

## **Information Note**

# **Comprehensive review of contract modalities across UNOPS**

### *Executive summary*

In 2022, the People and Culture Group (PCG) established a dedicated project to ensure the appropriate application of Fixed Term (Staff) and Individual Contractors (ICA) across the organization, in compliance with UNOPS policy.

This report provides an update on the first phase of this project, confirming that by January 2024 all business critical roles in established organizational units across UNOPS, and where no performance issues were identified, are confirmed as FTAs, in line with our commitment to the UN Board of Auditors.

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## I. Background

In its report A/77/5/Add.11, the United Nations Board of Auditors (UNBOA) recommended that UNOPS:

'list clearly in its rules, the positions that entail 'inherently UN activities' and must be filled by staff members to ensure that staff members remain the core human resources of the organization' (para 206).

To address this recommendation, in late 2022, the People and Culture Group (PCG) established a dedicated project to ensure the appropriate application of Fixed Term (Staff) and Individual Contractors (ICA) across the organization, in compliance with UNOPS policy. Specific objectives of the project were to:

- a. Establish new Fixed Term Appointments (FTAs) and transition identified personnel in compliance with audit recommendations;
- b. Ensure minimal operational disruption and smooth transition of impacted personnel;
- c. Prioritize a people centered approach that considers individual situations, without compromising organizational priorities;
- d. Manage conversion consistently and fairly.

## II. Previous update to the Executive Board

At the second regular session in 2023, UNOPS submitted an update report on this project to the Executive Board for its review. In this report, the first phase of the project was outlined, extending from December 2022 to December 2023.

This phase of the project included all field leadership roles, including Country Managers, Head of Programme, Head of Support Services and lead security positions in hardship duty stations. It also included some Group and senior technical leadership roles in Headquarters<sup>1</sup>.

The report indicated that as in-scope posts have become vacant in 2023, they have been advertised as UN staff posts and filled as such. It also highlighted a clear transition approach for identified posts which were already encumbered<sup>2</sup>.

At the end of this phase, UNOPS committed to meeting the UN Board of Auditors recommendation that our core organization structure is composed of personnel on FTA posts.

## III. Decisions adopted by the Executive Board in August 2023

In August 2023, the following decisions were adopted by the Executive Board in regard to the implementation of paragraph 11 of decision 2023/1 on limiting the use of individual contractor agreements:

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<sup>1</sup> The full list of posts that are currently approved as Fixed Term Appointment in UNOPS are available at [this link](#).

<sup>2</sup> Please see Section 4 of Update Briefing to the Executive Board: Comprehensive review of contract modalities across UNOPS August 2023 available at [this link](#).

- a. *Endorsed* the proposed approach for determining which positions are to be established as fixed-term appointment posts, and how they will be filled, in accordance with the staff regulations and rules of the United Nations;
- b. *Welcomed* the update that identified positions are on track to be filled, in line with the original recommendation of the United Nations Board of Auditors by January 2024;
- c. *Decided* that an update on progress toward the January 2024 milestones be provided at the first regular session of the Executive Board in 2024;
- d. *Recognized* the importance of the findings of the United Nations Joint Inspection Unit on the review of the use of non-staff personnel and related contractual modalities in the United Nations system (Joint Inspection Unit project A.468), to guide future decisions regarding UNOPS application of individual contractor agreements across the organization.

## IV. Progress update

At the conclusion of the first phase of this project **all business critical roles** in established organizational units across UNOPS, and where no performance issues were identified, **are confirmed as FTAs**<sup>3</sup>.

Business Critical Roles are defined as positions that are instrumental to delivering on UNOPS commitments and strategic priorities and/or exert a critical influence on achieving operational and strategic goals and/or have a leadership component. These posts include:

Within corporate functions	Within regional structures
<ul style="list-style-type: none"> <li>• Director (Groups, Shared Service Centre)</li> <li>• Deputy Director (Groups)</li> <li>• Chief Officer (Groups, HQ Units)</li> <li>• Head of (Contracts and Property Committee, Bangkok Shared Service Centre, Integrated Practice and Advisory Support, Finance Group)</li> </ul>	<ul style="list-style-type: none"> <li>• Regional Director</li> <li>• Deputy Director</li> <li>• Director (Country Office / Multi Country Office)</li> <li>• Country Manager</li> <li>• Director (Peace and Security Cluster)</li> <li>• Head of Cluster (Sustainable Development Cluster)</li> <li>• Head of Programme</li> <li>• Head of Support Services</li> <li>• Management &amp; Oversight Advisors</li> </ul>

In addition to the above, all positions within the Internal Audit and Investigations Group, Executive Office, the Ethics Office and Contracts and Property Committee are established as FTA.

Within Phase 1, there are still a few business critical positions under review as part of the planning process for 2024. These are due to possible changes in country office structures or potential reclassification of grade. These posts will be established early in 2024. All personnel whose positions were affected by this change of contract type have been engaged in a consultative process over the second half of 2023. The effective dates for each of the new contracts have been dependent on both individual and operational needs, with the first occurring in September 2023 and the remainder occurring before the end of January 2024<sup>4</sup>.

<sup>3</sup> Individuals who are currently on a Performance Improvement Plan (PIP) will continue as ICA until the conclusion of the plan, when the situation will be reviewed. This applies to four cases within the scope of this project.

<sup>4</sup> There is one remaining case that will convert in March 2024, due to parental leave planning that was already in place.

The organization is pleased with the rate of conversion to date. Moving forward more modest increases are envisaged, to facilitate consistency in our use of contracts across the organization, in line with cost recovery mechanisms and our net zero approach to management of expenses.

As a result of this project the UNOPS staff table reflects a total increase of 167 FTAs. 107 of these have been reflected in 2023, with 60 remaining for future phases of this project.

## **V. Talent management implications**

UNOPS envisages that in the longer term, ensuring the appropriate mix of UN staff and Individual Contractors, as well as the improvements made to ICA modality will provide the building blocks to facilitate movement of personnel to the places most needed, improve perspectives between HQ and field locations, and facilitate stronger outcomes in our Gender, Diversity and Inclusion Workforce Strategy.

There remains a place for both types of contracts across UNOPS workforce, reflecting the wide variety of circumstances in which we operate and the demographics of our workforce. Three personnel who were identified in positions that were to be converted to FTA through this project were identified as being over the mandatory age of separation defined by the United Nations. These personnel will not convert and options are being considered to utilize their skills and experience in an alternate capacity within the organization. There has also been one resignation due to this project, where the individual was not open to moving to a FTA.

## **VI. Future considerations**

The Joint Inspection Unit of the United Nations system (JIU) has included in their 2022 programme of work, a review of the use of non-staff personnel and related contractual modalities in the United Nations system. UNOPS awaits the JIU report and recommendations on the use of contract modalities across the United Nations to plan further in this regard. The principles derived from these recommendations will then continue to be applied and updated annually through UNOPS business planning processes.