**UN POLICY ON PAYMENT TO GOVERNMENT STAFF**

***(Joint Consultative Group On Policy Or JCGP)***

April 1996

Dear Colleague,

We are pleased to inform you that in the context of JCGP, we have agreed to a common approach for payments to government staff. Specifically, there are five principles which form a common approach and policy of the JCGP agreements in this area. These principles are:

1. A clear statement or reiteration of policy by all members of the JCGP against any monetary compensation to government counterparts for their work/participation in donor-funded programmes or projects
2. A recognition that in some countries that are facing serious economic difficulties which have drastically reduced the purchasing power of civil services salaries, the above policy cannot be applied at once. In these countries an exit strategy should be developed in close co-operation and consultation with other donors and the government. Ideally this exit strategy would encourage and support civil service reform, and would co-ordinate donor payments to government staff, gradually reducing such payments as the reform takes effect.
3. In order to further this approach and, in order to ensure the widest possible participation of other donors, it is strongly recommended that this issue be pursued through Consultative Group Meetings and Round Tables. A precedent and example in this regards is the initiative in Uganda.
4. This relates to monetary or cash payments. Existing non-monetary incentives should not he discouraged, especially in-service and fellowship training. In most cases it is also justified to supplement government DSA payments to counterparts and other government officials for the purpose of undertaking joint monitoring visits to projects.
5. In a limited number of countries a situation may exist where the government is unable to provide the required support in personnel and other local costs and no realistic assumptions can be made for it to assume these responsibilities in the foreseeable future. Projects undertaken in these circumstances would be required to cover some or all the costs including the salaries or supplements to local staff.

Projects or programmes that could be undertaken in these conditions would be, in addition to emergency and humanitarian relief, those that have a priority in meeting basic needs and have a measurable and achievable output. Such programmes/projects may not contribute to government capacity building as such, but can be designed in such a way as to help build national, local or community/NGO capacity which can be the basis for ultimate sustainability. Funding for such programmes or projects would, in some instances, be open-ended, as handing over to the government could not be foreseen.

Attached is the full report detailing these principles. Establishing and implementing this common approach will require close consultation and close co-ordination with the Government and with all donors present in the country. While each Agency is responsible for monitoring its own processes and the applications of this joint policy, it is clear however that joint action carefully coordinated, will be the only way to implement this common policy once it is agreed that such action is required.

We kindly request that you give serious attention to this matter. As a first step, we would recommend that all JCGP agency representatives meet under the chairmanship of the Resident Coordinator to review the attached report in the context of the conditions prevailing in your country of assignment. Where the practice of donor payments to government staff exists, the JCGP country team should develop and agree to a proposal for an exit strategy within the framework of the joint policy. The exit strategy by definition takes account of the need to ensure continuing support to emergency and development programmes. If required, the JCGP Subgroup on Harmonization of Programme Implementation is ready to assist you in this endeavour.

The JCGP and our individual organizations will have to report to a number of legislative and governing bodies on the implementation of this and other co-ordination and harmonizationinitiatives. Towards this end, it will be greatly appreciated that you provide a progress report, through the Resident Coordinator, on the results of your review and your proposals for implementation by 1 July 1996. This report should be addressed to the Chair of the JCGP Subgroup, Mr. Herbert P. M’cleod, Director, DOPP/BPPS, UNDP, New York and copied to the Head of your own Organization.

Yours sincerely,

Carol Bellamy

Executive Director

United Nations

Children’s Fund

Nafis Sadik

Executive Director

United Nations

Population Fund

James Gustave Speth

Administrator

United Nations

Development Programme

Catherine Ann Bertini

Executive Director

World Food Programme