

## **INDIVIDUAL CONSULTANTS**

### **OVERVIEW**

1. The purpose of this policy is to set out the conditions and procedures for contracting the temporary services of individuals as consultants, and designating the officials responsible for approving such contracts.

### **EFFECTIVE DATE AND APPLICATION**

2. This policy is effective as of 1 September 2015 and will apply to all new contracts or extensions for the services of individual consultants issued by UNFPA. This policy does not apply to existing special services agreements which will continue to be governed by the existing terms of the contract until their end date. This policy supersedes all previous issuances on this topic.

### **APPROVING AUTHORITIES**

3. The Deputy Executive Director (Management) has been delegated the authority to engage individual consultants as well as to further delegate that authority to staff members. The Deputy Executive Director (Management) herewith delegates the authority for engaging individual consultants to the following “Approving Officers”:
  - (a) Division directors and heads of offices at headquarters;
  - (b) Heads of regional offices, sub-regional offices, and country offices.

### **PROCEDURES**

#### **Initiating request for individual consultant**

4. The office requiring an individual consultant (“Hiring Office”) will complete the [Terms of Reference for Individual Consultant Form](#) which will include the following information:
  - (a) Hiring Office;
  - (b) Purpose of consultancy;
  - (c) Scope of work: description of services, activities, or outputs;
  - (d) Duration, place where services are to be delivered, delivery dates;
  - (e) Details on how work will be delivered (*e.g.* electronic, hard copy etc.);
  - (f) Monitoring and progress control, including reporting requirements, periodicity, format and deadlines;
  - (g) Expected travel;

- (h) Required expertise, qualifications and competencies, including language requirements;
- (i) If applicable, inputs and/or services to be provided to the individual consultant by UNFPA or an implementing partner (such as support services, office space, or equipment);
- (j) Other relevant information.

### **Verifying availability of funds**

5. The Hiring Office should prepare a full **Individual Consultant Cost Estimate** including the anticipated fee, the expected cost of any official travel required, any applicable rent recovery to cover the cost of international consultants who provide services on UNFPA premises or premises shared with other United Nations organizations, and any other special conditions.
6. If the budget for the consultancy is available the Hiring Office should raise and approve a requisition to pre-encumber and therefore secure the funds.
7. If however, there is no budget available for consultancy costs, the Hiring Office must first ensure that the budget is redeployed prior to commencing the selection process. This may include redeployments from vacant positions. The process to follow depends on the source of funding as outlined below.
8. For programme funded positions, the Hiring Office must:
  - (a) Make the budget revisions in Atlas GPS in the relevant workplan;
  - (b) Request the Division for Human Resources (DHR) to freeze the vacant programme position for the number of months needed to offset the total cost of the consultancy;
  - (c) Raise and approve a requisition to pre-encumber and therefore secure the funds.
9. For institutional budget funded positions the Hiring Office must:
  - (a) Request the budget redeployment through the **Integrated Service Desk** (Financial Services – Institutional Budget Services – IB Allotments - Redeployment) by:
    - Utilising the information prepared in the Individual Consultant Cost Estimate;
    - Providing the vacant post number from Atlas and number of months it would be frozen to offset the total consultancy cost (number of months calculated using the **Standard Post Cost tool** available in the Resource Planning and Budgeting Branch (RPBB) section of the DMS microsite);
  - (b) RPBB will review the request and either make the budget redeployment or deny the request if funds are not available. RPBB will also request DHR to freeze the vacant institutional budget position that funds the consultancy for the necessary number of months;
  - (c) If the budget has been redeployed and funding authorized, the Hiring Office should raise and approve a requisition to pre-encumber and therefore secure the funds.

**Selection process**

10. Once availability of funds has been secured through an approved requisition in Atlas, the Hiring Office should initiate selection of a suitable candidate.

*UNFPA's Consultant Roster*

11. The Hiring Office may make use of UNFPA's **Consultant Roster** as part of the selection process in several ways:
  - (a) To assist in identifying a suitable, potential candidate when there is no requirement for a competitive selection process;
  - (b) To waive the competitive selection process where there is a suitable vetted individual included in the UNFPA Consultant Roster;
  - (c) To assist in identifying suitable, potential candidates to be included in a competitive selection process.
12. The Consultant Roster can effectively support the hiring of international consultants provided it includes vetted consultants in all relevant areas of expertise. Therefore, each regional office and headquarters should establish a vetting process.

*Selection without a competitive process*

13. The aggregate value of an individual consultant is the total cost to UNFPA of a consultancy assignment of the same individual under the same TOR including the fee and any other related costs such as travel (airfare, DSA, terminal expenses). A competitive process for the selection of an individual consultant is not required for:
  - (a) International individual consultants below an aggregate value of US\$40,000;
  - (b) Local individual consultants below an aggregate value of US\$20,000.
14. The Hiring Office must ensure that the prospective international consultant is fully suitable according to the TOR.

*Selection with a competitive process:*

15. A competitive process for the selection of an individual consultant is required for:
  - (a) International individual consultants for all locations, or local individual consultants at professional level engaged in H category duty stations, at or above an aggregate value of US\$40,000;
  - (b) Local individual consultants at or above an aggregate value of US\$20,000.
16. A vacancy announcement based on the TOR must be posted and remain open for at least five calendar days:
  - (a) At headquarters: Vacancy announcements for consultant support functions and professional consultant functions are advertised by DHR on e-recruit;

- (b) At offices outside headquarters: Vacancy announcements for consultant support functions are advertised like those for staff in the General Service category; Vacancy announcements for local professional consultant functions are advertised like those in the National Officer category; and vacancy announcements for international professional consultant functions are advertised by DHR on e-recruit.
17. The Hiring Office may consider potential candidates contained in UNFPA's Consultant Roster in addition to candidates who have applied to the vacancy announcement when screening and preparing the shortlist.
18. The Hiring Office should establish a Selection Panel with a minimum of three persons, paying due regard to the diversity of the panel members. The Selection Panel should apply appropriate selection tools such as one or more of the following: desk review of resumes, interviews, drafting tests, or review of writing or work samples. The Selection Panel should evaluate and rate the candidates in the [Selection Panel Assessment for Individual Consultant](#). Professional references for those not yet vetted may also be sought.
19. The best candidate as determined by the Selection Panel should be selected unless documented reference checks or other reasons support a different conclusion, in which case the reasons for selecting a lower ranked suitable candidate must be documented.
20. A competitive selection process may be waived under the following circumstances:
- (a) There is a suitable vetted individual included in UNFPA's Consultant Roster, and there is a match between the vetted and the required expertise;
  - (b) There is no competitive marketplace for the requirement, such as where the requirement involves a proprietary service;
  - (c) Previous engagements require that the services are provided by a particular individual consultant or by an individual consultant drawn from a limited group of individuals;
  - (d) The proposed consultancy is the result of cooperation with other organizations of the UN system;
  - (e) Offers for identical requirements have been obtained competitively from the individual consultant within a reasonable period (not exceeding a year) and the fees and conditions offered remain competitive;
  - (f) When a competitive selection process has not produced satisfactory results within a reasonable prior period (not exceeding a year);
  - (g) There is a genuine exigency or emergency;
  - (h) The Hiring Office otherwise determines that a competitive selection process will not give satisfactory results.
21. A written explanation substantiating the reason for waiving the competitive selection process must be completed in the [Waiver Form](#) and signed by the Hiring Office. The form must be kept on file and may be subject to audit.

**Fee setting and verification process**

22. After a suitable prospective individual consultant has been selected, the Hiring Office must undertake a preliminary enquiry with the intended candidate to confirm availability and discuss fee expectations. During this process, the candidate has to be made aware that this enquiry does not constitute a commitment to hire. To facilitate the fee setting and verification process the Hiring Office may issue a [Letter of Intent](#) indicating that it is UNFPA's intent to retain the prospective individual consultant provided certain conditions are fulfilled.
23. Prior to the issuance of an individual consultant contract the requirements outlined below must be met.
24. The amount of the fee should be agreed with the individual consultant on the basis of the parameters set out later in this policy.
25. Individual consultants are considered vendors and must have an Atlas vendor profile created as outlined in UNFPA's [Procurement Procedures](#). A requisition and purchase order are required for hiring an individual consultant regardless of the value of the contract.
26. Individual consultants whose assignment involves travel or who will provide services from UNFPA premises must submit a [Health Statement for Individual Consultant](#) from a recognized medical practitioner confirming they are medically fit for the assignment. This statement shall be valid for one year unless otherwise indicated by the medical practitioner. An updated statement will be required if the existing statement will expire during the consultancy or if the individual consultant will travel to a location not covered by the statement.
27. The prospective individual consultant must provide a [Certification of Health Insurance](#) confirming that he/she holds appropriate medical insurance coverage (including coverage for medical evacuation if the individual consultant will be travelling to locations without adequate medical facilities as part of the assignment) and acknowledging that UNFPA will not provide any medical insurance.
28. Individual consultants whose assignment involves travel or who will provide services from UNFPA premises must complete the security courses "Basic Security in the Field – Staff Safety, Health and Welfare" and "Advanced Security in the Field" and submit printed copies of the certificates to the Hiring Office to be retained on file.
29. The Hiring Office may carry out reference checks and must verify and document the academic and professional credentials of the prospective individual consultant, unless he/she is a vetted candidate from the Consultant Roster.

**Issuing the IC contract**

30. The Hiring Office must ensure that prior to being contracted the prospective individual consultant has created a [profile in UNFPA's Consultant Roster](#). Under no circumstances should an individual consultant start work without a contract.
31. After completing the fee setting and verification process, the Hiring Office should prepare the UNFPA [Individual Consultant Contract](#) together with the [Individual Consultant Contract Signature Checklist](#) with all required documents attached and forward it to the Approving Officer.
32. The Approving Officer should review the documentation, sign the individual consultant Contract Signature Checklist, ensure the purchase order has been approved in Atlas, and sign the individual consultant contract for issuance by the Hiring Office to the individual consultant for his/her signature.
33. The hiring of individual consultants by Approving Officers at headquarters requires that the Executive Director has endorsed the consultancy. This endorsement shall be requested through DHR.
34. The execution of an IC contract on a retroactive basis is not permitted. An individual consultant is not permitted to undertake any activities including travel until the individual consultant contract has been signed by the individual consultant and returned to UNFPA. The individual consultant also shall not continue to provide services to UNFPA after the individual consultant contract has expired and before an appropriate individual consultant contract amendment has been concluded.

**Evaluation and Fee payment**

35. The work and performance of the individual consultant should be monitored by the Hiring Office. Payment for services rendered by the individual consultant is made in arrears on completion of service, completion of phases of the individual consultant contract, or submission of pre-agreed deliverables.
36. The Hiring Office will send certification as required to release fee payments to the individual consultant in accordance with the payment schedule in the individual consultant contract. Payment is initiated by the Hiring Office in the [Certification of Payment](#) which is then provided to the individual consultant for completion and signature. The Hiring Office will countersign the form to certify that the individual consultant provided the services satisfactorily, receive the service in Atlas, and forward the form for payment to the Division for Management Services (DMS) for headquarters or the Finance Officer in offices outside headquarters. At the time of the payment, DMS or the Finance Officer will also charge the applicable rent recovery through an internal transaction.
37. At the end of the assignment, the Hiring Office shall evaluate the overall performance of the individual consultant in the Post Evaluation section of the Consultant Roster. The

- final payment of the fee must only be released after the individual consultant's services have been evaluated.
38. Unsatisfactory performance by the individual consultant may cause UNFPA to withhold full or partial payment of the fee.
  39. If an individual consultant has performed unsatisfactorily, the Hiring Office may ask the Roster Administrator to remove the individual consultant from the active view of UNFPA's Consultant Roster through the Integrated Service Desk.
  40. Individual consultants shall normally be paid in the currency in which staff members performing comparable functions in the same location would be paid. Where staff members would not normally be paid in US Dollars, Euro or a similar currency, payment of part or all of the fee in such currency may be necessary in extraordinary situations, such as highly volatile local economic conditions or civil unrest.
  41. Individual consultants are not UN staff and therefore are not exempt from income taxes on remuneration paid to them by UNFPA. Payment of any relevant income taxes is the responsibility of the individual consultant, who has no right of reimbursement from UNFPA.

#### **Terminating and amending IC contracts**

42. The individual consultant contract may be terminated in accordance with the provisions contained in the General Conditions of individual consultant contract.
43. It may be necessary to amend an individual consultant contract to modify its terms. For example to extend or reduce the duration, modify the working schedule, or change the travel requirements.
44. The Approving Officer is authorized to sign and issue an [Individual Consultant contract amendment](#). In the same way as for an initial contract, when amending the individual consultant contract, the Approving Officer must ensure it complies with the conditions established in this policy such as breaks in service, medical requirements, aggregate values requiring a competitive process, and rules related to former UN staff members in receipt of pension benefits from the UN Joint Staff Pension Fund (UNJSPF).
45. A written justification for any amendment shall be included in the individual consultant file.
46. In the event of a substantive change to the TOR, or a change in the level of the fee, an existing individual consultant normally cannot be amended. Instead, the Approving Officer should terminate the existing individual consultant contract in accordance with its General Conditions (if the individual consultant contract has not already expired), prepare new TOR, and undertake a new selection and contracting process under the new TOR.

47. In exceptional circumstances, in the interests of the Organization, the Approving Officer may be authorized to sign an amendment to the existing individual consultant contract, amending the TOR and/or Fee Level. This requires the prior written approval of the Chief, HR Services Branch, DHR.

## **INDIVIDUAL CONSULTANT TERMS AND CONDITIONS**

### **General conditions of individual consultant contracts**

48. The General Conditions of individual consultant contracts shall not be subject to any alteration, modification, change or revision without the express, written authorization of the Director, DHR. The Director, DHR, will obtain legal advice from the Legal Unit, Office of the Executive Director (OED), as appropriate.
49. An individual consultant is not eligible for benefits such as sick leave or annual leave, pension, or dependency allowances, and is not entitled to any right, benefit, payment or compensation unless expressly stated in the individual consultant contract.

### **Use of services of an individual consultant**

50. Individual consultants are hired in their capacity as individuals. IC contracts, therefore, cannot be used to appoint companies, organizations, firms, or other entities.
51. An individual consultant may be hired for an assignment which is temporary in nature and cannot be performed by regular staff due to a lack of specialised expertise, or because of peaks in workload, or to cover staff functions due to absences or vacancies.
52. Individual consultants may not undertake:
- (a) Supervisory functions over staff members;
  - (b) Representative functions for UNFPA; or
  - (c) Functions that are explicitly reserved for staff members under the UNFPA Financial Regulations or Rules, the PPM Internal Control Framework, or other applicable rules, administrative issuances or policies.
53. Cumulatively, an individual consultant can be engaged on a series of contracts for up to the equivalent of 11 months within any 12 month period. Consecutively, an individual consultant can be hired for up to 11 months after which a minimum break in service of one month is required. A one month break in service will also apply to an individual moving to an individual consultant contract from a staff appointment. The Chief, HR Services Branch, DHR, may authorize an exception in writing. A break of one month is required before a UNFPA staff member who has separated from service with UNFPA can be contracted as an individual consultant. No break is required for an individual moving from an individual consultant contract to a staff appointment.
54. An individual consultant may also be hired on a retainer basis, for services on an 'as needed' basis. The fee will be at a pre-agreed rate and within the maximum fee and duration limits provided for in this policy.

55. Individuals who volunteer their services to UNFPA may be issued an individual consultant contract with either a “nil” or token fee (for example US\$1). As appropriate, they may be permitted to travel and may be paid DSA.

### **Diversity considerations**

56. Hiring Offices should give due regard to diversity considerations when hiring individual consultants, in particular to the goal of obtaining gender balance, and when hiring international individual consultants to candidates from the widest possible geographical base.

### **Contracting spouses/partners and immediate family members**

57. A member of a UNFPA staff member’s immediate family (father, mother, son, daughter, brother or sister) may only be hired as an individual consultant when another equally well qualified person cannot be identified.
58. Hiring Offices are encouraged to give preferential consideration to equally well qualified candidates for a consultancy who are expatriate spouses or recognized partners of UN staff members.
59. To contract a family member or spouse / partner all the following additional conditions must also be met:
- (a) The individual consultant will not be supervised by the staff member;
  - (b) There is no actual or potential conflict of interest;
  - (c) Neither will participate in any review or decision-making process affecting the other;
  - (d) The selection must have been made as the result of a competitive selection process. A waiver of a competitive selection process is not possible in such cases.
60. If a family member or spouse / partner of a UNFPA staff member is contracted as an individual consultant, a statement confirming compliance with the relevant conditions, signed by the Hiring Office, should be included in the individual consultant file.

### **Contracting former United Nations staff members**

61. A former UNFPA staff member must not be contracted as an individual consultant for a period of one month following separation from service.
62. Former United Nations staff in receipt of a United Nations Joint Staff Pension Fund (UNJSPF) pension, may not receive more than US\$22,000 in fees (not including travel related expenses and DSA) and may not be retained for more than six months within UN system organizations during any calendar year. In addition, they should not receive a fee at a level higher when they separated from the United Nations and they should not

be paid at a level higher than that at which regular staff members are remunerated for the same function.

63. When dealing with a former staff member in receipt of a UNJSPF pension, the Hiring Office should request the prospective individual consultant to provide a statement of payments made to him/her by United Nations system organizations and lengths of engagement during the calendar year, to establish whether he/she may be retained as an individual consultant, and for what duration.
64. An individual who has encumbered one of the following term limited posts and by Board Decision is barred from re-entry to UNFPA is not permitted to be contracted by UNFPA as an individual consultant in any capacity:
  - (a) Director of the Evaluation Office;
  - (b) Director of the Office for Audit and Investigation Services;
  - (c) Ethics Advisor.

### **Individual consultant fee**

65. The level of the fee will be based on a determination of the level and qualifications required to perform the assignment as outlined in the TOR, and will be approximated with the grade level of regular staff (in the General Services, National Officer or International Professional categories) performing duties at a comparable level.
66. Individual consultants approximated with the grade level of General Service staff must be locally hired. In the case of consultancies approximated at the professional level, to be locally hired the individual consultant must be available to be contracted within the duty station, otherwise the individual consultant will be treated as international.
67. The fee offered to the selected candidate for:
  - (a) Locally hired individual consultants, must not exceed the equivalent of the [gross salary for General Service or National Officer staff](#) in the prevailing salary scales for the relevant location. In H category duty stations which do not have National Officer staff salary scales, the fee for locally-hired individual consultants at the professional level will be set in the same way as for internationally-hired individual consultants;
  - (b) Internationally hired individual consultants, must not exceed the gross salary listed in the prevailing [International Professional staff salary scale](#) (and excluding post adjustment).
68. Depending on the qualifications and experience of the candidate, the fee should be set against the appropriate step level within the relevant grade.
69. The total fee payable is specified in the individual consultant contract as a gross amount. The fee may be agreed to as follows:
  - (a) As an output-based lump sum;
  - (b) As a monthly rate (calculated on the basis of the annual salary divided by 12);
  - (c) As a weekly rate (calculated on the basis of the annual salary divided by 52);

- (d) As a daily rate (calculated on the basis of the annual salary, divided by 12, then divided by 21.75).
70. Any individual consultant contracting proposal with a fee that exceeds the level established in paragraphs 65 to 67 above requires the prior written approval of the Chief, HR Services Branch, DHR.

### **Travel arrangements and subsistence allowance**

71. Official travel associated with the assignment will be specified in the IC contract, and will be authorized, arranged, and the related costs paid in accordance with [UNFPA's Duty Travel Policy](#) and procedures.
72. Should the individual consultant undertake travel in connection with the contract, the individual consultant or Hiring Office shall request travel security clearance through the [UNDSS Trip system](#) in accordance with relevant Security policies.

### **Permits, visa and travel documents**

73. Locally engaged individual consultants should hold all necessary work permits and visas for the country in which they are retained.
74. If, exceptionally, a locally engaged individual consultant is assigned to travel on duty outside the country, UNFPA may reimburse reasonable costs for the issuance of visas and permits. This is managed by the UNFPA field duty station with appropriate support, as required, from the UNDP country office or service center.
75. Internationally engaged individual consultants shall themselves obtain all necessary permits and visas. UNFPA will assist or facilitate and may reimburse reasonable costs incurred for the issuance of visas and permits. At headquarters this process is managed through DHR. In the case of the United States this usually entails the issuance of a G-4 visa to the international IC (unless the international IC is a United States citizen or permanent resident). At UNFPA offices outside headquarters this is managed by the UNFPA office with appropriate support, as required, from the UNDP country office or service center.
76. Individual consultants are not issued a United Nations *laissez-passer*. For identification purposes, a United Nations certificate may be issued for individual consultants while undertaking international travel. This certificate may be obtained through the Travel Unit with certification from DHR at headquarters, or through the UNDP country office or service center in offices outside headquarters.

### **UNFPA provided insurance coverage and liability**

77. Individual consultants serving in, or on travel status to, a location where the Malicious Acts Insurance Policy (MAIP) applies are covered by the MAIP. The individual

consultant must comply with all security directives, or this may constitute a reason for termination.

78. In the event of service incurred injury, illness or death of the individual consultant, the individual consultant or his/her dependents are entitled to compensation as provided in the General Conditions of the individual consultant contract.

### **Standards of Conduct**

79. The individual consultant must comply with the standards of conduct contained in the General Conditions of the individual consultant contract. This includes not engaging in any conduct that would constitute sexual exploitation or sexual abuse.

### **Dispute resolution**

80. Whenever possible, an attempt shall be made to settle any dispute arising from the interpretation or execution of this contract by informal negotiations between the individual consultant and the Hiring Office.
81. As provided in the General Conditions of individual consultant contracts, disputes are subject to binding arbitration in accordance with the prevailing United Nations Commission on International Trade Law arbitration rules. In the event a declaration of arbitration is received, it should be forwarded without delay to the Chief, Legal Unit, OED. Under no circumstances shall any officer of UNFPA declare arbitration against any individual consultant.

## **SUMMARY OF ROLES AND RESPONSIBILITIES**

<b><i>AREA</i></b>	<b><i>RESPONSIBILITIES</i></b>
<b>Hiring Office</b>	<ul style="list-style-type: none"> <li>• Identifies need for services of individual consultants</li> <li>• Develops Terms of Reference for proposed individual consultant assignments</li> <li>• Prepares cost estimates for proposed individual consultant assignments and ensures availability of funds against applicable budget code</li> <li>• Requests freezing of vacant programme positions in Atlas for the duration needed to offset the cost of the consultancy</li> <li>• Proposes fee payable to individual consultant</li> <li>• Manages selection process for individual consultant</li> <li>• Contracts individual consultant</li> <li>• Provides related logistical support to individual consultant</li> <li>• Assures quality of services provided and certifies</li> </ul>

	<ul style="list-style-type: none"> <li>release of payments</li> <li>• Conducts individual consultant performance evaluations</li> <li>• Keeps formal records for individual consultants hired by the Office</li> </ul>
<b>Approving Officer</b>	<ul style="list-style-type: none"> <li>• Approves contracts for individual consultants ensuring compliance with related terms and conditions for individual consultants</li> <li>• Signs and issues individual consultant contract amendments</li> </ul>
<b>Resource Planning and Budgeting Branch</b>	<ul style="list-style-type: none"> <li>• Reviews requests for funding consultancies from vacant Institutional Budget posts and makes the budget redeployment or denies the request if funds are not available</li> <li>• Requests freezing of vacant Institutional Budget positions in Atlas for the duration needed to offset the cost of the consultancy</li> </ul>
<b>Finance (HQ/Field)</b>	<ul style="list-style-type: none"> <li>• Effects payments under the terms of individual consultant contracts according to Hiring Offices instructions and certification.</li> </ul>
<b>Division for Human Resources</b>	<ul style="list-style-type: none"> <li>• Establishes policies and procedures for hiring individual consultants</li> <li>• Monitors compliance with policies, procedures and standards</li> <li>• Approves proposed fees that exceed a designated maximum</li> <li>• Freezes vacant posts in Atlas</li> <li>• Facilitates obtaining the Executive Director's endorsement for the hiring of individual consultants at headquarters.</li> </ul>
<b>Programme Division</b>	<ul style="list-style-type: none"> <li>• Manages and makes available an on-line roster system for individual consultants for use by Hiring Offices</li> </ul>
<b>Executive Director</b>	<ul style="list-style-type: none"> <li>• Endorses the hiring of individual consultants at headquarters</li> </ul>

**PROCESS FLOWCHART**

