

Washington, D.C., USA, 17-19 March 2010

Provisional Agenda Item 5.2

SPBA4/12 (Eng.) 14 January 2010 ORIGINAL: ENGLISH

CONTRACT REFORM IN PAHO

United Nations Contract Reform Implementation in PAHO Progress Report

Background and Current Status

- 1. During the Executive Committee's 140th Session, Staff Rule amendments needed to implement a new contractual framework in PAHO were approved. The proposed framework includes three contract types: fixed term, continuing, and temporary. However, at that time, the Executive Committee conditioned implementation of PAHO's new contractual arrangements on the United Nations General Assembly (UNGA) approval of a similar framework for the United Nations (UN) common system.
- 2. The UNGA approved new contractual arrangements for the UN common system on 23 December 2008; its framework includes the same three contract types proposed by PAHO. The UNGA agreed that the new framework would become effective on 1 July 2009, with implementation of continuing contracts beginning no earlier than 1 January 2010 (pending further consideration by the UNGA of additional information to be provided by the UN Secretariat).
- 3. In light of the above, during its 144th Session, PAHO's Executive Committee approved implementation of those Staff Rule amendments which were confirmed during the 140th Session of the Executive Committee and which would implement changes that allow for the appointment of temporary staff for a period of up to two years where warranted. The Executive Committee also approved staff rule changes that allowed PAHO to harmonize benefits for this category of staff with the UN common system. These changes were fully implemented by PAHO on 1 July 2009. The issue of continuing

contracts was not addressed other than to confirm PAHO's implementation of this contract type in conjunction with the UN common system implementation.

- 4. At its 64th Session, the UN Secretariat presented a report (A/64/267) addressing how continuing appointments would be implemented in the UN common system. However, during deliberations by members of the Fifth Committee of the UNGA, it became apparent that Member States wish to review the implementation criteria in the larger context of workforce planning. The scope of the discussion exceeded the content of the current report and differed to some extent from the approach initially proposed by the Secretariat. Consequently, no consensus was reached on the implementation of continuing contracts.
- 5. As a result, the UN Secretariat withdrew report A/64/267 and will revise its approach on continuing contracts in collaboration with staff representatives to address the issues raised by the Fifth Committee.
- 6. In 2010, a UN staff/management meeting on continuing contracts will be held to further examine and develop the model for continuing contracts and to develop a revised approach which will define key elements of a new policy and procedures.
- 7. The UN Secretariat will submit a new report on the implementation of continuing contracts for review and discussion during the UNGA's 65th Session.
- 8. In consideration of the above, at this time PASB does not propose to move forward with implementing continuing contracts, but will submit a proposal to the Executive Committee, upon approval by the UNGA, of the new policies and processes needed to implement continuing contracts in the UN common system.

Action by the Subcommittee on Program, Budget, and Administration

9. The Subcommittee on Program, Budget, and Administration is invited to take note of this report.

- - -