



Italian Embassy in Beirut
Italian Development Cooperation Office in Lebanon



Republic of Lebanon
Ministry of Social Affairs

“Promoting Women’s participation in local governance and development”

Financial Audit Terms of Reference

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LIST OF ABBREVIATIONS:

MOSA	Ministry of Social Affairs
EU	European Union
CEDAW	Committee on the Elimination of Discrimination against Women
UNDP	United Nations Development Programme
LCW	Lebanese Council of Women
SDC	Social Development Center
MFA	Ministry of Foreign Affairs in Italy
GDDC	General Directorate of Development Cooperation
SC	Steering Committee
UTL	Italian Development Cooperation Office in Lebanon
MOIM	Ministry of Interior and Municipalities
NCLW	National Commission for Lebanese Women
NGO	Non-Governmental Organization

BACKGROUND INFORMATION

1.1 Beneficiary country

Lebanon

1.2 Contracting Authority

Ministry of Social Affairs (MOSA)

1.3 Relevant country background

Gender mainstreaming is a policy concept of assessing the different implications for women and men in all areas and levels. Mainstreaming essentially has a broad approach that values the diversity among both women and men.

The concept of gender mainstreaming was first proposed at the 1985 Third World Conference on Women in Nairobi. The idea has been developed in the United Nations development community. The UN defines the concept of Gender Mainstreaming as follows:

“ is the process of assessing the implications for women and men of any planned action, including legislation, policies or programmes, in all areas and at all levels. It is a strategy for making women's as well as men's concerns and experiences an integral dimension of the design, implementation, monitoring and evaluation of policies and programmes in all political, economic and societal spheres so that women and men benefit equally and inequality is not perpetuated. The ultimate goal is to achieve gender equality.”

Lebanon has confronted difficulties owing to civil war, armed conflict in 2006, and political tension which affected to great extent its economy and its implication on achieving progress in human development. However, Lebanon was able to achieve obvious mile stones in terms protection of human rights. Lebanon has joined CEDAW convention in 1997, and has submitted its third national report in 2006. In addition Lebanon has ratified several other human rights conventions. The concluding observations of CEDAW committee expressed concerns to the low representation of women at the political and decision making levels, and urges the state party, Lebanon, to take serious steps towards achieving that.

The Ministry of Social Affairs has a major role to play in women empowerment and making full use of human resources, by recognizing women and men with similar capacities and opportunities. The Ministry of Social Affairs is preparing a social strategy and a social pact, for the promotion of equality as well as the promotion of fundamental human rights and the highlight of the social problem of gender equality.

1.4 Current situation in the sector

The Ministry of Social Affairs was established in 1993 in contemporary Lebanon, entrusted with achieving social development. That was the responsibility of the social development office back in 1960, and continued to deliver its services until the outbreak of the civil war in 1975. In an effort to expand its role from providing necessary welfare services; the ministry expanded its mandate so as to include human development through network of three hundred (300) national Social Development Centres, SDCs, distributed in different regions in Lebanon, taking into consideration achieving gender equality. Accordingly, a department for women's affairs was established. MOSA is the only ministry that has women's department in its organogram and its mandate involves; developing programs that are responsive to women's needs and priorities including building their capacities in an attempt to empower them. Such programs and projects are developed to be

implemented in participation with other ministries and governmental institution, taking the lead not only during implementation but also playing an effective role in the monitoring and evaluation process to ensure that outcomes are in line with international conventions related to human rights in particular those endorsed by the Lebanese government. Thus, the Women's Affairs office at the Ministry's Department of Family Affairs works to formulate and institute programmes aimed at responding to women's needs and at improving and strengthening their capacities, and to propose budgets earmarking the funds needed to implement such programmes in conjunction with other ministries and non-governmental activities relating to women and serves to coordinate between the Lebanese Government and International, Arab and foreign institutions. It also monitors the implementation and follow-up of the United Nations conventions relating to women to which the Lebanese State has acceded.

The Ministry, however, has always aspired to develop its role so as to include, in addition to the basic and necessary welfare function, a developmental role in the modern sense, and which is consistent with internationally recognized modern development concepts. On this basis, the Ministry has endeavoured to fulfil its welfare function as best as possible, and at the same time to prepare for its developmental role by ensuring the pre-requisites and overcoming the obstacles confronting it.

1.5 Related programmes and other donor activities:

MOSA is the first entity to initiate the integration of gender mainstreaming into its strategy, policies and plans. However, it should be noted in this context, the presence of a national strategy for women that has encountered all women's issues and stressed the importance of gender mainstreaming in relevant plans and policies.

OBJECTIVE, PURPOSE & EXPECTED RESULTS

2.1 Overall objective

The objective of the audit is to provide an independent professional opinion on the project financial statements, which includes an opinion on the eligibility of expenditures and compliance with the relevant agreements.

2.2 Purpose

The purpose of this contract is to enable the Auditor to present an opinion on whether:

- The Financial Statements and transactions present fairly, in all material respects, the actual expenditures incurred for Promoting Women's Participation in Local Governance and Development Project for the period between March 2010 till March 2015 in conformity with the applicable Contractual Conditions; and
- The Project funds provided by the Italian Embassy have, in all material respects, been used in conformity with the agreed-upon Memorandum of Understanding and relevant documents.

2.3 Results to be achieved by the Consultant

- 1- Conduct a financial audit in accordance with International Standards of Auditing, and will include such tests and controls, as the auditor considers necessary under the circumstances. In conducting the audit, special attention should be paid to the following:**

1. All external funds have been used in accordance with the conditions of the relevant financing agreements, with due attention to economy and efficiency, and only for the purposes for which the financing was provided.
2. Goods and services financed have been procured in accordance with the relevant financing agreements;
4. All necessary supporting documents, records, and accounts have been kept in respect of all project ventures including expenditures;

2- Formulate a report in English on the financial findings of the audit with the related recommendations and comments (a maximum of 20 pages excluding appendices). The report will need to include:

1. Executive summary: 2-3 pages, including the main results and recommendations of the financial audit.
2. Introduction: 2-3 pages outlining the purpose of the audit, the questions and the principal results
 - I. Background and objective of the audit
 - II. Methodology used
 - III. Limitations (if any)
3. Comments and observations on the accounting records, systems, and controls that were examined during the course of the audit;
4. Identify specific deficiencies and areas of weakness in systems and controls and make recommendations for their improvement;
5. Report on the degree of compliance in regards to the financing agreement and give comments, if any, on the internal and external matters affecting such compliance;and
6. Communicate matters that have come to attention during the audit which might have a significant impact on the implementation of the project;

ASSUMPTIONS & RISKS

3.1 Assumptions underlying the project intervention

- Active support from concerned entities and staff

3.2 Risks

- Political instability

SCOPE OF THE WORK

4.1 General

4.1.1 Project description

The aim of “Promoting Women’s Participation in Local Governance and Development” project is to strengthen the capacity of the Ministry of Social Affairs (MOSA) in reducing social exclusion of the most vulnerable groups of Lebanese society through the pursuit of gender equality.

One of MOSA’s priorities is to promote gender mainstreaming and to empower the Lebanese women to have an active, effective and sustainable role in local governance. In order to achieve its objective, the Ministry of Social Affairs has requested the financial support of the Italian Embassy

– Italian Development Cooperation Office in Lebanon. The Government of the Italian Republic has agreed to contribute funds to MOSA for the implementation of the project “Promoting women’s participation in local governance and development” and a Memorandum of Understanding (MOU) was signed on 15/2/2010 between the Lebanese Government, represented by the Ministry of Social Affairs (MOSA), and the Italian Government, represented by the Italian Embassy, pertaining to the project “Promoting Women's Participation in Local Governance and Development”. The project was ratified by the Lebanese Council of Ministers on 24/3/2010, under the Decree no. 3695. The total available budget for the project is 700,000 euros and was deposited by the Italian government in May 2010.

The specific objective of the project is to build and develop Lebanese women’s capacity to enable them to participate actively and effectively in governance and increase their representation at decision-making levels and in public spheres. This is to be achieved through adoption of gender mainstreaming strategy at MOSA level, including policies and plans and programs, ensuring the coherent, uniform and effective implementation at local level through its national network of Social Development Centres (SDCs). Besides, the project entails strengthening the capacities of women members of municipal councils in an effort to advocate for women’s participation in decision-making at the local level as well as advocating for the participation of women in decision-making at the national level through a series of activities including a national media campaign. The effective implementation of the planned activities started as of January 2013 and will end in May 2015.

4.1.2 Geographical area to be covered

Beirut

4.2 Specific Work

The auditor should conduct its verification on the basis of an inquiry and analysis, (re)computation, comparison, other accuracy checks, observation, inspection of records and documents and by interviewing the beneficiary.

A- The auditor shall examine the following documentation:

1- Grant agreement and its amendments

2- All financial reports delivered by MOSA on quarterly basis

3- For staff costs;

Salary slips, Contracts of employment, Other documents (e.g. personnel accounts, social security legislation, invoices, receipts etc...), Proof of payments, Staff’s activities reports

4- For Equipment;

Invoices, Delivery slips / certificate of first use, Proof of payment for contracting;

The call for tender, Tenders (if applicable), Justification for the choice of contractor, Contracts with sub-contractors (if applicable), Invoices, Declarations by the beneficiary, Proof of payments

5- For running costs;

Invoices and Proof of payments

6- For travel costs

Transport invoices and tickets, Declarations by the beneficiary, Proof of payments

B. The auditor should verify that the costs declared:

- 1- Are linked to the subject of the grant agreement and indicated in the estimated operating budget of the beneficiary attached to the grant agreement (please refer to the latest version in case of amendments);
- 2- Are necessary to implement the annual work program which is the subject of the grant
- 3- Are reasonable and justified, and comply with the requirements of sound financial management, in particular regarding economy and efficiency;
- 4- Have been incurred during the duration of the work program, as defined in the Grant agreement (with the exception of future invoices and costs related to final reports);
- 5- Are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the basis of the procurement and selection procedures for service providers.
- 6- Comply with the requirements of applicable tax and social legislations;
- 7- Are in accordance with provisions of the Grant Agreement.
- 8- Have been converted to euro at the rate foreseen in the Grant

The Consultant must also observe the latest Communication and Visibility Manual for EU External Actions concerning acknowledgement of the Government of the Italian Republic and MFA/GDDC (*the Ministry of Foreign Affairs in Italy/ General Directorate of Development Cooperation*) financing of the project.

4.3 Project management

4.3.1 Responsible body

“Promoting Women’s Participation in Local Governance and Development” Project at MOSA

4.3.2 Management structure

As Project Manager, the National Project Coordinator at MOSA will be the responsible for:

- Overall management of the Contract,
- Monitor progress towards achievement of the contract objectives,
- Provide guidance to the Consultant and facilitate the consultant’s access to required information,
- Discuss and approve outputs produced by the consultant.

4.3.3 Facilities to be provided by the Contracting Authority and/or other parties

The contracting authority will make the available the offices for conducting meetings. It is the consultant’s responsibility to coordinate with the targeted projects’ directors, with assistance from the program’s team, to prepare for the meetings.

LOGISTICS AND TIMING

5.1 Location

Ministry of Social Affairs premises.

5.2 Commencement date & Period of implementation

The intended commencement date is 15/3/2015 and the period of implementation of the contract will be one month from this date.

REQUIREMENTS

6.1 Personnel

6.1.1 Key experts

All experts who have a crucial role in implementing the contract are referred to as key experts. The profiles of the key expert for this contract are as follows:

Key expert

Qualifications and skills

- Advanced degree in accounting or auditing,
- Strong analytical skills
- Excellent reporting skills,
- Proficiency in spoken and written English and Arabic language.
- Strong communication (interviewing, presenting) and report writing skills as well excellent command of MS Office Applications

General professional experience

- Minimum 8 years of professional experience in auditing and accounting.

Specific professional experience

- Strong orientation toward field-specifics such as internal audit functions and control self-assessment

Note that civil servants and other staff of the public administration of the beneficiary country cannot be recruited as experts, unless prior written approval has been obtained from MFA/GDDC (*the Ministry of Foreign Affairs in Italy/ General Directorate of Development Cooperation*).

6.2 Office accommodation

Office accommodation for each expert working on the contract is to be provided by the Consultant.

6.3 Facilities to be provided by the Consultant

The Consultant shall ensure that experts are adequately supported and equipped. In particular it shall ensure that there is sufficient administrative, secretarial and interpreting provision to enable experts to concentrate on their primary responsibilities. It must also transfer funds as necessary to

support its activities under the contract and to ensure that its employees are paid regularly and in a timely fashion.

6.4 Equipment

No equipment is to be purchased on behalf of the Contracting Authority as part of this service contract or transferred to the Contracting Authority at the end of this contract. Any equipment related to this contract which is to be acquired by the beneficiary country must be purchased by means of a separate supply tender procedure.

REPORTS

7.1 Reporting requirements

The consultant will submit the following reports in **English** in one original and two copies:

1. **Inception Report** between 3 and 4 pages to be produced after two days from the commencement of the implementation. In the report the consultant shall describe e.g. the detailed methodology to be adopted, the work plan of the assignment, the encountered and/or foreseen difficulties. The consultant is advised to proceed with his/her work upon the approval of the Contracting Authority of the inception report.
2. **Draft final report** this report shall be submitted no later than 10 days before the end of the date envisaged for the conclusion of the contract.
3. **Final report** with the same specifications as the draft final report, incorporating any comments received from the concerned parties on the draft report. The final report shall be provided by the latest 10 days after the reception of the comments on the draft final report. The report shall contain a sufficiently detailed description of the findings and recommendation of the financial audit. The final report must be provided along with the corresponding invoice.

7.2 Submission & approval of reports

The report referred to above must be submitted to the Project Manager identified in the contract. The Project Manager is responsible for approving the reports (Refer to article 7.1).

MONITORING AND EVALUATION

8.1 Definition of indicators

The project manager at MOSA shall monitor the process for technical assistance provision on a systematic basis. The Consultant shall deliver in his Inception Report a detailed and updated work plan for his intervention for approval by MOSA. The Consultant shall indicate in this work plan clearly defined milestones to measure progress of contract execution. Regular milestone monitoring reporting shall be implemented by the Consultant. In addition, the MOSA shall collect feedback to measure progress of work towards the results listed in Section 2.3 of these Terms of Reference.

8.2 Special requirements

The consultant shall keep confidential and shall not, without the written consent of the Ministry of Social Affairs Project coordinator, divulge to any third party any documents, data, or other information of a confidential nature.

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