



Global Environment Facility

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INFORMATION ON POLICIES AND CRITERIA
APPLIED BY THE IMPLEMENTING AGENCIES
IN INVOLVING LOCAL AND REGIONAL CONSULTANTS

1. At its meeting in December 1999, the Council reviewed document GEF/C.14/10, *Second Progress Report on Actions to Implement the Recommendations of the Study of GEF's Overall Performance and the Policy Recommendations for the Second Replenishment*, and requested the Implementing Agencies to provide, through the Secretariat, information on the policies and criteria applied by the agencies in involving local and regional consultants in the preparation, implementation and evaluation of projects.

2. Attached is the information provided by UNDP, UNEP and the World Bank, concerning their policies and criteria related to the involvement of local and regional consultants in the preparation, implementation and evaluation of GEF projects.

UNDP

PROGRAMME MANUAL - CHAPTER 6

6.1 Key policies

1. The following policies on management derive from the policies that govern the formulation of programmes and projects, particularly as regards national ownership and sustainability.

3. Partnerships. UNDP support must be coordinated with that of other partners, such as the government, United Nations organizations, multi- and bilateral donors and non-governmental organizations (NGOs). In order to achieve programme and project results, the UNDP country office and the institution responsible for managing the programme or project must establish key partnerships. This also helps promote national ownership and sustainability of results.

4. Strengthening national skills and capacities. All programmes and projects must use existing national resources, personnel and capacities to the fullest extent. Where a non-national entity such as a United Nations agency manages all or part of a programme or project, specific goals must be included for building national capacities, allowing the progressive transfer of responsibilities to a national entity.

(Use annex 6A to identify capacity gaps, in particular, for national)

5. Capacity to manage. UNDP must ensure that the designated institution has the necessary capacities. The key aspects of capacity are enumerated in annex 6A (Capacity for programme and project management: key considerations).

(execution and NGO execution. For designated institution, see 6.2.1 para. 5.)

6.4 Management of inputs

3. In providing inputs, the following key principles must be observed:

(a) Competitiveness. The designated institution uses internationally recognized competitive-bidding practices in procuring inputs whenever UNDP would have followed these practices for procurement on its own account. This means that the designated institution makes a wide search for the most qualified candidates or suppliers. It recruits the best suited individual or accepts the best offer for the task identified in a job description. A key consideration in all cases is cost-effectiveness. The procurement and acquisition of services and goods must be done according to set principles.

(b) Transparency. The selection process must be transparent and open, giving full and equal information to all candidates or suppliers, with clear selection criteria and with several persons participating in the decision-making process. For example, a committee may be set up for the purpose. Proper records must be kept;

(c) Multilateralism. The selection of inputs is made without regard to country of origin. Procurement and recruitment must be undertaken on a wide geographical basis whenever UNDP would have done this for its own procurement and recruitment. However, procurement within the country (local procurement) is also encouraged, because of its benefits to the national economy. Decisions on procurement must also take into account the speed of delivery and the availability of after-sales service, training, maintenance, repairs and spare parts.

6.4.2 Personnel

1. Government staff. Since UNDP-supported programmes and projects form part of the development activities of the programme country, the Government assigns its own personnel to participate in programme or project activities as part of their work responsibilities. Such personnel are referred to as “government staff”.

2. National director. For each UNDP-supported programme or project the government must appoint a national director. The national director supports the programme or project and serves as a focal point on the part of government. This responsibility normally entails ensuring effective communications between the partners and monitoring of progress towards expected results.

3. Job description. The designated institution is responsible for ensuring that job descriptions are prepared for all UNDP-supported personnel. Job descriptions are an essential part of the recruitment process. The partners concerned must agree on their content. Job descriptions must be updated regularly and must clearly identify the outputs the person is expected to produce. This also serves as a basis for measuring performance.

4. Remuneration and entitlements. The following are key policies on remuneration and entitlements:

(a) UNDP finances programme and project personnel who have skills that are needed to attain the programme or project objectives but that are not available within or to the government;

(b) The salaries and other entitlements of locally recruited personnel must not exceed those within the United Nations system for comparable functions and types of contracts in the country concerned. The designated institution and the UNDP resident representative determine the salaries and other entitlements of UNDP-supported programme or project personnel;

(Under national execution, government salaries are normally applied. It may be useful to jointly establish a salary scale for this.)

(c) In principle, government officials cannot be funded under the UNDP contribution to a programme or project since this would undermine national ownership and sustainability: There is a United Nations policy statement on payments to government staff. This statement explains the policy and the circumstances in which exceptions may be made, namely that the country must be facing serious economic difficulties which have drastically reduced the purchasing power of civil service salaries. The policy provides also that such payments be coordinated among donors and an exit strategy be developed with the government and the other donors whereby such payments are gradually phased out; See the Programming

(d) The entitlements for travel of personnel funded by the programme or project must not exceed those for UNDP staff.

UNEP

1. UNEP's policy on the use of regional consultants is that of the United Nations, which calls for adequate geographical representation among the staff and consultants recruited.
2. This requires that recruitment should take into account the fair and equitable representation by region and by member states with a view to ensuring the adequate representation of developing countries and in particular least developed countries. The UN system functions on the basis of quotas for the recruitment of staff. Although such quotas don't exist for the recruitment of consultants, the principle of equitable geographical representation guides the recruitment process for consultants and short term staff. Taking into account the importance attached to the implementation of this principle by UN member states a quarterly report on the list of consultant recruited by nationality is submitted to the UNEP Committee of Permanent Representatives. In addition an annual report is submitted to UN head quarters. The consolidated report submitted by the UN agencies is reviewed on a regular basis by the 5th Committee on Administrative and Budgetary issues of the United Nations General Assembly.

World Bank

1. The World Bank's policies and procedures for selecting, contracting and monitoring consultants are defined by the Bank's "Guidelines: Selection and Employment of Consultants by World Bank Borrowers". The term "consultants" includes a wide variety of private and public entities, including individuals, consulting firms, procurement agents, auditors, United Nations agencies and other multinational organizations, investment banks, universities, research institutions, government agencies, and non-governmental organizations. The Bank's clients use consultants to help in a broad range of activities -- such as policy advice; institutional reforms; management; engineering services; construction supervision; financial services; social and environmental studies; and identification, preparation, and implementation of projects -- to complement the client's capabilities in these areas.

2. According to the Bank's Guidelines, the client is responsible for preparing and implementing projects, and therefore for selecting consultants, and awarding and subsequently administering the contract. Five main considerations guide the Bank's policy on the selection process:

- (a) the need for high-quality services;
- (b) the need for economy and efficiency;
- (c) the need to give qualified consultants from all eligible countries an opportunity to compete in providing the consultancy services;
- (d) the Bank's interest in encouraging the development and use of national consultants in its developing member countries; and,
- (e) the importance of transparency in the selection process.

3. When an organization is to be contracted, the Bank considers that, in the majority of cases, these considerations can best be addressed through competition among qualified short-listed firms in which selection is based on the quality of the proposal and on the costs of the services to be provided (Quality- and Cost-Based Selection). However, the particular methods to be followed for the selection of consultants for any given project shall be selected by the client in accordance with criteria outlined in the Bank's Guidelines and specified in the Bank's project documentation. Individual consultants are selected on the basis of their qualifications for the assignment. Capability is judged on the basis of academic background, experience, and, as appropriate, knowledge of local conditions.

4. Pursuant to these Guidelines, there are several examples of Bank practices that promote the involvement of local and regional consultants in GEF operations. In the MENA region, for instance, the Bank is making efforts to foster regional exchange of experience/knowledge specifically in the biodiversity portfolio. Staff from the Jordanian NGO, Royal Society for the Conservation of Nature (RSCN) are being regularly used as

consultants during Bank preparation and supervision missions. The Bank has also encouraged regional study tours/training for knowledge dissemination. In addition, MENA has recently established a social scientist network, with established social scientists/sociologists in client countries. Scientists from this network will be recruited as consultants to improve stakeholder participation aspects in the biodiversity projects in the pipeline/portfolio.

5. In general, the Bank almost always uses local consultants in project development and implementation where possible, because they are more cost-effective and have better knowledge of the country situation, and because preparation grants and projects are usually country-executed.

6. Similarly, the IFC makes very effort to use local consultants wherever it is practicable to do so. Even where foreign consultants are used for technical or other reasons, the IFC tries to encourage the use of local consultants to "counterpart" the foreign consultant(s) in order to promote technology transfer and to help build local capacity. Although the institutional complexities of the GEF and the technological orientation of many IFC/GEF projects might constrain the choice of consultants, in many cases local consultants are extensively used (e.g. in HEECP a large number of local Hungarian consultants have been used for specific project development purposes and GHG abatement measurement).