- the International Code of Ethics for Professional Accountants, including the International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA).

The practitioner must be independent from GRC and shall maintain such independence throughout each engagement.

Where there is any inconsistency between this RFP and the mandatory contractual expenditure-verification requirements contained in the applicable EU grant agreement, the requirements of the applicable EU grant agreement and its annexes shall prevail for the relevant engagement.

Mandatory EU Methodology and Precedence

The applicable EU contractual expenditure-verification Terms of Reference, including all annexes, prescribed procedures, sampling requirements and reporting templates, shall constitute the minimum mandatory requirements for each engagement.

The Practitioner shall not substitute its own audit, assurance, risk-based sampling or materiality methodology for any procedure or sampling requirement prescribed by the applicable EU Terms of Reference. Any additional procedures proposed by the Practitioner shall be clearly identified as additional procedures and shall not replace, reduce or modify the mandatory agreed-upon procedures.

In the event of any inconsistency between this RFP, the resulting purchase order or services agreement, and the applicable EU Grant Contract or mandatory contractual expenditure-verification requirements, the latter shall prevail in relation to the relevant engagement.

Scope of Work

For each applicable EU-funded action, the service provider shall:

1. review the relevant EU grant contract, Special Conditions, General Conditions, approved budget, financial reports and other documents relevant to the engagement;
2. undertake the agreed-upon procedures prescribed in the applicable EU contractual expenditure-verification Terms of Reference;

3. verify expenditure not covered by any previous contractual expenditure-verification report for the relevant action;
4. assess expenditure and revenue against the eligibility and documentation requirements established by the relevant grant contract;
5. apply the sampling methodology and procedures prescribed by the applicable EU Terms of Reference;
    - Sampling Requirements: The Practitioner shall determine the sample size and composition strictly in accordance with Annex 2 of the applicable EU Terms of Reference. Offerors are responsible for reviewing those sampling requirements when preparing their Technical and Financial Proposals. The proposed fixed professional fee shall be sufficient to perform the minimum required sampling and all prescribed procedures applicable to the engagement and shall not be based on the application of the Offeror's standard audit materiality or sampling methodology.
6. review relevant accounting records, supporting documentation, procurement records, payroll/personnel documentation and other financial and non-financial evidence necessary to perform the agreed-upon procedures;
7. conduct the required fieldwork and/or, where expressly permitted and duly justified under the applicable EU requirements, desk-based review;
8. conduct an opening/preparatory meeting and a closing meeting with GRC, including discussion of preliminary factual findings and any outstanding supporting information;
9. prepare a draft AUP report for GRC's factual review and comments;
10. address GRC's factual comments and issue the final report within the agreed timetable; and
    - The Practitioner shall report all financial findings identified through the prescribed agreed-upon procedures, irrespective of monetary value or materiality. Findings shall be presented in accordance with the criteria and format prescribed by the applicable EU reporting template. Any changes to findings between the draft and final report following GRC's factual comments shall be clearly and sequentially documented in accordance with the applicable EU Terms of Reference.
11. provide any reasonable clarification required by GRC or the relevant EU Contracting Authority in connection with the report.

A separate AUP report shall be prepared and issued for each EU grant contract.

EU Contractual Expenditure Verification Terms of Reference

The applicable EU Terms of Reference for an Agreed-Upon Procedures Engagement for a Grant Contract to Issue a Contractual Expenditure Verification will form part of the resulting engagement.

For the Child Justice action, the applicable EU Annex VII Terms of Reference will be provided as part of this RFP/contractual documentation.

For the Embedding Accountability action, the final applicable EU expenditure-verification requirements will be confirmed following approval and execution of the relevant EU grant agreement. The practitioner will be required to comply with those requirements as a condition of undertaking the second engagement.

Conditional Embedding Accountability Engagement

The Embedding Accountability component of this procurement is expressly conditional upon approval of GRC's funding proposal by the European Union and execution of the relevant grant agreement.

GRC gives no guarantee that the Embedding Accountability engagement will proceed and shall have no liability to the selected Service Provider for fees, loss of profit, mobilisation costs or other costs relating to that engagement unless and until GRC issues a written instruction to commence the relevant services.

The final scope, timing and applicable EU contractual expenditure-verification requirements for the Embedding Accountability engagement may be adjusted to reflect the terms of the executed EU grant agreement.

Professional Eligibility

The Offeror must demonstrate that it satisfies at least one of the following:

- membership of a national accounting or auditing body or institution that is a member of IFAC;
- membership of a national accounting or auditing body or institution, together with a commitment to undertake the engagement in accordance with the applicable IFAC standards and ethics requirements;
- registration as a statutory auditor in the public register of a public oversight body in an EU Member State; or
- for firms based outside the EU, registration as a statutory auditor in an equivalent public register subject to applicable national public-oversight requirements.

Evidence of the applicable professional membership or registration must be included with the Technical Proposal.

Key Personnel

The proposed Engagement Team Leader must have a minimum of five years' relevant professional experience in audit, agreed-upon procedures and/or assurance engagements.

The proposed team must demonstrate:

- appropriate professional qualifications;
- experience applying IFAC standards, including ISRS 4400 (Revised);
- experience verifying financial information for organisations of comparable size and complexity;
- experience with internationally funded programmes and projects;
- demonstrated experience with EU-funded External Aid actions and contractual expenditure verification/AUP engagements;
- sufficient knowledge of relevant accounting, taxation, employment and other applicable regulatory requirements; and
- sufficient language capability to review the relevant records and supporting documentation.

Commitment of Proposed Personnel: The Engagement Team Leader and key personnel identified in the successful Offeror's Technical Proposal shall be the personnel assigned to the engagements. No replacement of the Engagement Team Leader or other key personnel shall be made without GRC's prior written approval. Any proposed replacement must possess qualifications and experience equal to or greater than those of the individual being replaced and must satisfy all applicable independence and professional requirements. GRC reserves the right to reject a proposed replacement that does not meet these requirements.

The Engagement Team Leader shall have overall responsibility for coordination and performance of the fieldwork, supervision of the engagement team, quality of the agreed-upon procedures performed and timely delivery of the prescribed reports.

Deliverables:

For each EU-funded action, the contractual expenditure-verification/AUP engagement shall commence as soon as reasonably practicable following the end of the relevant project implementation period and, in any event, no later than 21 working days following the applicable project end date.

For purposes of this requirement, commencement shall mean the formal inception/preparatory meeting and commencement of the substantive engagement process, including the initial review of documentation and/or agreed-upon procedures.

The Service Provider shall complete the engagement, including all required agreed-upon procedures, closing meeting, draft reporting, consideration of GRC's factual comments and issuance of the Final AUP Report and required EU annexes, no later than 45 working days following the applicable project end date.

The Service Provider's proposed work plan shall demonstrate sufficient mobilisation and resourcing to meet these deadlines. The specific dates for each engagement will be confirmed by GRC following the relevant project end date and availability of the final financial report and supporting documentation.

Any extension to these deadlines must be approved by GRC in writing and shall remain subject to any overriding deadlines or requirements contained in the applicable EU Grant Contract or EU contractual expenditure-verification Terms of Reference.

Deliverables	Requirements	Indicative/Required Timing
Inception/preparatory meeting	For each engagement	No later than 21 working days after project end
Audit/AUP work plan and document request	Before fieldwork	At/shortly following inception meeting
Fieldwork / agreed-upon procedures	In accordance with applicable EU Annex VII	To be scheduled so that final reporting is completed within the 45-working-day overall deadline
Closing meeting	Following fieldwork	Following completion of fieldwork
Draft AUP Report	Within **10 working days** following completion of fieldwork For purposes of the reporting timetable, fieldwork shall be considered complete on the date of the closing meeting or such other date as GRC confirms in writing. Outstanding documentation identified at the closing meeting shall not automatically extend	Subject to overall 45-working-day deadline

Deliverables	Requirements	Indicative/Required Timing
	the reporting deadline unless GRC agrees otherwise in writing.	
GRC factual comments	Within **5 working days**	Within 5 working days of draft
Final AUP Report	Within **5 working days** following receipt of GRC comments	In all cases no later than 45 working days after project end
Supporting EU annexes	Financial report, transaction table and differences table in the prescribed EU formats	With Final AUP Report, unless otherwise required by applicable EU ToR
EU clarification support	As reasonably required following submission	Following submission, as required

Where services are performed for both actions, the practitioner shall issue a separate and specific AUP report for each EU grant contract, using the applicable mandatory EU report template and annexes. Findings relating to one action must not be consolidated into the report for the other action.

Confidentiality and Handling of Information

Where GRC identifies information, documentation or an engagement as sensitive or confidential, the Practitioner shall comply with the applicable EU requirements for handling sensitive information and any additional security instructions communicated by GRC. Access shall be restricted strictly to personnel directly involved in the engagement on a need-to-know basis. Sensitive information shall be securely stored and encrypted in storage and transmission and shall not be disclosed, copied, reproduced or transmitted except as necessary for performance of the engagement and in accordance with GRC's instructions. Upon completion of the engagement, information shall be returned, securely deleted or destroyed as instructed by GRC and in a manner that prevents reconstruction or reproduction, subject only to any mandatory professional or legal retention requirement, which must be disclosed to GRC.

Offerors shall describe in their Technical Proposal the systems and controls they will use for secure document exchange, access control, storage, transmission, retention and destruction of engagement information.

Contracting Authority Review and Clarifications

The Offeror acknowledges that the final AUP report will form part of GRC's reporting/payment process with the relevant EU Contracting Authority and may be scrutinised for accuracy, completeness and quality.

Where GRC or the relevant EU Contracting Authority identifies an error, omission, non-compliance with the prescribed procedures, inadequate supporting documentation of the work performed, failure to apply the required sampling methodology, or deficiency in a report attributable to the Practitioner, the Practitioner shall promptly correct the deficiency and, where necessary, re-perform the relevant procedures and reissue the affected deliverable at no additional professional fee to GRC.

Duration of the Work

From execution of the audit services agreement until completion and acceptance of the required contractual expenditure-verification engagements for both EU-funded actions, subject to the Accountability contingency described in this RFP. The Child Justice action ends on 31 August 2027. The proposed Embedding Accountability action is anticipated to run for 18 months from 1 October 2026, subject to EU approval and the executed grant agreement.

Engagement Documentation and Working Papers

The Practitioner shall maintain sufficient engagement documentation and evidence to demonstrate the procedures performed, samples selected, evidence examined and factual findings reported, in accordance with ISRS 4400 (Revised), applicable professional requirements and the EU Terms of Reference. The Practitioner shall retain such documentation for the period required by applicable law, professional standards and the relevant Grant Contract and shall make relevant engagement documentation available to GRC and/or the EU Contracting Authority where contractually or legally required, subject to applicable professional obligations.

Proposal Submission

To be considered, Offerors must submit a complete proposal, as per the attachments below, by the closing date and time indicated in this solicitation. Proposals must be prepared in English (unless otherwise required), clearly written, easy to review, and strictly follow the instructions provided, containing only the requested information.

All requests for clarification must be submitted in writing and addressed via e-mail to the designated Procurement Contact**:** procurement@grcompliance.org , with a copy (cc) to zinebreffass@globalrightscompliance.co.uk no later than **8 days** from the issue date of this RFP. The solicitation number should be stated in the subject line.

Proposals (Technical Proposal and Financial Proposal) must be submitted in two separate parts. All submissions must be sent electronically, with the e-mail subject line clearly stating "**GRC/RFP/P26-050 for No Child Forgotten and Embedding Accountability.**" Proposals should be addressed to the designated Procurement Contact at : procurement@grcompliance.org , with a copy (cc) to zinebreffass@globalrightscompliance.co.uk

Offerors are reminded to treat all information contained in this solicitation with strict professional confidentiality. The successful firm will be required to sign a Non-Disclosure Agreement (NDA) or Confidentiality Agreement prior to commencing the assignment.

Sincerely,
GRC Procurement Department

Attachments:

Attachment I	:Instructions to Offerors
Attachment II	:Evaluation Criteria
Attachment III	:Cover Letter
Attachment IV	: Annex VII_1 - Terms of reference for an agreed upon procedures engagement for a grant contract to issue a contractual expenditure verification.

Attachment I
INSTRUCTIONS TO OFFERORS

A. General Instructions

These Instructions to Offerors do not form part of the offer or the contract; they are intended solely to guide Offerors in preparing their proposals. Please read and follow these instructions carefully.

1. **Language and Format**: Proposals and all related documents must be written in English unless otherwise explicitly requested by GRC. Proposals should be single-spaced, with clear section headings, and presented in the order specified in Attachment II – Evaluation Criteria.
2. **Original Work Requirement**: Proposals must reflect the Offeror's own work. Any external sources must be properly cited. Plagiarized content will result in automatic disqualification.
3. **Currency and Pricing**: All cost and price figures must be presented in Euros (gross of tax, net of customs duties). The resulting agreement will be issued as a firm fixed-price purchase order in EUR.
4. **Validity Period**: The Offeror must state in their proposal the validity period of their offer. The minimum acceptance period is **90 days** after the closing date of the RFP. If an Offeror provides a shorter validity period, they will be asked to revise it. Failure to extend validity will result in rejection
5. **Separation of Technical and Financial Proposals:** The **Technical and Financial Proposal**s must be submitted separately. Technical Proposals must not contain any cost or pricing information, ensuring that technical evaluation is based strictly on merit
6. **Legal Registration**: Offerors must be licensed entities, evidenced by submission of a valid **Business License** or official registration. The license must clearly show a license number, authentication stamp, and dates of issue and expiry.
7. **Costs of Proposal Preparation:** No costs incurred in preparing and submitting proposals are reimbursable by GRC. All such costs remain the responsibility of the Offeror.
8. **Responsibility Determination** Awards shall only be made to "responsive" companies. To enable GRC to make this determination, Offerors must provide a **cover letter** as outlined in *Attachment III*.
9. **Late Offers:** Offerors are wholly responsible for ensuring their proposals are received by the deadline. Late offers will be recommended for rejection, even if delays were beyond the Offeror's control. Acceptance of late offers is at the sole discretion of the Procurement Department.
10. **Modification or Withdrawal of Offers:** Offerors may withdraw, modify, or correct their proposals after submission, provided the request is made before the RFP closing date.
11. **Disposition of Proposals:** Proposals submitted in response to this RFP will not be returned. Reasonable effort will be made to ensure confidentiality. If proprietary information is included, Offerors must clearly mark it as **"Confidential and Proprietary"** so it can be treated appropriately.
12. **Clarifications and Amendments**: Any questions regarding this solicitation must be submitted in **writing via e-mail** to, **procurement@grcompliance.org** , with a copy (cc) to zinebreffass@globalrightscompliance.co.uk. No questions/clarifications will be entertained if they are received by another means. The solicitation number should be stated in the subject. Responses will be shared with all participating Offerors to ensure fairness and transparency.

13. **Discussions and Award:** GRC anticipates that discussions with Offerors may be conducted; however, it reserves the right to make an award without discussions. Offerors are strongly advised to submit their best and final offer at the outset.
14. **Conflict of Interest and Integrity:** Offerors must disclose any actual, potential or perceived conflict of interest that could affect, or reasonably be perceived to affect, their impartial performance of the services. Offerors must promptly notify GRC if any such conflict arises during the procurement process or subsequent contract period. GRC reserves the right to determine whether a disclosed conflict can be appropriately managed.
15. **Compliance and Due Diligence:** The successful Offeror will be subject to GRC's applicable supplier due-diligence requirements and must comply with applicable laws, donor requirements and GRC policies communicated as applicable to the engagement, including requirements relating to anti-bribery and corruption, fraud, sanctions, safeguarding, prevention of sexual exploitation, abuse and harassment, confidentiality, data protection and professional conduct. GRC reserves the right to request supporting documentation necessary to establish the Offeror's eligibility and responsibility.
16. **Subcontracting:** The Practitioner shall not subcontract any part of an expenditure-verification engagement without GRC's prior written authorisation and the prior written authorisation of the applicable EU Contracting Authority where required by the applicable EU Terms of Reference or Grant Contract. Any authorised subcontractor shall be subject to the same independence, professional qualification, confidentiality, information-security and contractual requirements applicable to the Practitioner. Approval of subcontracting shall not relieve the Practitioner of responsibility for the performance of the engagement.
17. **Intellectual Property:** Unless otherwise agreed in writing, all final deliverables under the resulting agreement, shall be available to GRC for its unrestricted institutional and programmatic use. The Service Provider shall identify any pre-existing or third-party intellectual property incorporated into a deliverable and ensure that GRC receives all licences reasonably necessary to use the final deliverable for its intended purposes.

Failure to comply with these instructions will render the Offeror "unresponsive," and the proposal may be rejected.

B. Submission of Proposal:

The Technical and Financial proposal must be submitted in **two separate sections.**

Proposals must be delivered electronically no later than the specified closing date and time to the designated e-mail address (s).

Offerors who fail to submit their Technical and Financial Proposals as separate documents will be automatically disqualified.

C. Content of Proposal:

The complete proposal shall consist of the following four sections:

1. The Cover Letter (Attachment III)
2. Copy of the Offeror's Valid Business license
3. The Technical Proposal
4. The Financial Proposal

1) Cover Letter: should be on the Offeror's letterhead and MUST contain the information requested in Attachment III.
2) Business License :A valid copy of the Offeror's Business License or official registration must be submitted. The license must clearly show the license number, dates of issue and expiry.
3) Technical Proposal:
    a. Must clearly and precisely address both theoretical and practical aspects that the Offeror will employ to carry out the Work.
    b. Should demonstrate that the Offeror is technically capable of implementing the activity, showing a clear understanding of the requirements and the ability to address the specific criteria and elements described in the Evaluation Criteria (Attachment II)
    c. Must be divided into clearly separate sections, following the same order as the Evaluation Criteria in Attachment II. Proposals that are not organized in accordance with the Evaluation Criteria, and that make information difficult to locate, will be considered less responsive and will receive lower evaluation scores.
    d. Proposals that fail to respond to the majority of the information requested in this RFP, as outlined in the Statement and Evaluation Criteria, will be automatically disqualified.

4) Financial Proposal**:** must be in a separate section from the technical proposal and will primarily indicate the cost for performing the work specified in this **RFP**. The Financial proposal should be in EUR and should include the following information:

a. Child Justice Action – separate fixed professional fee
b. Embedding Accountability Action – separate fixed professional fee
c. Total combined price for both engagements

Each price must clearly identify professional fees, anticipated travel/fieldwork expenses, taxes and any other costs. Prices must be all-inclusive, except for any specifically identified reimbursable expense expressly accepted by GRC.

Offerors should identify any pricing efficiency or discount resulting from appointment to both engagements.

GRC will not be obliged to pay the price associated with the Embedding Accountability engagement unless that engagement proceeds following EU approval and written authorisation by GRC.

Failure to comply with any of the above requirements will result in the Offeror being considered "unresponsive," and the proposal may be rejected.

If an Offeror provides insufficient information in either the Technical or Financial Proposal, GRC reserves the right to request additional information or to request a revised proposal from the Offeror.

Attachment II
EVALUATION CRITERIA

Basis of Award:

The award will be made to the Offeror (s) whose proposal represents the **Best Value**: the optimal combination of technical merit and cost reasonableness. Proposals will be scored on technical factors first.

EVALUATION CRITERIA

1. Technical Competence – presented in the Technical Proposal

A. Technical Approach 70 POINTS

Provide a clear, specific, and succinct technical proposal that covers both the conceptual and practical approaches of how to achieve the objectives of this project. Specifically, please address the following, **<u>in the order specified below</u>**

Criteria	Requirement	Points Available
1. Willingness to Implement	Offerors must explicitly confirm their willingness and ability to implement the Scope of Work as detailed in this solicitation. A positive statement is required. Failure to provide this confirmation will result in automatic disqualification.	Pass/Fail
2. Understanding of EU Contractual Expenditure Verification Requirements and Proposed AUP Methodology	Demonstrated understanding of EU contractual expenditure-verification requirements and the agreed-upon procedures ("AUP") engagement, including the applicable EU Terms of Reference and ISRS 4400 (Revised). The proposed methodology should clearly explain the Offeror's approach to engagement preparation, understanding the applicable contractual eligibility requirements, application of the prescribed EU sampling methodology, performance and documentation of the agreed-upon procedures, examination of financial and non-financial supporting evidence, identification and reporting of exceptions and factual findings, treatment of scope limitations, engagement with GRC during fieldwork and preparation of the prescribed EU AUP Report and annexes. Offerors must confirm that the sampling methodology and agreed-upon procedures prescribed by the applicable EU Terms of Reference will be followed and will not be replaced by the firm's standard audit sampling or materiality methodology.	20
3. Experience with EU-Funded External Aid Grants and Contractual Expenditure Verification/AUP	Demonstrated institutional experience conducting contractual expenditure verification and/or AUP engagements for EU-funded External Aid grants. Particular consideration will be given to experience with engagements of comparable financial value, complexity and scope. Offerors should provide examples of relevant assignments completed, including the donor, client, approximate grant value, nature of the engagement and period of performance, where confidentiality permits.	20
4. Qualifications and Experience of the Engagement Team	Qualifications, professional registrations and relevant experience of the proposed Engagement Team Leader and other key personnel. The Team Leader should have at least five years of relevant professional experience in audit, agreed-upon procedures and/or assurance engagements. The team	15

Leader and Proposed Team	should demonstrate appropriate experience with EU-funded projects, international donor requirements and complex financial verification assignments.	
5. Experience with Comparable International/Non-Profit Organisations and Complex Multi-Country Expenditure	Demonstrated experience working with international organisations, NGOs or comparable entities operating across multiple jurisdictions, including experience reviewing expenditure incurred in different countries, currencies and operating environments	5
6. Proposed Work Plan, Availability and Ability to Meet Reporting Deadlines	Quality, feasibility and clarity of the proposed work plan and timetable, including mobilisation, document review, fieldwork, draft reporting and final reporting. Offerors must demonstrate sufficient capacity and availability to commence each engagement **within 21 working days following the applicable project end date** and to complete the engagement, including issuance of the Final AUP Report and required annexes, **within 45 working days following the applicable project end date**. The proposed work plan should provide an indicative allocation of working days to mobilisation, fieldwork, closing meeting, draft reporting, GRC factual review and final reporting and demonstrate how the Offeror will meet the required overall timetable for both engagements.	5
7. Independence, Quality Assurance and Approach to Confidentiality/Data Handling	Demonstrated independence from GRC and absence of actual or potential conflicts of interest; appropriate internal quality-assurance arrangements; and a clear approach to protecting confidential, financial, personnel and programme information accessed during the engagements.	5

If an Offeror submits a proposal that fails to respond to the majority of the information requested in this RFP, as outlined specifically in the Scope of Services set out in this RFP and the evaluation criteria, the Offeror's proposal will be automatically disqualified.

Minimum Technical Threshold: Offerors must achieve a minimum technical score of **49 out of 70 points (70%)** to proceed to the financial evaluation. Offerors that do not meet this minimum threshold will not have their Financial Proposals evaluated.

B. Past Performance and Experience – Please include 3 Examples

At least **three comparable engagements**, preferably involving EU External Aid grant contractual expenditure verification/AUP, identifying:

- client/contracting organisation;
- donor;
- approximate grant/expenditure value;
- nature of engagement;
- applicable professional standard;
- period of performance;
- proposed team member's role; and
- client reference/contact details where permitted.

The three examples submitted under this section will be considered as part of the assessment of Relevant Experience & Expertise under Criterion 3 above.

C. Supporting Documentation (Not Scored)

You may include recommendation/appreciation letters and certificates as attachments, or any other documentation you wish to further support your proposal, stapled/bound separately from the rest of the technical proposal. Content presented here will not be scored.

2. Financial Proposal – 30 Points

a) Please submit a detailed budget to carry out this work. GRC's review of the financial Proposal shall determine if the overall costs proposed are realistic for the work to be performed, reflect a correct understanding of the project requirements, and are consistent with the Offeror's Technical Proposal. GRC will also review individual line items and determine if they are allowable, allocable, and reasonable.

b. Submit reasonably comprehensive budget narrative/ budget notes that provide information on each of the line items in the budget and explain why these items are needed for implementation of the activity.

Failure to provide a detailed budget and narrative, or submission of unrealistic, unallowable, or unreasonable costs, will render the proposal non-responsive and subject to disqualification.

Single Award
GRC intends to make a single award to one Offeror covering both engagements. Offerors must therefore demonstrate capacity and availability to undertake both assignments and must submit pricing for both.

Offerors may not submit a proposal for only one of the two engagements.

Notwithstanding the above, commencement of the Embedding Accountability Funding engagement remains conditional upon EU approval and GRC's written instruction to proceed.

Best value determination:
GRC will evaluate proposals on a **best value for money basis**, consistent with its procurement principles. Both technical capacity and cost will be considered. The Technical Proposal will represent **70% of the final score**, and the Financial Proposal will represent **30% of the final score**.

In exceptional cases, GRC may award to an Offeror other than the highest technically rated or lowest-priced, if this represents the best overall value. GRC reserves the right to request additional supporting documentation or a revised proposal if insufficient information has been provided. Failure to provide requested information will result in disqualification

Any award decision that does not follow the highest combined evaluated score shall be supported by a documented best-value determination setting out the relevant technical, financial, operational and/or risk considerations supporting the selection. The determination will be retained as part of GRC's procurement record.

ATTACHMENT III
FORMAT FOR PROPOSAL COVER LETTER – TO BE PRINTED ON ORGANIZATIONAL LETTERHEAD

City, Country
<Date>

To: GRC Procurement Team

Dear Sir / Madam:

We, the undersigned, hereby submit our proposal to undertake **[Insert RFP No.]** – **[Insert Project Title]**, in accordance with your Request for Proposal/Quotation dated **[Insert MM/DD/YYYY]** and our Technical and Financial Proposal submitted herein.

Our organization's details are as follows:

i. Company's Name
ii. Company's Address
iii. Name of Company's authorized representative:
iv. Telephone #/Cellular Phone #, Email address:
v. Validity Period of Proposal
vi. Copy of a valid Business License

Our proposal shall remain binding upon us, subject to any modifications resulting from negotiation, until the expiration of the validity period stated herein. We understand that Global Rights Compliance is not bound to accept this or any other proposal received.

We further certify that our organization:

(a) possesses adequate financial resources, including appropriate insurance coverage, to perform the work stated herein, or has the ability to obtain them without delay.

(b) Is able to comply with the required delivery and performance schedule, taking into account all existing commitments and constraints;

(c) has a satisfactory record of past performance;

(d) maintains a satisfactory record of integrity and business ethics;

(e) has the necessary technical capacity, equipment, and facilities, or the ability to obtain them; and

(f) is otherwise qualified and eligible to receive an award under applicable laws, regulations, and donor requirements

(g) have reviewed Attachment IV – EU Annex VII Terms of Reference for an Agreed-Upon Procedures Engagement for a Grant Contract to Issue a Contractual Expenditure Verification and confirm our willingness and professional capacity to perform the engagement in accordance with those requirements, including the prescribed procedures, sampling methodology, reporting requirements, professional standards, independence requirements and applicable confidentiality requirements.

Sincerely,

Authorized Signature:
Name and Title of Signatory:
Date:

Ref. Ares(2026)7609435 - 04/08/2026

EXTERNAL ACTION OF THE EUROPEAN UNION

‘CONTRACTUAL EXPENDITURE VERIFICATION’

TERMS OF REFERENCE FOR AN AGREED-UPON PROCEDURES (AUP) ENGAGEMENT FOR A GRANT CONTRACT

- **How to use this terms of reference MODEL**
- **(also applies to Annex 1)**
- **insert** the information requested between the **<…>**
- **choose** the optional text between **[…]** highlighted in grey when applicable or delete
- **delete** all yellow instructions and the present text box

The present terms of reference apply to the inspection of expenditure declared in financial reports under the following contracts:

1) Grant Contract[1] number and title of the action: <…>

[2) Grant Contract[2] number and title of the action: <…>]

<Repeat contracts/reports as applicable>

Detailed information is provided at the cover page of Annex 1

1 Contract in relation to which the financial report subject to agreed-upon procedures is issued. The contract established with the Practitioner will be identified as "Agreed-Upon Procedures Engagement Contract".

2 Contract in relation to which the financial report subject to agreed-upon procedures is issued. The contract established with the Practitioner will be identified as "Agreed-Upon Procedures Engagement Contract".

Table of Contents

1 Introduction

The present document and the Annexes listed in Section 8 are the terms of reference ('ToR') on which the Coordinator (The term "Coordinator" refers to the Beneficiary identified as the Coordinator in the Special Conditions) agrees to engage 'the Practitioner'[3] to perform an agreed upon procedures engagement on reported expenditure.

Where in these ToR the 'Contracting Authority' is mentioned, this refers to the < European Commission or name of another contracting authority>, which has signed the Grant Contract with the Beneficiary and is providing the grant funding. The Contracting Authority is not party to this agreement.

These ToR are an integral part of the contract concluded between the Coordinator and the Practitioner.

They apply to engagements contracted by the Coordinator and cover the agreed-upon procedures on expenditure incurred under the EU financed contract(s) on the cover sheet.

2 Objectives and context

The objective of the Agreed-Upon Procedures (AUP) is to provide the Contracting Authority with factual findings to be able to assess that the costs and revenue declared by the Coordinator in the financial report on which the payment request is based are real, accurately recorded and eligible in accordance with the grant agreement.

The Practitioner is expected:

- to carry out the agreed-upon procedures listed in Annex 2, and
- to issue AUP reports based on the template in Annex 3.

The Contracting Authority will use the AUP report in order to draw their own conclusions from the work performed by the Practitioner on the eligibility of the reported expenditure and eventually decide on the approval of the respective payment request.

The Practitioner is not expected to provide an audit opinion.

The AUP engagement will be performed as fieldwork at the location indicated in Annex 1. <A desk review shall be performed in exceptional and duly justified circumstances only. The reasons to conduct a desk-review shall be stated in the AUP report.>

3 Standards and Ethics

The Practitioner shall undertake this engagement in accordance with:

- the International Standard on Related Services ('ISRS') 4400 (Revised) Agreed-Upon Procedures Engagements as promulgated by the IFAC;
- the IFAC International Code of Ethics for Professional Accountants (including International Independence Standards), developed and issued by IFAC's International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, professional behaviour ("IESBA Code").

Although ISRS 4400 (Revised) provides that independence is not a requirement for AUP engagements, the Coordinator requires that the Practitioner is independent from the Coordinator and complies with the independence requirements of the IESBA Code.

[3] Any reference to the term 'practitioner' in the present Terms of Reference shall be understood as corresponding to the term 'auditor' for the purpose of Annex II to the grant contract subject to agreed-upon procedures.

4 Requirements for the Practitioner

4.1. General Requirements

By agreeing these ToR, the Practitioner confirms meeting at least one of the following conditions:

- The Practitioner is a member of a national accounting or auditing body or institution which in turn is a member of the International Federation of Accountants (IFAC).
- The Practitioner is a member of a national accounting or auditing body or institution. Although this organisation is not member of the IFAC, the Practitioner commits to undertake this engagement in accordance with the IFAC standards and ethics set out in these ToR.
- The Practitioner is registered as a statutory auditor in the public register of a public oversight body in an EU member state in accordance with the principles of public oversight set out in Directive 2006/43/EC of the European Parliament and of the Council (this applies to auditors and audit firms based in an EU member state)[4].
- The Practitioner is registered as a statutory auditor in the public register of a public oversight body in a third country and this register is subject to principles of public oversight as set out in the legislation of the country concerned (this applies to auditors and audit firms based in a third country).

4.2. Qualifications and experience

- The Practitioner will engage staff with appropriate professional qualifications and suitable experience with IFAC standards and with experience in verifying financial information of entities comparable in size and complexity to the Coordinator. In addition, the engagement team leader[5] should have a minimum experience of 5 years in audit, agreed-upon procedures and /or assurance engagements.
- Experience with programmes and projects related to External Relations funded by national and/or international donors and institutions. Experience with EU funded External Aid actions is desirable.
- Experience with audits/verifications/ AUP of grants contracts is desirable.
- Sufficient knowledge of relevant laws, regulations and rules in the country concerned. This includes but is not limited to taxation, social security and labour regulations, accounting, and reporting.
- Fluency in [language of the Coordinator] and [when supporting documentation of the expenditures is in a different language, fluency in that language should also be a requirement].

[4] Directive 2006/43 of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253 EEC.

[5] The team leader is in charge of the coordination and performance of the fieldwork.

5 Scope

5.1 Contracts and Financial Reports covered by these ToR

The Contract(s) and Financial Reports subject to this AUP engagement on expenditure are indicated on the cover sheet and in Annex 1.

The AUP report shall cover all expenditure not covered by any previous expenditure verification report.

6 Agreed-Upon Procedure Process and Methodology

6.1 Preparation of the agreed-upon procedures engagement

The Practitioner shall prepare the AUP engagement and agree on the timing of the fieldwork. The Practitioner will then also confirm with the Coordinator the location(s) indicated in Annex 1 and ensure that relevant supporting documents as well as key staff will be available during the engagement.

6.2 Preparatory Meeting, Fieldwork, Desk Review

[The Coordinator foresees a preparatory meeting with the Practitioner which will be held [<Choose either one or both> by conference call or at <name and address of the meeting place should be clearly stated>].

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

6.2.1 Sampling

The sample size and composition will be determined by applying the sampling instructions provided in Annex 2 of these Terms of Reference.

6.2.2 Fieldwork

The main task during the fieldwork is to perform the agreed-upon procedures (Annex 2, Section 2).

Key information about the agreed-upon procedures process must be provided in the AUP Report (Annex 3– Model for Agreed-Upon Procedures Report, Section 4).

6.2.3 Debriefing Memo and Closing Meeting

At the end of the fieldwork the Practitioner should organize a closing meeting with the Coordinator to present the findings, obtain its initial comments and agree on additional information to be provided at a later date.

6.2.4 Documentation and Agreed-upon procedures 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 Practitioner documents evidence to support the AUP report and establishment of findings, and evidence that the work was carried out in accordance with ISRS 4400 (Revised) and these ToR.

6.3 Reporting

6.3.1 Structure and Content of the Report

The deliverable consists of the Agreed-Upon Procedure Report (AUP report) and the following Annexes:

Annex 3.1: Financial reports provided by the Coordinator;

Annex 3.2: Table of transactions - provided as Excel file;

Annex 3.3: Table of differences - provided as Excel file.

The use of the template for AUP report and its Annexes (Annex 3 of these ToR), is **compulsory**.

If the agreed-upon procedures scope covers Financial Reports related to different Contracts, a separate and specific AUP report should be issued for each Contract.

The report should be presented in <language>. When the reporting language is not English, a summary of the findings in English should be presented.

The Practitioner will submit within <number of working days to be indicated by the Coordinator> working days of the conclusion of the field work a draft report to the Coordinator for comments to be received within < number of working days to be indicated by the Coordinator>working days. Following expiration of this deadline, the Practitioner will provide the final report to the Coordinator within < number of working days to be indicated by the Coordinator>working days from the receipt of the comments (if any).

Given that the report is part of the Coordinator's payment request, its content shall be scrutinised by the Contracting Authority in terms of accuracy, completeness and quality Failing to report as per the above instructions could imply the rejection of the report by the Contracting Authority, suspension or rejection of the payment request and re-performance of agreed-upon procedures if needed.

6.3.2 Findings and Recommendations

The findings shall be reported in accordance with the formats and criteria specified in the AUP report template (Annex 3). The description of findings will include the criteria applied (e.g. art. xx of the General Conditions of the Contract), the facts and the findings of the Practitioner.

The AUP report should include all financial findings made by the Practitioner, regardless of the amount involved. Changes in the findings occurring between the draft and final report as a result of the consultation procedure should be clearly and sequentially reported.

7 Other matters

7.1 Subcontracting

The Practitioner shall not subcontract without prior written authorisation from the Coordinator and the Contracting Authority.

7.2 Sensitive contracts and handling of sensitive information

In case grants under AUP are of confidential nature, specific safeguards should be put in place with a view to prevent harm.

- It is the beneficiary's responsibility to communicate the sensitive nature and requirements for confidentiality to the practitioner.

- The practitioner will handle the sensitivity and confidentiality of the contract, in line with EU instructions for the handling of sensitive documents 6.
- The use of encrypted messaging systems for communications with the practitioner (e.g. signal, protonmail) shall be in place. Documents shall be preferably consulted on site and will not be reproduced or shared electronically (unless properly edited and password-protected).
- Access to documents and information produced and/or collected as part of the assignment will be limited strictly to staff directly involved in the AUP, will not be shared with third parties and will be purged or destroyed using a method that prevents reproduction.
- The practitioner will be bound by a confidentiality clause and should preferably have previous experience in handling sensitive files.

7.3 List of links to the EC and DG INTPA financial framework and related training tools

- EU Financial Regulation (europa.eu)
- ePRAG - EXACT External Wiki - EN - EC Public Wiki (europa.eu)
- eCompanion - EXACT External Wiki - EN - EC Public Wiki (europa.eu)
- EU International Partnerships Academy (europa.eu)
- INTPA Academy courses

8 Annexes

Annex 1 - Engagement Context / Key Information

Annex 2 – Guidelines for the sampling and Agreed-Upon Procedures

Annex 3 - Model for Agreed-Upon Procedures Report

Annex 4 – Guidelines for application of Agreed-Upon Procedures

[6] Distribution only on a 'Need to know' basis - Do not read or carry openly in public places. Must be stored securely and encrypted in storage and transmission. Destroy copies by shredding or secure deletion. Full handling instructions: https://commission.europa.eu/document/a072219a-8e9a-4a64-88b0-750afb60e24e_en

Annex 1: Engagement Context / Key Information

Contract[7] and report summary

[Annex to be completed by the Coordinator]

Information about the Grant Contract	
Reference number and date of the Grant Contract	< Contracting Authority’s reference for the Grant Contract>
Grant contract title	
Country of implementation	
Coordinator	< full name and address of the Coordinator as per the Grant Contract>
Beneficiary(ies) and affiliated entity(ies)	< full name and address of the Beneficiary(ies) and related affiliated entity(ies) as per the Grant Contract>
Start date of the implementation period of the Action	
End date of the implementation period of the Action	
Financial Report(s) subject to agreed upon procedures:	<DD/MM/YYYY-DD/MM/YYYY> <DD/MM/YYYY-DD/MM/YYYY> <DD/MM/YYYY-DD/MM/YYYY>
Total amount received to date by the Coordinator from Contracting Authority	< Total amount received as per dd.mm.yyyy>
Total amount of the payment request	< provide the total amount requested for payment as per Annex V to the Special Conditions for Grant Contracts (Payment Request for a grant contract for European Union external actions) >
Contracting Authority	[<Provide the name, position/title, phone and E-mail of the contact person at the Contracting Authority>. (To be completed only if the Contracting Authority is not the Commission.)]
Practitioner	< Name and address of the audit firm and names/positions of the auditors>

[7] Contract in relation to which the financial report subject to verification is issued. The contract established with the Practitioner will be identified as "Agreed-Upon Procedures Engagement Contract".

A	**Logistics**	
Issue	**Question**	**Reply**
Locations	1. Where do the Coordinator and other Beneficiary(ies) and affiliated entity(ies) retain the accounting records?	
	2. Where do the Coordinator and other Beneficiary(ies) and affiliated entity(ies) retain the original supporting documents?	
	3. Where were contractual activities carried out?	
	4. Where are key project staff available to provide information and explanations?	
Languages	5. Which is the contractual language?	
	6. Which is the language of the accounting records?	
	7. Which are the languages of supporting documents?	
	8. Which languages are spoken by key project staff?	

B	**Contractual Conditions**	
Contract amount	9. What is the total amount of the contract?	
EC contribution	10. What is the amount of the EC contribution?	
Other contributions	11. Which are the other sources of funding (including the Coordinator)?	Source 1 / amount
		Source 2 / amount
		Source 3 / amount
		Source 4 / amount
		Source 5 / amount

C	**Financial Report (enclosed as Annex 1.1)**		
Financial report	12. Approximately how many expense transactions have been reported / are expected to be reported in the Financial Report?		
	13. What is the distribution of these transactions (e.g. capital expenditure, operating expenditure, fees, simplified costs, per diem, etc.)	**Budget Heading**	**Nº of transactions**
		Human Resources	
		Travel	
		Equipment and supplies	
		Project Office	
		Etc…	

	14. To what extent have Project transactions been carried out in cash?	**[high, medium, low]**
	15. In which currencies has expenditure been incurred?	
	16. What is the reporting currency?	
	17. How many other Financial Reports have already been presented by the Coordinator under this contract?	

D	**Procurement**	
Procurement	18. How many procurement procedures have been undertaken during the period covered by the Financial Report?	
	19. Was the EC involved in any of the procurement procedures referred to in question 18 (e.g. ex-ante verifications or derogations to the rule of origin)?	
	20. Are works done and supplies delivered under the contract located centrally or are they dispersed?	

E	**Subcontracting**	
Subcontracting	21. Have any of the Action's activities been subcontracted?	

F	**Financial support to third parties**	
Financial support to third parties	22. Has any financial support been awarded to third parties?	

G	**In-kind contributions**	
In-Kind Contributions	23. Have any in-kind contributions been declared?	

E	**Previous contracts verifications, audits or monitoring**	
Previous verifications, audits or monitoring	24. Which previous experience did the Entity have with EC contracts and associated regulations?	
	25. How many of the previously presented Financial Reports (if any) have been subject to audit/verification/AUP by external consultants contracted by the Coordinator?	
	26. Have any verification, audit or monitoring exercises other than those referred to under numeral 25 been carried out with regard to the contract or the Coordinator that are relevant for the scope of the current AUP?	
	27. Have any significant findings been raised under the exercises referred to in questions 25 and 26? If so, what are they?	

	28. Have any instances of fraud or irregularities been previously identified in dealings with the particular Entity?	

F	**Contact Details**		
Coordinator: <full name of the entity subject to audit>			
Address		Country	
Phone		Fax	
Website			
Key contact			

Annex 1.1: Financial Report(s) to be verified

Annex 1.2: Breakdown of expenditures (detailed list of transactions)

Annex 1.3: Narrative reports

Annex 1.4: Contract and riders, including all relevant Annexes

Annex 1.5: Previous reports, if any (audit, verifications, AUP)

Annex 2:
Determination of the sample and Expenditure agreed- upon procedures

1. DETERMINATION OF THE SAMPLE

The Practitioner shall follow the following sampling instructions for the determination of the size and composition of the sample:

1. Human Resources

At least 20 transactions shall be selected or 10% of the total expenditures declared for this budget line, whichever number is the highest.

2. Travel

Full coverage is required if the population is below 5 transactions. Otherwise at least 5 transactions shall be selected or 10% of the total expenditures declared for this budget line, whichever number is the highest.

Full coverage is required if the population is below 5 transactions.

3. Equipment

Full coverage is required if the population is below 5 transactions. Otherwise at least 5 transactions shall be selected or 20% of the total expenditures declared for this budget line, whichever number is the highest.

Full coverage is required if the population is below 5 transactions.

4. Project Office

At least 20 transactions shall be selected or 10% of the total expenditures declared for this budget line, whichever number is the highest.

5. Other costs, services

At least 10 transactions shall be selected or 10% of the total expenditures declared for this budget line, whichever number is the highest.

6. Other

At least 15 transactions shall be selected or 20% of the total expenditures declared for this budget line, whichever number is the highest.

2. EXPENDITURE Agreed-Upon PROCEDURES

The following procedures must be performed by the Practitioner unless they are irrelevant in relation to the eligibility criteria applicable to the contract type. Therefore, the Practitioner in consultation and agreement with the Coordinator, is required to gain appropriate understanding of such requirements in order to carry out only the relevant checks and properly apply the relevant eligibility requirements.

A	**Financial Report**
A.1	The financial report reconciles with the breakdown of expenditures
B	**Budget**
B.1	For variations between budget headings above 25%formal authorisations have been requested and obtained from the Contracting Authority.
C	**Eligibility of expenditures**
C.1.1	The expenditure was incurred by and pertains to the Coordinator and other Beneficiary(ies) and affiliated Entity(ies).
C.1.2	The expenditure was incurred during the contractual eligibility period.
C.1.3	The expenditure is necessary for the implementation of the contractual activities, reasonable and justified.
C.1.4	The expenditure is identifiable and verifiable (backed up by sufficient supporting documentation)
C.1.4	The expenditure is recorded in the accounting system of the Coordinator and other Beneficiary(ies) and affiliated Entity(ies).
C.1.5	Expenditure complies with the requirements of applicable tax and social legislation.
C.2.1	The expenditure is indicated contractual estimated budget.
C.2.2	The expenditure is recorded in the correct budget line
C.3 C.4	Personnel related expenditures comply with the eligibility criteria set out in the general conditions.
C.5 C.6	Travel related expenditures comply with the eligibility criteria set out in the general conditions.
C.7	Equipment costs related expenditures comply with the eligibility criteria set out in the general conditions.
C.8 C.9	Project office related expenditures comply with the eligibility criteria set out in the general conditions.
C.10	Service, supply and works contracts related expenditures comply with the eligibility criteria set out in the general conditions.
C.11	Subcontracting related expenditures comply with the criteria set out in the general conditions.
C.7.1 C.8.1 C.9.1 C.10.1 C.11.1	For the expenditure items concerned, the Coordinator has complied with the contractual requirements for procurement as set out in Annex IV of the Grant Contract.

C.12	The financial support to third parties (sub-granting) is provided for by the contractual conditions, its amount does not exceed the contractual limits and the expenditure incurred by the third parties meets the relevant eligibility requirements.
C.13	The volunteers' work comply with the criteria set out in the general conditions.
C.14	Expenditure declared under the simplified cost options respects the contractual requirements.
D	**Non-eligible costs**
D.1	Duties, taxes and charges, (e.g. VAT) included in the financial report cannot be recovered by the Entity unless otherwise provided for in the contractual conditions (accepted costs system).
D.2	Expenditure specifically considered ineligible by the contractual conditions is not included in the financial report.
E	**Ex-change rates**
E.1	The correct exchange rates are used where applicable according to the contractual conditions.
F	**Contingency reserve**
F.1	The contingency reserve has been established in accordance to the contractual conditions and its use authorised by the Contracting Authority.
G	**Indirect costs**
G.1	The indirect costs do not exceed the maximum contractual percentage of the eligible direct costs and do not include, project office costs, volunteers costs, ineligible expenses or expenses already declared as direct ones.
H	**Contributions in-kind**
H.1	Contributions in-kind are not included in the financial report, unless otherwise provided for in the contractual conditions.
I	**Revenues**
I.1	The revenues generated by the Coordinator in the execution of the contract are disclosed in the financial report and deducted from the declared expenditure, unless otherwise provided for in the contractual conditions.
J	**Systemic Findings**
J.1	The errors identified as a result of the application of procedures **A** to **I** are systemic according to the definition provided in the Guidelines for application of agreed-upon procedures.

A detailed guideline on how to apply the above procedures is provided as Annex 4 of this Terms of Reference. The Practitioner should apply this guideline to tailor working papers as appropriate.

Annex 3: Model for Agreed-Upon Procedures Report

<To be printed on Practitioner’s letterhead>

‘CONTRACTUAL EXPENDITURE VERIFICATION’

Agreed-Upon Procedures Report for a Grant Contract
External Actions of the European Union
<Title of and number of the grant contract >

[…]

How this model should be completed by the Practitioner
▪ **insert** the information requested between the **<…>**
▪ **choose** the optional text between **[…]** highlighted in grey when applicable or delete
▪ **delete** all yellow instructions and the present text box

1. Objectives of the Agreed upon Procedures

Purpose of this Agreed-Upon Procedures Report

Our report is solely for the purpose of assisting <the Coordinator> in determining whether the expenditures declared in the financial report for the period from <XX/XX/XXXX to XX/XX/XXXX> are eligible as per provisions of the Grant Contract <contract reference and signature date>.

Responsibilities of the Engaging Party and the Responsible Party

<The Coordinator> has acknowledge that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Practitioner, as identified by <the Coordinator>, is responsible for the subject matter on which the agreed-upon-procedures are performed.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the international Standard on Related Services (ISRS) 4400 (Revised), Agreed-Upon Procedures Engagements.

An agreed-upon procedures engagement involves our performing the procedures that have been agreed with <the Coordinator>, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no presentation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical requirements in the IFAC International Code of Ethics for Professional Accountants (including International Independence Standards), developed and issued by IFAC's International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, professional behaviour ("IESBA Code").

For the purpose of this engagement, although ISRS 4400 (Revised) provides that independence is not a requirement for AUP engagements, the Coordinator requires that the Practitioner is independent from the Coordinator and complies with the independence requirements of the IESBA Code.

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly, maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Restriction on use and distribution

Our report is solely for the purpose set out in the first paragraph of this report and is restricted to those parties that have agreed to the procedures being performed.

2. Background information

2.1. Short description of the action subject to verification (as provided by the Coordinator)

Contract number and title:	<To insert>
Contract type	Grant Contract
Financial Report(s) subject to inspection	<DD/MM/YYYY-DD/MM/YYYY> <DD/MM/YYYY-DD/MM/YYYY> <DD/MM/YYYY-DD/MM/YYYY>
Coordinator and other Beneficiary(ies) and affiliated entity(ies)	<Identify the Coordinator and other Beneficiary(ies) and affiliated entity(ies) and provide key information about their legal form, nationality, size, main field(s) of activity and other elements deemed relevant – max 200 words>
Location(s) where the Contract is implemented	<To insert>
Contract execution period	<To insert>
Contract implementation status	< indicate on-going or completed >
General and specific objectives of the Contract	<As per Annex I of the Grant Contract>
Synthetic description of the activities, outputs and target group	<As per Annex I of the Grant Contract and narrative reports (if available)> <max 300 words>

2.2. Basic financial information of the Contract (at the time of the fieldwork)

2.2.1 Expenditure

Budget Headings	**Budgeted Expenditure (amount)**	**Reported Expenditure (amount)**
1. "…"		
2. "…"		
3. "…"		
4. "…"		
5. "…"		
6. "…"		
Total direct eligible costs		
Indirect costs		
Total eligible costs (excluding contingency reserve)		
Contingency reserve		
Total eligible costs		

2.2.2 Contributions

Source of Contribution	**Budgeted Contribution (amount)**	**Actual Contribution (amount)**
EU		
Coordinator		
Other Beneficiary(ies) and affiliated entity(ies)		
Other Donor 1		
Total		

2.2.3 Revenues

Revenue Types	**Budgeted Revenues (amount)**	**Actual Revenues (amount)**
Type "…"		
Type "…"		
…		
Total		

2.3. Financial Reports subject to agreed-upon procedures

See Annex 1.

3. Sample

The sample has been selected following the instructions provided in Annex 2 of the Terms of Reference. An overview of the population of transactions and the sample is presented below:

Report/invoice: <indicate the report/invoice number and cut-off dates>		
	Population	**Inspected sample** **Value (% coverage)**
Number of transactions		
Value of transactions EUR		

[If more than one financial report/invoice is inspected, repeat as applicable]

A complete list of the transactions included in the population is included in Annex 3.

4. Substantive testing

Short description of the testing process

<Confirm that the agreed-upon procedures established in the Annex 2 to the Terms of Reference were fully performed or disclose any scope limitation. Also confirm that the was agreed-upon procedures were executed in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), "Engagements to Perform Agreed-upon Procedures Regarding Financial Information".>

<Provide the key information about the testing process. E.g:

- describe if the inspection work took place at the implementing partner's premises or as a desk review. If the latter took place, please state the reasons for undertaking the AUP as a desk review;
- whether qualified representatives of the auditee were present, if they were cooperative;
- if the supporting documentation was available in full, if additional documents had to be received after the fieldwork;
- if there were any scope limitations, etc. (max. 300 words)>

Procedures performed

A. Financial report

[No findings have been identified] or The following finding(s) has/have been identified:

<table>
<tr><td>Finding No.:
<number></td><td>Title:</td></tr>
<tr><td><Cluster A.X.X></td><td>Procedure performed: <Procedure as per the Guidelines for application of agreed-upon procedures></td></tr>
<tr><td colspan="2">Description of the finding:

<Reference to the contractual conditions (article(s) from the contract) not being complied with must be indicated here>.

<Include a detailed description of the identified finding></td></tr>
<tr><td colspan="2">Amount (EUR): <Finding value></td></tr>
<tr><td colspan="2">Systemic finding: <Indicate if the finding is potentially systemic in nature or not according to procedure J></td></tr>
<tr><td colspan="2">Root cause of the finding: <describe what caused the error></td></tr>
</table>

B. Budget

[No findings have been identified] or The following finding(s) has/have been identified:

<table>
<tr><td>Finding No.:
<number></td><td>Title:</td></tr>
<tr><td><Cluster B.1.1></td><td>Procedure performed: <Procedure as per the Guidelines for application of agreed-upon procedures></td></tr>
<tr><td colspan="2">Description of the finding:

<Reference to the contractual conditions (article(s) from the contract) not being complied with must be indicated here>.

<Include a detailed description of the identified finding></td></tr>
<tr><td colspan="2">Amount (EUR): <Finding value></td></tr>
<tr><td colspan="2">Systemic finding: <Indicate if the finding is potentially systemic in nature or not according to procedure J></td></tr>
<tr><td colspan="2">Root cause of the finding: <describe what caused the error></td></tr>
</table>

C. Eligibility of expenditures

[No findings have been identified] or The following finding(s) has/have been identified:

Finding No.: <number>	**Title:**
<Cluster C.X.X>	**Procedure performed:** <Procedure as per the Guidelines for application of agreed-upon procedures>
Description of the finding: *<Reference to the contractual conditions (article(s) from the contract) not being complied with must be indicated here>.* *<Include a detailed description of the identified finding>*	
Amount (EUR): <Finding value>	
Systemic finding: *<Indicate if the finding is potentially systemic in nature or not according to procedure J>*	
Root cause of the finding: *<describe what caused the error>*	

<The Practitioner shall describe here any key allocations used by the Coordinator and/or affiliated entity(ies) to apportioned costs such as staff costs, office costs (e.g. rent, supplies, electricity, telecommunications, etc.), vehicle costs (e.g. fuel consumption), etc.>

< The Practitioner shall indicate here the number and type of procurement procedures carried out by the Coordinator and/or affiliated entity(ies) other than direct purchases/contracts>

D. Non-eligible costs

[No findings have been identified] or The following finding(s) has/have been identified:

Finding No.: <number>	**Title:**
<Cluster D.X.X>	**Procedure performed:** <Procedure as per the Guidelines for application of agreed-upon procedures>
Description of the finding: *<Reference to the contractual conditions (article(s) from the contract) not being complied with must be indicated here>.* *<Include a detailed description of the identified finding>*	
Amount (EUR): <Finding value>	
Systemic finding: *<Indicate if the finding is potentially systemic in nature or not according to procedure J>*	
Root cause of the finding: *<describe what caused the error>*	

E. Ex-change rate

[No findings have been identified] or The following finding(s) has/have been identified:

Finding No.: <number>	**Title:**
<Cluster E.X.X>	**Procedure performed:** <Procedure as per the Guidelines for application of agreed-upon procedures>
Description of the finding: *<Reference to the contractual conditions (article(s) from the contract) not being complied with must be indicated here>.* *<Include a detailed description of the identified finding>*	
Amount (EUR): <Finding value>	
Systemic finding: *<Indicate if the finding is potentially systemic in nature or not according to procedure J>*	
Root cause of the finding: *<describe what caused the error>*	

<The Practitioner shall describe here the ex-change rate methodology applied by the Coordinator and affiliated entity(ies) and confirm compliance with contractual conditions>

F. Contingency reserve

[No findings have been identified] or The following finding(s) has/have been identified:

Finding No.: <number>	**Title:**
<Cluster F.X.X>	**Procedure performed:** <Procedure as per the Guidelines for application of agreed-upon procedures>
Description of the finding: *<Reference to the contractual conditions (article(s) from the contract) not being complied with must be indicated here>.* *<Include a detailed description of the identified finding>*	
Amount (EUR): <Finding value>	
Systemic finding: *<Indicate if the finding is potentially systemic in nature or not according to procedure J>*	
Root cause of the finding: *<describe what caused the error>*	

G. Indirect costs

[No findings have been identified] or The following finding(s) has/have been identified:

Finding No.: <number>	**Title:**
<Cluster G.X.X>	**Procedure performed:** <Procedure as per the Guidelines for application of agreed-upon procedures>
Description of the finding: *<Reference to the contractual conditions (article(s) from the contract) not being complied with must be indicated here>.* *<Include a detailed description of the identified finding>*	
Amount (EUR): <Finding value>	
Systemic finding: *<Indicate if the finding is potentially systemic in nature or not according to procedure J>*	
Root cause of the finding: *<describe what caused the error>*	

H. Contributions in-kind

[No findings have been identified] or The following finding(s) has/have been identified:

Finding No.: <number>	**Title:**
<Cluster H.X.X>	**Procedure performed:** <Procedure as per the Guidelines for application of agreed-upon procedures>
Description of the finding: *<Reference to the contractual conditions (article(s) from the contract) not being complied with must be indicated here>.* *<Include a detailed description of the identified finding>*	
Amount (EUR): <Finding value>	
Systemic finding: *<Indicate if the finding is potentially systemic in nature or not according to procedure J>*	
Root cause of the finding: *<describe what caused the error>*	

I Revenues

[No findings have been identified] or The following finding(s) has/have been identified:

<table>
<tr><td>Finding No.:
<number></td><td>Title:</td></tr>
<tr><td><Cluster I.X.X></td><td>Procedure performed: <Procedure as per the Guidelines for application of agreed-upon procedures></td></tr>
<tr><td colspan="2">Description of the finding:

<Reference to the contractual conditions (article(s) from the contract) not being complied with must be indicated here>.

<Include a detailed description of the identified finding></td></tr>
<tr><td colspan="2">Amount (EUR): <Finding value></td></tr>
<tr><td colspan="2">Systemic finding: <Indicate if the finding is potentially systemic in nature or not according to procedure J></td></tr>
<tr><td colspan="2">Root cause of the finding: <describe what caused the error></td></tr>
</table>

J Systemic findings

[None of the findings identified is considered systemic] or [Finding(s) nº X, X and X reported above has/have been identified as systemic].

5. Summary of findings

Reference	Procedure	Nº of findings	Value EUR	Nº of systemic findings
A	Financial Report			
B	Budget			
C	Eligibility of expenditures			
D	Non-eligible costs			
E	Ex-change rate			
F	Contingency reserve			
G	Indirect costs			
H	Contributions in-kind			
I	Revenues			
Total				

6. Engagement team

<List names the engagement team members for this report.>

<Name and signature of the Practitioner>

<Practitioner's address: office having responsibility for the agreed-upon procedures>

[for final reports <Date of signature> the date when the **final** report is signed]

Annex 3.1: Financial reports provided by the Coordinator

Annex 3.2: Table of transactions - provided as Excel file

Annex 3.3: Table of differences - provided as Excel file

Annex 3.4: Procedures performed - provided as Excel file

ANNEX 4: GUIDELINES FOR APPLICATION OF AGREED-UPON PROCEDURES FOR GRANTS

Procedures to be followed

The engagement should be undertaken on the basis of inquiry and analysis, (re)computation, comparison, other accuracy checks, observation, inspection of records and documents and by interviewing the participant (and the persons working for them).

⚠ The **reference document for the confirmation of standard findings** is the Grant Agreement (including its Annexes) and the rules set out therein.

The European Commission reserves the right to

i) provide the Practitioner with additional guidance regarding the procedures to be followed or the facts to be ascertained and the way in which to present them (this may include sample coverage and findings) or to

ii) change the procedures, by notifying the Coordinator in writing. The procedures carried out by the Practitioner to confirm the standard finding are listed in the table below.

If this AUP report relates to an Affiliated Entity, any reference here below to ‘the Coordinator’ is to be considered as a reference to ‘the Affiliated Entity’.

Grant Agreement Article	Cluster	Procedures	Documentation
	A	**FINANCIAL REPORT**	
	A.1	The Practitioner obtained the Financial Report subject to agreed-upon procedures and the corresponding breakdown of expenditures and checked: A.1.1. The breakdown of expenditures reconciles with the amounts declared in the Financial Report at each budget heading;	For the transactions included in the sample, the Practitioner shall obtain and check the following documents: - Annex III (Estimated Budget) of the Grant Agreement; - Financial Report - Breakdown of expenditures

Grant Agreement Article	Cluster	Procedures	Documentation
	B	**BUDGET**	
	B.1	The Practitioner obtained the Financial Report subject to agreed-upon procedures and the corresponding breakdown of expenditures and checked: B.1.1. Where the total expenditures claimed in each main budget heading exceeds the estimated budget with a variation of 25% or less, the Coordinator has informed in writing to the Contracting Authority; B.1.2. Where the total expenditures claimed in each main budget heading exceeds the estimated budget with a variation above 25%, the Coordinator formally requested and obtained an amendment of the budget.	For the transactions included in the sample, the Practitioner shall obtain and check the following documents: - Annex III (Estimated Budget) of the Grant Agreement; - Financial Report - Breakdown of expenditures

Grant Agreement Article	Cluster	Procedures	Documentation
			- Communication of budget modifications due to variations in budget headings below 25%. - Request of budget amendment for variations in budget heading above 25%. - Approval of budget amendments.

Grant Agreement Article	Cluster	Procedures	Documentation
Article 14.2	**C**	**ELIGIBILITY OF EXPENDITURES**	
	C.1	For all the transactions in the sample, the practitioner checked that the costs declared in the financial statements fulfil the following general eligibility conditions for actual costs: C.1.1. The costs are actually incurred by the Coordinator; C.1.2. The costs are incurred in the period set out in Article 2 of the Special Conditions of the Grant Agreement, (with the exception of costs relating to the submission of the final periodic report, which may be incurred afterwards; (see Article 14.1 of Annex II (General Conditions) of the Grant Agreement);	For the transactions included in the sample, the Practitioner shall obtain and check the following documents: - Special Conditions of the Grant Agreement; - Annex II (General Conditions) of the Grant Agreement; - Annex III (Estimated Budget) of the Grant Agreement;

		C.1.3. The costs are necessary for the implementation of the action; C.1.4. The costs are identifiable and verifiable, in particular recorded in the beneficiary's accounts in accordance with the beneficiary's usual cost accounting practices; C.1.5. The costs comply with the applicable national law on taxes, labour and social security;	- Supporting evidence of expenditures as detailed in Article 16.3 of Annex II (General Conditions) of the Grant Agreement;
	C.2	For all the transactions in the sample, the Practitioner checked that: C.2.1. Each transaction is foreseen in the Annex III (Estimated Budget) of the Grant Agreement; C.2.2. Each transaction is recorded in the correct budget line.	For the transactions included in the sample, the Practitioner shall obtain and check the following documents: - Annex III (Estimated Budget) of the Grant Agreement;

Grant Agreement Article	Cluster	Procedures	Documents
Article 14.4	**C**	**ELIGIBILITY OF EXPENDITURES – PERSONNEL COSTS**	
		The Practitioner draws a sample of at least 20 transactions or 10% of the total expenditures declared for this budget line, whichever number is the highest.	
Article 14.4.a)	C.3	For the persons included in the sample and working under an employment contract or equivalent appointing act (general procedures for individual actual personnel costs and personnel costs declared as unit costs) the Practitioner checked that: C.3.1. The persons worked for the beneficiary on the basis of an employment contract or equivalent appointing act; C.3.2. The employment contracts or equivalent appointing acts were in force at the time the staff costs claimed were incurred; C.3.3. The staff costs claimed correspond to actual gross salaries, including social security charges and other remuneration-related costs (excluding performance-based bonuses); C.3.4. Salaries claimed do not exceed those foreseen in the employment contracts and the Beneficiary's salary policy, otherwise there is supported justification for the difference; C.3.5. Where gross salaries have been claimed, evidence that any taxes or social security contributions withheld to the employee have been duly paid to the Tax and Social Security Authorities and are in line with applicable national law on taxes, labour and social security; C.3.6. The staff costs claimed are based on actual dedication of the employee to the Action; in case of partial dedication there are timesheets/monthly declarations or an objective key allocation that allows to reconcile the salaries claimed;	For the transactions included in the sample, the Practitioner shall check the following documents: - Employment contract or appointing act in force at the time the expenditure was incurred. - Beneficiary's usual policy regarding payroll matters (e.g. salary policy, overtime policy, variable pay); - Applicable national law on taxes, labour and social security - Payslips - Proof of payment of salaries to employees - Proof of payment of withheld taxes and social security charges - Breakdown of the expenditures claimed (basic salary, additional compensations, taxes, social charges, insurance, etc) - Timesheets/monthly declarations or key allocation used to apportion costs declared

Article 14.4.a)	C.4	For natural persons included in the sample and working with the Beneficiary under a direct contract other than an employment contract, such as consultants (no subcontractors) the Practitioner checked that: C.4.1. A competitive procurement/selection process was carried out as per the Coordinator's procurement rules or the applicable Practical Guide; C.4.2. A procurement/selection file is available and complete; C.4.3. A service contract has been signed between the Coordinator and the consultant stating the description of the services, the value of the contract and the deliverables or results to be remitted by the consultant; C.4.4. The consultant issued invoices as per provisions of the service contract signed; C.4.5. There is evidence that the consultant carried out the activities foreseen in the service contract (timesheets, monthly declarations, deliverables, etc.); C.4.6. Where the costs of the consultant are not fully claimed to the Action, there is an objective key allocation to apportion the costs to the Action.	For the transactions included in the sample, the Practitioner shall obtain and check the following documents: - Coordinator's procurement/selection policy - Procurement/selection file - Service contract - Invoices - Proof of payment to contractors - Proof of payment of withheld taxes (if any) - Timesheets/monthly declarations/deliverables to be remitted by the contractor as per the service contract signed. - Key allocation used to apportion costs declared (if applicable).
Article 14.4	**C**	**ELIGIBILITY OF EXPENDITURES – TRAVEL COSTS**	
		The Practitioner draws a sample of at least 5 transactions or 10% of the total expenditures declared for this budget line, whichever number is the highest. Full coverage is required if the population is below 5 transactions.	
14.4.b)	C.5	For costs related to travel costs (transport and accommodation) included in the sample the Practitioner checked that: C.5.1. travel costs are consistent with the Coordinator's usual policy for travel (e.g. travel authorisation, authorised travel class). C.5.2. travel costs are duly justified by supporting documents showing the that the journey from the authorised origin to the authorised destination effectively took place;	For the transactions included in the sample, the Practitioner shall obtain and check the following documents: - Coordinator's travel policy - Travel authorisation request

		C.5.3. travel costs are correctly allocated to the action (e.g. trips are directly linked to the action) by examining relevant supporting documents such as minutes of meetings, workshops or conferences, their registration in the correct project account, their consistency with time records or with the dates/duration of the workshop/conference.	- Invoices - Proofs of payment - Supporting evidence of the travel such as: boarding passes, invitations/agenda meetings.
Article 14.4.b)	C.6	For costs related to per diems included in the sample the Practitioner checked that: C.6.1. Per diem costs are consistent with the Beneficiary's usual policy for travel (e.g. travel authorisation, value). C.6.2. When per diem costs have been claimed based on actual costs, there are invoices/receipts of the expenses incurred by the traveller; C.6.3. When per diem costs have been claimed based on flat rates, these are in line with the Coordinator's usual policy for travel and in any case do not exceed the per diem rates published by the European Commission at the time of contract signature (Per diem rates (europa.eu)) C.6.4. Per diem costs are correctly allocated to the action (e.g. trips are directly linked to the action) by examining relevant supporting documents such as minutes of meetings, workshops or conferences, their registration in the correct project account, their consistency with time records or with the dates/duration of the workshop/conference.	For the transactions included in the sample, the Practitioner shall obtain and check the following documents: - Coordinator's travel policy - Travel authorisation request - Invoices/receipts - Proofs of payment to the traveller - Supporting evidence of the travel such as: boarding passes, invitations/agenda meetings.
Article 14.4	**C**	**ELIGIBILITY OF EXPENDITURES – EQUIPMENT COSTS**	
		The Practitioner draws a sample of at least 5 transactions or 20% of the total expenditures declared for this budget line, whichever number is the highest. Full coverage is required if the population is below 5 transactions.	
Article 14.4.c),	C.7	For costs related to equipment included in the sample the Practitioner checked that:	For the transactions included in the sample, the Practitioner shall obtain and check the following documents:

14.4.d) and 14.4.f)		C.7.1. the assets were acquired in conformity with the Coordinator's internal procurement procedures or the applicable Practical Guide; C.7.2. they were correctly allocated to the action (with supporting documents such as delivery note invoice or any other proof demonstrating the link to the action); C.7.3. they were entered in the accounting system; C.7.4. they were paid by the Coordinator; C.7.5. the asset exists and it is the same asset purchased; C.7.6. where consumables are only partially allocated, there is an objective key allocation to apportion the part of the expenditure corresponding to the Action; C.7.7. where the ownership of the assets is NOT transferred at the end of the action as required by article 7.5 of the Annex II (General Conditions) of the Grant Agreement, the (cumulative) cost of depreciation is to be claimed (on a pro-rata basis if applicable). In that case, the Practitioner recalculated the depreciation costs and checked that they were in line with the applicable rules in the Coordinator's country and with the Coordinator's usual accounting policy (e.g. depreciation calculated on the acquisition value). The depreciation costs calculated for the implementation period according to the rate of use for the project and do not exceed the equipment purchase price. Eligible depreciation of an asset begins when it is available for use in the action; C.7.8. Where the cost of purchase of the asset is claimed, the ownership of the assets is transferred at the end of the action to the final beneficiaries if required by article 7.5 of the Annex II (General Conditions) of the Grant Agreement;	- Coordinator's procurement policy - Coordinator's usual accounting policy - Procurement file (if applicable). - Invoice - Proof of payment - Key allocation used to apportion consumable costs declared (if applicable). - Calculation of the depreciation made by the Coordinator (if available) - Certificate on transfer of assets fully signed by the Coordinator and the beneficiary receiving the asset.
Article 14.4	**C**	**ELIGIBILITY OF EXPENDITURES – PROJECT OFFICE COSTS**	
		The Practitioner draws a sample of at least 20 transactions or 5% of the total expenditures declared for this budget line, whichever number is the highest.	
Article 14.4.k)	C.8	<u>For costs related to office rent included in the sample the Practitioner checked that:</u>	For the transactions included in the sample, the Practitioner shall obtain and check the following documents:

		C.8.1. the costs of office rent is described in Annex I (Description of the Action) and foreseen in the Special Conditions of the Grant Agreement. C.8.2. there is a lease agreement or equivalent stating the conditions and value of the rent; C.8.3. where the rent costs are only partially allocated to the action, there is an objective key allocation; C.8.4. Project office costs have been excluded from the calculation of indirect costs.	- Annex I (Description of the Action) if the Grant Agreement - Lease contract - Invoice - Proof of payment - Key allocation used to apportion rent costs declared (if applicable).
Article 14.4.e)	C.9	<u>For costs related to consumables included in the sample the Practitioner checked that:</u> C.9.1. the consumables were purchased in conformity with the Coordinator's internal procurement procedures or the applicable Practical Guide C.9.2. where the costs are only partially allocated to the action, there is an objective key allocation. C.9.3. there is evidence of delivery for consumables (delivery notes)	For the transactions included in the sample, the Practitioner shall obtain and check the following documents: - Coordinator’s procurement policy - Invoice - Proof of payment - Key allocation used to apportion costs declared (if applicable).
Article 14.4	**C**	**ELIGIBILITY OF EXPENDITURES – SERVICE, SUPPLY AND WORK CONTRACTS COSTS**	
		The Practitioner draws a sample of at least **10 transactions or 10% of the total expenditures** declared for the budget line **“5. Other costs, services”** and a sample of at least **15 transactions or 20% of the total expenditures** declared for the budget line **“6. Other costs”** whichever numbers are the highest.	
Article 14.4.f)	C.10	<u>For costs related to service, supply and work contracts included in the sample the Practitioner checked that:</u> C.10.1. the contracts were awarded in conformity with the Coordinator's internal procurement procedures or the applicable Practical Guide;	For the transactions included in the sample, the Practitioner shall obtain and check the following documents: - Coordinator’s procurement policy - Invoice

		C.10.2. there is a signed contract between the Coordinator and the contractor indicating the objective of the contract, the value and deliverables to be remitted by the contractor; C.10.3. there is evidence that services, supplies and/or works were carried out.	- Proof of payment - Evidence of service/supplies/works (deliverables, delivery notes, works progress reports, reception of works, etc.)
Article 10	**C**	**ELIGIBILITY OF EXPENDITURES - COSTS OF SUBCONTRACTING**	
		No specific sample would be draw for selection of subcontracting related transactions. The following procedures shall be applied to any transaction selected in the sample for Cost Category E.	
Article 10.4	C.11	<u>For subcontracting costs included in the sample the Practitioner checked the following:</u> C.11.1. subcontracting does not cover core tasks of the Action; C.11.2. recourse to subcontracting is provided for in Annex I (Description of the Action) of the Grant Agreement, otherwise there is a formal approval from the Contracting Authority; C.11.3. the estimated costs of subcontracting are clearly identifiable in the estimated budget set out in Annex III of the Grant Agreement; C.11.4. in order to subcontract the third party, a competitive procurement process has been carried out by the Coordinator in accordance with the applicable procurement thresholds for service contracts (the Beneficiary may apply their own internal procurement rules or the applicable Practical Guide as per Annex IV of the Grant Agreement) C.11.5. there is a signed agreement between the Coordinator and the subcontractor indicating the objective of the contract, the value and deliverables to be remitted by the subcontractor; C.11.6. there is supporting evidence that the services were provided by the subcontractor.	For the transactions included in the sample, the Practitioner shall obtain and check the following documents: - Annex I of the Grant Agreement - Annex III of the Grant Agreement - Coordinator's procurement policy - Procurement file - Contract signed - Invoices - Proof of payments - Evidence of delivery of the services/supplies/works to be rendered by the contractor as per the contract signed.

<table>
<tr><th>Article 10</th><th>C</th><th colspan="2">ELIGIBILITY OF EXPENDITURES - COSTS OF FINANCIAL SUPPORT TO THIRD PARTIES</th></tr>
<tr><td></td><td></td><td colspan="2">No specific sample would be draw for selection of subcontracting related transactions.

The following procedures shall be applied to any transaction selected in the sample for Cost Categories A to E.</td></tr>
<tr><td>Article 10.5 to 10.9</td><td>C.12</td><td><u>For costs related to financial support to third parties included in the sample the Practitioner checked that:</u>

C.12.1. Recourse to financial support to third parties is foreseen in Annex I (Description of the Action) of the Grant Agreement;

C.12.2. The Coordinator selected the third parties through the application of the selection criteria defined in the Annex I (Description of the Action) of the Grant Agreement;

C.12.3. The third parties comply with the criteria defined and the activities to be carried out by them corresponds to the type of activities foreseen in Annex I (Description of the Action) of the Grant Agreement;

C.12.4. The maximum amount of financial support does not exceed EUR 60,000 per third party unless otherwise provided for in the Special Conditions of the Grant Agreement;

C.12.5. There is a signed agreement between the Beneficiary and the third party;

C.12.6. there is evidence that the third party carried out the activities for which financial support was awarded for.

C.12.7. There is supporting documentation for the expenditures incurred by the third party</td><td>For the transactions included in the sample, the Practitioner shall obtain and check the following documents:

- Annex I of the Grant Agreement

- Selection process file

- Agreement signed

- Invoices/financial reports submitted by the third party together with the supporting evidence of expenditures incurred

- Proof of payments to the third party

- Evidence of delivery of the activities to be carried out as per the agreement signed.</td></tr>
<tr><th>Article 14</th><th>C</th><th colspan="2">ELIGIBILITY OF EXPENDITURES – VOLUNTEER’S WORKS</th></tr>
<tr><td></td><td></td><td colspan="2">No specific sample would be draw for selection of subcontracting related transactions.</td></tr>
</table>

		The following procedures shall be applied to any transaction selected in the sample for Cost Categories A to E.	
Article 14.9	C.13	For volunteers' work-related transactions the Practitioner checked that: C.13.1. The Coordinator declared personnel costs for the work carried out by volunteers on the basis of unit costs determined by the European Commission at the following address: https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/guidance/unit-cost-decision-volunteers_en.pdf; C.13.2. The unit costs applied by the Coordinator are in line with those determined by the Commission; C.13.4. These costs were presented separately from other eligible costs in the Annex III (Estimated Budget) of the Grant Agreement. C.13.5. The value of the volunteers' work has been excluded from the calculation of indirect costs; C.13.6. Volunteers' work comprised up to 50 % of all sources of financing, that is the Union grant, in-kind contributions and other sources of financing..	For volunteers' work-related transactions included in the sample, the Practitioner shall obtain and check the following documents: - Annex II (General Conditions) and Annex III (Estimated Budget) of the Grant Agreement; - Unit costs determined by the Commission; - Timesheets/monthly declarations from volunteers; - Breakdown of sources of funding of the Action.
Article 14	**C**	**ELIGIBILITY OF EXPENDITURES – SIMPLIFIED COSTS OPTIONS**	
		No specific sample would be draw for selection of subcontracting related transactions. The following procedures shall be applied to any transaction selected in the sample for Cost Categories A to E.	
Article 14	C.14	For transactions included in the sample claimed through Simplified Cost Options the Practitioner checked that:	For transactions included in the sample claimed through Simplified Cost Options the Practitioner shall obtain and check the following documents:

		C.14.1. Use of unit costs, lump sums, flat rates was authorised by the contracting authority and the methods applied to determine unit costs, lump sums, flat-rates are compliant with the methodology published by the contracting authority; C.14.2. The use of other unit costs, lump sums, flat rates complies with the following conditions: (i) the beneficiary is a pillar assessed entity; (ii) the grant agreement does not result from a call for proposals, and (iii) the methods to determine unit costs, lump sums, flat rates have been approved by a specific Commission decision; C.14.3. Where the grant contract takes the form of single lump sum, the conditions triggering the payment laid down in Annex I (Description of the Action) and Annex III (Estimated Budget) have been met.;	- Annex I (Description of the Action), Annex II (General Conditions) and Annex III (Estimated Budget) of the Grant Agreement; - Methodology published by the contracting authority; - Decision from the Commission approving the cost accounting practices.

Grant Agreement Article	Cluster	Procedures	Documentation
Article 14.9	**D**	**NON-ELIGIBLE COSTS**	
	D.1	For all the transactions in the sample, the practitioner checked that the costs declared in the financial statements do not include: D.1.1. Debts and debt service charges (interest); D.1.2. Provisions for losses, debts or potential future liabilities; D.1.3. Costs declared by the Beneficiary(ies) and financed by another action receiving a European Union grant (including through the European Development Fund); D.1.4. Costs declared by the Beneficiary(ies) and financed by other donor or source of contribution; D.1.5. Purchases of land or buildings, except where necessary for the direct implementation of the action and according to the conditions specified in the special conditions; in all cases the ownership shall be transferred in accordance with article 7.5 at the latest at the end of the action; D.1.6. Currency exchange losses; D.1.7. Credits to third parties, unless otherwise specified in the special conditions; D.1.8. In-kind contributions (Except for volunteers' work). D.1.9. Salary costs of the personnel of national administrations, unless otherwise specified in the special conditions and only to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the action were not undertaken;	For the transactions included in the sample, the Practitioner shall obtain and check the following documents: - Special Conditions of the Grant Agreement; - Annex II (General Conditions) of the Grant Agreement; - Annex III (Estimated Budget) of the Grant Agreement; - Supporting evidence of expenditures as detailed in Article 16.9 of Annex II (General Conditions) of the Grant Agreement;

		D.1.10. Performance-based bonuses included in costs of staff.	
	D.2	For the sample of transactions, the practitioner checked that the costs declared in the financial statements: D.2.1. Do not include duties, taxes and charges, including VAT when these are recoverable by the Beneficiary.	For the transactions included in the sample, the Practitioner shall obtain and check the following documents: - Invoices - Certificates on Tax exemption (if applicable) - Certificates on Withheld Taxes (if applicable) - Evidence of taxes being paid to Local Tax Authorities - Any other document supporting the Coordinator tax status

Grant Agreement Article	**Cluster**	**Procedures**	**Documents**
Article 2	**E**	**USE OF EXCHANGE RATES**	
Article 2.5	E.1	<u>For exchange rates applied by Beneficiaries with accounts established in a currency other than euros the Practitioner checked that:</u> E.1.1. for the purpose of reporting, expenditures have been converted to euros using the rate of exchange at which each contracting authority's contribution is recorded in the Coordinator's accounts (rate to apply = EUR received / currency recorded in Coordinator's account) unless otherwise provided for in the Special Conditions or in Article 2.5 and 2.6 of Annex II (General Conditions) of the Grant Agreement. E.1.2. If at the end of the action, a part of the expenses is pre-financed by the Coordinator (or by other donors), the conversion rate applied to this balance is the one set in the special condition according to the Coordinator's usual accounting practice. If	For all the transactions included in the sample, the Practitioner shall obtain and check the following documents: - Bank statements for the instalments received from the Contracting Authority; - Accounting records for the instalments received from the Contracting Authority; - Coordinator's accounting policies (more specifically, conversion policies)

		no specific provision is foreseen in the special conditions, the exchange rate of the last instalment received from the contracting authority is applied. E.1.3. costs incurred in a currency (ies) different than the operating currency of the Coordinator shall be converted into euro by applying the Coordinator’s usual accounting practices provided they respect the following basic requirements: (i) they are written down as an accounting rule, i.e. they are a standard practice of the beneficiary, (ii) they are applied consistently, (iii) they give equal treatment to all types of transactions and funding sources, (iv) the system can be demonstrated and the exchange rates are easily accessible for verifications.	
Article 2.6	E.2	<u>For exchange rates applied by Beneficiaries with accounts established in euros the Practitioner checked that:</u> E.2.1. costs incurred in a currency (ies) shall be converted into euro by applying the Coordinator’s usual accounting practices provided they respect the following basic requirements: (i) they are written down as an accounting rule, i.e. they are a standard practice of the beneficiary, (ii) they are applied consistently, (iii) they give equal treatment to all types of transactions and funding sources, (iv) the system can be demonstrated and the exchange rates are easily accessible for verifications	For all the transactions included in the sample, the Practitioner shall obtain and check the following documents: - Coordinator’s accounting policies (more specifically, conversion policies)

Grant Agreement Article	Cluster	Procedures	Documents
Article 14.5	**F**	**CONTINGENCY RESERVE**	
Article 14.5	F.1	For the Contingency Reserve the Practitioner checked that: F.1.1. The Coordinator obtained prior written authorisation from the Contracting Authority for the use of the reserve; F.1.2. The total amount of the contingency reserve and/or possible fluctuations in exchange rates do not exceed 5% of the total direct eligible costs;	For transactions included in the sample claimed in the Contingency Reserve the Practitioner shall obtain and check the following documents: - Written Authorisation of the Contracting Authority.

Grant Agreement Article	Cluster	Procedures	Documents
Article 14.6	**G**	**INDIRECT COSTS**	
Article 14.6	G.1	For Indirect costs the Practitioner checked that: G.1.1. The total amount claimed as indirect costs is a fixed percentage of the total amount of direct eligible costs of the action (headings 1-6 of the budget without project office heading) which does not exceed the percentage laid down in Article 3.3 of the Special Conditions of the Grant Agreement;	For indirect costs the Practitioner shall obtain and check the following documents: - Special Conditions of the Grant Agreement. - Financial Report

Grant Agreement Article	Cluster	Procedures	Documents
Article 14.7	**H**	**CONTRIBUTIONS IN-KIND**	
		No specific sample would be draw for selection of subcontracting related transactions. The following procedures shall be applied to any transaction selected in the sample for Cost Categories A to E.	
Article 14.7	H.1	For in-kind contributions related transactions the Practitioner checked that: H.1.1. in-kind contributions have not been claimed as actual eligible costs (except for volunteers' work); H.1.2. in-kind contributions have been accepted in the Special Conditions of the Grant Agreement as con-financing by the beneficiary(ies);	For in-kind contribution transactions included in the sample, the Practitioner shall obtain and check the following documents: - Special Conditions of the Grant Agreement; - Annex III (Estimated Budget) of the Grant Agreement;

		H.1.3. in-kind contributions are listed separately in Annex III (Estimated Budget) of the Grant Agreement; H.1.4. in-kind contribution complies with national tax and social security rules; H.1.5. the value of the in-kind contribution is supported by underlying documentation.	- Calculation of the amounts claimed as in-kind contribution; - Underlying documentation to validate the calculation of the amounts claimed as in-kind contribution.

Grant Agreement Article	Cluster	Procedures	Documents
Article 17	**I**	**REVENUES**	
Article 17.4 and 17.5	I.1	<u>The Practitioner checked that</u>: I.1.1. The Action did not produce profit for the Coordinator, unless otherwise specified in Article 7 of the Special Conditions (profit is defined as a surplus of the receipts over the eligible costs approved by the contracting authority when the request for payment of the balance is made); I.1.2. Where the Action has produced profit, this has been declared in the financial report under section “2. Revenues from the Action” of the “Expected sources of funding & Summary of estimated costs.” I.1.3. Where the Action has produced profit, it has been deducted from the declared expenditure, unless otherwise provided for in the contractual conditions	The Practitioner shall obtain and check the following documents: - Special Conditions of the Grant Agreement; - Expected sources of funding & Summary of estimated costs”; - Receipts.

Grant Agreement Article	Cluster	Procedures	Documents
-	**J**	**IDENTIFICATION OF SYSTEMIC FINDINGS**	
-	J.1	<u>The Practitioner checked if</u>: I.1.1. The errors identified as a result of the application of procedures **A** to **I** are systemic according to the following definition: *“Systemic errors are findings found in the revised population that have an impact in the other expenditures of the Action which occur in well-defined and similar circumstances”*.	