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**NATIONAL ICT R&D FUND**

“**Expression of Interest (EoI) *-*** *Annual/terminal audit of the development project/program awarded to various public and private sector organizations across Pakistan*”

The National ICT R&D Fund (hereinafter referred as the “Company”), through this EoI, intends to invite ICAP registered ‘***Chartered Accountants’*** firms, enlisted under category ‘A’ of the latest SBP approved list of Chartered Accountants’ firms, and have been attaining satisfactory QCR rating from ICAP during the last 05 years consecutively, to apply for extending financial audit services as per the details available at [www.ictrdf.org.pk/auditeoi/201](http://www.ictrdf.org.pk/auditeoi/2011)2.

# NATIONAL ICT R&D FUND

The emerging information and knowledge age and the accompanying technological revolution are heralding a new economic and social order characterized by the development and exploitation of information and communication technologies (ICT) within all spheres of human endeavor. This era is giving rise to the emergence of information and knowledge based economies with traditional economic, industrial and commercial activities being made more efficient and productive by incorporating knowledge driven processes.

The knowledge and information economy has emerged as a new source for the creation of quality jobs, wealth generation and redistribution, rapid economic development and prosperity as well as a means of facilitating competitiveness. With the emerging information age, information and communication technologies are seen by a number of countries as critical for achieving progress in economic and social development. These technologies are offering developing countries like Pakistan a window of opportunity to leap-frog the key stages of industrialization and transform their agriculture dominated economies into service-sector driven, high value-added information and knowledge based economies that can successfully compete in the global village.

Pakistan has witnessed a phenomenal growth in its telecom industry. The Government of Pakistan has mandated that a certain percentage of gross revenue generated by all telecom service providers be allocated to development and research of information and communication technologies with the vision ***to transform******Pakistan’s economy into a knowledge based economy by promoting efficient, sustainable and effective ICT initiatives through synergic development of industrial and academic resources*.**  To achieve this vision National ICT R&D Fund has been created. This vision will be realized by pursuing the following goals:

1. To provide an enabling environment that facilitates deployment and utilization of ICT education for HR capacity building and enhanced national productivity;
2. To cultivate industry-academia partnership by funding concrete development and research initiatives;
3. To facilitate industrial demand focused HR capacity building and R&D capabilities in the country and promoting ICT related educational programs and activities;
4. To use ICT as a tool for upward mobility of economically challenged citizens of the country;
5. To help develop knowledge based ICT industry for delivery of value-added ICT products and services;
6. To facilitate research and development in those sections of ICT that enhances quality of life for citizens of Pakistan.

# SCOPE OF THE AUDIT

While conducting the audit in line with the relevant international standards and best practices, the auditors are expected to express an opinion on whether:

1. the projects financial statements/books of accounts reflect fairly the expenditure incurred by the Principal Investigator (PI) in accordance with the approved budget and laid down financial guidelines and policies of the Company
2. there is an approved set of accounting and audit policies/guidelines in place
3. the expenditures incurred are in line with the project’s objective as agreed in the contract agreement
4. all the vouchers/bills/invoices/POs and any/all the relevant supporting documents are available in the accounting records
5. all the assets/equipment have been purchased in line with the approved project portfolio and the same are under safe custody of the PI
6. all procurements have been made in compliance to the procurement rules/policies of the PI or PPRA, wherever applicable. The auditors should highlight the issues, if any, related to transparency in the PI’s in-place policies.
7. all the govt. applicable taxes/charges/levies have been deducted and paid by the PI
8. there has been any variances in the budget vs. actual expenses and what is the nature and reason for such variance
9. there has been any activity outsourced by the PI and what are the respective terms of engagement
10. there is significant volume/amount of cash transactions involved
11. the bank statement of the PI (in case there is no separate project account) present fairly the cash/bank balance of the Company’s released fund as at a given date

In addition to the above, the auditors are also expected to place remarks on the adequacy of the PI’s implemented internal financial controls with brief emphasis on areas vulnerable to fund’s leakages, inadequate record keeping and lack of transparency, if any; the adequacy of the institution’s current financial policies and procedures, procurement rules; and the adequacy of the institution’s financial and auditing organizational structure.

# EOI FORMAT AND CONTENT

# Mandatory requirements

EoI must include the complete name and address of the potential audit firm and the name, mailing address, and telephone number of the concerned authorized representative.

The EoI should include certified copies of all the necessary documents such as certificate of incorporation, registration or charter or an equivalent document for proof of legal status of potential entity, NTN, GST registration (wherever applicable).

EoI must be signed by an authorized Company’s officer empowered to bind the bidder. A bidder’s failure to include these items in the proposal may cause the proposal to be determined as non-responsive and the proposal may be rejected.

# Experience and Qualifications

The interested parties must show that they have the capacity to execute the audit in multiple geographically dispersed locations i.e. from interior Sindh to central Punjab and Federal capital to Quetta.

The interest Parties must share their past experience and proven track record of conducting and executing similar assignments.

The interested Parties must provide evidence that they meet the minimum responsiveness criteria listed above otherwise their submission/application will be determined non-responsive.

# Fee Schedule

Based on the historical trend and nature of the funded projects, the tentative audit fee (excluding out of pocket expenses to be mutually decided), is expected to remain within the following cost limits.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Project Duration** | **Upto 12 months** | **Upto 24 months** | **Upto 36 months** | **More than 36 months** |
| Projects Budget |  |  |  |  |
| Upto Rs.7.5 Million | 50,000 | 70,000 | 90,000 | 100,000 |
| Over Rs.7.5 Million to Rs.15 Million | 70,000 | 90,000 | 100,000 | 125,000 |
| Over Rs.15 Million to Rs.25 Million | 90,000 | 100,000 | 125,000 | 160,000 |
| Over Rs.25 Million to Rs.40 Million | 100,000 | 135,000 | 160,000 | 185,000 |
| Over Rs.40 Million | 135,000 | 160,000 | 185,000 | 200,000 |

***Above proposed fee is for one audit site under a single project. For any additional audit site, the potential auditors can add upto 20% of the proposed fee per site, subject to negotiation.***

# STANDARD INSTRUCTIONS

The EOI and the accompanying documents must be sent at the following address:

NATIONAL ICT R&D FUND

ADMINISTRATION OFFICE

ATTENTION: **Ms. NELOFAR ARSHAD**

TITLE: **“EOI-Annual/Terminal Audit of Development Programs/Projects”**

6TH FLOOR, HBL TOWER

JINNAH AVENUE, BLUE AREA

ISLAMABAD

**Contact Person for Technical Queries**

**MANAGER FINANCE**

Mr. ABDULLAH SAEED

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E-mail: [abdullah.saeed@ictrdf.org.pk](mailto:abdullah.saeed@ictrdf.org.pk)

***EoIs will only be accepted if they are received by 05:00 PM. PST on 24th December 2012, via courier, postal mail or by hand.***

Failure to submit the EoI before lapse of the deadline will result in automatic disqualification. Late EOI or amendments will not be accepted.

The EoI receipt by the Company does not entail any financial or any other commitment on its part. Company also reserves full rights to accept or reject any/all the submitted EoIs and to annul the entire process in line with the PPRA Rules.