



**BIDDING DOCUMENTS  
FOR AUDITING SERVICES FOR OSCE OFFICE IN BAKU**

**No. AZE 03/2009**

**BAKU, AZERBAIJAN**



**Organization for Security and Co-operation in Europe**

**Office in Baku**

**Fund Administration Unit**

The Landmark III, 96 Nizami St., AZ1010 Baku, Azerbaijan

Date: 02 March 2009

**Invitation to Bid**

**No. AZE 03/2009**

**Auditing services for OSCE Office in Baku**

The Organization for Security and Co-operation in Europe (OSCE) is an international organization with fifty-six (56) participating States, almost four thousand (4,000) staff and mission members and 19 field activities and five specialized institutions. It is involved in a wide range of security, democratization and conflict prevention activities in Europe, Caucasus and Central Asia. The OSCE is a regional security arrangement in the sense of Article VIII of the United Nations Charter. The OSCE Office in Baku is an OSCE entity with full diplomatic status in Azerbaijan. More information about the OSCE can be obtained from the Organization's web-site at <http://www.osce.org>.

You are hereby invited to submit a bid for the provision of Auditing services for the OSCE Office in Baku in accordance with the attached Terms of Reference (Section B). Bids sent by e-mail and fax will not be accepted. The bid prices shall be quoted in EUR.

In order to enable you to prepare and submit your bid the following documents are attached and form an integral part of the bidding documents:

1. Instructions to Bidders (Section A)
2. Terms of Reference (Section B)
3. Proposal Submission Form (Section C)
4. Form of Contract (Section D)

Bids must be received by the OSCE **in accordance with Instructions to Bidders** (Section A) at the address given below on or before the following deadline: **March 31<sup>st</sup> 2009 at 12:00 hrs CET+3.**

The address for the submission of bids is:

**Organisation for Security and Co-operation in Europe, Office in Baku (OSCE)**

**Attn: Chief Administration and Finance Department**

**The Landmark III, 96 Nizami St., AZ 1010 Baku, Azerbaijan**

The OSCE reserves the right to accept or reject any or all bids and/or to annul the solicitation process and reject all bids at any time prior to the award of the contract, without thereby incurring any liability to the affected bidder(s) or any obligation to inform the affected bidder(s) of the reasons for such decision.

A complete set of the Bidding Documents may be obtained at the OSCE web site (<http://www.osce.org/tenders/>). Please address all your queries or questions in writing at the address given below and kindly refrain from any telephone calls or personal visits.

**Office in Baku**

**Chief of Fund Administration**

**The Landmark III, 96 Nizami St., AZ1010 Baku, Azerbaijan**

## SECTION A

### INSTRUCTIONS TO BIDDERS

#### I. GENERAL

##### 1. Purpose of Invitation to Bid (ITB)

The purpose of this ITB is to enter into one or several contract(s) for the purposes of providing Auditing services for the OSCE Office in Baku with the Terms of Reference attached hereto (Section B).

##### 2. OSCE Privileges and Immunities

Nothing in or relating to this ITB shall be deemed a waiver, expressed or implied, of any of the privileges and immunities of the OSCE.

##### 3. Communications Outside Specified Channels

All communications relating to this procurement activity shall be channeled through the designated OSCE staff member herein after referred to as "OSCE Technical Contact Person"

Mr. Ilgar Hasanov  
Procurement Assistant  
Organization for Security and Co-operation  
in Europe (OSCE)

Tel: +994 12 4972373  
Fax: +994 12 4972377  
E-mail: [ilgar.hasanov@osce.org](mailto:ilgar.hasanov@osce.org)

Bidders are reminded that any attempt to circumvent the processes laid out in these bidding documents or to attempt to engage in contacts with any OSCE staff in any way not in compliance with the provisions in these bidding documents may lead to their disqualification.

##### 4. Requests of Clarification on Bidding Documents

A Bidder requiring any clarification to any contents of these bidding documents may notify the OSCE in writing, e.g. by email or facsimile, to the following address:

Organisation for Security and Co-operation in Europe, Office in Baku (OSCE)  
The Landmark III, 96 Nizami St., AZ 1010 Baku, Azerbaijan

Attn: Mr. Ilgar Hasanov, Procurement Assistant  
E-mail: [ilgar.hasanov@osce.org](mailto:ilgar.hasanov@osce.org)

Fax: +994 12 4972377

The OSCE will respond in writing to any request for clarification received not later than five calendar days prior to the deadline for submission of bids. Written copies of the OSCE's response (including an explanation of the query, but without identifying the source of inquiry) will be sent to all Bidders. The OSCE may, without reservation, refuse to answer specific queries.

##### 5. Amendments to Bidding Documents

The OSCE may at its own discretion and for any reason modify the bidding documents by written amendment at any time prior to the deadline for bid submission.

All Bidders, who have confirmed their interest to participate in this bidding process, will be notified in writing of any amendment to the bidding documents.

Should the OSCE consider that due to an amendment the time required for preparing the bids is not sufficient, it may at its discretion extend the deadline for submission of bids.

## **6. The OSCE's Right to Reject any or All Bids**

The OSCE reserves the right to accept or reject any or all bids, and to annul the bidding process and reject all bids at any time prior to the award of the contract, without thereby incurring any liability to the affected Bidder or any obligation to inform the affected Bidder or Bidders of the reasons for the OSCE's action.

## **II. PREPARATION OF BIDS**

### **7. Cost of Preparation of Bids**

The Bidder shall bear all costs associated with the preparation and submission of its bid. The OSCE will under no circumstances be responsible or liable for these costs (either entirely or partially).

### **8. Bid Validity**

The Bid should remain valid for a period of thirty (30) Days after the prescribed deadline for submission of bids. A bid valid for a shorter period may be rejected by the OSCE on the grounds that it is non-responsive.

In exceptional circumstances, the OSCE may request the Bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in a written form.

### **9. Language of Bids**

The Bid and all correspondence and documents relating to the bidding process and exchanged between the bidder and the OSCE must be submitted in English.

### **10. Format and Signing of Bids**

The Bid shall be typed or written in indelible ink and shall be signed by a duly authorized person.

The Bid should contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the bidder, in which case such corrections should be initialed by the authorized person signing the Bid.

### **11. Content of Bid**

The Bid should address the requirements of the bidding documents in their entirety. The Bidder is expected to examine and study the Terms of Reference and all terms and instructions included in the bidding documents. Failure to provide all requested information is at the Bidder's risk and may result in rejection of its Bid.

The OSCE reserves the right to determine as invalid or unacceptable any Bid, which is not clear, which admits to more than one interpretation or which is incomplete.

The Bid will be the basis for contract negotiations and ultimately for a signed contract with the selected bidder(s).

The Bidders may opt to submit the Bid in either of both ways as follows:

## **III. SUBMISSION OF BIDS**

### **12. Submission of Bids**

The Bidder should submit one original bid. The bid should be submitted in an envelope indicating "ORIGINAL".

The original of the bid shall be sealed in an outer envelope bearing the Bidder's name, the ITB number and the address.

The completed bid shall be delivered on or before the deadline for submission of bids which is **March 31<sup>st</sup> 2009 at 12:00 hrs (CET+3)**.

Bids received after the deadline for submission of bids, or not complying with any of the conditions for submission, may be rejected.

#### **IV. MODIFICATION AND WITHDRAWAL OF BIDS**

##### **13. Modification and Withdrawal of Bids**

The Bidder may modify or withdraw its bid after it has been submitted, provided that written notice of the modification including substitution or withdrawal of the bid is received by the OSCE prior to the deadline prescribed for submission of bids.

The Bidder's modification or withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of ITB clause 13, with the outer and inner envelopes additionally marked "**MODIFICATION**" or "**WITHDRAWAL**," as appropriate.

No bid may be modified after the deadline for submission of bids. No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the 'Bid Submission Form'.

#### **V. EVALUATION OF BIDS**

##### **14. Evaluation**

The OSCE will examine whether the bids are substantially responsive to the requirements outlined in these bidding documents, in particular the requirements contained in ITB clause 10 herein.

##### **15. Clarification of Bids**

To assist in the examination and evaluation of bids, the OSCE may at its discretion ask any Bidder for clarification of its bid. The request for clarification and the response shall be in writing.

#### **VI. AWARD OF CONTRACT**

##### **16. Award of Contract**

The OSCE will thereafter evaluate and compare Bids, which have been determined to be substantially responsive. The OSCE will award the contract to the successful Bidder whose Bid has been determined to be substantially responsive and has been determined to be the lowest evaluated Bid, provided further that the Bidder is determined to be qualified to perform the contract satisfactorily.

##### **17. The OSCE's Right to Vary Requirements at the Time of Award**

The OSCE reserves the right, at the time of award of contract, to vary the quantity and scope of services required in these bidding documents.

##### **18. Form of Contract**

The Form of Contract (Section D) shall apply to any contract(s) awarded as a result of this invitation to bid.

## SECTION B

### OUTLINE TERMS OF REFERENCE

for the

#### Provision of Auditing Services

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The OSCE intends to establish a local contract with qualified and competent providers of Auditing Services related to projects funded by or through the OSCE within Azerbaijan.

The OSCE plans to identify one or several providers of such Auditing Services which best suit the OSCE's operational requirements providing at the same time flexibility to adapt to changes all at competitive cost levels.

The usual structure and size of projects involved in auditing can be described as follows:

Type of implementing partner:	Ministry or governmental entity, non-profit organization, agency or entity of United Nations or an international Organization, Civil society organization and commercial company.
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Location:	World wide
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Estimated projects value:	From 5.000 to 150.000 EUR
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Languages:	Azerbaijani, English and other languages as appropriate.
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Project's Terminology:	Legal, Judicial Reform, Human Rights and Rule of Law, Trafficking, Elections, Democratization, Media Affairs and legislation, Press and public Information, Economic and Environment, Corruption, Community and Border Policing, Military activities, Political, Regional Cooperation.
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The service provider shall operate autonomously without any technical interference from the OSCE.

Please note that the proposed contract(s) will not constitute an obligation for the OSCE to receive the services described herein from the contracted service provider(s). The OSCE reserves the right to engage also services of that nature also from other service providers at its discretion.

## SECTION C

### BID SUBMISSION

For the submission of a bid, the Bidder should fill out the price table hereunder.

Additionally the Bidder should provide in his/her Bid the following information:

- (i) A detailed description of the Services.
- (ii) Registration documents including ISO certificates.
- (iii) Outline of previous experience in providing auditing services to international and other organizations.
- (iv) Confirmation of the bidder's ability to provide one or more qualified audits simultaneously.

<b>Bidder's Name</b>
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### PRICE RESPONSE FORM

The Bidders are requested to quote all-inclusive prices for services as follows:

Project value	Time Requirements	Price (EUR)
From 5.000 to 10.000 EUR		
From 10.001 to 20.000 EUR		
From 20.001 to 50.000 EUR		
From 50.001 to 100.000 EUR		
From 100.001 to 150.000 EUR		
Above 150.000 EUR		

**SECTION D**

**PROPOSAL SUBMISSION FORM**

[ *Date* ]

To: Organization for Security and Co-operation in Europe  
Office in Baku (OSCE)  
The Landmark III, 96 Nizami St.,  
AZ 1010 Baku, Azerbaijan  
Attn: Chief of Fund Administration

Dear Sir:

We, the undersigned, offer to provide the services in accordance with your Invitation to Bid No dated [*Date*] and our Proposal.

Our Proposal is binding upon us and subject to the modifications resulting from contract negotiations.

We understand you are not bound to accept any proposal you receive.

We remain,

Yours Sincerely,

*Authorized Signature:*  
*Name and Title of Signatory:*  
*Name of Firm:*  
*Address:*



**SECTION E**

**FORM OF CONTRACT**

No. \_\_\_\_\_

between the

**ORGANIZATION FOR SECURITY AND CO-OPERATION IN EUROPE**  
(the “OSCE”)

- AND -

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(the “CONTRACTOR”)

- FOR THE -

**PROVISION OF SERVICES PERTAINING TO AUDITING**

*The Contract comprises this cover page, three (3) pages of contract text and three (3) Annexes (‘A’ through ‘C’).*

**THE CONTRACT** is made between:

The **ORGANIZATION FOR SECURITY AND CO-OPERATION IN EUROPE**, located at The Landmark III, 96 Nizami St., AZ 1010 Baku, Azerbaijan (the "OSCE"),

- and -

\_\_\_\_\_, located at \_\_\_\_\_ (the "CONTRACTOR").

**WHEREAS:**

- A. The OSCE has sought to engage a duly certified and qualified contractor to provide Auditing services to the OSCE;
- B. With this aim, the OSCE has issued an Invitation for Bidding No. AZE 03/2009, soliciting proposals from potential bidders; and
- C. In response to same, the CONTRACTOR named above has submitted a bid dated \_\_\_\_\_.

NOW, THEREFORE, the Parties hereto mutually agree as follows:

**1 GENERAL PROVISIONS**

**1.1 Definitions**

In the Contract, words and expressions shall have the meanings that are respectively assigned to them below, in the OSCE's General Conditions of Contract, and (where applicable) any other Contract documents, except where the context requires otherwise:

"Business day(s)"	any Day from Monday to Friday, excluding OSCE holidays (OSCE holidays vary and will be advised in advance);
"GCCs"	the OSCE's General Conditions of Contract attached hereto as Annex "A"
"includes"	includes without limitation;
"Key Personnel"	any Personnel specifically named in the Contract for the performance of the Services;
"Personnel"	the Contractor's employees, agents, sub-contractors and anyone else otherwise assigned by the Contractor to provide the Services under the Contract;
"Purchase Order"	the purchase order document issued by the OSCE and provided to the Contractor for the provision of the Services under the terms and conditions of the Contract. The Purchase Order may contain specific delivery terms and other instructions. In the event that any provision(s) of the Purchase Order is/are not in compliance with the provisions of the Contract, the Purchase Order shall always be subordinate to the terms and conditions of the Contract unless and except if those specific provisions of the Purchase Order are expressly declared in writing by the OSCE to prevail over the applicable terms of the Contract.

**1.2 Order of Precedence**

The Contractor has studied and is familiar with the Contract. The Annexes form an integral part of the Contract. In the case of any discrepancies, ambiguities, or conflicts between or among the Contract documents, they shall prevail in the following order:

- (i) this contract document;
- (ii) Annex A – the GCCs;
- (iii) any applicable OSCE Purchase Order(s); and
- (iv) Annex B – Price Schedule.

### **1.3 Notices**

Any notices required under the Contract shall be submitted in writing to the following representative(s) of the applicable Party: (i) Sandra Milosavljevic, Chief of Fund Administration on behalf of the OSCE and (ii) \_\_\_\_\_ on behalf of the Contractor.

The Parties' respective technical contacts with respect to the general administration of the Services to be performed under the Contract shall be as follows:

OSCE's Contact Person(s): Ilgar Hasanov, Procurement assistant (ilgar.hasanov@osce.org)

Contractor's Contact Person(s): \_\_\_\_\_

The parties may at any time amend the contact details above by providing advanced, written reasonable notice of the amended contact details to the other party.

## **2 TERM OF THE CONTRACT**

### **2.1 Entry into Effect**

The Contract shall enter into force on the date upon which the Contract is last signed by all the Parties.

### **2.2 Contract Duration**

Unless terminated earlier in accordance with the provisions herein, the Contract shall expire in one (1) year from its entry into force.

### **2.3 Extensions**

The Contract may be extended by the OSCE on an annual basis up to an aggregate period not exceeding five (5) consecutive years. To exercise the annual option to extend, the OSCE shall notify the Contractor in writing at least thirty (30) Days prior to the expiration of the Contract.

## **3 SCOPE OF SERVICES**

The scope of the Services is specified in Annex "C" ('Description of the Services').

The Services shall be ordered under the Contract on an "as and when required" and non-exclusive basis, and the OSCE shall not guarantee the order of any minimum quantity of Services from the Contractor under the Contract, and reserves the right to order the same or similar services from any other source at any time during the Contract's duration. The requirements for any Services shall be solely at the discretion of the OSCE. The Contractor shall not claim to perform, nor shall the OSCE be obliged to pay for, any minimum amount of Services.

The Contractor shall only commence the provision of the Services upon execution of an OSCE Purchase Order.

## **4 PRICES AND PAYMENT**

### **4.1 Contract Prices**

The OSCE shall pay the Contractor in accordance with the Contract price rates specified in Annex "B" ('Price Schedule') attached hereto.

The prices include all expenses incurred for performing the Services including, but not limited to, the cost of all related equipment, tools, materials, delivery costs to the respective OSCE location, remuneration of the Personnel and all other compensation, insurance, income and other taxes and social dues as well as overheads, technical assistance, any and all travel and accommodation and supervision costs, and any and all other costs incurred by the Contractor for the purpose of performing the Services.

All prices are stated, and all payments shall be made, in EURO (€).

#### **4.2 Mode of Payments**

All payments under the Contract shall be made by the OSCE by electronic bank transfer to the bank account of the Contractor specified on the applicable invoice.

### **5 GENERAL CONTRACT PROVISIONS**

#### **5.1 Headings**

Clause headings are inserted for ease of reference only and do not form part of the conditions for the purposes of interpretation.

#### **5.2 Survival**

Any provisions intended by their nature to survive the Contract shall survive any performance, expiry or termination of the Contract, whether in whole or in part(s).

#### **5.3 Contract Copies**

The Contract is executed in two (2) copies in the English language, each of which is, for all legal purposes, to be regarded as an original.

#### **5.4 Due Authorization**

Each of the undersigned hereby represents to the other that they are authorized to conclude the Contract on behalf of its Party and to enter into the legally binding obligations arising out of the Contract.

IN WITNESS WHEREOF, the Parties hereto have executed the Contract.

Executed for the Contractor by:

Executed for the OSCE by:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_, \_\_\_\_\_

Chief of Fund Administration

Date\_\_\_\_\_

Date\_\_\_\_\_