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P O L I C Y

PROGRAMME IMPLEMENTATION

IMPLEMENTATION OF DECISIONS ADOPTED BY THE
GOVERNING COUNCIL AT PREVIOUS SESSIONS

Recent trends in the recruitment, cost and utilization of project
personnel and other personnel working in development co-operation

Report of the Administrator

Summary

In accordance with decision 83/7 of the Governing Council, this report describes the progress achieved since the thirtieth session of the Council with respect to the effective utilization of all available options to reduce the cost of personnel in UNDP-supported projects.

The report notes a trend towards greater diversification of categories of personnel. Extensive cost and other relevant data are provided for a variety of categories of personnel, which illustrate that recipient Governments now have available a wide range of options to obtain quality personnel to meet a variety of personnel requirements.

A new initiative by the Administrator to test the use of OPAS-type arrangements for nationals in the poorest countries is discussed in paragraphs 9-11.

Action which has been taken to improve the design of the project personnel component in project documents and to strengthen recruitment is discussed in paragraphs 46-56.

A number of recommendations are submitted to the Governing Council for its consideration in paragraphs 64-74.

I. BACKGROUND

1. This report, prepared in accordance with paragraph 5 of decision 83/7, adopted by the Governing Council during its thirtieth session, deals with issues related to the recruitment and reduction of the cost of project professional personnel. This subject has also been dealt with by several previous Governing Council decisions which have focused, inter alia, on:

(a) Ways to reduce the cost of internationally recruited project professional personnel;

(b) Diversification of the type of project personnel available for UNDP-supported projects;

(c) Consideration of all available categories of personnel in the design of projects with a view to selecting the most appropriate category in relation to project requirements;

(d) Improving recruitment policies and procedures in order to enlarge sources of recruitment and to make best use of national recruitment services.^{1/}

2. By focusing on developments since 1983, the report reviews the current trends towards the diversification of personnel available for operational activities and provides cost data. Measures which have been taken by agencies to improve the design of personnel inputs and to recruit project personnel in UNDP-supported projects are also covered. A number of conclusions and recommendations are submitted for consideration by the Governing Council, including the continued diversification of operational personnel and related policies and procedures on the basis of pragmatic operational requirements.

II. TOWARDS GREATER DIVERSIFICATION OF PROJECT PERSONNEL

3. Based on decision 83/7 as well as on previous decisions of the Governing Council, UNDP issued, in late 1983, policies on project personnel as part of its Policies and Procedures Manual. These policies and procedures, prepared in consultation with agencies, reflect some of the considerable diversification of project personnel and provide the basis for further expansion.

4. This diversification of the categories of personnel which are available to developing countries is a positive trend. It is occurring partly as a response to the changing requirements of developing countries, and partly as a reaction to the rising cost of international personnel. As a consequence of this evolution, the United Nations system is in a position to provide a greater variety of personnel than ever before.

5. The main categories of UNDP-financed personnel are internationally recruited project professional personnel (IPPP), nationally recruited project

professional personnel (NPPP), United Nations Volunteers (UNV) and personnel recruited directly by Governments under government execution arrangements. In a few instances, nationals living abroad are also being recruited for UNDP-financed posts.

6. An important additional source of expertise at the junior level is being provided by Associate Experts who are financed by a number of developed countries. Through this programme the United Nations system offers young professionals an opportunity to acquire development experience through working in a development project, usually under the supervision of a senior expert. These young professionals are typically recruited at the P1 and P2 levels and they represent an important source of support with no direct costs attributable to UNDP or the developing countries in which they serve. Some developed countries have sponsored Associate Experts from developing countries.^{2/}

7. Table 1 illustrates the distribution of personnel working in UNDP-supported projects. It shows that there has been an increase in expenditures for NPPP between 1981 and 1983 from \$3.3 million to \$6.3 million, representing an increase in the share of total financing of personnel inputs from 1.0 per cent to 2.21 per cent. Taking into account the lower unit cost of NPPP as compared with IPPP, it is estimated that NPPP may have increased from 3,600 man-months to 6,873 man-months between 1981 and 1983.^{3/} As table 2 shows, there was a decline of 14,867 IPPP man-months between 1981 and 1983. Compared with this decline of IPPP, a net increment of 3,273 man-months of NPPP represents a substantial and important gain. (Refer also to para.18 which provides a figure on NPPP assignments). During the same period the percentage share of IPPP in the total expenditure on personnel components declined from 89.33 per cent to 87.27 per cent, which shows that it still constitutes the key source of technical co-operation personnel. The other categories financed in UNDP-supported projects have changed only slightly.

8. In addition to the personnel working in UNDP-supported projects, UNDP is also promoting the use of other categories as described later in this report. This includes expertise provided under technical co-operation among developing countries, Transfer of Knowledge Through Expatriate Nationals (TOKTEN) and by other methods. A proposal has recently been made for meeting a broad range of short-term personnel requirements of developing countries through the creation of a Human Resources Facility.^{4/}

9. Despite the existence of this widening range of choices, there is evidence that the pressing human resources shortages faced by some of the least developed countries may require a new and different response. Many of these extremely poor countries face major personnel problems requiring imaginative and flexible action by all development partners. Indeed, many of the poorest developing countries cannot cope with shortages of those personnel at the senior and middle managerial and technical levels who are used to run key development activities. In these countries, shortages of qualified government personnel persist despite the fact that qualified nationals, available either locally or from abroad, would be prepared to work for their country if better conditions of employment obtained.

**Table 1. Expenditures for 1981-1983 on UNDP-financed project personnel
(US dollars)**

Year	Internationally recruited personnel	Operational personnel (OPAS)	Administrative support personnel	UNV	Nationally recruited personnel	Total
1981	294 114 566 89.33%	4 596 014 1.40%	18 193 868 5.53%	9 037 742 2.75%	3 292 893 1.00%	329 235 083 100%
1982	283 824 220 87.64%	4 359 233 1.35%	20 342 222 6.28%	9 615 206 2.97%	5 728 080 1.77%	323 868 961 100%
1983	249 921 547 87.27%	3 821 389 1.33%	17 838 931 6.23%	8 475 688 2.96%	6 331 676 2.21%	286 389 231 100%

10. The policies of UNDP and other development partners, being based on the concept of institution-building as a means of creating self-reliant capacity, focus almost exclusively on training and upgrading new personnel while providing internationally recruited personnel in the short-term to perform advisory and operational duties. Even once this new personnel has been trained, a real possibility exists that a vicious circle may be created since some of the Governments of the poorest countries are often not in the position to retain the newly trained personnel.

11. UNDP has adopted a policy, based on Governing Council decision 79/48, of facilitating the employment of returning nationals as technical co-operation personnel in UNDP-supported projects for up to two years. It has been considered timely to expand this approach in the poorest countries, particularly in Africa, to operational personnel, ensuring at the same time that the civil service structure and the salary system are not undermined and that the returning nationals are eventually reintegrated into the economy or into government service. To meet the urgent need for qualified personnel, particularly in Africa, the Administrator is: (a) testing how best to facilitate the return of nationals working abroad to undertake operational duties in their country. This is being done by guaranteeing for a limited duration of up to one year special payments, including commitments of the individual in his/her country of former residence and the specified costs for resettling in his/her country of nationality;^{5/} (b) using, as an administrative tool a modified form of the operational assistance service contract;^{6/} and (c) advising countries to seek technical co-operation support for strengthening their civil service systems to improve personnel management, career systems and other personnel policies designed to stem the loss of personnel. In addition, the Governing Council may wish to recommend to donors that they adopt flexible policies on personnel questions with a view to meeting short-term personnel shortages in the poorest countries and to providing a solid basis for a more long-term solution to the human resources shortage faced by these countries.

III. INTERNATIONALLY RECRUITED PROJECT PERSONNEL

12. Cost data in table 2 show that the rate of increase in the cost of IPPP has slowed down. This trend, however, might be temporary and could be reversed if the dollar weakens or inflation increases. The cost structure of internationally recruited personnel is fairly rigid and is subject to United Nations system-wide agreements, limiting flexibility. Any reduction in personnel cost can therefore not be brought about by changes in the salary scale for this category of personnel, but rather by ensuring that recruitment takes place at the lowest point on the scale in keeping with the requirements of project posts. One of the most effective ways of dealing with this problem is through better project design leading to more finely tuned duration and timing of assignments in individual projects which would lead to greater use of consultants than of experts. Moreover, as discussed in more detail in paragraphs 47 and 48, the full range of available services must be taken into account to select the most appropriate category and type of personnel for each project.

Table 2. Monthly average cost and total man-months for internationally recruited experts and consultants 1978-1983
(US dollars)

Category		1978	1979	1980	1981	1982	1983	Percentage increase 1979-1983
Long-term experts (More than 1 year)	m/m	39 865	41 301	45 098	44 143	36 002	31 782	52
	Avg.cost	4 306 (-6.1)	4 044 (39)	5 612 (10)	6 189(3.2)	6 389 (2.1)	6 524	
Short-term experts ^{a/} (Less than 1 year)	m/m	320	781	540	1 057	785	614	38
	Avg.cost	3 962 (55)	6 126 (.12)	5 410 (14)	6 153(-11)	5 501 (0.6)	5 466	
Consultants (Less than 6 months in any one year)	m/m	3 763	6 127	4 486	5 826	3 581	3 763	57
	Avg.cost	4 690 (3.3)	4 813 (37)	6 632 (0.3)	6 654(8.8)	7 240 (1.8)	7 373	
All categories combined	m/m	43 440	48 314	50 124	51 026	40 368	36 159	52
	Avg.cost	4 332 (-0.6)	4 066 (40)	5 701 (9.5)	6 243(3.3)	6 447 (2.3)	6 594	

^{a/} This category is used for reporting purposes to denote assignments of less than one year but longer than consultancies.

() Percentage change

13. The data in table 2 also show a reduction in man-months delivered of internationally recruited personnel. This decline is largely due to the slower approval rate of new projects resulting from the resources shortfall and, to some extent, to the increased diversification of available services. The greatest number of expert man-months was delivered in 1980 (45,098), and the lowest number in 1983 (31,782). Thus, over 13,300 man-months have been "lost" over that period. It is rather surprising to note that the use of short-term personnel, including consultants, has not increased to a significant degree and is in fact well below the highest number reported for 1979. The greatest use of consultant man-months was reported for 1979 (6,127), while in 1983 the figure dropped to 3,763.

14. While table 2 shows that short-term assignments of under six months are more expensive, on an average per month basis, than long-term assignments, it is necessary to note that since the duration of the consultants' assignment is obviously much shorter than that of experts the total component costs are reduced. An important benefit of consultants is that short-term missions used in recurrent patterns of visits by the same person tend to ensure greater use of government personnel to carry out ongoing activities between consultant visits. Consultant fees are closely tied to market rates for given services which, for certain categories, clearly exceed United Nations salary scales applicable for long-term assignments. On the whole, the cost of consultants rose at similar rates to IPPP (but starting from a higher base) except for 1978/1979 and 1981/82. The cost of consultants also includes such fixed costs as daily subsistence allowance.

IV. NATIONALLY RECRUITED PROJECT PERSONNEL

15. Table 3 compares cost data of NPPP, based on sample information provided by UNDP field offices in 1984, with IPPP and national officers scales applicable to the host country. While these data are most interesting and provide general indications of the cost advantages in utilizing national personnel, it should be noted that available data have been collected only since the beginning of 1984 and that they merely serve to illustrate general trends on a sample basis.

16. It should be stressed that in comparable project situations the functions performed by IPPP and NPPP are similar. Both types of personnel provide know-how and skills which are additional to that available to the host Government. NPPP also provide advice, training and support to the development of policies and programmes in order to upgrade the capacity and skills of clearly identified government personnel and, through them, of training centres, government departments, research units and other institutions. Special care is being taken in the application of this scheme not to recruit government personnel from the "parent organization" of the project and not to recruit personnel which would deplete the capacity of a government unit to perform the assigned mission. Both categories are supposed to work themselves out of a job once government personnel have acquired the requisite know-how and skills.

Table 3

Table 3. Comparative annual salary ranges for Nationally Recruited Project Professional Personnel (NPPP), Internationally Recruited Project Professional Personnel (IPPP) and National Officers (NO)

Country	Range of NPPP ^{a/} (US dollars)	Range of United Nations categories ^{b/}	
		IPPP ^{c/} (P3-D1) ^{d/} (US dollars)	NO ^{e/}
<u>Africa</u>			
Burundi	5 262 - 6 700	44 928 - 71 616	11 431 - 13 833 (A - C)
Congo	10 436 ^{f/}	37 179 - 59 634	7 693 - 9 979 (A - C)
Kenya	11 243 - 15 770	35 547 - 57 112	7 978 - 10 551 (A - C)
Madagascar	11 697 ^{f/}	34 120 - 54 905	3 574 - 3 874 (A - B)
Mali	6 136 - 15 120	39 218 - 62 788	3 479 - 4 590 (A - C)
Mauritania	18 000 ^{f/}	51 250 - 81 391	n.a. ^{i/}
Mozambique	7 200 - 10 000	37 586 - 60 265	n.a. ^{i/}
Rwanda	28 163 ^{f/}	40 442 - 64 679	5 002 - 6 616 (A - C)
Zambia	13 445 ^{f/}	33 304 - 53 643	6 144 - 8 123 (A - B)
<u>Latin America</u>			
Bolivia	12 000 ^{f/}	35 139 - 56 481	8 628 - 11 577 (A - C)
Brazil	10 718 - 18 641	30 857 - 49 859	9 365 - 13 096 (A - D)
Chile	17 613 - 24 946	37 587 - 60 265	17 610 - 24 935 (A - C)
Colombia ^{g/}	6 000 - 48 800	40 441 - 64 679	6 510 - 11 951 (A - C)

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Table 3 (continued)

Country	Range of NPPP ^{a/} (US dollars)	Range of United Nations categories ^{b/}	
		IPPPC ^{c/} (P3-D1) ^{d/} (US dollars)	NO ^{e/}
<u>Latin America (Cont'd)</u>			
Costa Rica	10 112 - 24 000	33 304 - 53 643	10 507 - 13 897 (A - C)
Ecuador	2 535 ^{h/} - 30 000	30 857 - 49 859	6 705 - 8 112 (A - C)
El Salvador ^{k/}	4 800 - 24 000	35 955 - 57 742	11 466 - 5 144 (A - C)
Honduras	6 000 ^{h/} - 36 000	39 014 - 62 472	18 615 - 24 650 (A - C)
Peru ^{f/}	6 000 - 22,413	40 442 - 64 679	5 698 - 8 577 (A - D)
Uruguay	17 308 ^{e/}	33 916 - 54 589	9 194 - 14 472 (A - D)
Venezuela	7 200 - 24 653	37 587 - 55 776	11 301 - 14 932 (A - C)
<u>ASIA</u>			
Bangladesh	4,407 - 12 500	33 508 - 53 958	2 817 - 5 315 (A - D)
India	10 084 - 13 381	35 139 - 56 461	5 192 - 8 783 (A - D)
Indonesia ^{k/}	6 055 - 26 086	42 481 - 67 833	8 300 - 14 300 (A - D)
Pakistan	9 002 - 14 400	32 692 - 52 697	6 193 - 9 996 (A - D)
Sri Lanka	2 311 - 14 563	32 692 - 52 697	2 478 - 4 901 (A - D)
<u>Middle East</u>			
Cyprus ^{k/}	2 073 ^{h/} - 7 805	30 857 - 49 859	11 352 - 14 969 (A - C)
Egypt	6 000 - 21 906	45 132 - 71 932	8 568 - 14 312 (A - D)

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Table 3 (continued)

Country	Range of NPPP ^{a/} (US dollars)	Range of United Nations categories ^{b/}	
		IPPP ^{c/} (P3-D1) ^{d/} (US dollars)	NO ^{e/}

Middle East (Cont'd)

Morocco	14 943 - 22 656	33 916 - 54 583	8 687 - 10 488 (A - B)
Turkey	2 073 - 7 805	30 653 - 49 544	3 221 - 4 675 (A - C)

^{a/} Based on sample contracts supplied by UNDP field offices as of October 1984. All contracts have been computed as an annual gross pre-tax dollar amount by using exchange rates closest to the contract period.

^{b/} All United Nations scales are taken at step 1.

^{c/} Composed of net United Nations salary plus most recent post adjustment. To this country-specific amount there has been added an average global figure of \$US 1,473 which represents an average estimate of category II costs (common staff costs). For P3 \$6,076 and D1 \$11,132 have been added to the total as an estimate of total pension contributions.

^{d/} Typically P1 and P2 levels are not used as IPPP. It is used for Associate Experts.

^{e/} Latest net United Nations salary scale established on a country-by-country basis. It should be noted that the range of scales varies from two levels (A - B) to three levels (A - C) to four levels (A - D) in accordance with the staffing situation prevailing in United Nations DP field offices.

^{f/} To date only one contract in sample.

^{g/} Large sample with salary ranges covering a much larger range of functions than typical in other sample countries.

^{h/} May contain para-professional posts because available information on duties and responsibilities is not complete.

^{i/} The national officer scale has not been established in this country.

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17. The NPPP category includes nationals recruited locally or abroad. Both the host Government and the executing agency are involved in the identification, evaluation and selection of NPPP. Their rights and obligations are defined by individually negotiated contracts, based on a common approach agreed upon by the United Nations system as described in detailed guidelines issued by UNDP.

18. In determining remuneration for NPPP, compensation for comparable functions within the host country is used as a reference point. In several countries, UNDP field offices have discussed with the host Government the establishment of a flexible scale composed of lower and upper salary ranges for each level of responsibility. Within these ranges, field offices conduct individual negotiations in order to arrive at a total pre-tax remuneration (NPPP are subject to national tax laws) in the form of a lumpsum which is inclusive of social security, health insurance and other specifically enumerated benefits.

19. Table 3 lists the lower and upper annual salaries of sample contracts of NPPP on a country-by-country basis and compares them with the salaries of two other categories of professional personnel working in the country. These data show that the lower limits of NPPP salaries start, on the whole, considerably beneath those of international personnel but fall roughly within the range of National Officers. The fact that few of the NPPP salary ranges start lower than those of National Officers may be because some of these salaries are for jobs calling for lower skills (see table 3, note h). However, without a full-fledged classification of various project posts, it is not possible to determine with precision the comparability of NPPP and National Officer functions.

20. In a general way, many of the functions of NPPP and National Officers are comparable and the National Officer scheme is used as a reference point in many countries to determine NPPP salaries. The data in Table 3 indicate that in almost two thirds of the cases the National Officer scales and NPPP salary ranges overlap. In order to arrive at comparable figures, all national contracts have been converted into annual gross amounts, even though the majority of contracts were for durations shorter than one year. As shown in table 2, however, consultant costs tend to be higher than those of long-term experts. One may therefore conclude that, on the whole, national costs tend to be considerably lower than those of international personnel who perform similar functions.

21. As discussed in paragraph 7 above, the NPPP category is increasing at a faster pace than other categories. Moreover, the annual report of the Administrator for 1984 (DP/1984/5/Add.3) shows that over 1,400 NPPP assignments were made in 1983 (the first year for which such data had been collected). This is more than 16 per cent of IPPP assignments. In view of the fact that NPPP is a new category of personnel, it is encouraging to note this relatively high percentage.^{1/} It should be pointed out, however, that the majority of NPPP assignments are of a short duration whereas for IPPP assignments, experts' missions of more than one year predominate. In view of

the importance of NPPP for the cost-effectiveness of UNDP-financed activities as revealed by these preliminary data, the Administrator has instituted measures to continue the monitoring of the cost-effectiveness, quality and impact of this category of project personnel.

V. UNITED NATIONS VOLUNTEERS (UNV)

22. The UNV programme has been particularly effective in giving practical expression to the spirit of Governing Council decision 83/7. Since its inception in 1970, UNV's ability to channel highly qualified and competent professionals for placement in technical co-operation activities at relatively modest cost has provided the recipient Governments with an unprecedented alternative source of expatriate personnel at appropriate levels.

23. With its innovative and flexible programming approach, UNV is able to offer to the developing countries a sustained supply of quality middle- and upper-level expertise as an appropriate personnel input, not only for UNDP-supported technical co-operation projects, but also for operational assignment within government departments and institutions. This permits, among other things, the filling of gaps in technical personnel on a temporary basis, permitting in the meantime the training abroad of key national personnel replaced by UNVs.

24. Through continuing efforts and contacts, the UNV programme's capacity and potential are now better understood and appreciated by Governments, agencies and the UNDP Resident Representatives. This has resulted in UNV inputs being constructively considered at the design stage of projects as an integral part of projects rather than as "grafted on" during the implementation stage, as had sometimes been the case in the past.

25. In providing this alternative source of qualified internationally recruited project personnel, UNV draws on its wide network of recruitment sources established in more than 65 countries, both industrialized and developing. Its roster includes some 3,000 readily available and experienced candidates in more than 100 professional categories. Thus, recipient Governments have the opportunity to select from three to five qualified UNV candidates of different nationalities for each project vacancy.

26. An average UN Volunteer is a professional or technician between 25 and 45 years of age (although this by no means precludes qualified older participants) possessing an average of five years of professional experience as well as a bachelor's, master's or technical degree. UN Volunteers are an appropriate and relevant form of technical co-operation personnel in almost all types of development co-operation activities at relatively modest costs. Table 4 shows a comparison of annual costs between UN Volunteers and IPPP in a selected number of developing countries.

27. Currently, the UNV programme has some 1,600 posts established within UNDP-assisted or other government development projects in more than 90 developing countries. Some 1,000 of these established posts are already filled with qualified professionals as UN Volunteers. The remaining posts are in the process of being reviewed with Governments in order to specify the precise skill requirements while others are already under recruitment.

Table 4. Comparison of annual cost for United Nations Volunteers and salaries of internationally recruited project professional personnel (IPPP) at P3 level in sample countries^{a/}

Country	Annual UNV cost ^{b/} (US dollars)	Annual IPPP salaries ^{c/} at P3 level
Africa		
Burundi	13 158	44 928
Congo	10 559	37 179
Kenya	11 159	35 547
Madagascar	9 842	34 120
Mali	12 438	39 218
Mauritania	15 255	51 250
Mozambique	11 079	37 586
Rwanda	12 821	40 442
Zambia	12 507	33 304
Latin America		
Bolivia	10 965	35 139
Chile	10 015	37 587
Colombia	10 430	40 441
Costa Rica	9 403	33 304
Ecuador	9 717	30 857
El Salvador	9 818	35 955
Honduras	11 938	39 014
Peru	10 557	40 442
Venezuela	12 597	37 587
Asia		
Bangladesh	10 154	33 508
India	9 443	35 139
Indonesia	11 019	42 481
Pakistan	10 760	32 692
Sri Lanka	8 735	32 692
Middle East		
Egypt	10 311	45 132
Morocco	8 417	33 916
Turkey	9 267	30 653

^{a/} The sample countries are the same as in table 3.

^{b/} UNV average in-country pro forma cost estimates are based on four-year assignments.

^{c/} Composed of net United Nations salary plus most recent post adjustment for P3 levels. To this country-specific amount has been added an average global figure of \$1,473 which represents an average estimate of category II costs (common staff costs) and \$6,076 has been added to the total as an estimate of total pension contributions.

28. Since its creation in 1971, the UNV programme has delivered some 8,000 man-years of qualified internationally recruited project personnel as United Nations Volunteers for assignments in technical co-operation projects. A majority of these assignments can be compared with those of agency-recruited personnel at the middle level (IPPP at P3/4 levels). When the average cost per man-year of UN Volunteer services at \$15,000 is compared with the annual cost of IPPP at the P3/4 levels (estimated at around \$40,000), one can conclude that substantial savings are accruing to host countries without an attendant sacrifice in technical quality.

VI. TECHNICAL CO-OPERATION AMONG DEVELOPING COUNTRIES (TCDC)

29. Through TCDC, the United Nations system is playing a catalytic and complementary role in facilitating the use of professional and technical personnel who meet the same qualifications as IPPP and NPPP. The unique feature of this approach lies in the fact that both the donor and recipient Governments contribute towards the cost of a TCDC expert or consultant in an amount which exceeds UNDP's cost. Moreover, the level of salaries is in accordance with the individual's salary in the donor country, which most often is well below international scales. It is envisaged that TCDC personnel could be recruited either in TCDC projects, government-executed projects or under any other approach currently employed in executing UNDP-supported projects.

30. On the basis of a relatively new project entitled "Promotion of action-oriented TCDC activities" (INT/83/904), which is managed by the Special Unit for TCDC, UNDP has been able to start meeting requests of close to 60 countries for experts and training. Nearly 100 experts have been placed between October 1983 and the end of April 1984 under this TCDC project at an estimated cost of \$362,100. By limiting UNDP financing to meeting costs of air travel and per diem expenses and by facilitating arrangements whereby the recipient countries meet the expenses for accommodation, living allowances and related costs, the overall cost structure of providing TCDC expertise is relatively low.

31. The distribution of TCDC services under this project by end April 1984 was as follows: (a) Africa received 28 experts and provided 4 experts to other regions; (b) Asia received 23 experts and provided 22; (c) The Arab States received 10 and provided 9; (d) Latin America received 32 and provided 46; and (e) Europe received 1 and provided 13.

32. Although the project is still at an early stage, experience to date suggests that:

(a) UNDP field offices are able to locate, at short notice, existing capacities in the developing countries to facilitate the exchange of expertise and training of nationals at a level which is required by the recipient countries and which is comparable to services provided through other international sources;

(b) UNDP is able to provide efficient information on expertise and training institutions available in the developing countries on the basis of the Information Referral System (INRES);

(c) It is estimated that personnel inputs delivered under this project cost about one quarter that of IPPP;

(d) The fact that the co-operating Governments, both donors and recipients, are willing to contribute to the cost of each TCDC activity under INT/83/904 is an indication of the willingness of the developing countries to accept the TCDC modality if seed money is provided;

(e) The experts exchanged under INT/83/904 are acquiring international experience while at the same time transferring their skills to the benefit of the recipient developing countries;

(f) The overall impact of exchanging experts and training nationals among developing countries is itself a contribution to these countries' efforts at developing its human resources potential.

VII. TRANSFER OF KNOWLEDGE THROUGH EXPATRIATE NATIONALS (TOKTEN)

33. Since 1977, UNDP has been working with a number of developing countries to help reduce the adverse consequences of the exodus of their specialists. Through a programme called "Transfer of Knowledge through Expatriate Nationals" (TOKTEN), skilled expatriates are brought back to their countries of origin for short consultancies.

34. Through the TOKTEN approach, over 1,000 professionals coming from a variety of fields have undertaken short-term missions between 1977 and the middle of 1984 to their countries of origin under the aegis of the United Nations. The services they provide cover a wide range of fields such as management techniques, science and technology, health, education and energy.

35. The TOKTEN programme is now operating in 17 countries: Argentina, Bangladesh, Benin, China, Dominica, Egypt, Ethiopia, Greece, Grenada, Guyana, India, Pakistan, the Philippines, Saint Lucia, Sri Lanka, Trinidad and Tobago, and Turkey. These countries committed \$5.4 million in UNDP country programme resources to TOKTEN activities which provided financial support to the 1,000 assignments mentioned earlier. Moreover, agreements for TOKTEN projects are being finalized by the Central African Republic and Guinea, and another 11 countries have expressed interest in starting up projects: Bangladesh, Belize, Bolivia, Iraq, Jamaica, Lebanon, Morocco, the Syrian Arab Republic, Thailand, Tunisia and Zimbabwe.

36. After seven years of operation, TOKTEN has shown that this type of assistance can be especially effective when: (a) the problem tackled is specific and the selected consultant is of very high calibre; (b) the requesting organization and expatriate are both prepared well in advance; and (c) the initial mission is followed by a series of follow-up activities, including a return visit.

37. TOKTEN consultants offer developing countries a number of advantages including:

(a) Cultural affinity, shared language and traditions. This facilitates skill transfer and increases the willingness of national personnel to accept advice;

(b) Voluntary services, out of loyalty to their home countries. Travel and living expenses are paid through UNDP country programme resources (IPF). Certain host institutions pay a modest honorarium and developed-country institutions with which expatriates are affiliated may co-operate by continuing to pay the consultants' normal salaries while they are on mission. As a result, an average TOKTEN mission costs around \$3,000 to \$4,500 per month, which is far less than the cost of a similar short-term consultancy under the United Nations system. It should be noted that this amount is an all-inclusive cost figure which is not comparable to IPPP, NPPP and other personnel cost figures which do not include travel costs;

(c) Contacts with national colleagues in their countries of residence. TOKTEN consultants often send them technical literature, arrange for post-graduate fellowships and visits of colleagues to the institutions with which they are connected.

38. The TOKTEN approach was the subject of a global workshop in Cairo in January 1985. The meeting provided an opportunity to exchange experiences and offer interested developing countries practical guidance on how best to implement such a programme. The TOKTEN programme is also exploring the possibility of including non-nationals in the scheme. For example, in Africa TOKTEN consultants will be available to all Governments regardless of the nationality of the consultant, and will be financed from UNDP regional programme resources. In other countries, the possibility of combining a TOKTEN mission with other non-national volunteers is being considered. Moreover, TOKTEN visits are being followed up by the purchase of some UNDP-financed equipment to ensure the full application of the result of the consultancy.

VIII. SENIOR EXECUTIVE SERVICES (SES)

39. In the light of recent enhanced interest in mobilizing skilled people from the non-governmental and private sectors for the benefit of developing countries, UNDP has taken steps to further explore ways in which field offices and executing agencies can utilize senior experts in UNDP development activities. Senior Expert Services (SES) have been set up in ten countries: Australia, Canada, the Federal Republic of Germany, France, Ireland, Japan, the Netherlands, Switzerland, the United Kingdom and the United States. They provide the services of recently retired experts on a voluntary basis for short-term advisory assignments in developing countries.

40. Not only can SES be an effective instrument in providing the kinds of expertise not easily available through the United Nations system, but, given the trend toward short-term, high-level consultancies, senior experts can also fill the need for this type of assignment as well. Other added advantages include cost-effectiveness, since retired experts accept no remuneration, as well as quick response to recruitment needs.

41. UNDP is now preparing guidelines for co-operation with SES. Moreover, in one country, a memorandum of understanding with SES is being negotiated with the support of the field office with a view to facilitating more extensive use of these services for a wide range of activities which go beyond UNDP-financed projects.

IX. UNITED NATIONS FINANCING SYSTEM FOR SCIENCE AND TECHNOLOGY FOR DEVELOPMENT (UNFSSTD)

42. A special feature of UNFSSTD is its mandate to mobilize resources for co-operation with developing countries from a variety of sources, including the private sector. As a result, UNFSSTD has been able to call upon the services of private institutions for the evaluation and appraisal of UNFSSTD projects. Based on the concept of mutual interest, developing country projects receive the advice and support of consultants from private firms and institutions which defray the costs incurred. Such arrangements seem to be particularly desirable with not-for-profit trade associations and semi-private scientific institutions. Several universities have co-operated in this respect, for example by offering financial support to establish a chair for teaching science in Africa. Moreover, specific proposals for increased co-operation, including the establishment of consultancy services focusing on agro-industries, food technology and energy conservation in Africa, were the subject of a meeting in late November 1984.

43. Co-operative arrangements with non-governmental bodies and private sector organizations, as well as with established governmental agencies, have been actively pursued by UNFSSTD in order to focus the widest possible range of expertise, resources and experience on the scientific and technological components of programmes in its purview. These arrangements include:

(a) Involvement of professional societies in science, engineering and related fields in the ongoing and future work of UNFSSTD. The technical resources of such groups are enormous and arrangements are under way for their utilization on a "no-fee" basis;

(b) An initiative taken jointly with a leading university's international engineering programme to offer developing country universities and institutions high-quality audio-visual courses based on its actual academic programmes;

(c) The involvement of consulting engineering groups of international repute in the Financing System's project design and management activities;

(d) A series of consultations in 1983-1984 with over 150 interested private and corporate enterprises and business groups aimed at defining opportunities for private sector collaboration in promoting science and technology for development;

(e) A significant initiative in regard to new co-operative arrangements is the Financing System's efforts to take advantage of "in-kind" contributions offered by developed and developing countries alike. Under these arrangements, substantial expert, training and technical services available in contributing countries are being mobilized as supplementary inputs to ongoing and new projects, establishing in the process renewed North-South and South-South linkages in major sectors.

X. GOVERNMENT EXECUTION AND PERSONNEL

44. In the case of government execution, UNDP-financed personnel are engaged by the Government in accordance with its own policies on salaries and conditions of service, subject to the limitation that remuneration benefits and entitlements cannot exceed levels established by the United Nations system for its personnel. Available data indicate that Governments often rely on agencies, under a co-operation arrangement, to obtain advisory services in government-executed projects.

45. The flexibility permitted under government execution of international recruitment at government rates for direct recruitment adds another dimension to the various options available in the design of cost-effective personnel components. While detailed available information on this option is still limited, it tends to suggest that government execution is another way for developing countries to obtain specific types of personnel at competitive rates. Viewed as a complementary element in relation to other ways of obtaining personnel services, government execution represents an important option with great potential for reducing costs.

XI. IMPROVEMENTS IN THE DESIGN OF PERSONNEL INPUTS

46. A vital element in achieving cost-effectiveness without impairing the quality of technical co-operation has been to pay particular attention to the design and appraisal of personnel inputs, which constitute by far the largest and most important component of projects. In 1983, the project personnel component constituted around 54 per cent of all project components. Subcontracts constituted another 12 per cent, with a large part devoted to personnel. The remainder was distributed among training (11 per cent), equipment (18 per cent) and miscellaneous items (4 per cent).

47. In accordance with paragraph 4 of decision 83/7 the Administrator has issued instructions based on his recommendations and suggestions included in his report (DP/1983/8 and Add.1) for the reduction of the cost of project personnel. These instructions call for designing projects in such a manner that:

(a) The type and level of personnel foreseen in UNDP-supported projects are best suited to accomplish the project objectives;

(b) Short-term personnel are utilized whenever this is the most cost-effective option;

(c) Full consideration is given to the use of United Nations Volunteers.

48. The design of project personnel inputs increasingly must take into account the requirements for specialized skills and high-level expertise as well as shorter assignments which have a direct impact on the cost of personnel components in projects.

XII. IMPROVEMENTS IN RECRUITMENT

49. Current policy, reflecting the Governing Council decisions mentioned in note 1, requires that all recruitment of technical personnel meets the basic criteria of quality, suitability and timeliness in relation to the project schedule. These decisions stipulate, inter alia, that:

(a) Prospection for project personnel include both national and international candidates in order to identify the most suitable candidate;

(b) The recipient Government receives at least three qualified candidates for its consideration;^{8/}

(c) The best suited individual is recruited for each project post and the executing agent is careful in avoiding the appointment of persons who are over- or under-qualified;

(d) Recruitment policies and procedures, including the maintenance of comprehensive rosters, are being improved to ensure the timely recruitment of project personnel on the basis of an approved job description and within the schedule established in the work plan of the project document.

50. Several agencies have reported that they face difficulties in submitting more than one candidate for a specific project post because of time pressure. After having reviewed the practical implications of this decision, the Administrator has concluded that it is not in the best interest of the Programme to insist on a compulsory submission of several candidates for each project post.

51. Moreover, Governments are increasingly resorting to the practice of making their own nominations of experts which often precludes agencies from proposing alternative candidates. For example, one agency reports that almost 40 per cent of all appointments of experts and consultants are based on nominations by Governments. While this practice may help a Government to obtain favoured individuals, it has an adverse effect on costs since the favoured candidate is often in a position to negotiate higher compensation and other benefits in view of the fact that project implementation is dependent on his or her availability. The Administrator has initiated a dialogue with agencies as part of a review of personnel matters to ensure that this kind of pressure does not interfere with the selection of the best suited person for the tasks at hand and that compensation is in line with the level of skills required of the job.

52. Recruitment is required to take place on the basis of approved job descriptions which specify the required levels of qualification in relation to a project post. As has been reported previously, many project posts continue to be filled by "career experts" who may not always fit the specific job requirements and who might be overqualified and overgraded.^{9/} Further efforts must be made to ensure that the correct levels of qualifications are used to select the best suited individual for a post. As mentioned above, discussions with agencies are taking place on this and other project personnel issues to achieve progress.

53. With a view to ensuring greater timeliness in the delivery of personnel inputs, improvements have been instituted in the clearance process. Resident Representatives have been requested to negotiate measures with the host Government to facilitate clearance procedures within a target period deemed appropriate in each case. Whenever the deadline established in the project document is exceeded due to delays in the clearance process by the host Government, the Government is informed by the Resident Representative of the consequences of such a delay upon the entire project schedule, and of the possibility that the candidate may no longer be available. In view of the fact that this problem of delay in the clearance of candidates continues to plague the efficient implementation of projects, the Governing Council may wish to adopt, in its decision on this subject, an appeal to all host Governments so that they may take all appropriate action to speed up the clearance process.

54. Agencies are required to use Resident Representatives as channels of communication with the host Government for all candidatures submitted for a UNDP post. They do so in most instances and Resident Representatives advise Governments on the non-technical aspects of some candidacies. In the case of one agency, candidates are submitted directly, but the Resident Representatives are kept fully informed on all action taken.

55. As has been reported in previous reports, agencies continue to diversify recruitment sources and make information on recruitment available to all national recruitment services and other sources of recruitment. Most agencies maintain a fairly comprehensive computerized roster and some of them share this roster information, which has proved helpful.^{10/}

56. A recurrent problem with respect to the recruitment and assignment of personnel involves the necessary preparatory and supportive actions at the project level. This includes the designation of government counterpart officials, selection of personnel to be trained to take over the responsibilities of the advisers as well as other preconditions in projects to ensure the effective utilization of expert services. There continues to be a problem with Governments making such essential arrangements only after the arrival of project personnel, thus leading to inefficient use of personnel and resources. To remedy this, the Governing Council is invited to urge host countries to implement the approved schedule of designating its government project personnel as set out and agreed in project documents.

XIII. CONCLUSIONS

57. The trend towards greater diversification of project personnel is intensifying. The United Nations system is now in a position to meet many requirements of developing countries through a wide range of approaches which complement the traditional internationally recruited experts and consultants. There is mounting evidence, however, that pressing human resources problems facing some of the poorest countries may require a new response by the United Nations system.

58. Among the fastest growing category of personnel financed by UNDP are nationally recruited personnel. The cost-effectiveness and quality of this type of personnel appears to guarantee its continued rapid expansion. This is particularly so since NPPP perform technical co-operation functions similar to those of the traditional category of experts and consultants. Since the salaries paid to this personnel are tied to best prevailing local rates, it has been shown in this report that the cost of NPPP is much lower without any apparent loss in quality and impact.

59. The cost of IPPP has not risen as fast as in previous years. The total number of man-months delivered in this category has declined due to the resources shortfall, but it continues to constitute the key source of technical co-operation personnel.

60. The UNV programme has grown to become an essential source of high-quality personnel which fill middle- and upper-level positions.

61. TCDC personnel have the potential of becoming another important source of high-quality expertise for various categories of projects at lower costs due to lower salary levels and the active financial support of recipient and donor Governments.

62. TOKTEN offers unique advantages to developing countries in providing high-quality, short-term personnel at low costs.

63. UNFSSTD has unique features which permit the employment at lower costs of highly qualified personnel in science and technology coming from private and semi-private sources.

64. In a number of instances, Governments carry out their own direct recruitment under government execution, which allows them to recruit international personnel at rates established by them, but not to exceed United Nations rates.

XIV. RECOMMENDATIONS

65. To meet the changing development requirements of developing countries better, UNDP should continue to encourage the diversified use of all categories of personnel mentioned in this report. The best way of ensuring continued progress and the diversification of personnel is to use the full

range of available services and a variety of personnel pragmatically as dictated by the requirements of individual projects. The goal should be to make the most efficient use of available resources by seeking high-quality services at the most favorable rates. The Governing Council may wish to endorse the Administrator's efforts of ensuring that greater use is made of the newer categories, such as nationally recruited project personnel.

66. The Governing Council may wish to urge all agencies and other parties in the project design process to pay special attention to ensuring greater cost effectiveness through a continued focus on project design and appraisal and by looking at the full range of available personnel as well as by selecting the most appropriate type of personnel in accordance with the requirements of individual projects.

67. Ways should be found to facilitate the return of qualified nationals to work with their Governments, ensuring that their salaries are in line with national salaries while, at the same time, providing them with some support to facilitate their return and eventual reintegration. The Administrator has concluded that it would be of particular help to the poorest countries to use, in addition to existing categories of personnel, a new form of OPAS-type contract which facilitates the return of nationals working abroad (see paras 9-11). The Governing Council may wish to endorse these initiatives of the Administrator.

68. The Governing Council is invited to urge donor Governments to adopt new, flexible policies with a view to meeting short-term personnel shortages in the poorest countries and to providing a basis for more long-term solutions to the human resources shortfalls plaguing them.

69. When designing projects, special consideration should be given to the potential of UNV. The Administrator invites the Governing Council to reaffirm the importance of UNV in this regard.

70. The special features of TCDC should be taken into account whenever possible in designing projects in order to achieve a mutually beneficial effect on recipient and donor developing countries.

71. Since project personnel components are an important factor in determining the effectiveness of technical co-operation, the Governing Council may wish to endorse the Administrator's efforts in strengthening the data collection systems, as appropriate, to permit the monitoring of the cost, quality and impact of various categories of personnel with a view to improving this aspect of operational activities.

72. The Governing Council may also wish to agree with the Administrator's conclusion that the compulsory submission of at least three candidates to the recipient Government is not practicable. Instead, the Governing Council may wish to reiterate that job descriptions for vacancies be widely circulated, including through national recruitment services and other national sources, in order to identify the most suitable candidate in a timely manner. Moreover, any candidate submitted by the executing agent must meet specified job skills and must neither be over- nor under-qualified.

73. The Governing Council is invited to endorse the Administrator's continuing efforts to remedy a number of problems arising in connection with the implementation of policies on project personnel, including that: (a) project personnel are recruited at the appropriate level in relation to project requirements and are not over-graded; (b) whenever the host Government expresses a preference for a candidate, this should not interfere with the responsibility of agencies to ensure that the most suited candidate is chosen and that compensation is in line with level of the tasks to be performed.

74. The Governing Council may wish to appeal to all host Governments (a) to take all appropriate actions to speed up the clearance process; and (b) to implement the schedule of designating its government project personnel as set out and agreed in the project document.

Notes

1/ See Governing Council decisions: 25/20 of the twenty-fifth session (1978); 79/48 (operative paragraphs 3, 5-8) of the twenty-sixth session (1979); 81/20 and 81/21 (operative paragraph 4) of the twenty-eighth session (1981); 82/7 of the twenty-ninth session (1982); and 83/7 of the thirtieth session (1983).

2/ Decision 79/48 of the twenty-sixth session of the Governing Council in operative paragraph 7, invited donor Governments, not yet sponsoring associate experts, to consider providing such experts as well as financing associate experts from developing countries.

3/ In arriving at the man-year figure, it has been assumed that the average cost of NPPP has remained constant at \$11,000 per year. The current data system for NPPP collects data on a sample basis making computation of coverages difficult. Efforts are underway to obtain more complete data.

4/ For details on this proposed facility please refer to DP/1985/14.

5/ UNDP signed a Memorandum of Understanding with the Intergovernmental Committee on Migration (Geneva) in June 1982. Intergovernmental Committee on Migration (ICM) might be in a position to assist in this area in view of its long experience of repatriating professional personnel in Latin America and its recent efforts to expand its activities in Africa.

6/ Operational assistance is the provision of services of personnel in an executive or operational capacity as a civil servant of the host Government.

7/ The category was established by Governing Council decision 79/48 adopted during its twenty-sixth session.

8/ See Governing Council decision 83/7 operative paragraph 1(c).

9/ See DP/1983/8, paragraph 9.

10/ See DP/1983/8, paragraphs 6-8.