

TENDER SPECIFICATIONS

I. General Information

Title of the Services	LABOUR HIRE SERVICES AND HUMAN RESOURCES (HR) FOR EXPERTISE FRANCE IN ETHIOPIA
Country	Ethiopia
Department/Division	Direction of Operations
Project	EF Current Portfolio in Ethiopia

II. Context

Expertise France – a member of the AFD Group - is the second largest technical cooperation agency in Europe. It designs and implements projects that sustainably strengthen public policies in developing and emerging countries. Governance, security, climate, health, education... It operates in key areas of development and contributes to the achievement of the Sustainable Development Goals (SDGs) alongside its partners.

To carry out its missions, Expertise France relies on complementary expertise. This human capital is divided between headquarters and the field, operational and cross-cutting functions, employees and sectoral experts. Expertise France mobilises some 850 people in 90 countries and has project offices in some 40 countries. This presence in the field facilitates agile implementation, ownership by the partners and an alignment with local needs and realities.

Agence Française de Développement (AFD) Group is a public institution that implements France's development and international solidarity policy. It includes AFD, its subsidiary dedicated to financing private sector players Proparco, and since 1 January 2022, Expertise France. Through a network of 85 field offices around the world, AFD Group is currently financing and working on over 4,000 development projects and programmes in order to contribute to economic, social and environmental progress in low and middle-income countries.

Operating in Ethiopia since 2016, Expertise France's activities are based on five national projects funded by French funds (AFD and MEAE) and European funds. EF is engaged in heritage preservation through two projects of particular importance in the Franco-Ethiopian relations framework: the National Palace project and the feasibility study for the restoration and enhancement of the Lalibela site. Expertise France also intervenes in the field of stabilization through the rehabilitation and re-equipping of the Dessie, Abala, and Adwa hospitals (funded by CDCS and EU), as well as in the field of economic and financial governance through the ECO-REF project, the Africa-Europe Museum Cooperation project and the Promoting Ethiopian trade and economic integration through private-led value chains development. EF is also responsible for the mobilization of the Coordinator and Administrator of the Technical Support Unit (TSU) of the Team Europe Initiative (TEI) "Health Security, One Health". In addition to these projects, there are four initiatives funded as part of the French contribution to the Global Fund for AIDS, Tuberculosis, and Malaria. Finally, EF is also present in Ethiopia through regional projects, cybersecurity, business climate, education, and health.

III. Description of Services

Notice of Compliance to Local Laws

In line with Expertise France commitment to upholding legal and regulatory compliance both in France and Ethiopia, we kindly inform all contractor for this call for tender that eligibility to participate in this process is **contingent upon full compliance with local legislation, civil laws, labour laws, taxation laws and all the directives** issued by all relevant ministries and public authorities in Ethiopia. Furthermore, we expect that the selected Human Resources and payroll outsourcing company, upon contract award, will exercise utmost diligence to maintain legal conformity throughout the contract's implementation. This includes adherence to all applicable laws, tax regulations, and declaration requirements, including but not limited to the requirements of all the relevant public ministries and authorities. This also encompasses adherence to all pertinent laws and regulations governing the domain of the **payroll, taxation, social security, employment and declarations**, meticulous attention to tax regulations and **filings**, and the timely submission of all necessary declarations to both, national or regional authorities and Expertise France office.

The contractor is therefore required to maintain and perform **the highest standards of transparency and accountability** throughout the whole process of execution of the contract.

Types of services requested

1) Provide local contracts to Contractual Staff

- Provide Expertise France and staff with legal advice on employment contracts (length of probationary period, fixed-term or open-ended contracts, etc.);
- Contact staff to introduce the process and ask them for the necessary supporting documents for the establishment of the employment contract**;
- Establish and sign employment contracts, in accordance with the local legislation in force, including the recruitment formalities towards the competent administrations and the transfer of existing employment contracts within 2 months;
- Ensure the registration of staff in social and tax welfare institutions, treatment and settlement of related costs;
- Ensure the provision of work permits/residency card to non-Ethiopian employees, if applicable;
- Ensure reimbursement of business travel expenses, if applicable;
- Establish and manage personnel records and employment contracts, in liaison with the staff and Expertise France;
- Develop and manage current work contracts (termination of contract, renewal, work certificate, etc.).

*** contractor should note that while it might happen that Expertise France will request the contractor to recruit new candidates, the vast majority of the staff that must be recruited are already engaged in local employment contract with an existing payroll company. This fact requires a caution from the contractor to acknowledge the administrative work needed to perform a legal, compliant, smooth and uninterrupted transition while ensuring that all the obligations and declarations are made in conformance with local laws. This will also help the contractor to estimate and anticipate all the preparatory work needed to perform the task successfully.*

Respect of confidentiality of GDPR regulations are also a must while ensuring transition from previous HR services company into the newly selected contractor.

2) Management of Employment Contracts

- Ensure preparation and payment of salaries in accordance with the agreed amounts;
- Prepare payslips and transmit them to staff;
- Provide Expertise France with monthly digital copies of payslips;
- Provide evidence of payment of staff salaries and proof of payment of social and tax costs;
- Register the risks incurred by an employee within the time limits prescribed by law for the institutions concerned;
- At the request of the staff, transmit tax certificates issued by the tax office;
- Manage paid leave and other absences (sickness, etc.) of staff and provide necessary related proofs if necessary;
- Ensure payment management of employees at the end of their contract;
- Revise contracts and payslips documentation in case any tax or legal changes occurs.

Salaries and other legal / tax obligations will be paid in a timely manner avoiding delays and in accordance with local law. Any delay will result in penalties (see Article I.10.1 of the contract) in addition to those due under local law and under the sole financial responsibility of the contractor.

3) Provide pre-litigation advice and assistance

The incumbent will provide legal advice and pre-litigation assistance in the context of its payroll / outsourcing mission:

- Advice on all matters relating to human resources and labour legislation of the country;
- Support employees in opening or transferring bank accounts;
- Manage possible tax or judicial problems;
- Manage possible conflicts in case of dispute with the staff under contract.

In addition, the contractor:

- Ensure the maintenance and reliability of the financial statements, which must reflect all the activities of the contract;
- Facilitate any internal and external audit missions related to service delivery, and participate in the response to auditors' requests for clarification;
- Provide at any time information relating to the financial commitment and the payment of expenses related to the contract, in accordance with procedures to be established.

As for the mode of payment, salaries must be made via bank transfer or alternative options for different circumstances. In case of urgencies or amendment, and following the approval of Expertise France, any change shall be communicated and validated by the management of Expertise France.

Salaries are to be transferred in EUR and Expertise France is to be invoiced for the services in EUR.

4). Additional service - provision of Health insurance

The contractor's offer should include an optional subscription to a health insurance plan on behalf of the outsourced employees. As an option to the employees, health insurance can be provided by the contractor. The package should include basic health coverage at the minimum, and details of what this minimum coverage typically includes should be provided by the bidder, as well as name of the partner health insurance for covered employees.

IV. Expected Deliverables

The contractor will provide the following:

- 1- Employment contracts within 2 business days of the agreement
- 2- Financial reports according to a model and periodicity to be agreed on by Expertise France and the Contractor, and will ensure the maintenance and reliability of the financial statements, which must reflect all the activities of the contract, such as:
 - a. Present, on a trimestral basis, semi-annual basis and annual basis, a financial report showing the consumption rates of the budget allocated to the salary transfer and including proof of payment of salaries and the payment of taxes, and including a state of working days and holidays consumption
 - b. Deliver regularly (monthly or quarterly) all the supporting documents justifying the expenses and costs of the service. The delivery of the supporting documents issued by the Ministry of Finance and the National Social Security funds, namely the receipts of payments relevant to Expertise France national staff is mandatory
 - c. Provide, before the end of the service, a final financial statement indicating all expenses incurred throughout the contract.
- 3- The list of personnel, updated on a monthly basis, including:
 - The main contract reference number
 - The purchase order reference number
 - The operational managers of the personnel, as indicated in the Purchase order
 - Name and reference number of the Project, as indicated in the purchase order
 - Surname and name of the employee under contract
 - Position's title
 - Location of the assignment
 - Duration of work time per personnel
 - For staff on a partial time working period basis: work period
 - Total duration of the assignment
 - Start date and end date of the assignment
- 4- A financial statement specifying all of the disbursements made for the employee (salary, benefits, contributions, taxes, etc.), either directly to the employee or to the relevant authorities or organisations, during the payment period in question as well as cumulatively since the start of the employee's recruitment.

Any delay in providing one of the deliverables requested above and in accordance with the deadline to be defined between the two parties at the beginning of the contract may involve the application of penalties.

5- Contractors' coordination team

For the contractor:

For the performance of the services, the contractor presents the different profiles ensuring the successful completion of the assignment and tasks presented in its proposal, whether their intervention is permanent or occasional (skills, qualifications, experience, role/function of each).

Expertise France is expecting **as part of the coordination team**:

- 1 administrative focal point for all the communication, payments, inquiries made by Expertise France team.
- 1 Certified Public Accountant to review and certify the payroll calculation.
- 1 Part Time lawyer
- 1 General Manager (Account Manager)

While this is what could be envisaged, the contractor is invited to propose different governance systems and are invited to detail their structure, or any additional expertise deemed needed within the scope of this proposal.

It must detail the level of the profiles proposed (diplomas, level of expertise, number of years of experience, details of the most recent professional experiences in connection with the service, key stages of the professional career, **customer references** in connection with the service concerned...) With regard to experience, the **contractor will particularly specify this in the geographical area** of intervention and the sector of international cooperation. The same person can fulfil several roles/functions. In this case, the contractor indicates it in the presentation of its dedicated team.

For Expertise France

Expertise France point of contact for this call for tender is:

- Contract management: audrey.fontaine@expertisefrance.fr

Regular exchanges with Expertise France will be expected on the progress of the assignment and possibly the difficulties encountered.

Expertise France will nominate, upon successful completion and selection of the contractor:

- An administrative focal point for the financial, administrative and logistical follow up
- A management focal point for the contract administration, validation and authorisations/signatories

6- Information about the staff to provide

Outsourced staff positions: Estimated at 23 staff members. Staff will be contracted as per the estimated schedule mentioned in the attached Financial annex.

Team positioning varies among Managerial Positions, Intermediate Positions and Junior Positions. Each placement is subject to a grading made by Expertise France.

The above-mentioned income may be subject to upward and downward adjustments, even during the execution of the contract.

Any potential services relating to legalization of the staff will be subject to specific quotation before any order is issued.

The employment contracts of the salaried employees will be systematically subjected to the validation of Expertise France before their conclusion.

7- Information about the payroll calculation

The contractor must present, on a monthly basis, the breakdown of the total cost per employees and per overhead cost.

Also, employees "hiring costs" must be detailed into the NET salaries, along with social contributions, allowances, end of service indemnities, sickness, maternity, Health insurance, workmen compensation, bonus if applicable, service fees and deductions.

General tax calculations and social security contributions

The contractor shall take into consideration all the general and specific cases when calculating the payroll, including but not limited to marital status, number of children, part timers vs full timer, nationality of the staff, contractual duration, probation periods, insurance fees, workmen compensation, indemnities, extra allowances such as communication allowances, bonuses, overtimes, paid leaves, sick leaves, unpaid leaves, allowances, special declarations cases, and any other elements that is required to be considered by local laws to ensure an error-free, transparent and correct calculation and declaration of the taxes and contributions.

The contractor shall register the Outsourced Employees under the Contractor's Social Security (SS) file and Personal Income Tax (PIT) file.

Insurance

The contractor shall offer the service of Health insurance for the staff managed, and Expertise France shall specify and officially agree to willingness to provide this by reimbursement.

In the latter case, if it offers a particular insurance product, it specifies and provides the conditions (**scope covered, levels of guarantees, ceilings**, etc.) and its estimated amount(s) in EUR. It specifies, moreover, if it can propose a subscription on estimate of insurance products with variable conditions adapting to the managed staff and the budget of the contracting authority and, if so, if it has referenced insurers and private (complementary) health and provident insurance brokers and which ones.

In both cases (reimbursement or subscription through it of an insurance product), it specifies the conditions of the regulations, particularly in terms of social security contributions and taxation applicable to this benefit on both the employer and employee side, along with its management fees/expenses.

Contractor Overhead Fees

The contractor's overhead (service fees) must be calculated on the Total Payroll cost per employee as per annexe provided in the tender rules dossier.

8- Support in Case of Internal and External Audits

As a vital and non-negotiable condition for both eligibility to participate in this process and for the successful execution of the contract, prospective HR Outsourcing Companies and Contractors must be prepared to provide all invoices, documents, data, reports, and legal paperwork, contracts, declarations, etc. as required, in accordance with Expertise France internal compliance policies **whenever required by Expertise France management**. Furthermore, we emphasize that this commitment extends beyond contractual obligations and that the selected contractor is expected to offer unwavering support and collaboration without limitations in the event of both **internal and external audits** conducted on our projects whether in Ethiopia or France.

9- Modality of Legal Engagement

Services would be activated by Expertise France and confirmed on a Purchase Order (PO) basis according to Expertise France's needs. These POs would specify:

- The type of services requested
- The identification of the employee and its salary
- The duration of the coverage required
- Additional Ad Hoc Services needed
- Any specific implementation modalities to be met
- The point of contact at Expertise France who would be in charge of monitoring the performance of the services requested
- Payment modalities