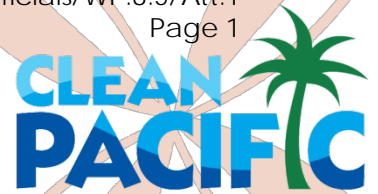




SPREP
Secretariat of the Pacific Regional
Environment Programme

PO Box 240, Apia, Samoa
E: sprep@sprep.org
T: +685 21929
F: +685 20231
W: www.sprep.org

24SM/Officials/WP.8.5/Att.1
Page 1



The Pacific environment, sustaining our livelihoods and natural heritage in harmony with our cultures.

24 July 2012

INTERSESSIONAL WORKING GROUP: RETENTION ALLOWANCE

Purpose of paper

1. To reconsider the Retention Allowance issue, in light of agreed practices across CROP agencies, and report to the 2013 SPREP Meeting.

Decision of the 23rd SPREP Meeting

2. The 23rd SPREP Meeting (SM) in Noumea last year:
 - *"Agreed that an intersessional working group be established to address the issue of staff retention that is consistent with agreed practices across CROP agencies and to report to the 2013 SPREP Meeting."*

Initial Proposal by the Secretariat in 2012

3. The Secretariat established a retention allowance as an incentive to retain good staff, maintain positive staff morale and encourage and motivate high performance.
4. This applies upon completion of the first 3-year contract and upon acceptance of a second contract, and at each consecutive 3-year term extension thereafter. It is expected that the staff will stay for the full term of the second contract, and any other terms that follow.
5. Certain terms and conditions were put in place to ensure that the allowance served its purpose i.e. reduce staff turnover and encourage serving out the full term of the contract. For example, if a staff was to leave before their full term contract, they were expected to reimburse a pro-rated portion of the allowance, based on the term of the contract not yet completed.
6. Ensuring good staff stay at SPREP and serve out their full term contracts improves agency performance, recruitment costs and maintains stability and continuity for work programmes.

CROP practices

7. The following table summarises current practices by other CROP agencies, specifically those who participate in the CROP Harmonisation Working Group:

SPC	After the 1 st 3 year when a new contract is issued, the staff is offered a salary increase. Renewal without recruitment - 1% increase If they go to interview for their role - 2% increase. <i>Effective 1 Jan 2013</i>
FFA	<u>Internationally Recruited staff</u> <ul style="list-style-type: none"> 21 per cent (%) of the final year's base salary upon completing a 3 year contract 14 per cent (%) of the final year base salary upon completing a 2 year contract <u>Locally recruited staff</u> <ul style="list-style-type: none"> 28 per cent (%) of the final year's base salary upon completing a 4 year contract 21 per cent (%) of the final year base salary upon completing a 3 year contract
PIFS	Strictly 6-year rule. Deal with retention through recruitment and development strategies
SPREP	After completion of the 1 st 3 year contract and on acceptance of another 3-year contract, the staff is paid a one-off payment based on 3% of the Band mid-point for the their role. Level to be reviewed on an annual basis.

Budget Implications

8. Costing depends on the number of contract renewals each year. For example, the following table gives a snapshot of budget requirements:

YEAR	FUNDING REQUIRED (USD\$)	NO. OF STAFF	Retention Rates	Status
2010	0	12	81%	None paid
2011	\$12,963	11	93%	Paid
2012	\$19,438	14	96%	25% paid
2013	\$22,688	16	96% (as at 24 July)	None paid
2014	\$25,676	17	TBC	TBC

9. The budgetary implications for approving the retention allowance is provided for in the 2014 Budget

Recommendations

The Working Group is invited to consider the following for a further recommendation to the 24th SPREP Meeting:

- **Endorse** the Retention Allowance to be established for the Secretariat, which is one-off payment based on 3% of the Band mid-point for each staff, after completion of the 1st 3 year contract and on acceptance of another 3-year contract.

XXXXXXXXXXXXXXXXXXXX