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PAN AMERICAN
HEALTH
ORGANIZATION

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ACTIONS TAKEN IN REGARD TO THE ELIMINATION AND FUNCTIONS OF THE AREA OFFICES OF THE PAN AMERICAN SANITARY BUREAU

Resolution II of the XXIX Meeting of the Directing Council (1983) approved the elimination of the Area Offices effective 1 January 1984, as well as measures proposed for accomplishing this end, including the administrative actions and their implementation schedule as set forth in Document CD29/18.

The Director is pleased to present this report on the actions taken in regard to the implementation of Resolution CD29.R2.

I. BACKGROUND

Resolution II of the XXIX Meeting of the Directing Council (Annex I) approved the elimination of the Area Offices as of 1 January 1984.

In order to comply with this mandate of the Governing Bodies, the Director designated a Headquarters team comprised of members from the Program Coordination Office of the Assistant Director, the Office of the Chief of Administration and the Legal Office. This team developed a detailed plan of operations to complete the administrative actions and the implementation schedule, as set forth in Document CD29/18. This plan of operations also included requirements to initiate negotiations with the Governments of Argentina, Guatemala, Mexico, Peru and Venezuela on new Basic Agreements, similar to those in effect with other Member Governments.

II. ACTIONS COMPLETED TO DATE

1. Elimination of Area Offices

PAHO Directive 83-17 dated 23 December 1983 eliminated the Area Offices effective 1 January 1984.

On the same date, the Area Offices were redesignated as Country Representative Offices and the Area Representatives were redesignated Country Representatives.

2. Visits to Area Offices

To initiate the required implementation actions at the field office level, a team from Headquarters visited the Area Offices in October and November 1983.

During the above visits, the following activities were undertaken:

- a) Meetings were held with Ministry of Health officials to discuss implementation of Resolution II and to inform the Ministry of the forthcoming negotiations on a new Basic Agreements between the Governments and PAHO.
- b) Orientation briefings of the Area Office Staff were conducted. All available professional and general service staff of the offices attended these briefings. All aspects of the changes due to the elimination of the Area Offices were discussed.
- c) Review was made of country programs and projects.
- d) Discussions were held on the 1984 AMPES for country projects.
- e) Review was made of intercountry programs/projects and an orientation was given for the preparation of AMPES for these projects.
- f) Review was made of the approved PAHO/WHO budget and administrative support requirements for the new Country Representatives' Offices, to include support of intercountry projects.
- g) Discussions were held with each Area Representative/Country Representative on the detailed actions to implement the elimination of the Area Offices effective 1 January 1984 as well as the forthcoming negotiations with the Government on a new Basic Agreement between the Government and PAHO/WHO.

- h) A restructuring of the new Country Representatives' Offices was developed and detailed staffing/personnel actions required to implement the restructuring were identified. This restructuring considered the budgeted posts, those posts scheduled for deletion due to the elimination of the Area Offices, and distribution of functional responsibilities in the new Country Offices.
- i) Discussions on the future of the Area Office buildings were initiated.

Upon completion of these visits to the Field Offices in December 1983, the Headquarters team coordinated the Field Office implementation actions with required actions at the Headquarters level. The appropriate Headquarters offices were advised of the actions being undertaken and any problems identified at the Field Office level with recommendations for their solution.

After the elimination of the Area Offices on 1 January 1984, the team from Headquarters again visited the former Area Offices during February-April 1984.

This Headquarters team, together with the local staff, reviewed the pending actions on the elimination of the Area Offices and provided assistance to the Country Representatives in completing these actions. This team also continued the study on the future of the Area Office buildings which had been initiated during the first visits and developed proposals for discussions with the Governments on the Government's commitments in the new basic agreements, including support for the operating costs and office space for the new Country Representative Offices.

III. BUDGET AND STAFFING OF THE NEW COUNTRY REPRESENTATIVE OFFICES

The changes related to the elimination of the Area Offices in the 1984-1985 Program Budget as approved by the XXIX Meeting of the Directing Council were implemented in the 1984-1985 Operating Budget. These changes included the deletion of 26 posts (3 Professional and 23 General Service posts).

As indicated in Document CD29/18, the posts to be eliminated were budgeted in 1984-1985 through the expiration date of the incumbent's contract in order to reduce impact on affected staff and provide for a smooth transition. Additional actions were taken, where possible, to reassign affected staff to other vacant posts for which they could qualify.

A summary of the status of the 26 eliminated posts is as follows:

Posts Scheduled for Elimination (PR/WR Funds)*/	26
Vacant Posts Eliminated (PR/WR Funds)	4
Filled Posts Eliminated (PR/WR Funds)	22

The status of the incumbents of the 22 filled posts which were eliminated has been resolved through retirements, resignation, reassignments to other vacant posts and by funding of some posts by contributions of the Governments.

In summary, the 26 posts have been eliminated from the PR/WR budget.

IV. NEW ROLE OF THE COUNTRY REPRESENTATIVE

The contemplated expanded role for Country Representatives was summarized in Annex XI of Document CD29/18. This new role considered the elimination of the Area Offices and the reorganization of Headquarters activities. However, the main emphasis of this new role is to increase the Organization's capacity to support national programs and priorities through the strengthening of the Country Representatives' Offices. These country offices are the basic unit for the generation, coordination, execution and evaluation of scientific and technical cooperation in the countries of the Americas.

To formally establish the new expanded role of the Country Representative, the related functions and responsibilities have been examined. A new post description for Country Representatives has been published which outlines the duties and responsibilities required to provide the capacity to meet the technical cooperation objectives of the Governments and the Organization and to manage PAHO activities in the countries in support of those objectives.

Increased delegation of authority has been provided to the Country Representatives. Further decentralization of administrative support activities to the Country Office level, which will place additional decision-making authority at the country level and provide an accelerated capacity for response to the country's technical cooperation needs, is in process.

Further discussion on this matter is included in Section X below.

*/ PR: PAHO/Regular Budget; WR: WHO Regular Budget contribution to the Region of the Americas.

V. MANAGEMENT AND SUPERVISION OF INTERCOUNTRY PROJECTS

The implementation of the elimination of the Area Offices includes the assignment of former Area Advisors to intercountry projects in the country where the major need for their services exists. These intercountry projects, providing advisory services to two or more countries, are essentially an extension of regional programs and have been placed under the management and supervision of the appropriate Regional Program Coordinators at Headquarters.

Further examination of the management of these intercountry projects were made during the visits to the Country Offices in late 1983 and during 1984. In order to clearly establish the management and supervision of these intercountry projects, a PAHO directive outlining the functions, supervisory and reporting responsibilities, policies and guidelines on operational matters, administrative support responsibilities and the roles of both the Regional Program Coordinators and the Country Representatives has been published.

VI. NEGOTIATIONS WITH GOVERNMENTS ON NEW BASIC AGREEMENTS

In order to implement the provision of operative paragraph 3 of Resolution II, new Basic Agreements or amendments to the existing agreements between PAHO/WHO and the Governments of Argentina, Guatemala, Mexico, Peru and Venezuela were developed. These agreements are similar to the agreements in effect with other Member Governments and have been designed to replace and/or amend the Zone Office agreements which covered the operations of the PAHO Zone/Area offices in those countries. Complete new Basic Agreements were not needed in Guatemala and Venezuela and, with the concurrence of these Governments, amendments to the existing agreements were developed. All of these new agreements were delivered by hand to the Ministers of Health and the Ministers of Foreign Affairs. Their current status is as follows:

<u>Government</u>	<u>New Basic Agreement or Amendment was Presented to the Government</u>	<u>Current Status</u>
Argentina	16 April 1984	Signed 9 November 1984; in process of ratification
Guatemala	23 February 1984	Under review by Government
Mexico	12 February 1984	Signed 30 May 1984; awaiting notification of acceptance through diplomatic channels
Peru	8 March 1984	Signed 21 November 1984; in process of ratification
Venezuela	7 March 1984	Under review by Government

These new agreements include, inter alia, the recognition at the country level of the legal status of the PAHO/WHO as an international organization part both of the family of the United Nations and of the Inter-American System; the privileges and immunities of the Organization and its personnel; the development of technical cooperation; commitments of the Organization; and commitments of the Government. The commitments of the Government include provisions for Government contributions towards the operating costs, including office space, of the PAHO Country Representative's Office.

As indicated above, new agreements have been signed by the Governments of Argentina, Mexico and Peru. New Basic Agreements are currently under review by the Governments of Guatemala and Venezuela. The Country Representatives have participated in discussions with the national authorities to provide any required information and assistance. Headquarters staff, including the PAHO Legal Office, have been made available to provide any required assistance and/or participate in the negotiations with the Governments.

VII. NEGOTIATIONS WITH GOVERNMENTS ON OPERATING COSTS OF NEW COUNTRY REPRESENTATIVE'S OFFICES

The new basic agreements include provisions for contributions by the Governments towards the operating costs of the Country Offices. The following indicates the current status of the negotiations with the Governments on operating costs for the new Country Representative Offices in the five former Area Office countries:

a. Argentina

Subsequent to the signing of the new Basic Agreement on 9 November 1984, provisions have been made in the 1985 national budget for 43,750,000 Argentine pesos as the annual support of the Ministry of Health to cover operations and personnel costs of the Country Representative's Office. It is anticipated that this annual support will be on a continuing basis in future years in accordance with the provisions of the new Basic Agreement.

b. Guatemala

Although the new Basic Agreement is still under review by the Government of Guatemala, the Ministry of Health has already made available to PAHO the amount of Q.40,000 to finance local staff members in 1984, and Q.40,000 for 1985. Negotiations are in progress for an additional amount of Q.55,000 for 1985. In addition, the Government has been providing 10 government staff members for PAHO Guatemala projects.

c. Mexico

The new Basic Agreement was signed on 30 May 1985. Starting in 1985, the Government of Mexico will provide an amount of 794,454.50 Mexican pesos monthly towards the rental costs of the Country Representative's Office. Negotiations will be continued on possible Government contributions for other operating costs of the Country Representative's Office.

d. Peru

In accordance with the provisions of the new Basic Agreement signed on 21 November 1984, the Ministry of Health has included in its 1985 budget an equivalent contribution of US\$91,000, towards the 1984 and 1985 operating costs of the Country Representative's Office. Similar contributions are anticipated for future years. The government also provides four government staff for PAHO Peru projects.

e. Venezuela

Negotiations on contributions by the Government towards operating costs of the Country Representative's office are awaiting finalization of the amendment to the Basic Agreement and completion of reorganization currently in process in the Government. This reorganization process involves both the Ministers of Health and Foreign Affairs. The Government of Venezuela has been providing an annual grant of 72,000 bolívares toward the operating costs of the Country Representative's Office.

VIII. OFFICE BUILDINGS

The XXIX Meeting of the Directing Council considered Document CD29/18 in reference to the physical facilities of the former Area Offices in Argentina, Guatemala, Mexico, Peru and Venezuela, which currently are occupied by the new Country Representatives' Offices.

The current status of these properties is as follows:

a. Argentina

The Country Representative's Office operates on two floors of a building located in downtown Buenos Aires. These are the facilities of the former Area Office and have been owned by PAHO since 1954.

In discussions with Government authorities for the establishment of a new Country Representation, enquiries were made regarding the possibility of a space in a building of the Ministry of Health or in other locations in Government buildings. Since the Ministry itself does not have enough space for its own structures and is renting offices in private buildings, it indicated its willingness to provide economic support for remodeling and future maintenance of the PAHO/WHO physical facilities for the time being. The funds (43,750,000 Argentine pesos) for annual support of operating costs of the Country Representative's Office indicated in paragraph VII.a above include funds in lieu of providing office space. The Government is also financing remodeling of the offices, which was completed in 1984.

b. Guatemala

The office space currently utilized by the Country Representative's Office has been owned by PAHO since 1969. Negotiations with the Government are in progress to seek a coordinated solution to the office space requirements of the Country Representative's Office.

c. Mexico

Currently, PAHO rents office space for the Country Representative's Office. As indicated in paragraph 7.c above, the Government of Mexico will provide a grant towards these rental costs.

d. Peru

The building in Lima, Peru, which houses the Country Representative's Office has been owned by PAHO since 1967.

Negotiations on the future of this building are awaiting the change of government, which is scheduled to take place in 1985. Negotiations with the new Government will commence at the earliest practical date.

e. Venezuela

The building in Caracas which houses the Country Representative's Office has been owned by PAHO since 1970. Negotiations on the future of this building are awaiting finalization of the amendment of the Basic Agreement and completion of reorganization currently in process in the Government. Negotiations will be commenced at the earliest practical date.

IX. STATUS OF IMPLEMENTATION ACTIONS

Attached as Annex II is a summary of the status of administrative actions and the implementation schedule contained in Document CD29/18 and referred to in operative paragraph 2 of Resolution II of the XXIX Meeting of the Directing Council. The implementation schedule has been supplemented by additional administrative actions from the Plan of Operations to implement Resolution II. As noted in the Annex, the scheduled administrative actions have been essentially completed.

Actions which are still pending completion are mainly those involving the negotiations with the Governments on the following:

- a) Negotiations and signature of the new Basic Agreements with the Governments of Guatemala and Venezuela for the establishment of Country Representative Offices, similar to the agreements in effect with other Member Governments of the Organization

It is anticipated that the new Basic Agreements will be finalized in the near future.

- b) Negotiations on contributions by the Governments for the support of the new Country Offices in accordance with the new Basic Agreements

As indicated in Section VII above, progress has been made in negotiations with the Governments on this matter. Although the official commitments of the Governments to provide support to the new Country Offices are contained in the new Basic Agreements, which are not yet completely finalized, the Governments have taken steps to provide contributions for the support of these Country Offices. Negotiations will be continued.

- c) The status of the former Area Office buildings and PAHO office space requirements

The unavailability of office space in Government buildings and the economic conditions in the countries have precluded substantial progress in the status of the PAHO-owned office buildings. However, negotiations will be continued until coordinated solutions are realized.

X. CURRENT IMPACT ON PAHO TECHNICAL COOPERATION

The "Managerial Strategy for the Optimum Use of PAHO/WHO Resources in Direct Support of Member Countries" was presented to the XXIX Meeting of the Directing Council. In describing the role of the Country Office, it was emphasized in the Managerial Strategy that the entire design of the management structure of the Secretariat is aimed at being better prepared to convert into action the first principle of the management strategy which designated the country as the primary object of and the decisive force in determining the Organization's technical cooperation.

Visits by the Director and Headquarters regional advisors to Member Countries, plus the increased active participation of the Country Representatives and the Country Offices' staff, have expanded the Organization's activities at the country level as envisioned in the new Management Strategy. Joint Government/PAHO-WHO analysis of health policies, strategies and programs in individual countries has been facilitated by the new expanded role of the Country Representative and the new field organizational structure. The Country Representative plays a key role in the delivery of PAHO technical cooperation programs to the countries. The elimination of the Area Offices and the new organizational structure at Headquarters coupled with the increased active participation and expanded role of the Country Representative have served to improve the planning and programming of PAHO's technical cooperation activities with the Member Governments.

XI. SUMMARY

The elimination of the Area Offices has been effected without any major problems. The implementation measures and related actions have been carried out as scheduled. The change has permitted the improvement of our working program of technical cooperation with the Member Governments. Negotiations with the Governments on the new Basic Agreements, operating costs of Country Offices and the status of the former Area Office buildings will continue.

The structural arrangements of both the Field Offices and the Headquarters will be constantly reviewed and refined to provide maximum support to the Member Governments and to ensure optimum use of available PAHO resources.

Annexes



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XXIX Meeting

XXXV Meeting

CE95/12 (Eng.)
ANNEX I

RESOLUTION II

STUDY OF THE FUNCTIONS OF THE AREA OFFICES OF THE PAN AMERICAN
SANITARY BUREAU

THE XXIX MEETING OF THE DIRECTING COUNCIL,

Having examined the report presented by the Director on the study of the functions of the Area Offices of the Pan American Sanitary Bureau (Document CD29/18);

Recalling Resolutions XII of the XXVIII Meeting of the Directing Council and XVI of the XXI Pan American Sanitary Conference; and

Mindful of the provision of the Regional Plan of Action: Health for All by the Year 2000, to increase the operating capacity of the Pan American Sanitary Bureau to support national and regional processes,

RESOLVES:

1. To thank the Director for the study of the functions of the Area Offices of the Pan American Sanitary Bureau (Document CD29/18).
2. To approve the Director's recommendation in this study that the Area Offices be eliminated with effect from 1 January 1984, as well as the measures proposed for accomplishing this end, including the administrative actions and their implementation schedule, as set forth in Document CD29/18.
3. To recommend to the Director that he initiate negotiations with the countries in which Area Offices are located to review and conclude new Basic Agreements for the establishment of Country Representative Offices, similar to the agreements in effect with other Member Governments of the Organization.
4. To request the Director to evaluate the extent to which the proposed implementing measures have been carried out and their effectiveness, and to report on the gains made in this direction to the Meeting of the Directing Council in 1985.

(Approved at the second plenary session,
26 September 1983)

STATUS OF IMPLEMENTATION SCHEDULE/ACTIONS
ELIMINATION OF THE AREA OFFICES

<u>Action</u>	<u>Target Date for Completion</u>	<u>Current Status of Action</u>		<u>Remarks</u>
		<u>Completed</u>	<u>Completion Date</u>	
a. <u>Inform Ministries of Health of Resolution of the XXIX Directing Council</u>	October 1983	Yes	12 Oct. 1983	Letter including Resolution II sent to all Ministers of Health.
b. <u>Orient PAHO Headquarters Staff and Chiefs of Field Offices, inform WHO</u> (1) <u>Orient PAHO Headquarters Staff</u> (2) <u>Orient Chiefs, Field Offices</u> (3) <u>Inform WHO</u>	October/November 1983	Yes Yes Yes	12 Oct. 1983 Oct.-Dec. 1983 4 Jan. 1984	Orientation meetings were held with Headquarters Staff. Orientation briefings were given to all Area Representatives on visits to Area Offices. Resolution II included in Final Report of the XXIX Meeting of the Directing Council was sent to WHO.
c. <u>Hold briefing of Headquarters staff and Chiefs of Field Offices (AR, CR and Center Directors) and develop detailed plan of operation for implementation</u>	October/December 1983	Yes	16 Dec. 1983	In addition to meetings indicated above at Headquarters, Area Representatives/Country Representatives plus Center Directors/Staff at CEPANZO, CEPIS, ECO and SEPU were given briefings during visits to Area Offices in October-December 1984. Detailed plan of operation was developed and approved by the Director on 5 October 1983.
d. <u>Conduct orientation briefings for Area Office staff</u>	November/December 1983	Yes	Oct.-Dec. 1983	Briefings were conducted during visits to all Area Offices during October-December 1983.
e. <u>Redesignate Area Offices as Country Offices</u>	January 1984	Yes	1 Jan. 1984	Directive 83-17 issued on 23 December 1983.
f. <u>Redesignate Area Representatives as Country Representatives</u>	January 1984	Yes	1 Jan. 1984	Directive 83-17 issued on 23 December 1983.
g. <u>Publish redefined functions and responsibilities on new role of Country Representatives, include new Delegation of Authority and Post Descriptions</u> (1) <u>Develop and publish new Post Descriptions for Country Representatives</u> (2) <u>Issue new Delegation of Authority to Country Representatives of Argentina, Guatemala, Mexico, Peru, Brazil and Venezuela</u>	January 1984	Yes Yes	April 1984 5 Oct 1984	(1) New Post Description for all Country Representatives issued after coordination with WHO. (2) New Delegation of Authority was developed in coordination with Decentralization Program for Field Offices.

Note. Actions underlined and target date for completion are from Implementation Schedule contained in Document CD29/18.

Action	Target Date for Completion	Current Status of Action		
		Completed	Completion Date	Remarks
<u>h. Adjust 1984-1985 Operating Budget and AMPES</u>	January 1984			
(1) Issue 1984-85 Operating Budget to include updated changes relating to elimination of Area Offices		Yes	9 Jan. 1984	(1) 1984-85 Operating Budget issued with updated changes relating to Area Offices and containing new Program Classification structure.
(2) Adjust AMPES		Yes	Jan.-Apr. 1984	(2) Meeting held with Governments, Country Representatives and Headquarters staff; revised AMPES finalized.
<u>i. Effect transfers of Area Advisors, where required, to new duty stations</u>	January/February 1984	Yes	28 Dec. 1983	Transfers have been effected.
<u>j. Review termination actions on surplus Area Office staff and provide termination notices to affected staff</u>	January/February 1984	Yes		Initial projected termination actions not required. incumbents of posts were retained and funded by PG funds (contributions of government for operating costs of Country Representative Office).
<u>k. Revise and publish pertinent policies, procedures, directives, etc. to implement approved reorganization actions</u>	October 1983/February 1984			
(1) Issue new organizational chart		Yes	6 Apr. 1984	Directive 84-04 issued.
(2) Develop course of action on Area Boards of Inquiry and Appeal, to include changes to PASB staff rules		Yes	July 1984	PASB Staff Rules have been amended to reflect the Area Board of Appeals.
(3) Issue new Directive on Travel Authorization Procedures		Yes	17 Feb. 1984	Directive 84-01 dated 17 February 1984.
(4) Issue new telephone directory with new organization chart and delete data on Area Offices and add new CR offices		Yes	27 Apr. 1984	Telephone directory issued.
(5) Issue 1984-85 Project and Allotment List with new organization chart; delete data on Area Offices and add new CR Offices		Yes	10 Feb. 1984	New Project List issued with required changes.
(6) Prepare new post descriptions for all former Area Office staff transferred to country and inter-country projects		Yes	1984	New Post Descriptions have been prepared.
(7) Issue Directive on Management and Control of Inter-Country Projects		Yes	10 Oct. 1984	Directive 84-09 dated 10 October 1984.
(8) Issue changes to PAHO/WHO Manual and Manual for Field Operations.		Yes	1984	Pertinent changes made; other changes are being made in conjunction with Decentralization Program.

<u>Action</u>	<u>Target Date for Completion</u>	<u>Current Status of Action</u>		
		<u>Completed</u>	<u>Completion Date</u>	<u>Remarks</u>
<u>l. Negotiate with Governments on Zone Office Agreements</u> Develop and submit to the Governments new Basic Agreements and/or amendments to existing Agreements	November 1983-March 1984	Yes	Feb.-Apr. 1984	New Basic Agreements or amendments to existing agreements have been submitted to Governments of Argentina, Guatemala, Mexico, Peru and Venezuela. New Basic Agreements have been signed by Argentina, Peru (?).
<u>m. Negotiate with Governments on provision of logistical and administrative support in accordance with Basic Agreements for newly designated Country Offices</u>	November 1983-March 1984			
(1) Prepare detailed study on support provided to CR's Offices by Governments in all countries		Yes	14 Oct. 1983	(1) Information was requested and received from all PAHO Field Offices during July-September 1983; detailed study was completed 14 October 1983; this study is being updated to 1 March 1985.
(2) Initiate visits to Area Offices to review physical facilities and operating costs for use in negotiations the Government		Yes	Oct. 1983-April 1984	(2) Visits to Area Offices were made in October 1983-April 1984 and discussions held in preparation negotiations with Governments.
(3) Initiate formal negotiations with Governments of Argentina, Guatemala, Mexico, Peru and Venezuela		Yes	Oct. 1983 - April 1984	(3) Formalizations with Governments have been initialed. Basic information and operating cost data were collected during visits to Area/CR offices indicated in (2) above; commitments of governments are contained in new Basic Agreements which have been signed by Argentina, Peru and México; Basic agreements in Guatemala and Venezuela are still under review by Governments. Negotiations are continuing. Progress to date is contained in narrative of this document.
<u>n. Initiate study on future of Area Office buildings</u>	February 1984	Yes	Oct. 1983 - April 1984	Negotiations with Governments have been initiated based upon new Basic Agreements. Negotiations are continuing. Progress to date is contained in narrative of this document