CONTRACT REFORM IN PAHO

Background

1. The Executive Committee, during its 140th Session, confirmed Staff Rule amendments (Resolution CE140.R14) needed to implement a new contractual framework in the Pan American Health Organization (PAHO). At that time, however, the Executive Committee conditioned implementation of PAHO’s new contractual arrangements on the approval by the United Nations General Assembly (UNGA) of a similar framework for the UN common system. PAHO’s new framework would consist of three contract types: fixed term, continuing, and temporary.

2. On 23 December 2008, the UNGA approved new contractual arrangements for the UN common system (Document A/RES/63/250, provisional distribution). The framework consists of the same three contract types proposed by PAHO. This new framework comes into effect as from 1 July 2009; however, the General Assembly requested that the Secretary General not appoint any staff to continuing contracts before 1 January 2010 pending the General Assembly’s consideration of additional information concerning the implementation of those contracts. In that same resolution, the UNGA decided that:

(a) temporary contracts are to be used to appoint staff for seasonal or peak workloads and specific short-term requirements for less than one year, which may be extended for up to one additional year where warranted;

(b) staff on temporary contracts would be eligible to receive only the following benefits and allowances: post adjustment, rental subsidy, hazard pay, hardship allowance, Daily Subsistence Allowance (DSA) portion of assignment grant, leave (depending on length of contract), home leave (per classification of duty station), and limited shipment allowance.
3. In light of the above, the Pan American Sanitary Bureau is seeking the Executive Committee’s approval to implement, as of 1 July 2009, those Staff Rule amendments which were confirmed during the 140th Session of the Executive Committee and which would implement changes that allow the appointment of temporary staff for a period of up to two years where warranted.

4. The Bureau also submits to the Executive Committee newly proposed Staff Rule amendments which would fully align the benefits and entitlements of PASB temporary staff with those of the UN common system. The Bureau seeks the Executive Committee’s approval to move forward with the implementation of continuing contracts during the Committee’s June 2010 session.

5. Finally, the Bureau wishes to note that it has fully implemented the PAHO Staff Rule changes related to consultant contracts which were confirmed by the Executive Committee during its 140th Session (Resolution CE140.R14) and approved for implementation during its 143rd Session (Resolution CE143.R1).

**Action by the Executive Committee**

6. The Executive Committee is requested to consider adoption of the proposed resolution in Annex B.

Annexes
# ANALYTICAL FORM TO LINK AGENDA ITEM WITH ORGANIZATIONAL AREAS

<table>
<thead>
<tr>
<th>1. Agenda item:</th>
<th>6.2. Contract Reform in PAHO</th>
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<tr>
<td>2. Responsible unit:</td>
<td>HRM/PJ</td>
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<td>3. Preparing officer:</td>
<td>Nancy Machado, HR Policy and Administration of Justice</td>
</tr>
<tr>
<td>4. List of collaborating centers and national institutions linked to this Agenda item:</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>5. Link between Agenda item and Health Agenda for the Americas 2008-2017:</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>6. Link between Agenda item and Strategic Plan 2008-2012:</td>
<td>RER 16.03 Human Resources policies and practices promote (a) attracting and retaining qualified people with competencies required by the organization’s plans, (b) effective and equitable performance and human resources management, (c) staff development and (d) ethical behavior.</td>
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<td>7. Best practices in this area and examples from countries within the Region of the Americas:</td>
<td>Implementation of contract reform in PAHO is based on decisions taken by the U.N. General Assembly on 23 December 2008 (Document A/RES/63/250) to implement a new contractual framework for the U.N. common system and on implementation of similar reforms in WHO.</td>
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<td>8. Financial implications of Agenda this item:</td>
<td>We expect that there will be some minimal cost savings related to the reduction in the processing of contract extensions.</td>
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PROPOSED RESOLUTION

CONTRACT REFORM IN PAHO

THE 144th SESSION OF THE EXECUTIVE COMMITTEE,

Considering those Staff Rule amendments confirmed during the 140th Session of the Executive Committee (Resolution CE140.R14) related to the reform of PAHO’s contractual mechanisms, for which implementation is pending approval by the Executive Committee;

Acknowledging the need to reduce the administrative burden associated with the management of contracts; and

Recognizing the need for uniformity of contract types with WHO and the UN common system,

RESOLVES:

To authorize the Director to implement, with effect from 1 July 2009, those Staff Rule amendments which were confirmed during the 140th Session of the Executive Committee (2007) with respect to temporary staff appointments.
# Report on the Financial and Administrative Implications for the Secretariat of the Resolution Proposed for Adoption

1. **Agenda item**: 6.2. Contract Reform in PAHO

2. **Linkage to Program Budget 2008-2009**:
   - (a) **Area of work**: Human Resources Management
   - (b) **Expected result**: Harmonize and simplify current complex contract modalities.

3. **Financial implications**
   - (a) **Total estimated cost for implementation over the lifecycle of the resolution** (estimated to the nearest US$ 10,000, including staff and activities): No expected costs.
   - (b) **Estimated cost for the biennium 2008-2009** (estimated to the nearest US$ 10,000, including staff and activities): No expected costs.
   - (c) **Of the estimated cost noted in (b), what can be subsumed under existing programmed activities?** No expected costs.

4. **Administrative implications**
   - (a) **Indicate the levels of the Organization at which the work will be undertaken**: Human Resources Management staff will process new temporary staff contracts and temporary contract extensions.
   - (b) **Additional staffing requirements (indicate additional required staff full-time equivalents, noting necessary skills profile)**: Not applicable.
   - (c) **Time frames (indicate broad time frames for the implementation and evaluation)**: Changes to PAHO’s Temporary Staff contracts would be fully implemented by 1 July 2009.