

Details on any warranty/guarantee conditions:

REQUIREMENTS

Language: All documentation, including installation and operating manuals shall be in:

English French Spanish Others

Number of Copies: Please submit your quotation in two copies (**One original, one copy**).

Submission:

CONTACT ADDRESS:

Procurement Unit

UNDP, Shah Mahmood Ghazi Watt,

Kabul, Afghanistan

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ANNEX I - Terms of Reference for Service Contract Remuneration Survey

1. Background

The Service Contract (SC) is a contract modality developed and used globally by the United Nations Development Programme (UNDP). Typically, the SC is non-UN-staff status types of contract, intended to:

- a) engage personnel performing functions in the context of development projects; and
- b) engage personnel for non-core services/functions in a UNDP office that should otherwise be outsourced, but where outsourcing is not a viable and/or feasible option for whatever reason that serves the interest of the organization.

Individuals engaged under the SC modality are considered as local contractors, and not UN-staff.

Engagement of personnel using the SC modality, while not necessarily short term, is not intended to support extended employment. Individuals hired under Service Contracts are therefore expected to return to the national market at the conclusion of the project or when the non-core function is no longer required by the office.

As such, the basis for the establishment of conditions of service for SC holders is therefore found in the local labour market and must be consistent with prevailing levels of pay for similar services and comparable work in the local labour market.

Although UNDP is not responsible for payment of tax on earnings or other taxes due on the remuneration of the SC, nor is UNDP responsible for reimbursement of taxes paid by SC holders in respect of earnings received under SC with UNDP, SC holders are subject to all the provisions of local labour and tax law as applied to the local labor force. The payment of taxes is the sole responsibility of the individual under SC.

Given this, the remuneration package under the SC is set at the *gross* level and may include an additional lump sum for participation in national social insurance programmes that are mandatory.

The process for establishing Service Contract remuneration scale must be simple and transparent. The contents succeeding section of this TOR is based on the Guidelines rolled out by UNDP Headquarters to all country office, aimed at providing structural guidance that will make the process straight forward and consistent across duty stations, and in a more consistent and structured approach.

2. Objectives

UNDP HQs has revised the service contract (SC) guidelines with effect from 1 January 2008. As part of the revision, a new remuneration methodology was introduced. The basis of this new methodology was to have a consistent approach in the pay levels for service contract holders with comparable work in the local labor market. UNDP Country Office in Afghanistan implemented the new salary scale in early 2009 to comply with the Service Contract User Guide / Policies. UNDP Afghanistan will now like to conduct a salary survey for its Service Contract modality to ensure that the Service Contract remuneration is comparable with the local labour market.

3. Scope of Work

In keeping with the objective of simplicity, SC remuneration scales have been designed to be comprehensive, inclusive of the value of typical allowances and benefits that are found in the local labour market mainly in the public sector. The objective here is not to manage separate allowances and benefits for SC holders. Rather, the value of these has been included in the remuneration scales such that these scales are broadly competitive with the total remuneration of the local labour market. The target market for the SC has been defined as primarily drawn from the bilateral, private sector, international organizations and NGO community.

4. Activities

- The Consultant shall use the list of comparators used in the SC Remuneration Survey conducted 2008 and will also suggest employers which may be considered for the SC Remuneration Survey. UNDP will revise and provide the final list. All employers where data is sought should have established remuneration ranges which clearly distinguish pay for levels of responsibility. The survey model for collecting local market information should include a sample of ten employers (the list of comparators should include at least 10 employers to be surveyed, of which six should be retained). In all instances no less than two thirds of the sample must be drawn from public/not for profit employers i.e. 7 surveyed employers should be from public sector and 3 from private sector, out of which 4 should be retained from public and 2 from private sector for the final scale.

- The Consultant shall collect compensation information from additional employers recommended by the UNDP CO for possible inclusion in the SC Remuneration Survey. UNDP CO will provide the employer contact and the Consultant shall collect the necessary information from each of these employers.
- The Consultant shall collect data from employers using UNDP Survey Questionnaire form and analyzed in accordance with **UNDP methodology** (a copy to be provided by UNDP upon signature of the contract), and will include all typical allowances and benefits that are found in the local labor market.
- Matching of terms of reference based on the benchmarks provided by UNDP. The following four factors should be evaluated in establishing SC TOR matches Structure, content, progression & qualifications
- When information from all 10 potential employers is complete and analyzed, UNDP CO will make the selection of at least 6 retained employers for inclusion in the SC Remuneration Survey analysis. (two third from public sector and the rest from private sector).
- The Consultant shall present analysis to UNDP CO and make recommendation on the revised salary scale with market position of 40th, 50th, 60th percentile and establish the final remuneration in consultation with UNDP Afghanistan.

5. Deliverables

All deliverables shall be delivered in one original hard copy, and one electronic soft copy, preferably in Microsoft Word format, where applicable.

The following deliverables are expected:

Submission of the first report to UNDP consisting of:

- A list of recommended employers with their contact information (minimum of 10 comparators)

Submission of the second report to UNDP consisting of

- Summary of data collected from the specific comparators showing TOR matches and the valuation of their remuneration package;
- A table showing the average of all organizations by benchmarked TORs and the 40-50-60 percentile remuneration, and
- A summary table of organization practices on remuneration.

Submission of the final report to UNDP consisting of

- Revised Salary Service Contract remunerations with 3 versions targeting market position at 40-50-60 % percentile (established in US Dollars)
- All documents used during the salary survey, and
- Submission and presentation of a final report to UNDP.

On submittal of the final report, the Project Committee (acceptance committee) shall respond within ten working days and its decision may either be:

- Approval, or
- Approval with reservations upon which the Consultant shall reply within five working days
- Rejection with clear justifications

6. Delivery Schedule

The Consultant is expected to complete and submit the deliverables specified in the above section based on the following time schedule. Expected overall duration for project completion is one month from the date of issuance of contract.

The Consultant shall note that clearance from the Project Committee is required before starting a new project milestone. Each deliverable shall include all the required supporting documentation.

- 30 December 2009: Submission of the first report to UNDP;
- 31 December 2009: Final date for UNDP to review and approve the first report;
- 14 January 2010: Submission of the second report to UNDP;
- 18 January 2010: Final date for UNDP to review and send comments on the second report;
- 21 January 2010: Submission of the final report to UNDP, and
- 25 January 2010: Maximum date for UNDP to give comments on the final report

7. Qualifications (Consulting Firms/Individual Consultants)

7.1 Consulting Firms

Consulting firms wishing to be considered for the services described herein should have the following qualifications:

1. Professional experience: having at least 3 years experience in conducting salary surveys, job matching, and construction of salary scale;
2. Technical capacity : the Consultant is currently employing professional staff with proven record of achievements who have experience in and has conducted salary survey and constructed salary scales, and
3. Experience is conducting salary surveys and salary scales for the UN is an advantage.

7.1.1.

Profile of Requested Staff

The Consultant will include in its offer a proposal regarding the team composition and structure with recent CVs. The requested team should have diversified skills including amongst others a project coordinator and a survey specialist.

The following profiles are requested:

Project Coordinator

- Advanced degree in any related field;
- At least 10 years of relevant experience;
- Fluent in English;
- Fluent in local languages is an advantage, and
- Full time presence for this position is preferable.

Survey Specialist

- Advanced degree in any related field;
- At least 5 years of relevant experience in conducting salary surveys;
- Fluent in English;
- Fluent in local languages is an advantage, and
- This function requires presence as per the implementation schedule to be proposed.

7.2 Individual Consultant

The successful candidate should meet the following criteria:

- Post graduate degree in Human Resources with at least 5 (five) years of experience in the area of compensation and benefit for international organization.
- Experience dealing with salary survey for nonprofit organizations
- Familiar with labour market issues in Afghanistan;
- Ability to work precise, fast and to the point;
- English native speaker or near-native speaker;
- Familiarity with the UN(DP) regulations would be an advantage;

8. Project Management and Reporting Modalities

A joint Project Committee shall be formed between the Consultant and UNDP to supervise the various stages of the project.

The roles of each party are identified in the sub-sections below.

8.1 UNDP's Project Committee

For the purposes of this project, UNDP management shall appoint a counterpart team for the implementation of the project. The main responsibilities of the team are as follows:

- Participate in the joint Project Committee;
- Inform and keep their officials/management up-to-date on the project's progress;

- Communicate continuously to all personnel concerned in the system the progress of the project in order to secure their involvement and ownership during and after implementation;
- Communicate to all UN agencies using UNDP's service contract modality the purpose of the project, its progress, and the results;
- Follow-up the project throughout its cycle;
- Promptly address issues, which may hinder or delay the progress of the project;
- Arrange and facilitate meetings prior and during project implementation;
- Receive project deliverables and prepare meetings that will cover the approval activities for deliverables of all implementation phases;
- Assist the selected Consultant in executing tasks in the best way, and
- Submit the studies and their recommendations to the management for final approval of the results.

8.1.1. UNDP

UNDP shall assign a project team which shall include three members:

- A Project Manager (HR Manager);
- A procurement officer for contract management, and
- A member of the staff association.
- A representative each of sister UN agencies – UNODC, WFP, UNHABITAT

Contract management will include:

- Follow-up of contract implementation;
- Keep track of proper submission of deliverables according to terms of the Contract;
- Management of payments according to Contract schedule of payments; and
- Coordination of any relevant procurement activities with the Consultant.

Assignment management and coordination will include:

- Coordinate the Project Committee and participate in the approval of deliverables;
- Coordinate all assignment activities between the Consultant and UNDP, as the need arises and provide technical assistance when necessary;
- Supervise assignment implementation and progress; in case of problems suggest solutions and report suggestions for improvement;
- Monitor, evaluate and document project conclusions, and
- In coordination with the Consultant, UNDP reserves the right to request the change of a Consultant's team member based on his/her performance.

8.1.2 Consultant

The Consultant, in addition to fulfilling the requirements specified in this document, is required to:

1. Appoint a Project Coordinator who shall act as a primary counterpart with UNDP in all aspects of the project. He/She shall provide objective high-level supervision of the mission on behalf of the Consultant. He/She shall be responsible for project planning, follow-up and contingency planning. He/She shall participate in the project committee.
2. Maintain an updated work schedule with adequate staffing (count and groups) to perform stated tasks.
3. Notify UNDP in writing, upon the successful completion of each milestone and provide all supporting documentation.
4. Document minutes of meetings throughout the project lifecycle. This shall cover all meetings including those where major decisions are taken.

9 Language Requirements

All requested reports/deliverables shall be written in English.

10 Duration

The duration of the assignment shall not exceed one month from the date of contract signature.