

**REQUEST FOR PROPOSALS FOR CO-SOURCING INTERNAL AUDIT
SERVICES**

January 2026

Table of Contents

BIDDING INSTRUCTIONS	3
A. Introduction.....	4
1. About Shelter Afrique Development Bank.....	4
2. Shelter Afrique Development Bank’s Internal Audit Function	4
3. Purpose of the request for proposals	4
B. Terms of Reference.....	5
1. Scope of Work.....	5
2. Expected Deliverables	6
3. Specifications of Skills Required	6
C. Administrative and Procurement Instructions.....	7
1. Eligibility Criteria	7
2. Evaluation Criteria	7
3. Proposal Format.....	8
4. Submission Procedure.....	9

BIDDING INSTRUCTIONS

Submission Deadline:	The Proposal shall be submitted duly signed by authorized signatory no later than 5 p.m. on 13th February 2026 .
Assignment:	Co-Sourced Internal Audit Services
Issued by:	SHELTER AFRIQUE DEVELOPMENT BANK Longonot Road, Upper Hill P.O Box 41479 – 00100 Nairobi, Kenya Website : www.shelterafrique.org
Mandatory Supporting Documents:	<ol style="list-style-type: none"> 1. Operating license and/or certificate of incorporation. 2. Tax compliance certificate. 3. Declaration of independence and absence of conflict of interest. 4. Declaration of Sanctions and Debarment Status. 5. CVs of the proposed audit team, a comprehensive profile of the firm, evidence of relevant audit track record, references for previous similar assignment.
Method of Submission:	<p>Bidders must submit the technical and the financial proposals in two (2) separate PDF files by email to: procurement@shelterafrique.org.</p> <p>The financial proposal must be password protected, and the password should be sent in a separate email on 15th February 2026. The subject of the email should read: “Access Information for IA Financial Proposal”.</p>
Proposal Validity Period:	Proposals must remain valid for 90 days from proposal submission deadline.

A. Introduction

1. About Shelter Afrique Development Bank

Headquartered in Nairobi, Kenya, Shelter Afrique Development Bank (ShafDB) is the Pan-African Multilateral Development Bank (MDB) dedicated to promoting and financing housing, urban development and related infrastructure.

ShafDB operates through a shareholding of 44 African Governments and two institutional shareholders: the African Development Bank (AfDB) and the Africa Reinsurance Corporation (Africa-Re).

2. Shelter Afrique Development Bank's Internal Audit Function

ShafDB's Internal Audit Function (IAF) plays a critical role in strengthening the organization's ability to generate, safeguard, and maintain value. Its mission is to provide the Board and management with independent, risk-based, and objective assurance, advice, insight, and foresight that reinforce sound governance, strengthen internal controls, and support the achievement of ShafDB's strategic goals.

The IAF fulfills this mission by working collaboratively with management and staff to anticipate emerging risks and support the development of preventive and responsive measures. Through proactive, value-driven assurance and advisory services, the IAF enhances the effectiveness of governance, risk management, and internal control processes.

3. Purpose of the request for proposals

ShafDB seeks to complement its in-house Internal Audit Function (IAF) by engaging a co-sourced Internal Audit Partner with demonstrated expertise extending beyond traditional audit services—including operational, compliance, financial, fraud, and IT audits—to provide strategic insights, forward-looking risk perspectives, and support for performance enhancement and business process improvements. In this context, ShafDB invites suitably qualified and experienced service providers to submit proposals to provide Internal Audit services for a three-year period commencing in **March 2026**.

B. Terms of Reference

1. Scope of Work

The Co-Sourced Internal Audit Partner (“the Firm”) will support ShafDB’s Internal Audit Function (IAF) in delivering an independent, risk-based, and value-adding internal audit service. The Firm shall provide technical expertise, sector knowledge, and advisory capability across the full audit lifecycle while adhering to the International Standards for the Professional Practice of Internal Auditing (IIA Standards), King V on corporate governance and other best practices.

a) Audit Planning & Risk Assessment

The Firm will support the IAF in:

- Conducting an annual enterprise-wide risk assessment.
- Developing or updating the strategic plan and the risk-based annual internal audit plan.
- Assessing emerging risks.
- Updating the audit universe and risk ratings.

b) Execution of Internal Audit Engagements

The Firm will conduct audits in collaboration with the IAF across domains including, but not limited to:

- Credit, Investment, Market Development & Deal Origination.
- Treasury & Financial Risk Management.
- Operational Audits.
- IT & Cybersecurity Audits.
- Regulatory & Compliance Reviews.
- Fraud Risk Management & Forensic Support.

c) Advisory & Value-Added Services (Non-Assurance)

Without compromising independence, the Firm will provide advisory support that adds value to ShafDB’s business processes by offering management in-depth knowledge, strategic insight, and critical analysis to enhance decision-making and contribute to the achievement of the organisation’s strategic objectives. Such value-added services may include:

- Benchmarking against industry and DFI best practices.
- Identifying opportunities for process re-engineering, simplification, and automation.
- Supporting the design or enhancement of policies, procedures, and internal control frameworks.
- Advising on emerging risks, trends, and innovations in the industry, digital transformation, and governance and supporting the enhancement of risk management frameworks.
- Providing training and capacity-building support to the IAF and relevant departments.
- Strengthening the IAF through enhancements to governance, processes, tools, templates, reporting frameworks, and quality assurance.

2. Expected Deliverables

The Firm shall:

- Produce audit files, working papers, and evidence.
- Submit draft and final audit reports.
- Present reports to management and/or the Audit Committee as required.

3. Specifications of Skills Required

The following qualifications or specialized knowledge/experience are required:

- Suppliers must have provided similar services to a development finance or an equivalent institution and will be required to submit examples of comparable assignments, including deliverables or case studies (subject to the firm's internal policies and client confidentiality requirements). Experience in banking, infrastructure lending, and investment sectors is required.
- The engagement leader and team must have demonstrated experience in conducting internal audits in accordance with the guidance issued by the Institute of Internal Auditors (IIA). All auditors assigned to the services for ShafDB must hold a CPA, CIA, or CISA designation, or be directly supervised by a CPA, CIA, or CISA.
- Subject-matter experts (SMEs) for the respective auditable areas are required.
- Specialized IT auditors with expertise to perform IT audits across all relevant areas are required.

C. Administrative and Procurement Instructions

1. Eligibility Criteria

Bidders must meet all the following minimum requirements to be considered for detailed technical and financial evaluation. Failure to meet any single requirement will result in disqualification.

- The bidder must submit the mandatory supporting documents listed in the Bidding Instructions.
- The firm must demonstrate proven experience in auditing international or multinational organizations within the financial services sector and/or the Development Finance Institution (DFI) industry.
- The Bidder must not be concurrently engaged by ShafDB as an external auditor.

2. Evaluation Criteria

The proposals submitted will be evaluated based on the following criteria:

No.	Criteria	Maximum Score
1.	Demonstrated relevant capacity and experience in providing internal audit services to international or multinational financial institutions and development finance entities comparable to ShafDB within the past five (5) years.	15
2.	Alignment of the proposed internal audit services to the scope and expectations of ShafDB outlined in the terms of reference presented in section B.	25
3.	Audit team member's qualifications and technical expertise and experience.	25
4.	Established an internal Quality Assurance and Improvement Program (QAIP) in accordance with IIA Standards and demonstrated the ability to conduct internal audit quality assurance reviews.	5
Total Score for the Technical Proposal		70
5.	Value and cost of the proposal	30
Total Score for the Financial proposal		30
Total Score		100

The evaluation will be conducted based on a combination of **professional competence** and **financial competitiveness**. The contract will be awarded to the bidder achieving the highest combined score derived from the technical and financial evaluations, applying the following weightings:

i) Technical Proposal: 70% (Seventy percent)

ii) Financial Proposal: 30% (Thirty percent)

ShafDB reserves the right to determine whether interviews will be conducted with any or all shortlisted bidders. Such interviews may be used to further assess a bidder's capability to perform the assignment, the proposed approach to delivering the required services, and any other relevant evaluation criteria. The proposed Lead Partner, along with all key personnel designated for the assignment, must be available to participate in the interview if requested.

Shelter Afrique also reserves the right to negotiate the remuneration of the selected firm or personnel in line with the approved budget.

3. Proposal Format

Proposals should be submitted in two parts:

- i) Technical proposal** – detailing the firm's approach, methodology, team qualifications, experience, quality control mechanisms, independence measures, and other relevant information.

This should include, at a minimum, the following:

- Mandatory supporting documents as specified in the Bidding instructions.
- General information about the bidding firm including but not limited to a brief history of the firm, background information about the principals of the company and profile of the types of accounts and clients for which your firm presently provides internal auditing services.
- Brief statement of the Firm's understanding of the services ShafDB is seeking to procure.
- Audit methodology and approach.
- Capacity and experience of the firm and its proposed team members.
- Examples of comparable assignments, including deliverables or case studies (subject to the firm's internal policies and client confidentiality requirements).

- Description of the firm's quality control mechanisms, demonstrating that adequate policies and procedures are in place in compliance with Internal Audit Standards issued by the Institute of Internal Auditors.
- Explanation of how the firm will ensure the independence and objectivity of the audit.
- Details of the involvement of other specialists and experts, if applicable.

ii) Financial Proposal – providing a detailed breakdown of costs, including audit fees, manpower and charge rate per hour by grade and out-of-pocket expenses.

The financial proposal must be submitted as a separate document from the technical proposal. All amounts should be quoted in **Kenyan Shillings (KES)**. If proposals are submitted in other currencies, the applicable exchange rate must be clearly indicated.

4. Submission Procedure

Both the technical and financial proposals should be submitted by **5:00 PM** (East African time – GMT + 3) on **13th March 2026**. Any submission received after the above date and time will not be considered.

The financial proposal must be password protected, and the password should be sent in a separate email on 15 February 2026. The subject of the email should read: “Access Information for Financial Proposal”.