

*executive committee of
the directing council*



PAN AMERICAN
HEALTH
ORGANIZATION

*working party of
the regional committee*

WORLD
HEALTH
ORGANIZATION



91st Meeting
Washington, D.C.
October 1983

Provisional Agenda Item 9

CE91/2 (Eng.)
28 September 1983
ORIGINAL: ENGLISH

CURRENCY OF SALARY PAYMENTS

Introduction

Extensive discussion took place at the 90th Meeting of the Executive Committee with respect to expansion of the Organization's ability to accept and utilize local currencies in carrying out its programs. The Director suggested that a change in the Organization's policy on currency of salary payments would expand the Organization's ability to utilize local currencies by \$3 to \$4 million a year, and that such a payment practice was being followed by other international organizations. It was generally decided that the Organization should prepare a formal document on this subject for the consideration of the Executive Committee at its 91st Meeting.

Payments and Deductions for Professional Staff Members

Under Administrative Instruction ST/AI/230 and Amendment 1-7 the United Nations has established certain rules governing the currency of payment of salaries and allowances. A minimum of 30 per cent of the total amount of the net base salary, post adjustment and allowances is being paid in the currency of the duty station, and a maximum of 70 per cent in a single other currency. Countrywide exceptions to this formula are granted if special circumstances in a given duty station so warrant. Only two levels of exception are granted, consisting of either 20 per cent or 10 per cent of the above remuneration elements in local currency instead of the normal minimum of 30 per cent.

WHO has for some time followed the United Nations rules governing the currency of payment of salaries and allowances. PAHO has not yet implemented a policy on currency of payment to conform to this uniform practice of the United Nations system. Therefore, the professional staff of PAHO and professional staff of United Nations agencies stationed at the same location are working under different conditions of service.

Guidelines to implement a change in payment policy would need to be published to establish a uniform salary payment policy between PAHO and WHO and also incorporate provisions followed in practice by the United Nations. These guidelines would be as follows:

Currency of Salary, Post Adjustment and Allowance Payment

Irrespective of the location of the official station, professional staff members are paid their net base salary, post adjustment, assignment allowance, language and dependent's allowance in the following currencies:

1. A minimum of 30 per cent in the currency of the official station;
2. The balance, after the deduction of contributions to the United Nations Joint Staff Pension Fund, the WHO Staff Health Insurance and accident and other insurance premiums, etc., in U.S. dollars;
3. Countrywide exceptions to the above formula may be granted, if special circumstances in a given duty station so warrant. Only two levels of exception will be granted, consisting of either 20 per cent or 10 per cent of the above remuneration elements in local currency instead of the normal minimum of 30 per cent.

A change in PAHO's policy on currency of payment of salaries and allowances also will permit the Organization to more effectively utilize the currency of Member Countries which from time to time are available for expenditure in the Organization's accounts. Significant amounts of country currencies are deposited in the accounts from vaccine procurement reimbursements under the Expanded Program on Immunization and from the sale of textbooks and other materials. These receipts occasionally exceed the Organization's short-term operating requirements and must remain on deposit until required. The liquidity of the Organization's funds is, therefore, restricted and the funds are subject to exchange loss risk. Any reasonable change in the Organization's policy on currency of payment would increase its ability to promptly disburse country currencies and would be of financial benefit to the Organization. An example of the effect of a policy change on currency of salary and allowance payments, by Member Country, is shown in the Annex to this document.

If the Executive Committee endorses the adoption of the payment policy change, the Director will make the necessary adjustments to the Manual provisions in order to implement the new payment guidelines.

- SALARIES OF PROFESSIONALS AT FIELD OFFICES -
 BASED ON 1983 AUGUST PAYROLL

24 August 1983

IN U.S. DOLLARS

Total Staff	Country	(1)	(2)	(3)	(4)	Exchange Rate	Equivalent of column 4 in local currency	Type of Currency
		Net Pay (Plus Credit Union)	30% from Net Pay	Total Entitlements	30% of Total Entitlements			
3	Antigua	9,784.00	2,935.00	11,018.00	3,305.00	2.70	8,924.00	E.C. Dollars
21	Argentina	59,465.00	17,840.00	69,949.00	20,985.00	10.25	215,096.00	New Pesos
1	Bahamas	3,467.00	1,040.00	3,943.00	1,183.00	1.00	1,183.00	Dollars
14	Barbados	57,022.00	17,107.00	65,410.00	19,623.00	2.00	39,246.00	Dollar
8	Bolivia	23,961.00	7,188.00	28,120.00	8,436.00	211.00	1,779,996.00	Pesos
52	Brazil	120,291.00	36,087.00	145,769.00	43,731.00	641.00	28,031,571.00	Cruzeiros
2	Chile	7,239.00	2,172.00	8,395.00	2,519.00	79.00	199,001.00	Pesos
13	Colombia	43,685.00	13,106.00	49,918.00	14,975.00	78.50	1,175,538.00	Pesos
7	Costa Rica	20,265.00	6,080.00	24,032.00	7,210.00	44.10	317,961.00	Colones
1	Cuba	3,247.00	974.00	3,924.00	1,177.00	.8514	1,002.00	Pesos
1	Dominica	3,631.00	1,089.00	4,121.00	1,236.00	2.70	3,337.00	E.C. Dollars
4	Dominican Rep	15,001.00	4,500.00	20,954.00	6,286.00	1.00	6,286.00	Pesos
11	Ecuador	23,396.00	7,019.00	29,088.00	8,726.00	92.00	802,792.00	Sucres
5	El Salvador	15,992.00	4,798.00	23,017.00	6,905.00	3.90	26,930.00	Colones
15	Guatemala	45,413.00	13,624.00	59,105.00	17,732.00	1.00	17,732.00	Quetzales
8	Guyana	23,741.00	7,122.00	27,820.00	8,346.00	3.00	25,038.00	Dollars
11	Haiti	36,916.00	11,075.00	41,967.00	12,590.00	5.00	62,950.00	Gourdes
8	Honduras	25,715.00	7,715.00	29,649.00	8,895.00	2.00	17,790.00	Lempiras
17	Jamaica	45,057.00	13,517.00	48,233.00	14,470.00	2.65	38,346.00	Dollars
28	Mexico	57,306.00	17,192.00	73,720.00	22,116.00	148.50	3,284,226.00	Pesos
2	Nicaragua	9,343.00	2,803.00	10,499.00	3,150.00	10.00	31,500.00	Cordobas
4	Panama	14,508.00	4,352.00	16,983.00	5,095.00	1.00	5,095.00	Balboas
8	Paraguay	30,931.00	9,279.00	35,349.00	10,605.00	160.00	1,696,800.00	Guaranies
24	Peru	78,592.00	23,578.00	91,449.00	27,435.00	1,860.00	51,029,100.00	Soles
2	Suriname	6,070.00	1,821.00	6,873.00	2,062.00	1.77	3,650.00	Guilders
1	St. Vincent	2,971.00	891.00	3,620.00	1,086.00	2.70	2,932.00	E.C. Dollars
17	Trinidad	61,550.00	18,465.00	69,600.00	20,880.00	2.40	50,112.00	Dollars
231	U.S.A.	677,877.00	-	798,486.00	-	-	-	Dollars
11	Uruguay	32,741.00	9,822.00	41,520.00	12,456.00	35.00	435,960.00	New Pesos
7	Venezuela	21,994.00	6,598.00	26,178.00	7,853.00	13.40	105,230.00	Bolivares
538	Sub-Total	1,577,171.00	269,789.00	1,868,709.00	321,068.00	-	-	-
(231)	U.S.A.	(677,877.00)	-	(798,486.00)	-	-	-	-
307	TOTAL	899,294.00	269,789.00	1,070,223.00	321,068.00	-	-	-

CE91/2 (Eng.)
ANNEX