INTRODUCTION

1. The Executive Board at its 118th session in May 2006 considered the Secretariat’s report on a new framework of contractual arrangements, and adopted resolution EB118.R5, which confirmed the related amendments to the Staff Rules.¹

2. The confirmation by the Executive Board was subject to the endorsement by the United Nations General Assembly of the general framework recommended by the International Civil Service Commission. In addition, the Executive Board requested the Director-General to submit to the Board at its session in January 2007 a full report on implementation and cost of the amendments to the Staff Rules through the Programme, Budget and Administration Committee.

3. The present report reviews the implementation measures and cost implications of contract reform. It also invites the Executive Board to confirm the amendments to the Staff Rules related to contract reform, with a new effective date of 1 July 2007.

IMPLEMENTATION MEASURES

4. Since the 118th session of the Executive Board, the Secretariat has been engaged at headquarters and regional levels in elaborating measures for implementing the contract reform policies.

¹ Document EBSS–EB118/2006/REC/1, summary record of the fifth meeting, section 2.
5. Several policy documents have been prepared on types of appointments, conversion into continuing appointment, and conditions of service of temporary staff (including temporary staff on appointments of 60 days or less). These documents and related implementation and transition measures for moving to the new types of temporary appointments were the subject of several videoconferences involving staff representatives and members of the administration. They were also discussed at the annual meeting of the Global Staff/Management Council, which took place from 30 October to 3 November 2006 in Washington, DC. Following a review of the recommendations of the Council, the Acting Director-General approved the measures for implementing the contract reform policies. In a parallel process, the Secretariat has identified the amendments that need to be made to the policies and procedures set out in the WHO e-Guide, which is accessible to all staff.

6. The modifications and adjustments to the current payroll systems needed before launch of the global management system on 1 January 2008 are also being identified. Meanwhile, the specifications of the global management system have been designed to reflect the new contractual arrangements, related Staff Rules and policy implementation measures.

7. Managers and staff members have been kept abreast of developments. In preparation for the entry into force of the new contractual arrangements, policy guidelines have been issued on the management of temporary functions, including the application of the maximum duration of service and on the management of fixed-term and temporary contracts and other contractual arrangements, such as those for short-term consultants.

8. In addition, briefing sessions have been held with staff and managers at headquarters and regional levels and information has been shared on developments relating to contract reform, implementation measures and related policy guidelines.

COST IMPLICATIONS

9. The cost implications of contract reform were provided to the Executive Board at its 118th session.\(^1\) At that time, the cost was set at US$ 22.8 million. With the new implementation date of 1 July 2007, total costs will be significantly lower, at US$ 8.6 million.\(^2\) These costs will be absorbed internally at headquarters and regional levels by making appropriate adjustments to workplans.

THE EFFECTIVE DATE OF AMENDMENTS TO THE STAFF RULES RELATED TO CONTRACT REFORM

10. At its 118th session, the Executive Board confirmed the decision of the Director-General to amend the Staff Rules related to contract reform, with effect from 1 January 2007, subject to the endorsement by the United Nations General Assembly of the general framework recommended by the International Civil Service Commission. The Board is now asked to confirm the amendments, other

\(^1\) Document EB118/11 Add.1.
\(^2\) See document EB120/26 Add.1.
than those concerned with mobility and hardship allowance and assignment grant,\textsuperscript{1} with respect to staff members holding career service/service and fixed-term appointments, with a new effective date of 1 July 2007.

11. An implementation date of 1 July 2007 for the amended Staff Rules will reduce the financial costs to the Organization and facilitate their absorption into the current budget; it will also provide the additional time needed in order to put in place the necessary policies and procedure and make the appropriate adjustments to systems and administrative processes.

12. In so far as developments at the level of the United Nations General Assembly are concerned, there is growing concern that the discussion at the United Nations General Assembly may be dominated by consideration of human resources management reform efforts that are particular to the United Nations Secretariat and unrelated to the needs and requirements of specialized agencies such as WHO. There is also concern that the review of this subject by the United Nations General Assembly may ultimately be deferred to that body’s sixty-second session in December 2007.

13. The International Civil Service Commission’s general framework has been endorsed by all the organizations of the United Nations common system, their staff representatives and the members of the Commission. The goals and objectives as well as main features of the new framework of contractual arrangements were set out in detail in the report submitted to the Executive Board at its 118th session.\textsuperscript{2} It should be emphasized that improved and more responsive contractual arrangements and conditions of service are essential for the successful delivery of WHO’s results-based programmes. The new framework of contractual arrangements will provide WHO with a competitive edge, reinforcing the Organization’s capacity to implement internal reform strategies and initiatives for delivering programmes more effectively and efficiently.

14. Based on the aforementioned consideration, it is requested that the confirmation of the Board of the amendments to the Staff Rules on contract reform, with a new effective date of 1 July 2007, should be given this time around without reference to the debate in the United Nations General Assembly.

15. If the United Nations General Assembly does endorse the International Civil Service Commission’s general framework in December 2006, WHO, unlike other organizations, will have already ensured the integration of contract reform into its strategic reform efforts at the programme and managerial levels.

**ACTION BY THE EXECUTIVE BOARD**

16. In the light of the information provided above, the Executive Board may wish to consider the following draft decision:

The Executive Board, having considered the report on confirmation of approval by the United Nations General Assembly of the International Civil Service Commission’s general framework,

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\textsuperscript{1} The International Civil Service Commission has recommended to the United Nations General Assembly that the proposals relating to mobility and hardship allowance and assignment grant should come into effect on 1 January 2007. As these proposals entail savings in costs, it is expected that the United Nations General Assembly will endorse that recommendation.

\textsuperscript{2} Document EB118/11.
including implementation and cost of amendments to the Staff Rules: postponement of effective date of amendments to the Staff Rules,\(^1\) decided that:

(1) with the exception of the amendments to the Staff Rules on the mobility and hardship allowance and assignment grant as they apply to staff members holding career service/service and fixed-term appointments, the amendments to the Staff Rules that the Executive Board confirmed at its 118th session in May 2006,\(^2\) with effect from 1 January 2007, subject to the endorsement by the United Nations General Assembly of the general framework recommended by the International Civil Service Commission, are confirmed, with effect from 1 July 2007; such amendments being subject to transitional measures determined by the Director-General;

(2) the aforesaid amendments to the Staff Rules on the mobility and hardship allowance and assignment grant as they apply to staff members holding career service/service and fixed-term appointments are confirmed, with effect from 1 January 2007.

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\(^1\) Document EB120/26.

\(^2\) Resolution EB118.R5.