

*executive committee of
the directing council*



PAN AMERICAN
HEALTH
ORGANIZATION

*working party of
the regional committee*

WORLD
HEALTH
ORGANIZATION



107th Meeting
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Provisional Agenda Item 5.4

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HIRING UNDER LOCAL CONDITIONS OF EMPLOYMENT FOR THE MOBILIZATION OF
NATIONAL RESOURCES

Background

The current program to hire national staff members under local conditions of employment was approved in Resolution XIX of the XXII Pan American Sanitary Conference, held in September 1986. This resolution revised Article I of the Staff Regulations by the addition of Articles 1.12, 1.13, 1.14, and 1.15, subject to determination whether these amendments should remain in effect after 30 September 1989. The resolution likewise requested the Director "to issue such rules as he may deem appropriate to regulate contracts of this type of national personnel...." A copy of the resolution is attached as Annex I to this document.

Pursuant to the request of the Conference, the Director established a joint working group with the participation of the representatives of the staff in order to prepare the text of the proposed rules. Following review by the Subcommittee on Planning and Programming and confirmation by the Executive Committee at its 99th Meeting, these rules were incorporated into the Staff Rules of the Bureau, effective 1 July 1987.

In addition to the rules, the Secretariat prepared a series of reports reviewing the extent to which the mandate contained in that resolution had been acted upon. To date, nine reports have been compiled and submitted to the Governing Bodies of the Pan American Health Organization on the subject of hiring under local conditions of employment for the mobilization of national resources.

In June 1989, the Executive Committee reached the conclusion that follow up actions taken by the Secretariat were of particular importance and in Resolution XVI took inter alia the following decision:

Pending a full review of the matter, to be completed prior to 31 May 1991, for analysis of the Executive Committee in its 107th Meeting, to extend the trial period until 30 September 1991 to allow the Secretariat to obtain additional experience with the system and to develop the guidelines. (See Annex II, CE103.R16, paragraph 4).

The present report has been prepared in order for the Secretariat to comply with the content of the resolution.

Progress Report

As may be recalled, in June 1990 the Executive Committee endorsed the criteria/guidelines developed by the Secretariat in carrying out the implementation of Resolution XIX of the XXII Pan American Sanitary Conference. These criteria/guidelines are reproduced for the convenience of the members of the Executive Committee:

1. The international nature of the Organization and the rights of the staff in place shall be protected. The application of the system shall be without prejudice to the rights of the existing staff serving under the conditions of employment of the United Nations Common System.
2. Existing contractual arrangements foreseen under the Constitution of PAHO, the Staff Rules and Procedures of the Organization, will continue to remain in force.
3. The personnel system will continue to operate on "a limited basis" to secure the services of support personnel only. No professional expertise is to be recruited under this system.
4. The system will also be "limited" in terms of the functions of posts which are defined as those of secretaries, administrative assistants, maintenance technicians, printing clerks, and general services helpers, therefore excluding posts involved in junior management or other control functions, such as audit, program support, etc.
5. Similarly, the operation of the system will be "limited" in terms of locations, primarily to centers, i.e., Pan American Foot-and-Mouth Disease Center (PANAFMOSA), Pan American Zoonoses Center (CEPANZO), and Pan American Center for Human Ecology and Health (ECO), and the PAHO/WHO Representation in Brazil. As reported to the Executive Committee in June 1989, consideration is being given to extend the system to the Latin American Center for Perinatology and Human Development in the near future. Requests received to apply these Staff Rules to other offices have been denied during the past year, as they were not considered economical or feasible.

6. The Secretariat will exercise vigilance and prudence in order to maintain the principle of "cost effectiveness."
7. Lines of communication will remain open between Headquarters and the field offices participating in the program. The Secretariat will ensure periodical evaluations, frequent consultations with the internal auditors, and a full review of the system in May 1991, for analysis by the Executive Committee at its 107th Meeting.
8. Control functions will remain centralized and for the purpose of maintaining administrative surveillance, all decisions of substance of a budgetary, financial, and personnel management nature will be made by PAHO international staff.

As a result of the further review undertaken by the Secretariat, it is considered that in the implementation of the new personnel system the language, intent, and spirit of Resolution XIX have been adhered to and the criteria/guidelines authorized by the Executive Committee have been strictly followed. The Staff Rules have been found suitable to the objectives being sought, and there has been no request that such rules be amended. Since the inception of the program, establishment of posts has been authorized on a limited basis as to the number, location, and functions to be performed. The system has been operating at a cost 35 to 50% lower than that of maintaining similar "United Nations" posts, in spite of the fact that the posts under consideration are located in high inflation areas.

The Executive Committee was advised in June 1990 that the number of posts established under the system was, at that time, 236 and that it would not exceed 275, including an addition of 50 posts by 1992. During the past 12-month interval, there has been no increase, at any location, but rather the total number of posts has decreased from 236 to 177. A table attached as Annex III of the document provides up-to-date information on the posts established under the system, indicating the changes that have occurred during 1990 and 1991.

Effective execution continues to require good cooperation and control, both at Headquarters level and in the field offices participating in the program. Within that context, the staff of Headquarters have provided guidance and counseling on the occasion of their visits to the field. The office of the Internal Auditor has been called upon to pay close vigilance over payments disbursed locally to this category of staff. New ways of thinking and actions on classification, salary administration, monitoring, and evaluation of national staff were likewise considered with care and attention. In this connection, the Executive Committee may wish to note that a second training seminar at Headquarters is scheduled in early June 1991 for the field administration staff responsible for the implementation of the new personnel system.

The result so far achieved is that of joint efforts in which the field offices have cooperated closely with Headquarters in a situation without prior institutional experience. The Secretariat has gained experience and confidence and the program has been fully integrated into the normal personnel operations at Headquarters, side by side with other personnel systems of the Organization.

The Secretariat wishes to submit that the program introduced by Resolution XIX of the Pan American Sanitary Conference has been operating successfully, responding to the managerial concerns of the 1990s for greater administrative cost efficiency. It has proved to be not only cost effective but viable, particularly at PAHO centers. On the one hand, the program supplements the existing standard instruments; on the other, it has regularized the status of those who had had no, or only ambiguous, status in the Organization, replacing some ad hoc arrangements which some field offices had been constrained to introduce in the face of staffing needs. The success of the program has been such as to enable the Secretariat to proceed with its implementation at the Latin American Center for Perinatology and Human Development and open the possibility of its use at the Caribbean Food and Nutrition Institute (CFNI). Thirty-five personnel at the Perinatology Center are likely to be included into the program during the forthcoming year. Negotiation is underway at CFNI in order to freeze any "United Nations" general service posts, as they become vacant, for the purpose of converting them eventually into the national legislation coverage.

Taking the above into consideration, the Secretariat is confident that the national systems for support personnel really meet the needs of PAHO, particularly at centers. It is expected that continuation of the program will enhance the mobilization of human resources at centers, at reasonable cost, and will provide flexibility in meeting the requirements of some of our centers. It is felt that the Secretariat has successfully completed the extended trial period.

Proposed Resolution

HIRING UNDER LOCAL CONDITIONS OF EMPLOYMENT FOR THE
MOBILIZATION OF NATIONAL RESOURCES

THE 107th MEETING OF THE EXECUTIVE COMMITTEE,

Having considered the report of the Director containing the action taken to date for the implementation of Resolution XIX of the XXII Pan American Sanitary Conference on hiring under local conditions of employment for the mobilization of national resources (Document CE107/15);

Considering the views expressed by the Executive Committee at its meetings since the inception of the subject in 1986; and

Bearing in mind Resolution XVI of the 103rd Meeting of the Executive Committee,

RESOLVES:

1. To take note of the report presented by the Director in Document CE107/15 for implementation of Resolution XIX of the XXII Pan American Sanitary Conference.

2. To confirm the personnel system of hiring under local conditions of employment for mobilization of national resources effective 30 September 1991.

3. To request the Director to continue his efforts to monitor the implementation of the personnel system, on the basis of the principles enunciated in Resolution XIX of the XXII Pan American Sanitary Conference, and to present a statistical report to the Executive Committee at its 111th Meeting in 1993.

Annexes

Resolution XIX

Hiring under Local Conditions of Employment for the Mobilization of National Resources

The XXII Pan American Sanitary Conference.

Having reviewed the Director's report (Document CSP22/28) on the local hiring of personnel;

Considering that the Organization possesses, in its own right, the legal capacity needed to issue its own legally binding rules on the appointment, qualifications, rights and obligations of its employees, and further possesses within the territory of each of its Member Countries the status of juridical person, endowing it with the capacity to take legal actions and enter into agreements of any nature; and

Mindful that these two capacities make it legally possible and fitting to establish two categories of personnel in the Organization, the first comprised of international staff members, whether internationally or locally recruited, who will continue to be governed, as hitherto, by the Staff Regulations and Staff Rules of PAHO, and the second, created by means of this resolution, consisting of national staff members appointed to such posts as the Director shall determine, who shall be governed in all their relations with the Organization by the labor laws and practices of the country in which they serve. This new category of personnel shall replace that of the present contractors and consultants in cases in which there actually exists an employer/employee relationship, and personnel in this category shall be referred to as national staff members because their conditions of employment shall be governed, in fact and in law, by the labor legislation and practices of the countries in which they serve.

Resolves:

1. That effective immediately until 30 September 1989 (unless a differing recommendation be made by the Executive Committee in the interim), the Staff Regulations of PAHO shall be amended as follows:

"1.12 The Bureau may hire under local conditions of employment national staff members (nationals of the country and aliens, whether residents or not, who legally qualify for employment there), to whom the Staff Regulations and Rules shall not apply save in regard to the present Article I on Duties, Obligations and Privileges as national employees and not as international functionaries. Respecting privileges, such employees shall be governed by the Basic Agreement on Privileges and Immunities between the Organization and the country in which they are employed.

1.13 The contracts of such national employees shall be governed in every aspect, including those of work-related accidents, social security and pensions, by the labor laws and practices of the country concerned.

- 1.14 The Director shall determine the posts to be subject to these rules and shall establish scales of salaries and allowances, in conformity with competitive conditions of employment of the locality in the type of work performed or related to the functions of the office.
- 1.15 National employees shall have access to arbitration or labor tribunals of the countries in which they are employed for the settlement of disputes, in accordance with their respective contracts, and shall therefore have no access to the Administrative Tribunal of the International Labor Organization, whose competence is not recognized in respect of national employees.”
2. To request the Director to issue such rules as he may deem appropriate to regulate contracts of this type for national personnel, subject to confirmation by the Executive Committee pursuant to Staff Rule 015.2, and to incorporate them into the Staff Rules.
3. To request the Director to provide the Executive Committee with annual interim reports on the implementation of these amendments to the Staff Regulations, and with a full report, prior to 31 May 1989, to include such matters as identification of the positions involved, the cost implications, administrative adjustments, and general operations of the system of hiring under local conditions of employment, together with his recommendations regarding this new system.
4. To request the Director, pending completion of the review by the Executive Committee in 1989, to implement these amendments on a limited basis and to exclude from the application thereof any currently established posts under the Staff Rules and Regulations which are not or do not become vacant, unless the Executive Committee decides otherwise in advance.
5. To delegate to the Executive Committee the authority to determine if these amendments to the Staff Regulations shall remain in effect after 30 September 1989

*(Approved at the tenth plenary session,
26 September 1986)*

RESOLUTION XVI

HIRING UNDER LOCAL CONDITIONS OF EMPLOYMENT FOR THE
MOBILIZATION OF NATIONAL RESOURCES

THE 103rd MEETING OF THE EXECUTIVE COMMITTEE,

Having considered the report of the Director on the subject of "Hiring Under Local Conditions of Employment for the Mobilization of National Resources" (Document CE103/14);

Having noted the report of the Twelfth Meeting of the Subcommittee on Planning and Programming of the Executive Committee in relation to the subject; and

Bearing in mind Resolution XIX of the XXII Pan American Sanitary Conference,

RESOLVES:

1. To take note of the report presented by the Director concerning the personnel system established in accordance with Resolution XIX of the XXII Pan American Sanitary Conference.

2. To request the Director to continue his efforts to monitor the implementation of the personnel system, on the basis of the content of Document CE103/14, and to present a progress report to the Executive Committee at its 105th Meeting in 1990.

3. To request the Director, during this period, to develop criteria/guidelines to determine the kinds of posts which should remain within the United Nations Common System in relation to the implementation of the new national contract system.

4. Pending a full review of the matter, to be completed prior to 31 May 1991, for analysis by the Executive Committee in its 107th Meeting, to extend the trial period until 30 September 1991 to allow the Secretariat to obtain additional experience with the system and to develop the guidelines.

(Adopted at the tenth plenary session,
30 June 1989)

POSTS ESTABLISHED UNDER RESOLUTION XIX OF THE
XXII PAN AMERICAN SANITARY CONFERENCE
1990 - 1991

	April 1990	April 1991	Changes 1990 - 1991
PANAFTOSA	133	133	No change
CEPANZO	45	0	- 45
ECO	16	16	No change
PWR-BRAZIL	42	28	- 14
TOTAL	236	177	- 59