



REQUEST FOR PROPOSALS (RFP) FOR PROVISION OF EXTERNAL AUDIT SERVICES FOR FINANCIAL YEARS 2027/28 – 2031/32

TERMS OF REFERENCE Reference Number: SASO/2026/1

1.0 BACKGROUND

The Southern African Development Community (SADC) is a Regional Economic Organisation consisting of sixteen (16) member states; Angola, Botswana, Comoros, Democratic Republic of Congo, Eswatini, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, United Republic Tanzania, Zambia and Zimbabwe.

The aviation sector plays a vital part in contributing to the economies of the SADC Member States. Air transport is increasingly becoming the preferred mode of transport for the movement of people and goods into and out of the SADC region, and within the SADC Member States, for purposes of tourism and trade in particular. The SADC Protocol on Transport, Communication and Meteorology requires Member States to harmonise their policies and procedures on civil aviation and foster the development of International Civil Aviation through cooperative arrangements.

SADC Member States have found it imperative to establish a regional organisation responsible for enhancing the safety of civil aviation in the regional bloc. This follows the inadequacy of skilled, qualified and competent technical experts from within Member States to fulfil their safety obligations, respectively and contribute to the safety requirements of the Region.

The aim of the SADC Aviation Safety Organisation (SASO), established under the Principle of Subsidiarity, is to promote the safe and efficient use and development of civil aviation within the SADC Region. A Secretariat is established to facilitate day to day operations. It is a legal entity hosted by the Kingdom of Eswatini and observing its laws of the Kingdom.

The principle of subsidiarity, approved by the SADC Council of Ministers at its meeting held in Grand Baie, Mauritius, in August 2004, is a cost-effective means that promotes accountability and sustainability. It is in line with the SADC Treaty, which provides for the involvement of the people of the SADC Region and key stakeholders in the process of regional integration.

As stipulated in Article 6 of the SASO Charter, the objectives of the SASO are to:

- a) Promote the safe and efficient use and development of civil aviation within and outside the Member States;
- b) Assist the Member States in meeting their safety oversight obligations and responsibilities under the Convention on International Civil Aviation signed in Chicago on 7 December 1944 and its safety-related Annexes and Documents;
- c) Promote the implementation of industry best practices within the Member States;
- d) Develop a regional system and assist Member States in aircraft accident and incident investigation; and
- e) Sustain the management of SASO in general administration, operations including human resource optimization and finance.

2.0 OBJECTIVES

2.1 The primary objectives of this audit are:

- a) To express an independent opinion on SASO's financial statements.
- b) To verify compliance with IPSAS and relevant regulations.
- c) To assess the adequacy and effectiveness of internal controls over financial reporting.
- d) To identify any material, misstatements or irregularities and recommend corrective actions.
- e) To enhance financial transparency and accountability.

3.0 SCOPE OF WORK

The selected audit firm will be responsible for the following activities:

- 3.1 Obtain an understanding of SASO's effective processes for:
 - a) Identifying business risks relevant to financial reporting objectives.
 - b) Estimating the significance of the risks.
 - c) Assessing the likelihood of their occurrence.
 - d) Formulating recommendations to address those risks.
- 3.2 Identify and assess the risks of material misstatement in the financial statements, in accordance with the International Standards on Auditing, whether due to fraud or error, by analyzing SASO's environment and internal control.

- 3.3 Conduct an independent risk-based audit of the organization's financial statements to provide satisfactory assurance that the financial statements are free of material misstatement due to fraud or errors.
- 3.4 Review the organization's compliance with applicable financial laws, regulations, and policies.
- 3.5 Ascertain that revenues received by the organization have been applied for the intended purpose and have been accounted for in accordance with SASO's Charter, Financial Rules and funding agreements.
- 3.6 Verify project grants to ensure they are in accordance with the terms of the agreements.
- 3.7 Review the status of financial accounts and reports by examining the general ledger accounts for accuracy and completeness and ensuring that the accounting policies used comply with IPSAS.
- 3.8 Undertake any other tasks necessary to fulfill the professional obligation of rendering a sound opinion on SASO's financial statements.

4.0 DELIVERABLES AND REPORTING REQUIREMENTS

The selected audit firm shall provide the following deliverables:

- 4.1 **Audit report:** a comprehensive report outlining the audit findings, conclusions, and the auditor's opinion on the financial statements.
- 4.2 **Management letter:** a detailed report addressing key audit observations, internal control weaknesses, and recommended improvements.
- 4.3 **Exit meeting:** a presentation of findings to relevant stakeholders.
- 4.4 **Other reports:** any additional reports required under regulatory or contractual obligations.

5.0 REQUIREMENT FOR THE EXTERNAL AUDIT SERVICES

Audit Firm seeking to apply should be registered in their state of origin and must have been in operation for at least five years providing both audit and tax services. Additionally, the Audit Firm must demonstrate experience in auditing International/Regional Institutions.

5.1 Eligibility Criteria

- a) The Audit Firm should be approved by their local Institute of Accountants and Auditors
- b) The Audit Firm/must have at least four (4) Partners and the part of an International Audit Firm
- c) The Partners should be in good standing with their local Institute of Accountants and Auditors

- d) The Audit Firm should have been in practice for a period of not less than 5 years
- e) The Partners must be full time Practitioners,
- f) The Audit Firm must have a physical address and valid practicing licenses
- g) The Audit Firm must have five (5) years' experience in audit of International/Regional Institutions
- h) The Audit Firm must demonstrate sufficient quality control measures.
- i) The Audit Firm must have at least three (3) references who must be its clients.

5.2 The following Information should also be provided:

- a) Copy of certificate of incorporation / registration
- b) Bylaws
- c) Professional practicing Certificate
- d) Valid certificate of tax compliance
- e) Valid certificate of good standing from the local Institute of Accountants and Auditors
- f) Last three (3) years approved and audited financial statements

6.0 MANDATORY PROPOSAL

6.1 The technical proposal should include but not be limited to the following:

- 6.1.1 Methodology and workplan for the assignment.
- 6.1.2 The distinctive differentiation features and attributes from other Audit Firm
- 6.1.3 The staff turnover experience in the last three (3) years. Demonstrate staff continuity during the assignment for the quality and timeliness outputs.
- 6.1.4 The reputation of the Audit Firm/including the outcome of any inspection or oversight reviews done recently (if applicable).
- 6.1.5 The representation and network in other jurisdictions your Audit Firm has been involved in.
- 6.1.6 State the provision the frequency and the manner in which the communication of matters arising will be made to relevant stakeholders during the auditing process.
- 6.1.7 The estimated depth of the scope of the audit.
- 6.1.8 A detailed company profile showing list of clients among them being International/Regional Institutions audited by the Audit Firm.
- 6.1.9 Partners and key staff curriculum vitae relevant to this engagement.
- 6.1.10 Details of comparable engagements carried out in organizations of similar nature, including :
 - a) Name of the engagement
 - b) Description of the engagement

- c) Evidence of execution (scanned copy of the contract's cover page and signatures of the involved parties)

6.2 The financial proposal should:

- 6.2.1 Have a separate item of the audit fees and other estimated charges to be incurred.
- 6.2.2 State the billing rates for classes of professional personnel for each of the last 3 years.
- 6.2.3 Include projected fees for the subsequent three years. The fees proposed may be subjected to negotiations if the proposal meets all the other selection criteria.

NOTE: SASO is not obligated to select the bid with the lowest quoted fees, but rather, the highest value for money.

6.3 Proposed task completion timelines

- 6.3.1 The proposal must provide the timeline within which the applicant expects to complete the assignment.
- 6.3.2 The timeline proposed may be subjected to negotiations if the proposal meets all the other selection criteria and satisfies SASO that the firm is the best suited for the assignment.

7.0 INSTRUCTIONS FOR SUBMISSION OF PROPOSAL

- 7.1 Audit firm (s)/who meet the requirements of the RFP may submit inquiries regarding this RFP for clarification on the requirements. However, inquiries must be sent not later than 10 days before the submission date. All inquiries should be directed to info@saso.int, and responses will be provided to inquirers after the day following the deadline of submission.
- 7.2 Audit firm shall ensure that they submit a full proposal including all the supporting documents requested. It is essential to ensure accuracy in the curricula vitae of key staff submitted. The curricula vitae should be signed by the consultants and the key individuals and dated. Noncompliance with important requirements will result in rejection of the proposal.
- 7.3 Once the proposals are received and opened, auditors shall not be required nor permitted to change the substance, the key staff and so forth.
- 7.4 The process of proposal evaluation shall be confidential.
- 7.5 The financial proposal should be in United States Dollars (USD) comprising fees only.
- 7.6 Bidders are requested to submit (1) one ORIGINAL and (3) three COPIES clearly marked
"ORIGINAL" or "COPY" for each technical and financial offer; and,
- 7.7 Bidders are reminded to clearly mark technical and financial offer in separate envelopes. Interested external audit firms with international recognition should

submit their proposals, clearly indicating 'Proposal for the Provision of External Audit Services' on or before [insert the date] at 11:59 pm to the following address:

The Executive director, Sibekelo Building, 5th floor, Mbabane Eswatini.

All interested bidders must also submit an electronic version of their proposal with a password that cannot be opened before the submission deadline to info@saso.int on or before 25 April 2026, at 11:59 pm.

Incomplete proposals and proposals received after this date shall not be considered.

NOTE: Every proposal must meet all the requirements as indicated in this TORs document.

8.0 EVALUATION OF PROPOSALS - (Technical and Financial)

8.1 The Technical proposal shall be evaluated as follows:

Criteria	Weight
Firm's reputation: experience and relevant references	50 %
Technical capability: key staff's qualification relevant to this engagement	30 %
Methodology and approach: audit approach, work plan, timeline, distinctive advantage	20 %

8.2 Minimum eligible technical score is 70%

8.3 Total weight: The combined scores will be as follows:

Technical Proposal – 70%

Financial Proposal – 30%

8.4 The most competitive Financial Proposal for eligible proposal will be selected for further negotiations.

9.0 COMPLAINTS PROCESS

All complaints regarding the selection process for this Request for Proposal (RFP) must be submitted in writing to the Executive Director, info@saso.int within (5) five business days of the notification of award. Complaints must include the complainant's name, organization, contact details, the specific basis of the complaint, supporting documentation, and a proposed resolution if applicable. Grounds for complaints may include concerns about procedural fairness, conflicts of interest, deviations from the stated evaluation criteria, or other violations of procurement policies. SASO will review the complaint and respond in writing within five (5) business days, either upholding the selection, providing clarification, or taking corrective action if necessary. All complaints will be handled confidentially, and retaliation against complainants is strictly prohibited. The decision of The CAC shall be final in case of complainant's appeal.