

ANNEX C

Terms of Reference

1. Background:

The Danish Refugee Council (DRC) is a humanitarian, non-government, non-profit organization working in more than 30 countries throughout the world. The Danish Refugee Council (DRC) assists refugees and internally displaced persons across the globe: we provide emergency aid, fight for their rights, and strengthen their opportunity for a brighter future. We work in conflict-affected areas, along the displacement routes, and in the countries where refugees settle. In cooperation with local communities, we strive for responsible and sustainable solutions. We work toward successful integration and – whenever possible – for the fulfillment of the wish to return home.

The Danish Refugee Council (DRC) is delivering humanitarian assistance since 2011. However, the Danish Demining Group (DDG) is a Humanitarian Mine Action and Armed Violence Reduction Unit within the Danish Refugee Council (DRC). DDG has been present in Afghanistan since 1999 and its mission is to create a safe environment where people can live free from armed violence and remnants of conflicts. DRC/DDG is registered with government of Afghanistan through Ministry of Economy and MORR.

DRC – DDG Afghanistan has approx. 651 staff those are working in five areas mainly in Kabul (central region), Balkh (north region), Nangarhar (eastern region), Kandahar (southern region) & Herat (western region). Under this call DRC would like to outsource the payroll management services.

2. Objectives:

The proposed system must provide the ability to generate, print, and/or save different types of reports including predefined routine reports as well as ad-hoc reports. The reporting capability must include the generation of reports using multiple categories as well as provide automatic

calculation features. The system must also have the ability to generate, view, print, and/or save audit reports, including exception reports. Filter option in terms of getting report related to specific Staff, department, area office, etc. followings are the key points to be restrained.

The Service provider to suggest a Payroll system to be implemented and to render the following services to DRC Afghanistan but not limited to:

2.1. Implementation of an outsourced payroll and leave system for DRC

2.2. Deductions and disbursement of funds according to statutory requirements regarding staff on payroll and for contracted Consultants/ service contract employees. This will include but not be limited to:

- Monthly Payroll (including S.N, DRC/DDG ID Number, Employee Name, Employee Father Name, Position, Office Location/Site-region, Date of Employment, Contract Ending Date, Basic Salary, Allowances, Arrears, over time, Eid Bonus, 13th month Salary or Severance pay, Gross total, Tax calculation, Salary Advance deduction and Net Total).
- Individual Statutory payments and Tax reports (Based on Afghanistan Tax Law for each employee based on TIN).
- Processing of travel claims and other benefits via payroll for national and international staff;
- Calculations of PAYE for consultants, service contracts employees;
- Setting up and processing of Special Runs; and Provision of monthly pay slips. Salary summary report (Summary of the payroll).
- No pay/Leave report (Annual Leave, Sick Leave, Maternity leave and other leaves- as per DRC-DDG HR Policy).
- Team details (Contract information plus other information) and this function should have an alert function two months before end of contract date of each employee).
- Ministry of economy report (Name, Father name, Province, Gross salary)
- Final settlement- Clearance Form, Letter of Termination/Experience/ HR Letter.
- Monthly / Yearly staff list of budget line detail information.
- Train DRC HR Staff for the reporting and the requirements.

3. Deliverables

- 3.1. An inception/kick off meeting with HR Manager and HR team to explain the objective of the exercise and the implementation plan;
- 3.2. The Service provider and DRC HR Manager and HR Team shall meet as often as is reasonably necessary but in any event not less than twice per annum throughout the term of the agreement to ensure the successful implementation and the monitoring of the services against agreed Service Levels.
- 3.3. The Service Provider to advise DRC on changes in legislation and other acts governing the payroll and tax amendments as proposed by the Afghanistan Taxation Law.
- 3.4. Monthly Payment Schedules to be submitted to DRC for approval and sign off; and monthly Leave reports to be submitted to DRC for approval and sign-off.
- 3.5. Submission of Tax reconciliations and e-filing in accordance with statutory requirements.

4. Duration

The contract duration for provision of the services will be for one year (possibility of extension). Proposals for the Provision of payroll service should be submitted in accordance to page 1. of RFQ.

5. Contents of proposal

DRC requests that the bidder submits the following documents:

- 5.1. Technical Proposal of bidder(s).
- 5.2. Structure and CV of staff members responsible (i) for overseeing the payroll system; (ii) for undertaking the actual management of the payroll system.
- 5.3. Proposed Payroll system and approach to deliver of the services.
- 5.4. Fee proposal and costs estimate, indicating the basis of calculation of fees.
- 5.5. Proposed procedure for handling queries and changes to the payroll systems.
- 5.6. Capacity empowerment is a key objective of DRC Afghanistan. In rendering the service, the bidder must endeavor to achieve this goal. The proposal must comment on the

manner in which the bidder intends to give effect to the capacity empowerment objective.

6. Selection Criteria

Evaluation, Selection and award the contract will take place according to the following criteria:

6.1. Technical Proposal (20%)

6.2 Relevant experience, demonstrated competence of bidder(s) in this area (10%)

6.3. Demonstrated expertise of key individuals to be involved in this project (25%)

6.4. Content, quality and originality of proposal (25%)

6.5. Financial Proposal (best value for money) (20%)