

DEVELOPMENT FINANCIAL AND ACCOUNTING AUDITS

**FOR THE DIGITAL CABO VERDE PROJECT (IDA CREDITS Ref. V3050 and 6792-CV)
AND THE HARMONIZING AND IMPROVING STATISTICS IN WEST AFRICA
PROJECT (IDA CREDIT Ref. 6574-CV) FOR FISCAL YEAR 2024,**

AND

**FOR THE HEALTH SECURITY PROGRAM IN WESTERN AND CENTRAL AFRICA
(IDA CREDIT Ref. 7454-CV AND TRUST FUND 0C4266-CV) FOR FISCAL YEAR 2024.**

TERMS OF REFERENCE

Introduction

1. The Government of Cabo Verde has received from the International Development Association – IDA / World Bank (hereafter named “World Bank”), the Credits ref. V3050-CV (PPA) and 6792-CV to fund the **Digital Cabo Verde Project** aiming at strengthening Cabo Verde’s digital competitiveness foundations and improve the provision digital public service, the Credit ref. 6574-CV to fund the **Harmonizing and Improving Statistics in West Africa Project** aiming at strengthening statistics systems of participating countries and regional bodies in Africa to harmonize, produce, disseminate and enhance the use of core economic and social statistics, and the Credit ref. 6574-CV and TF 0C4266-CV to fund the **Health Security Program in Western and Central Africa** aiming at increasing regional collaboration and health system capacities to prevent, detect and respond to health emergencies in Western and Central Africa, and intends to apply part of the amount of said credits for: Development of Financial and Accounting Audits for the Digital Cabo Verde Project, Harmonizing and Improving Statistics in West Africa Project and Health Security Program in Western and Central Africa.

In order to coordinate the actions that should be executed throughout the Project, the Government has established the Management Unit for Special Projects (Unidade de Gestão de Projetos Especiais - UGPE) that ensures the coordination of all the activities needed for Project execution, especially the fiduciary management of the Digital Cabo Verde Project, the Harmonizing and Improving Statistics in West Africa Project and the Health Security Program in Western and Central Africa. The audit services will, under the present terms of references, be entirely funded by the above-referred IDA Credits Ref. 6792-CV, 6574-CV and 7454-CV.

The Digital Cabo Verde Project consists of the following components:

Component 1 - Enabling Legal and Regulatory Environment

This component will support the GoCV in improving the legal and regulatory environment for a digital economy. It will include technical assistance (TA) and capacity-building activities focused on telecommunications / broadband market regulations. More specifically, it will strengthen ARME's capacity to manage and continuously monitor the quality of service for fixed broadband Internet and mobile networks, release frequencies for mobile broadband, and establish regulation sandboxes to foster innovation in applications enabled by emerging technologies. These measures become particularly important in the context of the COVID-19 pandemic, which puts a significant strain on broadband networks, and are expected to make GoCV better prepared to respond to similar external shocks in future.

Subcomponent 1.1: Foundational and forward-looking ICT policies and regulations

(i) Regulatory impact analysis (RIA) of the effectiveness of regulatory tools and instruments, as a systemic approach to critically assess positive and negative effects of existing regulations and non-regulatory alternatives; (ii) TA to strengthen regulatory tools for ex-ante regulation on the wholesale and retail telecommunication markets (focused on the dominant position, asymmetric regulation for fixed and mobile broadband, cost models for fixed and mobile operators, margin squeezes, etc.); and (iii) TA to establish regulation sandboxes to pilot innovative applications based on new technologies. In the COVID-19 context, this TA will pay special attention to maximize the positive impact of digital technologies and will focus efforts on the reconfiguration and re-farming of spectrum access.

Subcomponent 1.2: Trustworthy digital pre-requisites: Cybersecurity and data protection is aimed to support enabling policies and regulations as well as adequate enforcement procedures to enhance trust in data transactions in the country, proven critical during the COVID-19 crisis. More specifically, this subcomponent will finance a TA to support the implementation of the Cybersecurity Policy and Strategy (covering data privacy and protection, data flows, cybersecurity legal framework, regulations and enforcement, freedom of information, and intellectual property).

Subcomponent 1.3: Improved institutional structure and capacity will support the GoCV's efforts in reforming two key public stakeholders in the country – NOSi and CVT. More specifically, it will finance the following: (i) TA to conduct technical, legal and financial audits of NOSi's legacy systems and infrastructure, financial asset valuation and the development of recommendations for effective management of the digital access network, with an overarching objective to operationalize NOSi 2.0 as a technology product manager, released from the ownership of digital infrastructure assets and related responsibilities; (ii) TA to develop a new Human Capital Strategy and Management Model designed to support NOSi's transformation into a more agile and competitive organization, fully equipped to monitor and interact with its employees, customers, suppliers and private sector partners in real time; and (iii) TA and consulting services to accompany the GoCV

during the implementation of CVT's repositioning, which has already been initiated, with a focus on exploring possible financing options and next steps.

Component 2: Digital Competitiveness

This component aims to better equip individuals and businesses across the country to be more competitive in the digital economy's job market and to spur innovation and productivity growth. To this end, this component supports the GoCV's efforts to strengthen key enablers of a dynamic digital economy, with a focus on digital connectivity, skills and entrepreneurship. A range of activities in this component have been redesigned to help the GoCV effectively respond to the COVID-19 crisis by ensuring education continuity and facilitating distance learning under subcomponent 2.2.

Subcomponent 2.1: Digital connectivity for education. The ongoing reform of the MOE places a high priority on the use of technology to improve the effectiveness and efficiency of service delivery as well as enhance the quality of education. This becomes particularly critical as the education system is impacted by the closure of all education establishments during the COVID-19 pandemic, resulting in an overwhelming recognition of the need for effective distance learning empowered by digital technologies. It is expected that improved Internet access and increased bandwidth in schools will enable the access to and the use of online education platforms and learning materials – the only available channels of learning during the general lock-down. In this context, this subcomponent will finance: (i) TA to conduct a feasibility study and prepare bidding documents to purchase additional broadband capacity for primary and secondary schools as well as undertake an evaluation of Weblabs I; and (ii) Purchase of international bandwidth in the wholesale market that will be delivered by existing operators to schools.

Subcomponent 2.2: Digital skills *including support for COVID-19 response in education.* With the aim of extending immediate support to the provision of distance learning in Cabo Verde following the COVID-19 crisis, this subcomponent includes financing for the following: (i) purchase of 700 tablets for new education staff; (ii) provision of Internet and mobile connectivity to education staff; (iii) production of video lessons for students. Beyond the immediate crisis response, this subcomponent focuses on the competitiveness of human capital in Cabo Verde, prioritizing digital skills of its youth. More specifically, it will finance activities related to the expansion and scale-up of Weblabs I. These include: (i) the purchase of equipment, supplies, and operating costs for the implementation of WebLabs II; and (ii) TA provided by NOSI to support the MOE in developing a new ICT curriculum for grades 5-8 and training ICT teachers, upgrading their skills and enabling them to deliver courses offered by WebLabs. This activity will integrate a gender lens across the offered training programs. Given the existing gender gap in the WebLabs, the program will work to ensure the completion rate among girls of at least 50 percent. First, the program will work with teachers to directly encourage girls' participation and will explore ways to disseminate information on the potential opportunities of computer science. Second, learning materials will be reviewed for potential gender biases and gender stereotypes. Third, the WebLabs will also explore ways to highlight and interact

with local female role models in technology. Modules on online safety, harmful digital content as well as appropriate online behavior for both young men and women will also be explored.

Subcomponent 2.3: Digital innovation and entrepreneurship ecosystem. This subcomponent will help streamline all digital economy initiatives of the GoTG through an overarching digital economy strategy and will contribute to the implementation of the Digital Cabo Verde Program, supporting digital start-ups. To this end, it will include three core elements: (i) TA to support the development of the Digital Economy Strategy; (ii) TA to support the implementation of the Digital Cabo Verde Program; and (iii) TA to scale the Code for All program.

Component 3: Digital Public Services and Marketplace

This component will support activities designed to boost the GoCV capacity to better deliver digital public services in G2G, G2B and G2P domains, particularly critical during the COVID-19. To that end, it will help transform and update existing government information systems for enhanced back office and service delivery, while enabling the scalability of selected cloud-based services and introducing new relevant business models in collaboration with the private sector. In the context of the COVID-19 crisis, some financing has been repurposed to support ComVida platform designed for the pandemic response. More specifically, component 3 will finance goods and services, particularly hardware equipment, traditional software and software as a service (including cloud services) as well as an accompanying TA and consulting services required for implementation.

Digital public platforms (their upgrade or integration) to be considered for financing include: (i) Single External Trade System – JUCE, which will aim to integrate information databases of various external trade players; (ii) e-Embassy (or Digital Consulate), digitizing databases of all embassies and consulates and making their services available online, thus facilitating the lives of Cabo Verdeans abroad, and ComVIDA platform developed to monitor the impact of COVID-19 and provide information to the general public on available resources, government response program, and disease awareness; (iii) Cloud Blockchain Platform that involves updating various legacy systems of the public administration to blockchain technology; (iv) Integrated e-ID, based on the full consolidation of databases of the national system of identification and civil authentication (Sistema Nacional de Identificação e Autenticação Civil, SNIAC) , registries and voters; (v) Digital one-stop shop for investors and people looking to do business in Cabo Verde, particularly aimed at attracting international investment from the diaspora; and (vi) Digital governance plan, aimed at supporting the implementation of various modernization actions by the public administration with priority given to digital public services, research and development, innovation and human resources empowerment.

Component 4: Project Implementation Support

This component will provide support for the management and implementation of project-associated activities. It will finance activities related to project management, including project coordination, procurement, financial management (FM), monitoring and evaluation, project communication, citizen engagement, and environmental and social safeguards. This component will also cover office equipment, incremental operating costs, and independent audits. Moreover, it will aim to finance additional staff required for overall project implementation, as well as staff specifically assigned to conduct fiduciary activities. This includes the recruitment of an individual digital economy project coordination advisor for the National Directorate of Telecommunications and Digital Economy (DGTED) under the Ministry of Finance (MOF), a project manager as well as safeguards, procurement and FM specialists assigned to the fiduciary PIU, also known as the Special Projects Management Unit (Unidade de Gestão de Projetos Especiais - UGPE). Special attention will be devoted to promoting women's equal participation in all decision-making bodies under the project and contributing to tackling barriers in their recruitment, retention and promotion.

Component 5: Contingent Emergency Response Component

In the context of the COVID-19 crisis, a Contingent Emergency Response Component (CERC) is added to the project structure to allow for quick disbursement of uncommitted balances as a response measure to any crisis (current or future). It will have an initial zero value but may be financed during the implementation of the project to allow for agile response to emerging events, with funds redirected from other components. Including CERC at the preparation stage, albeit with zero funding, provides for flexibility to respond to an imminent or actual emergency (such as COVID-19). The crisis response expenditures could cover, for instance, the facilitation of emergency payments to vulnerable groups of population using mobile money or ensuring the business continuity of core government functions, when civil servants are required to continue home-based work, or supporting MSMEs, particularly the most affected ones, to address their immediate liquidity challenges, reduce layoffs, and avoid bankruptcies. The CERC is not expected to finance civil engineering works that can induce risks and/or negative environmental and social impacts.

The Harmonizing and Improving Statistics in West Africa Project consists of the following components:

Component 1: Harmonized Core Economic Statistics

1.1. Carrying out: (i) labor force surveys to improve labor statistics systems; (ii) national household-based survey; and (iii) relevant sociodemographic surveys.

1.2. Improving the quality of key economic statistics in Participating Countries using

harmonized methodologies through inter alia: (A) design and implementation of a coherent system of enterprise statistics, including as needed through the financing of electronic platforms, and conducting of related data collection; (B) design and implementation of a comprehensive collection system of agricultural statistics, and conduct of related data collection; and (C) modernization of national accounts using said enterprise and agricultural statistics, and additional data to be collected, as well as related capacity-building, as needed.

1.3. Support: (A) the use of international standards on administrative data processing; and (B) the improvement of administrative data sources in Participating Countries, each through inter alia: support for the collection, analysis and dissemination of data, the establishment of research sites, coordination activities with NSOs and local implementing entities, goods and services necessary for the required purpose, or Training, as needed.

1.4. Enhancing the use of big data and disruptive technologies in Participating Countries' data collection and monitoring.

1.5. Enhancing data accessibility and dissemination through inter alia the creation of national databases and the development or update of web-based apps and platforms in Participating Countries.

1.6. Enhancing human capital resources in statistics through inter alia, creating formal academic programs, statistics Training, capacity-building of relevant NSO and government staff, and technical assistance in data production, use and analysis.

Component 2: Country-Specific Component - Improving or Modernizing Physical and Statistical Infrastructure.

Improve information and communications Technology infrastructure through: (A) the design and implementation of an information and communications technology strategy and data platform; and (B) purchase and installation of equipment and services necessary to NSO for data access and dissemination.

Component 3: Project Management and Monitoring and Evaluation

Supporting Project management and implementation, including for fiduciary matters, environmental and social safeguards, procurement, communication, planning, audits, support to the relevant Project management support in each Participating Country and Regional Body, monitoring and evaluation, and Operating Costs.

The Health Security Program in Western and Central Africa consists of the following components:

Component 1. Prevention of Health Emergencies (US\$4.33 million). This component aims to scale-up the region's capacities to prevent health emergencies through strengthened planning and management of health security resources and preventing and minimizing the impacts of health threats such as zoonoses and AMR.

Subcomponent 1.1 Health Security Governance, Planning, and Stewardship. At the regional level, this subcomponent will support (i) mapping of regional and national resources for prevention, detection, and response to health emergencies; (ii) alignment of development partners and financing to country needs and priorities for health security; (iii) standardized regulations supporting the handling and transfer of biological materials (e.g., specimen sample transportation); and (iv) regional, cross-border and national information sharing, as well as coordination of core prevention, detection, and response capacities. At country level, the subcomponent will support countries' prioritization, coordination, regulation, management, and monitoring of national health security agendas that are aligned with regional and global targets. Regional level support will also review/support the required governance, legal and regulatory authorities in place for NPHIs including institutional capacity support. This encompasses extensive technical support to the development and management of National Action Plans for Health Security (NAPHS); and support to the review of public health laws, policies, and regulations (e.g., updating legal frameworks to operationalize health emergency management and response efforts outlined in multisectoral, multi-hazard national plans). Benefitting from the adaptive MPA approach, this subcomponent will support the monitoring of IHR core capacities using tools such as the Joint External Evaluation (JEE) and PVS Pathway, particularly at borders and PoE, to inform planning and priority setting.

Subcomponent 1.2 Scaling-up One Health Agenda and combatting AMR. This subcomponent is dedicated to the multisectoral collaboration embedded in the One Health approach (the intersection of animal, environmental, and human health) and aimed at preventing spillover events, considering the growing threat of zoonoses-related outbreaks, with attention to AMR and vector-borne diseases affected by climate change. Program supported activities would establish and strengthen One Health coordination mechanisms at subnational, national, and regional levels involving stakeholders from human, animal and environment sectors. The subcomponent will finance the: (i) development, prioritization, and operationalization of multisectoral, regional One Health and AMR action plans (with a gender focus) and (ii) development, dissemination, and monitoring of guidelines and regulations for prevention including optimizing antibiotic use in animal and human health sectors, sanitary animal production practices,¹ and water, sanitation, and hygiene practices (WASH) including use of the Water and Sanitation for Health Facility Improvement Tool (WASH FIT). Supported activities on dissemination of these prevention practices will include community engagement to improve uptake and contextualize interventions to community needs with a gender lens to maximize focus on equity and inclusion.

¹ In line with the Africa Centers for Disease and Control Framework for Antimicrobial Resistance; 2018-2023.

Component 2. Detection of Health Emergencies (US\$10.89 million equivalent). This component aims to strengthen capacities required to timely detect possible health threats through multisectoral surveillance systems and mechanisms for data sharing within and across borders, strong regional laboratory networks and the multisectoral and integrated workforce required to enable early detection of health emergencies.

Subcomponent 2.1. Collaborative Surveillance.² This subcomponent will focus on strengthening multisectoral and integrated surveillance capacities (including indicator and event-based surveillance), particularly for epidemic-prone diseases, climate-sensitive diseases, and unusual health events. *Activities at cross border and national levels* relate to real-time monitoring and quality improvement for early detection and response, following the 7-1-7 metrics,³ and will operationalize early warning surveillance systems in One Health sectors (animal, environment, and human health), with an emphasis on PoE. Early warning surveillance systems will focus on engagement of community-level actors (with attention to vulnerable populations – including women). In addition to data collection and management for disease surveillance, the subcomponent will support training and tools for data analysis, and platforms for information sharing at all levels (community, national, and regional) and across One Health sectors. This capacity building will aim to strengthen linkages between community, national, and regional surveillance systems, to improve the rapidity with which data on potential health threats are shared within and across countries. Program supported activities will include training and logistics support (i.e., transport) to strengthen capacity for event verification, investigation, and risk assessment to inform the level of threat and response - as well as support to the Field Epidemiology Training Program (FETP) at basic, intermediate, and advanced levels. Efforts will build on gains in national and cross-border regional surveillance activities across One Health sectors including PoE, with an emphasis on data sharing and feedback loops to ensure effective data usage for decision-making.

Subcomponent 2.2. Laboratory Quality and Capacity. This subcomponent will focus on enhancing the quality of laboratory systems to ensure timely and accurate identification and characterization of pathogens. Importance will be placed, at both regional and national levels, on ensuring that laboratories implicated in human, animal, or environmental health function in an integrated fashion to ensure the One Health approach is operationalized and maximize sharing of materials/supplies and transportation capacities across sectors and countries. Expanded laboratory capacity would also focus on the ability to carry out surge testing and build capacity for genomic sequencing in AFW with sharing of information across countries to inform surveillance and risk assessment related activities. Regional level activities aim to strengthen regional interconnected laboratory networks and the requirements to test for specialized pathogens and conduct quality control by supporting

² WHO defines Collaborative surveillance as “Collaborative surveillance is the systematic strengthening of capacity and collaboration among diverse stakeholders, both within and beyond the health sector, with the ultimate goal of enhancing public health intelligence and improving evidence for decision-making”.

³ Health emergency detected within 7 days, notified within 1 day, and responded to within 7 days.

the establishment and implementation of regional laboratory protocols, biosafety and biosecurity guidelines, regional standards, guidance, and material transfer agreements for cross country specimen transportation. National level activities include efforts to strengthen laboratory information management systems (LIMS), support public health laboratory accreditation efforts, expand laboratory and diagnostic coverage through necessary laboratory infrastructure and laboratory supplies for testing for a variety of pathogens, and include national public health laboratory systems as part of the in-country early warning system.

Subcomponent 2.3. Multi-disciplinary human resources for health emergencies. This subcomponent aims to strengthen workforce capacities required to prevent, detect, and respond to health emergencies – across the spectrum of human, animal, environmental, and public health. This workforce spans frontline health (e.g., Community Health Workers (CHWs), nurses, midwives, physicians); public health (e.g., disease surveillance officers, epidemiologists, biostatisticians, laboratory technicians); animal health (e.g., veterinarian and wildlife health officers, animal health epidemiologists, veterinary paraprofessional, community animal health workers); environmental health (e.g., food safety officers, environmental health specialists); and multisectoral surge workforce plans in the event of health emergency. At the regional level, activities include support to the regional harmonization of competency standards, regional education and training programs including continuous support to the Field Epidemiology and Laboratory Training Program (FELTP) at national and subnational levels, regional veterinary paraprofessional workforce development program, as well as for regional health emergency rapid response teams. National level supported activities will focus on strategic resource planning to support medium to longer term staffing, including multidisciplinary One Health workforce plan development (i.e., field visits for data collection on workforce, relevant stakeholder meetings, etc.) and implementation (i.e., curriculum development; training for cadres at subnational, national, and regional levels, including on topics such as infection, prevention, and control (IPC); mobilization of resources for worker incentives, budgeted positions, etc.).

Component 3. Health Emergency Response (US\$12.58 or equivalent). This component aims to build and sustain capacities that can prevent and prepare for an outbreak from becoming an epidemic or pandemic, through a focus on disease control and effective health emergency response.

Subcomponent 3.1. Health Emergency Management. This subcomponent will focus on the management capacities required at *subnational, national, and regional levels* to respond to public health threats. This includes support to development of and/or monitoring and support to national multi-hazard, multisector plans and maintaining and operationalizing standard operating procedures. The focus will be on multisectoral response mechanisms that link One Health, security, and social sector authorities to design and implement response to health emergencies (i.e., travel-related measures, border

policies, lockdowns, social supports, etc.); support the establishment and functioning of public health emergency operations centers (PHEOCs); access to countermeasures through strengthening emergency logistics and supply chains, including supply chain monitoring, stockpiling, and procurement plans at national and regional levels, and management and deployment of national and regional surge workforces. For the stewardship of these response structures and tools – i.e., multisectoral response mechanisms, PHEOCs, supply chains, surge workforce management – supported activities will include logistics and technical support for meetings, training, infrastructure, and simulations/tabletop drills to regularly test capacities. Finally, this sub-component will support Intra-Action Reviews (IAR) as well as Rapid After-Action Reviews that collect and disseminate findings to key stakeholders across sectors at national levels and through cross-country/regional collaboration.

Subcomponent 3.2. Health service delivery for health emergencies. This subcomponent focuses on health systems' response to health emergencies, including the maintenance of essential health services. Activities include the development &/or updating of contingency plans that will also address relevant climate exposures such as high temperatures or flooding, patient referral systems/networks of facilities to be activated in health emergencies, innovations (i.e., telemedicine), as well as strengthening of information systems (i.e., digital systems for health records, health workforce, supply chains, etc.). To strengthen health facility response in the event of a health emergency, investments for “epidemic ready” health facilities including one-off capital investments such as green and resilient measures,⁴ IPC requirements and adaptability for surge capacity (e.g., WASH facilities, isolation areas, ventilation, electricity). This subcomponent also supports broader health systems response, such as case management, point of care testing (where feasible), design and implementation of multisectoral risk communication and community engagement (RCCE) strategies with a focus on vulnerable populations (i.e., training for risk communication, logistics support for health services demand generation, platforms for community engagement spanning digital, radio, schools, etc.). Cross border RCCE activities include regional or multi-country strategies focused PoE given high levels of migration within the region and the need to engage mobile communities across borders. The subcomponent also supports regional training on a minimal initial service package in sexual and reproductive health in the context of public health emergencies.

Component 4. Program Management and Institutional Capacity (US\$1.2 million equivalent). This component will support the critical building blocks for strong implementation and coordination required for implementing a regional program. Specific institutional capacity building activities at national and regional levels include program coordination, hands-on technical assistance for improving contract management (e.g.,

⁴ Examples include energy-efficient upgrades include structural improvements, roofing, electrical safety, improvements in lighting, telecommunications, plumbing and water storage as well as the inclusion of ramps to facilitate access for people who are disabled. Minor refurbishments to existing health facilities will benefit, when possible, from energy-efficient ventilation and air conditioning systems which reduce these related costs and enhance IPC, as well as other energy efficient and cost saving investments.

hands on extended implementation support or other fiduciary coaching), monitoring and evaluation (data collection, tracking, reporting and knowledge management), procurement, financial management (FM) and disbursement monitoring, management of social and environmental risks, including climate change (e.g., capacity building, monitoring and evaluation). This component will also finance personnel (consultants) for project execution at national and regional levels as appropriate to the context. Regional coordination platforms (coordinated at the regional level through the Regional Steering Committee - RSC) for knowledge sharing and promotion of cross-country learning in specific technical areas (e.g., community-based surveillance, NPHIs) among the implementing entities and collective monitoring of implementation status. Finally, related operating expenses and equipment will also be financed under this component.

Component 5. Contingency Emergency Response Component (CERC) (0.0 million). This no cost component will facilitate access to rapid financing by allowing for the reallocation of uncommitted project funds in the event of a public health emergency in a country, either by a formal declaration of a national emergency or upon a formal request from the government of participating countries. Following an eligible crisis or emergency, the government may request the World Bank to reallocate project funds to support emergency response and reconstruction. A CERC Manual and Emergency Action Plan, acceptable to the World Bank, will be prepared and constitute a disbursement condition for this component.

The World Bank's Audit rules require, annually, a financial report and the audit of Project's accounts, of Designated Account and of the Statement of Expenditure (SOEs). In this perspective, independent external auditors are required.

The Project's financial statements, carried out by the UGPE are prepared to give account of the set of the Project financial transactions that comprises the following funding sources: IDA Credits V3050 (PPA) and 6792-CV for Digital Cabo Verde Project, IDA Credit 6574-CV for Harmonizing and Improving Statistics in West Africa Project and IDA Credit ref. 6574-CV and TF 0C4266-CV for Health Security Program in Western and Central Africa.

Objective

2. The objective of the audit of the project's financial statements is to enable the auditor to express a professional opinion on the Digital Cabo Verde Project and the Harmonizing and Improving Statistics in West Africa Project financial positions as at the end of fiscal year 2024, and the Health Security Program in Western and Central Africa financial position as at the end of fiscal year 2024, and of the income and expenditure for the accounting period ending on that dates. The project's books of account provide the basis for preparation of the financial statements and are established to reflect the financial transactions in respect of each project.

Responsibility for preparation of financial statements

3. The UGPE is responsible for the preparation of financial statements, including the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, the safeguarding of the assets of the project, and adequate disclosure. As part of the audit process, the auditor will request from management written confirmation concerning representations made to us in connection with the audit.

Scope

4. The audit will be conducted in accordance with [International Standards on Auditing](#). Those Standards require that the auditor plans and performs the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.
5. In complying with International Standards on Auditing, the auditor is expected to pay particular attention to the following matters, including special considerations for public sector entities:
 - (a) In planning and performing the audit to reduce audit risk to an acceptably low level, the auditor should consider the risks of material misstatements in the financial statements due to fraud, as required by International Standard on Auditing 240.
 - (b) When designing and performing audit procedures and in evaluating and reporting the results thereof, the auditor should recognize that noncompliance by the entity with laws and regulations may materially affect the financial statements, as required by International Standard on Auditing 250.
 - (c) The auditor should communicate audit matters of governance interest arising from the audit of financial statements to those charged with governance of an entity, as required by International Standard on Auditing 260.
 - (d) The auditor should appropriately communicate to those charged with governance and to management any deficiencies in internal control that the auditor has identified in an audit of financial statements, as required by International Standard on Auditing 265.
 - (e) To reduce audit risk to an acceptably low level, the auditor should determine overall responses to assessed risks at the financial statement level, and should design and perform further audit procedures to respond to assessed risks at the assertion level, as required by International Standard on Auditing 330.
 - (f) When certain aspects of an entity's operations are performed by a third-party service provider, the auditor is expected to include an understanding and assessment of the internal control environment of the service provider during the audit process, as required by International Standard on Auditing 402.
 - (g) As part of the audit process, the auditor is expected to obtain written representations from management and, where appropriate, those charged with governance, as required by International Standard on Auditing 580.

- (h) When the external auditor decides to use the work of an entity's internal audit function to modify the nature or timing, or reduce the extent, of audit procedures to be performed directly by the external auditor, the determination shall be in accordance with International Standard on Auditing 610.
 - (i) In determining whether to use the work of an auditor's expert or the extent to which the work of an auditor's expert is adequate for audit purposes, the determination shall be made in accordance with International Standard on Auditing 620.
6. In evidencing compliance with agreed project financing arrangements, the auditor is expected to carry out tests to confirm that:
- (a) 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. Relevant financing agreements include IDA Credits ref. V3050-CV, 6792-CV, 6574-CV, 7454-CV and TF 0C4266-CV.
 - (b) Counterpart funds have been provided and used in accordance with the relevant financing agreements, with due attention to economy and efficiency, and only for the purposes for which they were provided.
 - (c) Goods, works, and services financed have been procured in accordance with relevant financing agreements,⁵ including specific provisions of the [World Bank Procurement Framework](#).
 - (d) All necessary supporting documents, records, and accounts have been maintained in respect of all project activities, including expenditures reported using Statements of Expenditure (SOE) or Interim Unaudited Financial Statements (IFS) methods of reporting. The auditor is expected to verify that respective reports issued during the period were in agreement with the underlying books of account.
 - (e) The Designated Account is managed taking into consideration the provisions of the financing agreement; and funds disbursed out of the Accounts were used only for the purpose intended in the financing agreement;
 - (f) The project accounts were prepared on the basis of systematic application of the norms of the Accounting Normalization and Financial Reporting System (SNCRF) and provide a faithful image of the Project's financial situation at the end of each fiscal year as well as of the resources received and expenses made during the fiscal year ended on these dates;

⁵ Depending on the complexity of procurement activities, the auditor may consider involving technical experts during the audit engagement, in compliance with provisions of International Standard on Auditing 620. Consideration of using of the work of experts should be brought to the early attention of the borrower and the World Bank for mutual agreement and appropriate guidance.

- (g) The project's fixed assets are real and correctly assessed and the project's property right or the beneficiaries over these assets are established according to the financing agreement;
- (h) The ineligible expenditures in the request for Designated Account replenishment identified during the audit were reimbursed to the Designated Account. These expenditures will be subject of a separate note in the audit report;

Project financial statements

7. The auditor should verify that the financial statements have been prepared in accordance with [International Public Sector Accounting Standards](#). The financial statements of each Project should include:
- (a) A statement of financial position;
 - (b) A statement of resources (funds received from IDA) and the uses (expenditures incurred during the fiscal year);
 - (c) A statement of financial performance;
 - (d) A cash flow statement;
 - (e) A comparison of budget and actual amounts either as a separate additional financial statement or as a budget column in the financial statements;
 - (f) A statement of Designated Account transactions;
 - (g) Notes, comprising a summary of significant accounting policies and other explanatory notes.
 - (h) The list of fixed assets acquired or purchased by the Project funds;

The auditor shall present in the annex of the financial statements a reconciliation of the funds received by the Project coming from the IDA/World Bank on one hand, and the funds disbursed by the IDA/World Bank, on other hand.

Review of Statements of Expenditure and Interim Unaudited Financial Statements

8. The auditor is required to audit all SOE/IFS submitted to the World Bank in support of requests for periodic replenishment of the project designated account(s). Expenditures should be examined for eligibility based on criteria defined in the terms of the financing agreement and detailed in the Project Appraisal Document. The auditor should report any ineligible expenditures identified as having been included in withdrawal applications and reimbursed.

Review of designated accounts

9. During the audit of the project financial statements, the auditor is required to review the activities of the project's designated account(s). Activities to be examined will include deposits received, payments made, interest earned, and reconciliation of period-end balances.

Audit Reports

Audit opinion

10. The auditor will issue an audit opinion on the financial statements. The auditor's opinion shall be based on an evaluation of the conclusions drawn from the audit evidence obtained and shall be expressed clearly through a written report that also describes the basis for that opinion. The audit report shall be prepared in accordance with International Standard on Auditing 700.
11. A modified audit opinion shall be rendered in the financial statements when the auditor concludes, on the basis of the audit evidence obtained, that the financial statements as a whole are not free from material misstatement; or the auditor is unable to obtain sufficient appropriate audit evidence to conclude that the financial statements as a whole are free from material misstatement. Modified audit opinions shall be in accordance with International Standard on Auditing 705.
12. The auditor will include emphasis of matter paragraphs or other matter paragraphs in the audit opinion where the auditor, having formed an opinion on the financial statements, seeks to draw users' attention, when in the auditor's judgment it is necessary to do so, by way of clear additional communication in the auditor's report. The paragraphs will refer to either a matter that, although appropriately presented or disclosed in the financial statements, is of such importance that it is fundamental to users' understanding of the financial statements; or as appropriate, any other matter that is relevant to users' understanding of the audit, the auditor's responsibilities, or the auditor's report. This form of opinion will be presented in accordance with International Standard on Auditing 706.
13. The auditor will also give an opinion on the mobilization and use of funds by the project.

Other audit reports

14. In addition to the audit opinion, the auditor will also, either in the audit report or in the report to management:
 - (a) provide comments and observations on the accounting records, systems, and controls that were examined during the course of the audit;
 - (b) identify specific deficiencies and areas of weakness in systems and controls and make recommendation for their improvement;
 - (c) report on instances of noncompliance with the terms of the financial agreement(s);
 - (d) quantify and report expenditures that are considered to be ineligible and either paid out of the designated account(s) or claimed from the World Bank;
 - (e) communicate matters that have come to attention during the audit that might have a significant impact on the implementation of the project;
 - (f) comments on unimplemented recommendations from the previous letter of recommendations

- (g) draw to the borrower's attention any other matters that the auditor considers pertinent; and
 - (h) responses from management, including implemented and proposed remedial actions.
15. The auditor's opinion on the financial statements and management letter should be received by the Bank no later than six months after the end of each fiscal year.

General

16. The auditor is entitled to unlimited access to all information and explanations considered necessary to facilitate the audit, including legal documents, project preparation and supervision reports, reports of reviews and investigations, correspondences, and credit account information. The auditor may also seek written confirmation of amounts disbursed and outstanding in the Bank records.
17. The auditor is encouraged to meet and discuss audit-related matters, including input to the audit plan, with the World Bank project task team.
18. It is highly desirable that the auditor reviews the Bank's financial reporting and auditing requirements contained in OP 10.00 Investment Project Financing, Bank Policy: Program for Results Financing, and OP 8.60 Development Policy Lending. The auditor should also be familiar with the Disbursement Guidelines for Investment Project Financing (February 2017), the Loan Handbook for World Bank Borrowers (February 2017), and the World Bank's Procurement Framework (July 2016 revised in November 2020).

The Auditor quality

The consultant must be an independent Audit and Accounting Expertise Firm, doing the usual job of the accounts review, regularly registered in the Chartered Accountants Association recognized at the international level by IFAC or FIDEF, having a confirmed experience in financial audit of development projects and acceptable by the IDA.

The mission's key staff shall at least comprise:

- (1) 1 Certified Public Accountant partner responsible of the mission having at least 15 years' experience in financial audit and having good knowledge of the procedures of fiduciary management and audit of projects funded by the World Bank;
- (2) 1 Head of mission having at least a Degree level BAC+5 or more in auditing, accounting and possessing at least 10 years' experience in financial audit;
- (3) 2 Juniors having at least a Degree level BAC+5 or more in auditing, accounting and possessing at least 3 years' experience in financial audit;
- (4) 1 Procurement specialist possessing at least 5 years' experience in procurement.

Duration

It is expected that the volume of global intervention in terms of budget-time and resources (man-months) will be defined and justified in the auditor's submission. However, the candidates are requested to note that the average in Cabo Verde for similar audits do not generally exceed the 300 man/hour.

Auditor's Qualification

The auditors shall have a vast experience in auditing and shall also have a great knowledge and a previous experience of the World Bank norms and of other donors concerning the audit of projects.

The working language is Portuguese and the reports shall be written as follows: two copies in English or French and one copy in Portuguese.

The auditor will submit the report to the Project Coordinator before June 10 of each fiscal year. This agent will send the audit report accompanied by the financial statements to the Bank including the letter of internal control.