**TERMS OF REFERENCE**

**Assessment of Digital Ecosystem and Social Security Business Process Re-engineering**

**Individual consultancy**

**April – July 2025**

1. **Background**

In 2012 KRI passed Law No. 4 which amending Iraq Law No. 39 of 1971 on Pension and Social Security. The amended law provided for pension, disability and survivor benefits to workers in the private sector. As of 31 December 2022, there were 38,491 employers registered in KRI and 138,092 persons had had at least one contribution made for them in 2022 of which 22,543 were women. Just under 20,000 were migrant workers and just under 2,800 migrant women workers.

KRI has prepared a new draft law on Pensions and Social Security aligning with ILO Convention No. 102 on Minimum Standards of Social Security. It is expected to be discussed in the next parliamentary session after legislative elections take place.

In support to the government’s efforts, the ILO, as part of the Joint UN Programme (UNICEF, WFP and ILO) on Social Protection supported by the European Union, developed a legal assessment of the draft law and worked with partners to ensure compliance with International Social Security Standards of the ILO and international best practices.

Parallelly, the ILO is committed to supporting KRG and partners in their efforts to upgrade the institutional capacity that allows for more efficient delivery of services within the ministry (social security, social protection, employment) and readiness to respond to the plans for extending social security in the informal sector. As part of these efforts, the ILO commissioned an **institutional capacity assessment** that identified supply-side bottlenecks relating to institutional capacity that constrains the Department of Social Security (DSS)’s ability to deliver services more efficiently and identify areas of improvement to ensure readiness to respond to the plans to implement short-term benefits (maternity, unemployment) for the first time and extend coverage to hard-to-reach groups of workers in unstable forms of wage employment and the self-employed. In order to streamline business processes in the Social Security Administration, the ILO commissioned **the mapping of current business processes including suggestions for streamlined processes**. The mapping exercise identified bottlenecks, loopholes and potential areas of improvements and match the mapped business processes with actual user experiences. It then concluded with recommendations on enhancing business processes that make social security services more efficient and accountable to beneficiaries. The results of this mapping exercise set the grounds for the assignment described in these terms of reference, particularly for proceeding with a more detailed digital enterprise architecture for Social Security Administration in the KRI. In parallel, the ILO supported the development of a job matching platform for MoLSA. Another important initiative which should be noted is the development of a Single Registry for Social Protection in coordination with MOP and MoLSA with the support of WFP.

1. **Objectives and scope**

Incorporating the findings of the institutional assessments and the mapping exercise mentioned above, the overarching objective of this assignment is to conduct an assessment of the digital ecosystem implemented by the Kurdistan regional Government, and the Department of Information Technology under the Prime Minister’s Office and the Ministry of Labour and Social Affairs in particular, and conduct a holistic business process re-engineering (BPR) for all relevant social security administration functions across organizational, legal, technological, and financial systems.

The assignment will cover all existing and envisioned branches of social security for private-sector workers in Iraq (as anchored in Laws No. 39 of 1971 and No. 4 of 2012). The assignment will cover all business processes within the administration of social security in the Kurdistan Region of Iraq, with common processes across all and end-to-end service requirement specifications. Including but not limited to (the list is not exhaustive, and the consultant would have to identify all the business processes that require re-engineering as part of the assignment):

* Registration and updating of projects (employers) and contributors (workers).
* Contribution collection and participant registration;
* Contribution registration.
* Submission and administration of benefit claims;
* Control and adjudication of benefits.
* Complaints and grievances management.
* Monitoring and reporting:
* Record Keeping.
* Digital archiving workflow.

1. **Assignment Description**

An individual consultant will be responsible for assessing digital ecosystem implemented by the Kurdistan regional Government, particularly the Department of Information Technologies and the Department of Social Security of the Ministry of Labor and Social Affairs, for the administration of social security for private-sector workers by the DSS.

This assignment entails assessing the digital ecosystem in place and the necessary requirements for the development and implementation of the Management Information System for social security (e.g. open-source vs proprietary solution, server requirements, code requirement, etc) as well as fundamentally rethinking and redesigning the DSS’s business processes to achieve significant improvements in performance, productivity, efficiency, and stakeholders’/beneficiaries’ satisfaction.

The aim of BPR is to eliminate redundancies, streamline workflows, simplify procedures, remove unnecessary procedures in business processes and automate processes as far as possible. It will also entail identifying and establishing connections with other business processes withing social protection and active labour market policy domains. The ultimate goal is to create a leaner, more agile, and more people-centric services that can respond quickly to changing market conditions and people’s needs and enhance the efficiency, accuracy, and accessibility of social security services for clients and stakeholders.

The intended activities each resulting in the specific deliverable outlined below of this phase are as follows:

1. **Conduct thorough analysis of the current process (as-is):** Under the supervision of the ILO Iraq and in cooperation with the DSS and DIT, and with the help of the prior mapping of social security business processes conducted, all current business processes across all the functionalities outlined in section 2) should be analyzed and carefully mapped. Subsequently, the consultant will identify possible shortcomings, limitations on operational efficiency and bottlenecks in each process.
2. **Propose the envisioned (to-be) business processes through to-be analysis:** Incorporating the findings of the institutional assessment and business process mapping mentioned earlier and based on the analysis and mapping of AS-IS processes and operating business model, the consultant will develop a new modern and agile business model across all relevant functionalities. This proposed business model must be approved by ILO Iraq and the DSS’s management, and agreed upon by the DIT. The emphasis for this should be placed on
   1. enhanced interagency harmonization and process interoperability,
   2. streamlined processes to reduce time and costs for both DSS, projects/businesses and contributors.
   3. improved effectiveness
   4. accuracy and transparency
   5. user-friendliness and intuitive interface for clients
   6. security of data storage and management systems
   7. automating business processes and financial management as far as is possible within the context.
3. **Develop new Standard Operating Procedures (SOPs) and organizational structure:** The consultant is expected to advise on new SOPs for each new/updated business process, as re-envisioned through a to-be analyses. It is expected that the new SOPs will elaborate on the corresponding roles and functions of the new electronic system for social security administration. Additionally, the consultant should provide recommendations on how DSS’s organizational structures can be restructured to better align with the new business model. This may include identifying areas where roles and responsibilities can be segregated more effectively and where additional capacities are needed across branches. The consultant should also assess the human capital competencies required to support the new business model and provide recommendations accordingly;
4. **Conduct digital ecosystem and IT diagnostics to define non-functional and quality drivers for the implementation of new information systems and software:**
5. Identify critical software qualities (usability, modifiability, maintainability, development efficiency, performance, security);
6. Determine other specifications for software development (web technologies, accessibility, open source or proprietary limitations, code type, etc.) in conformity with national and enterprise constraints;
7. **Conduct system requirements assessment and diagnosis**,which includes the following steps:
8. Conduct a thorough analysis of requirements in order to prepare a precise System Requirement Specification (SRS) for the solutions that will be developed.
9. Develop a plan for the solutions, including a context diagram of the proposed systems, sequence diagram, use case diagram, and process flow diagram.
10. Provide detailed specifications for hardware, software, and licensing requirements, as well as recommendations for firewall and other infrastructure setups, considering open-source and proprietary options to recommend the best choice based on quality drivers, institutional capacities and total cost of ownership (purchase cost, license over time and maintenance costs).
11. Assess the feasibility of deploying necessary software and secure access on remote devices, including infrastructure needs.
12. Consider software and data storage and security (crisis backup systems…).
13. Develop data protection protocols and processes.

The assignment should be closely coordinated with MoLSA and more specifically SDD. In addition, coordination with DIT will be important and cooperation with WFP regarding inter-operability with the single registry as well.

1. **Outputs/Results (Deliverables)**
2. An inception report detailing workplan with time frame, methodology, scope, the approach that the team of consultants will use to undertake this assignment.
3. Operational report identifying and detailing
   1. the **As-Is workflows** and processes;
   2. the **To-Be proposed** business model;
   3. **Digital ecosystem** and **infrastructure** assessment;
   4. the **Software Requirement Specification** (SRS);
4. A set of **new Standard Operation Procedures (SOPs**), specifying roles and functions of the new electronic system, and an **updated organizational structure of DSS** to support the proposed business model;
5. Draft **legal set, including on data security and privacy,** to perform the new business model and fit the proposed SOPs and a newly proposed organizational structure, and a **set of proposed amendments** to relevant legal and regulatory frameworks, bylaws and other legal rules.

All documents under this assignment must be produced in English, and Kurdish (Sorani).

1. **Estimated Timeline of Completion**

The duration of this project will be 4 months from the contract award date, and is tentatively expects to start in April 2025. Provisional timeline for the completion of the assignment is provided below:

|  |  |  |
| --- | --- | --- |
| **Deliverable** | **Timeline/Deadline-** | **Due Payment** |
| Inception report, specifying methodology, approach, key stakeholders for consultations, key documents required for assessment, main steps and timeline, etc. | 2 weeks after the contract is signed | 10% |
| Operational report comprising   * the **As-Is workflows** and processes; * the To-Be proposed business model; * Digital ecosystem and infrastructure assessment; * the **Software Requirement Specification** (SRS); | 2 months after the contract is signed | 30% |
| SOPs and new organizational structure | 3 months after the contract is signed | 30% |
| Legal set and proposals for amending legal and regulatory framework | 4 months after the contract is signed | 30% |

1. **Required background qualifications, experience and competencies**

**1. Education:** Master’s degree or higher in IT, Computer Science, Public Administration, Business Process Management, Law, or Social Protection.

**2. Experience:**

* 10+ years in business analyses, business process re-engineering, digital transformation for social security, and IT system development in public sector institutions.
* Proven experience in digital ecosystem assessments, MIS development, and workflow automation.
* Track record in developing SOPs, regulatory frameworks, and institutional restructuring for social security or similar government services.
* Experience with international organizations (ILO, UN, World Bank, EU-funded projects, etc.).
* Strong legal and policy analysis skills for social security digitalization.

**3. Technical Skills**

* Business process mapping and modelling (e.g., BPMN, UML).
* IT system analysis and design, including software architecture and data security.
* Cost-benefit analysis of digital transformation solutions.
* Stakeholder engagement in government settings.

**4. Language:** Excellent English (written and spoken); Kurdish (Sorani) is highly desirable. In case of no knowledge of a Kurdish language, a consultant should budget for linguistic support required and make necessary arrangements.

1. **Proposal Submission Procedure**

The ILO invites qualified individual consultants to submit their proposals comprising of technical and financial parts as per the requirements specified below. **The announcement is open for both National (Iraqi) and international candidates.**

***Technical Proposal***

* Understanding of the ToRs, proposed methodology and timeframe for conducting all aspects of the assignment;
* CV demonstrating experience and competency against the above requirements;
* Examples of/references to relevant past experience completed by the applicant such as assessment reports, reports on business process re-engineering, SOPs for social security administration

The Technical Proposal should be submitted in English in PDF format. ILO may organize informal interviews to discuss the proposals with the short-listed candidates to address any questions or concerns.

***Financial Proposal***

Individual consultant shall submit the Financial Proposal in US Dollar or Iraqi dinar following the table/format below in both the Excel and the PDF versions. Each page of the Financial Proposal in the PDF format should be duly signed and dated. The Financial Proposal should be valid for 90 days after the deadline for submissions.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Budget breakdown** | | | | |
| **Deliverables** | **Number of working days** | **Daily rate** | **Possible other costs (e.g. translation, travel)** | **Total cost** |
| **Deliverable 1** |  |  |  |  |
| **Deliverable 2** |  |  |  |  |
| **Deliverable 3** |  |  |  |  |
| **Deliverable 4** |  |  |  |  |
| **Total** | | | |  |

***Application Process***

Interested individual consultants should submit their Technical and Financial Proposals to [**iraq-procurement@ilo.org**](mailto:iraq-procurement@ilo.org) with the subject line “**Assessment of Digital Ecosystem and Social Security Business Process Re-engineering**” no later than 20 March 2025. Incomplete applications or applications not matching the requirements specified in these Terms of Reference will not be considered. Interested individual consultants that may require clarifications on certain aspects of the ToRs could submit their questions to [**iraq-procurement@ilo.org**](mailto:iraq-procurement@ilo.org) until 16 March 2025 (inclusive).

1. **Evaluation Process and Criteria**

Proposals will be reviewed and evaluated by an Evaluation Panel, to determine compliance with the requirements specified in these Terms of Reference.

A two-stage procedure will be utilized in evaluating the Proposals, with evaluation of each Technical Proposal constituting 70 points being completed prior to any Financial Offer which constitute 30 points being opened and compared.

Each Technical Proposal (70 points) is evaluated on the basis of its responsiveness to these Terms of Reference according to the criteria described below. The minimum passing score is 50 points:

* Maximum 30 points for understanding of the Terms of Reference and the aim of the services to be provided, clarity of the proposal, overall methodological approach, appropriateness of tools and estimated difficulties and challenges;
* Maximum 20 points for feasibility of the implementation and management plan with a timeline related to the different activities;
* Maximum 10 points for relevance of qualifications and experience of an individual consultant;
* Maximum 10 points for proven experience in similar consultancy assignments.

During the second stage of the evaluation, the Financial Proposals (maximum 30 points) of all qualified External Collaborators which have attained at least the minimum score during the technical evaluation (50 points) will be compared. The maximum number of points – 30 points – will be assigned to the lowest Financial Proposal submitted by applicants. All other Financial Proposals will receive points in inverse proportion.

The process of evaluating the proposals will be based on the percentage combination of Technical and Financial elements.

1. **Special Notes**

* The financial proposal should **exclude transportation costs**.
* For **international applicants**, **two round-trip tickets** will be provided, based on the most **economical direct route** to/from Erbil.
* A **daily allowance** will be provided to international applicants for each night spent in Erbil.