Request for Proposal (RFP)

For: Provision of External Audit Services for the Ground Handling Project at Khost International Airport (FY 2025)

Date: 13 September 2026

1. Overview of Balkh Air Services (BAS)

Balkh Air Services (BAS) is a specialized aviation ground handling company established for the purpose of improving and accelerating operational standards and ground support efficiency in Afghanistan through international best practices. The Khost International Airport Ground Handling Project was established under a formal agreement with the Ministry of Transport and Aviation (MoTA) to ensure the financial integrity and operational transparency of aviation services in the region. BAS is recognized for its commitment to international Tier-1 requirements and is currently modernizing its fleet and frameworks to align with ISAGO and ISO certifications.

The mission of the Khost International Airport Ground Handling Project is to expand and improve the quality of aviation services, including passenger and ramp handling, while maintaining a central point for revenue collection and technical excellence. Each phase of the project strengthens the institutional capacity to undertake complex airport operations and rapidly expands the scope of safe, efficient ground support for international and domestic airlines.

2. Introduction & Audit Objectives

The primary objective of this assignment is to express an independent professional opinion on the financial statements of the Ground Handling (GH) project for the fiscal year 2025. The audit provides independent assurance to confirm financial accuracy, identify operational gaps, and check system controls.

Scope of Services includes full examination of accounts (Financial Position, Income, Cash Flow, and Equity), verifying that transactions are backed by proper verifiable data, and performing joint bank account reconciliations to ensure full compliance with the formal MOTA project agreement.

3. Tender Conditions & Contractual Requirements

3.1 Contracting & Duration: By submitting a tender response, the firm agrees to be bound by the rules of this RFP and the underlying final contract. The required audit assignment, including the delivery of the finalized management letter and report, must be completed within four (4) weeks of the contract award.

3.2 General Policy Compliance: Bidders confirm that they will strictly comply with all applicable financial laws, state codes of practice, and BAS manuals (including Anti-Fraud, Procurement, and Financial controls).

3.3 Modification & Rejection: Proposals must be clean and completed in full. BAS shall reject any tender response that contains data omissions, uncompleted sections, handwritten edits that lack an authorized signature, or late deliveries received after the formal deadline.

3.4 Disqualification Rules: Any attempt by a bidder to fix prices, collude with other networks, engage in direct or indirect canvassing, or obtain inside information regarding the evaluation panel will result in immediate disqualification from the procurement process.

3.5 Bid Opening Requirements: During the bid opening session, all company representatives are required to present the following original documents for verification:

- **Official Photo Identification:** Electronic ID or passport.
- **Business License:** A valid copy of the company's current operating license.
- **Tax Clearance Certificate:** A valid, up-to-date tax clearance certificate issued by the relevant authority.
- **Official Introduction Letter:** A formal letter from the bidder's company authorizing the individual to act as the official focal point for the bidding procedure.
- **Company Stamp:** Must be available on-site for the formal authentication of bid documents.

4. Confidentiality & Information Governance

(1) All information supplied to the firm by BAS, including technical project documents, flight volumes, or currency accounts, shall be treated as strictly confidential. Such information may be shared only with MOTA and shall not be disclosed to any other external third party without prior explicit written managerial consent.

(2) Tender responses are submitted on the condition that the appointed firm will process operational or payroll personal data safely and solely under the direction of BAS instructions during the auditing period.

5. CORE CRITERIA SUMMARY

Evaluation Criteria	Weighting / Matrix Rule
Technical Quality (Corporate Experience)	30% Weighting (Minimum 3 years in audit/tax; aviation expert preferred)
Financial Proposal (Overall Price)	30% Weighting
Methodology and Approach	20% Weighting (Evaluated via technical approach and IFRS/ISA alignment)
Delivery Time	20% Weighting (Strict adherence to the 4-week finalization window)

6. PROCUREMENT TIMELINE & SUBMISSION DETAILS

Procurement Reference	Procedure & Timeline Instructions
Clarification Deadline	10 days from the official announcement date
Clarification Emails	BAS: admin.finance_kht@bas.af MoTA: handling.revenue@mota.gov.af
Bid Opening Date and Time	03 October 2026 at 2:00 P.M.
Bid Opening Address	Next to Kabul International Airport, Meteorological Directorate, Second Floor, Revenue Regulation and Control Directorate.
Contact Details	BAS Helpline: +93 (0) 790 22 37 77 / +93 (0) 77 515 88 34 MoTA Helpline: +93 (0) 76 484 5283 / +93 (0) 77 752 9446

Annex to this RFP:

- Approved Terms of Reference (TOR)

Terms of Reference (TOR) for the External Audit of the Ground Handling Project at Khost International Airport

1. Background

Balkh Air Services (BAS) is a specialized aviation ground handling company established for the purpose of improving and accelerating operational standards and ground support efficiency in Afghanistan through international best practices. The Khost International Airport Ground Handling Project was established under a formal agreement with the Ministry of Transport and Aviation (MOTA) to ensure the financial integrity and operational transparency of aviation services in the region. BAS is recognized for its commitment to international Tier-1 requirements and is currently modernizing its fleet and frameworks to align with ISAGO and ISO certifications.

The mission of the Khost International Airport Ground Handling Project is to expand and improve the quality of aviation services, including passenger and ramp handling, while maintaining a central point for revenue collection and technical excellence. Each phase of the project strengthens the institutional capacity to undertake complex airport operations and rapidly expands the scope of safe, efficient ground support for international and domestic airlines.

The audit provides the independent assurance necessary to verify financial accuracy, identify opportunities for operational improvement, and ensure the stable funding required for the long-term operational readiness of the airport's ground handling infrastructure.

2. Objectives of the Audit

The primary objective of this assignment is to express an independent professional opinion on the financial statements of the Ground Handling (GH) project for the fiscal year 2025.

Specific objectives include:

2.1. Examining Financial Statements

- Statement of Financial Position: Checking what the project owns (assets) and owes (liabilities).
- Statement of Comprehensive Income: Checking the revenue collected and expenses paid.
- Statement of Cash Flow: Checking the actual movement of money in and out of the project.
- Statement of Changes in Equity: Checking the owner's value in the project over time.

2.2. Ensuring Compliance: The audit must comply with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and International Standards on Auditing (ISA).

2.3. Evaluating Internal Controls: The auditors will review internal controls to ensure they are effective, support sound financial management, and compliance with relevant agreements.

3. Scope of Services

The audit shall encompass the following activities:

3.1. Financial Examination

- Audit of Accounts: Conduct a comprehensive review of all financial records - including revenue, expenses, assets, liabilities, and equity – in accordance with the project agreement and IFRS/IAS standards.
- Transaction Verification: Ensure that all financial transactions are supported by proper, valid, and verifiable documentation.

3.2. Evaluation of Internal Controls

- System Review: Verify the adequacy and operating effectiveness of internal controls, accounting systems, and procurement policies.
- Operational Compliance: Ensure that all procedures for procurement, storage, and disposal of goods strictly comply with the project agreement.

3.3. Bank Account Reconciliation

- Joint Account Audit: Review all deposits and withdrawals within the project's joint bank account to ensure full compliance with the terms of the formal agreement.

3.4. Expense Validation and Cost Eligibility

- Expenditure Tracking: Perform detailed Tracing of expenses to confirm they are project-related.
- Correction of non-project costs: Identify any unrelated expenses or ineligible expenses and ensure they are transferred back to the joint account as stipulated in the agreement.

3.5. Pre-Bid Interaction

- Prospective Bidder Interaction: Conduct a pre-bid meeting to discuss audit methodologies, technical approaches, and prospective bidders.

4. Obligations of Balkh Air Service

To facilitate a comprehensive and efficient audit, BAS will provide the following support:

- Access to Information: Full access to all relevant financial records, including general ledgers, transaction vouchers, invoices, bank statements, and all necessary supporting documentation.
- Logistic Support: Provision of dedicated office space, internet connectivity, essential stationery, and refreshments for the duration of the audit team's on-site engagement.

5. Duration of Services

The audit assignment, including the delivery of the final report, must be completed within four (4) weeks of the contract award.

6. Deliverables

The audit firm is required to submit the formal documents:

6.1. Audit Reports:

- Draft and final audit reports: Independent auditor's reports issued in full compliance with IFRS, IAS, and ISA.
- Audit financial statements: A complete set of financial statements, including:
  - Statement of Financial Position (Balance Sheet)
  - Statement of Comprehensive Income (Profit & Loss)
  - Statement of Cash Flow
  - Statement of Changes in Equity

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- Notes to the Financial Statements: Comprehensive explanatory notes and accounting policies supporting the figures in the main statement.

6.2. Management Letter:

- A detailed report identifying internal control weaknesses, financial risks, and actionable recommendations for operational and financial improvement.

6.3. Executive Summary for the Ministry

- Ministerial Briefing Report: A comprehensive summary report addressed to the Ministry of Transport and Aviation (MOTA), providing a high-level overview of the project's financial performance, operational transparency and fiscal integrity.

7. Qualifications of the Audit Firm

To ensure the highest standards of professional services, the prospective audit firm must meet the following criteria:

7.1. Registration and Experience:

- License: The firm must be officially registered and licensed by CPA Afghanistan.
- Experience: A minimum of three (3) years of demonstrated experience in providing auditing, taxation, and advisory services.
- Industry Expertise: Proven experience with Afghanistan's aviation sector is highly desirable and will be considered an advantage.

7.2. Global Affiliation

- International Recognition: The firm must maintain a formal affiliation or membership with one of the Top 20 global audit networks.

7.3. Financial Capacity

- Revenue Threshold: The firm must demonstrate financial stability with a cumulative gross revenue of at least $100,000 over the three-year period of 2022, 2023, and 2024.

7.4. Project Team Composition

The audit team must consist of qualified professionals with the following minimum credentials:

- Team Leader: A Chartered Accountant (CA), ACCA, CPA holder with at least five (5) years of relevant professional experience. Specific experience in aviation audits is preferred.
- Field Supervisors: Two (2) CA/ACCA affiliates or finalists with 3+ years of audit experience.
- Support Staff: Additional qualified field workers and support staff as required to meet the project timeline.

8. Selection Method

The selection process will be conducted through a **Quality and Cost-Based Selection (QCBS)** approach. Proposals will be evaluated based on technical merit and financial competitiveness, with a specific emphasize on relevant industry experience, proposed audit methodology, and overall cost-effectiveness.

9. Payment Schedule

Payment will be disbursed in a single installment upon successful completion, submission, and formal acceptance of the Final Audit Report by both the Ministry of Transport and Aviation (MOTA) and Balkh Air Service (BAS).

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