



Central Asia Regional Economic Cooperation Program

Reference Document for Session 6

CAREC Institute: Recruitment and Selection Plan

**Consultation Meeting with the CAREC National Focal Points
25–26 September 2014
Issyk Kul, the Kyrgyz Republic**

CAREC INSTITUTE: RECRUITMENT AND SELECTION PLAN

A. Background

1. The establishment of the Central Asia Regional Economic Cooperation (CAREC) Institute was agreed at the 11th Ministerial Conference (MC) held in Wuhan, People's Republic of China (PRC) on 30 October 2012. The CAREC member countries further agreed at the 12th MC held in Astana, Kazakhstan on 24 October 2013 that the physical base of the CAREC Institute (CI) would be located in Urumqi, Xinjiang Uygur Autonomous Region, PRC.

2. The physical establishment of the CI was further discussed at the Meeting of the National Focal Points (NFPs) held in Kuala Lumpur (KL), Malaysia on 9-10 April 2014. A Discussion Paper on CAREC Institute, prepared by the CAREC Secretariat, was revised to reflect further views expressed in the KL's NFPs Meeting. The current version of the discussion paper on CI serves as the key reference document in preparing the Recruitment and Selection Plan.

3. At the recent Senior Officials' Meeting (SOM) held in Manila, Philippines on 26-27 June 2014,¹ PRC reported, among others, that the office location of the CI had been identified and the preparation work for the physical establishment of the CI would soon begin. The SOM also noted PRC's request for the CAREC Secretariat's assistance in drafting the Recruitment and Selection Plan so that the Director position from the Kyrgyz Republic and Deputy Director 1 (DD1) from PRC plus a proposed Special Assistant to DD1 (not included in the Organizational Chart) could be recruited immediately once the Recruitment and Selection Plan is endorsed by the NFPs. Initial staff resources are critical for the challenging tasks ahead leading to the physical establishment of the CI in the next few months. Accordingly, Section B provides the highlights of the CI's organizational structure, staff composition and staffing requirements, followed by a recruitment and selection plan presented in Section C.

B. Highlights of CAREC Institute's Organizational Structure, Staff Composition and Staffing Requirements

4. The organizational structure of the CI, as set forth in the revised discussion paper dated 9 April 2014, is consistent with public international law principles of good governance and best practice among international organizations and, will be adopted regardless of the choice of legal form of the CI. Domestic registration of the CI, as a limited liability company, is under preparation. In parallel, necessary steps are being undertaken to make the CI an intergovernmental organization (IGO) which would provide the basis for the granting of privileges and immunities to CI and to the eligible staff members of the CI. This requires the signing and ratification of an intergovernmental agreement (IGA) by CAREC countries, with an acceptable minimum number of signatories and ratifications to be agreed among CAREC countries. This process is expected to take time but should not in any way slow down the start of CI operations. An organizational chart already discussed in the previous SOM is provided in Attachment 1 for ready reference. The CI operations are to be carried out, in a phased manner, with the following organizational setting:

¹ Refers to the Summary of Proceedings of the recently concluded SOM in Manila on 26-27 June 2014.

5. Ministerial Conference (MC). Under the current set-up, the CAREC MC is the highest decision-making body. The MC will establish a Governing Council which reports to the MC and will be vested with the mandate and responsibility to guide, oversee and supervise the CI.²

6. Governing Council. The Governing Council will be composed of the NFPs in CAREC member countries duly designated by their respective governments. It will meet at least once a year or more frequently as needed. The Chair of the Governing Council will be held by the country chairing the CAREC Ministerial Conference. In the recently held SOM, PRC called for the establishment of CI's Governing Council and the convening of its first meeting of the Council in the upcoming MC Meeting in November 2014.

7. Management Team. The Governing Council will appoint the CI Management team, as international staff, which consists of (i) one Director, and (ii) two Deputy Directors (DDs). DD1 is responsible for strategic planning, administration, and finance and human resources; and DD2 is responsible for knowledge generation, knowledge services, and knowledge management.³ Director and two Deputy Directors will all be recruited openly and be selected on the basis of competencies required for the position. The first Director will be from the Kyrgyz Republic as the Chair of the 13th MC. DD1 will be a national of the host country, the PRC and DD2 will be a national of a CAREC member country other than the host country and the country where the Director comes from.

8. Managerial Staff. Managerial staff consists of six unit heads – one each for strategic planning, administration, finance and human resources, knowledge generation, knowledge services, and knowledge management. Two unit heads will be recruited during the initial three (3) years of CI operations. All unit heads will be recruited openly from CAREC member countries, as international staff, on the basis of merit and suitability taking into account position requirements and qualifications.

9. Technical Staff. Under the unit heads, up to fifteen (15) regular technical staff (2 to 3 for each unit), also classified as international staff, will be recruited from CAREC countries or internationally in a phased manner as the need arises. In the initial three years of CI's operations up to six regular technical staff (1 to 3 for each unit) will be recruited.

10. Support Staff and Services. In addition, a total of up to thirty (30) such national and administrative staff positions including outsourced contractual services may be recruited locally to provide essential functions in areas of accounting, finance, administrative services, human resources and other technical support services to the CI's functional units⁴ in phased manner as the need arises.

C. Recruitment and Selection Plan (including Key Principles and Procedures)

11. It was noted at the recent SOM held in Manila that once the recruitment and selection plan is in place, the PRC will then start to fill urgent positions with different functional responsibilities to ensure a smooth start of CI operations. PRC also proposed that the following positions be filled immediately from PRC:

² Refers to Section II, Discussion Paper on CAREC Institute dated 9 April 2014.

³ Refers to paragraphs 17, 23, 27 and 28, Discussion Paper on CAREC Institute dated 9 April 2014.

⁴ Refers to paragraph 24, Discussion Paper on CAREC Institute dated 9 April 2014.

- a) Deputy Director (DD1) – a national of the host country to be recruited openly and will be appointed for a three-year term with a possible extension of two to three years.
- b) Special Assistant to DD1 – a professional staff position is required during the initial years of CI operation but not included in the organizational chart. This position will be for a term of three years with possible extension of two to three years. It will be filled by a national of the host country to perform, among others, physical infrastructure for the new CI office in Urumqi and a wide range of coordination and administrative functions with the host country for the initial and transitional period during and after the establishment of the CI.

In the meantime, PRC has also proposed that considerations be given to fill positions listed below in a timely but phased manner:

- c) Director – starting with a national of the Kyrgyz Republic, in view of its position as Chair of the 13th MC, to be recruited openly. Selected person will serve as the first CI Director for a two-year fixed term. PRC suggested in the SOM that the Kyrgyz Republic make an appropriate recommendation for the position.
- d) Deputy Director (DD2) – to be recruited openly among the nationals of other CAREC member countries (i.e., excluding the host country and the country where the Director comes from).
- e) Two Unit Heads to be supported by up to 6 technical staff, all international staff, with some support staff to be recruited locally.

Guiding Principles for Recruitment

12. In developing CI's organizational structure as well as management team and other managerial, technical and support staff positions, three underlining principles have been considered and shall be applied consistently, namely: (i) adherence to the guiding principles of equal ownership and regionality, and fairness and balance; (ii) enhancing the effectiveness and efficiency of CI operations; and (iii) building up CI's in-house capacity for its longer term sustainability and effectiveness.⁵

13. Balance in the representation of countries will be observed in considering and selecting candidates for managerial (i.e., unit heads) and technical staff positions. In this regard, no country will hold more than one position in the key Management positions (Director and DD2) in a given term, or be in the same position for two successive terms. In order to secure the highest standards of efficiency and technical competence, recruitment and appointment of technical staff may be selected on a much wider geographical basis, not only from among the nationals of CAREC countries but also, in exceptional case(s), from among nationals of non-CI member countries such as from ADB member countries, where necessary.

14. The CI will follow sound recruitment practices that avoid nepotism, conflict of interest and other inappropriate conduct. Accordingly, close relatives (to be defined later) of the CI personnel or their spouses will not be eligible for appointment as a staff member of the CI. Consistent with other international organizations or private establishments, the CI is committed

⁵ Refers to paragraph 22, Discussion Paper on CAREC Institute dated 9 April 2014.

to a policy of equal employment opportunity without discrimination due to sex, race and religious beliefs.

Procedural Steps for the Recruitment and Selection of Candidates

15. Once the Governing Council is established by the MC in its next Meeting in November 2014, the Governing Council will immediately form the Recruitment and Selection Committee (RSC), ideally a 5-member RSC which will begin to operate. Simultaneously, the Governing Council could also form the 2nd 5-member committee, namely, the Budget and Audit Committee. The RSC will have an initial term of three years to assist in the recruitment and selection functions during the initial phase of CI operations.⁶ The RSC will also provide recruitment related policy guidance. It is suggested that the RSC be renamed as the HR Committee in due course to provide its oversight function on critical issues relating to recruitment and selection as well as HR policy implementation.

16. The RSC will also ensure that the recruitment and selection of CI staff is fair and transparent, and that there will be balanced representation of the countries. While the RSC will report to the Governing Council, the procedural steps on recruitment and selection may be implemented by the Unit in charge of human resources of the CI. Prior to the establishment of the RSC, its functions shall be performed by NFPs [see paragraph 17 (b) below].

17. Accordingly, procedural steps for recruitment and selection are summarized below:

- a) CAREC governments will designate the CAREC member countries' National Focal Points (NFPs) as Governing Council members;
- b) The Governing Council will appoint five RSC members in November 2014 so that RSC may be ready to perform its duties. In the interim, all NFPs to be assisted by the CAREC Secretariat may serve as RSC members until the RSC is formally established;
- c) The following key steps on recruitment and selection could be considered:
 - Implementation of recruitment and selection plan – endorsement of the plan should be sought at the special NFP meeting in late September 2014. The duly endorsed plan would then be adopted to recruit and select the candidates for the first batch of positions, including the Management team (Director and Deputy Directors) and the Special Assistant to DD1 with the assistance of CAREC Secretariat, where necessary. Alternatively, in-principle endorsement by the NFP could be obtained, through electronic means (e.g., emails), to allow for an earlier start of implementing the plan;
 - Positions should be recruited in order of priority for meeting the minimum staffing requirements of the CI. CAREC countries, particularly the Kyrgyz Republic and PRC, should provide proposals on the initial phase of positions to be filled;

⁶ Refers to paragraph 31, Discussion Paper on CAREC Institute dated 9 April 2014.

- Preparation for job posting with the positions' terms of reference (ToR) which should be ready at the time of job posting through advertisements, referrals, and recruitment missions. Job posting will be for a timeframe of two weeks;
- All candidates for positions will be required to submit curriculum vitae (CVs) including documentation to establish experience and qualifications, such as diplomas and certificates, for verification by the CI. Short-listed candidates will be required to undergo interviews (formulation of common questions for all candidates applying for the same position -- referring to criteria included in the ToR), and/or tests as required;
- Ranking of candidates shall be based on relative merits of shortlisted candidates including interview results and in accordance with established procedures to determine the most suitable candidates, as well as issuance of offer letter(s) to the first ranked candidate for each position to be filled; and
- Finalization of appointment process.

Other Considerations

18. Appointment shall be dependent upon certification by a licensed medical doctor that the candidate's health is satisfactory to permit performance of the job requirements.

19. Where circumstance so warrant, a flexible recruitment practice may be applied including the use of special fixed-term contracts with employment conditions and salary that are different than those normally provided under standard recruitment practice. This flexible recruitment practice is to secure skills needed for specific areas of the CI's operational activities. This flexibility allows the recruitment of highly qualified international staff normally at the technical staff level with the right competencies required under the CI's business strategy. In addition, recruitment through secondment arrangement between the CI and the seconding institution could also be considered as an option if situation so desire.

20. Upon appointment, each selected candidate shall subscribe in writing to the affirmation prescribed in CI's personnel policy statement on duties, code of moral conduct, rights and responsibilities of staff member of the CI.

21. Support staff positions shall generally be filled by persons who are nationals of the host country. However, if CI's staffing requirements so warrant (e.g., providing specific functional services and support to specialized technical staff), an appropriate level of support staff positions, such as national officers instead of administrative staff, will be considered.

Types of Appointment

22. There are different types of appointment in accordance with the discussion paper on CI based on market practice.

- a) **Two-Year Fixed-Term without extension** – for the Director position to be recruited from nationals of the country whose turn is in the rotation (starting with Kyrgyz Republic as Chair of the 13th MC, followed by Mongolia, the next Country Chair of the MC).

- b) **Three-Year Fixed-Term with a possible extension of two to three years** – for DD1 position to be recruited from nationals of the host country, i.e., PRC.
- c) **Three-Year Fixed-Term without extension** – for DD2 position to be recruited from nationals of other CAREC member countries (i.e., not from the same nationality as the Director); also applies to Unit Heads to be recruited from CAREC member countries.
- d) **Three-Year Fixed-Term with extensions** – applicable to technical staff, and national and administrative support staff.
- e) **Regular** – A regular appointment is a full-time appointment of indefinite duration. In the case of the CI, regular appointment is extend only to technical staff, locally recruited support staff and contractual staff through a rigid regularization process (see paragraphs 42 and 43 below).
- f) **Short-term** – a short-term appointment is a full-time appointment to the staff of the CI for a specified period of less than one year. A short-term appointment shall automatically and without prior notice expire at the end of the term and does not carry any expectation of, or imply any right to, extension or conversion to any other type of appointment.
- g) **Part-Time** – a part-time appointment is an appointment specifying work engagement of less than the standard work day or work week (i.e., 8 hours a day and five days a week). Such appointment may be either a short-term appointment or a fixed-term appointment.
- h) **Contractual** – normally covered under a service contract with a firm or an individual for a duration of one-year fixed term subject to renewal on yearly basis depending on needs, performance and outputs.

Authority to Appoint

- 23. For Management team, Director, DD1 and DD2 positions will all be appointed by the Governing Council.⁷
- 24. For Unit Heads, candidates will be selected by the responsible DD, appointed by the Director, and notified to the Governing Council.⁸
- 25. For technical staff, candidates will be selected by the unit head concerned, recommended by the concerned DD, and appointed by the Director.
- 26. For support staff positions, candidates will be selected by the supervising technical staff, recommended by the supervising unit head, and appointed by DD1.
- 27. All contractual services agreements will be approved by Unit Head for Finance and HR.

Offer of Appointment

- 28. All offers of appointment to the staff of the CI shall be made in writing. In the normal course of business, such offers to international staff shall be made by the Director or the DD1

⁷ Refers to paragraph 28(v), Discussion Paper of the CAREC Institute dated 9 April 2014.

⁸ Refers to paragraph 29(iv), Discussion Paper of the CAREC Institute dated 9 April 2014.

and may be signed on behalf of the Director or the DD1 by the Unit Head for Finance and HR. The Unit Head for Finance and HR shall sign the offers of appointment for local support staff.

29. A letter of appointment will be sent to the successful candidates that sets out the terms and conditions of appointment and other documents relevant to employment in the CI. However, employment with the CI is on condition that the candidate has successfully passed his/her medical examination.

Acceptance of Appointment

30. An appointment is accepted by the candidate upon receipt by the CI of the acceptance letter signed by the candidate. Except as the CI may otherwise agree, the candidate must forward such acceptance letter to the CI within a period of 15 calendar days from the date the letter of appointment was dispatched to the candidate, together with the Affirmation referred to in paragraph 20 above.

31. Except as the CI may otherwise agree, the appointee must report for work within the time frame provided in the offer of employment.

Place of Permanent Residence

32. The staff member's place of permanent residence will be determined by the CI at the time of appointment. The designated place of permanent residence (PPR) of staff members shall be a city or town in the country of their nationality at the time of appointment, except as otherwise provided below. If staff members are citizens of more than one country, they may elect, at the time of appointment, for administrative purposes one of the countries of nationality in which their designated PPR is to be located. Such an election by staff members shall be irrevocable during their period of employment with the CI, unless there are compelling reasons which are beyond their control.

33. Staff members who acquire dual citizenship during employment with the CI shall retain for administrative purposes the citizenship and the PPR determined at the time of their appointment with the CI.

Probationary Period

34. The purpose of the probationary period is to determine whether the probationer is suitable for service in CI. Such determination is generally made by the CI on the basis of the staff member's first 12 months of service. In determining whether a probationer is suitable, the CI has a broad discretion. Matters that may be taken into account include, but are not limited to, by way of example:

- a) the technical competence of the probationer;
- b) whether the probationer can adapt to the work culture within CI;
- c) the ability of the probationer to work harmoniously and well with superiors and other colleagues; and
- d) whether the probationer has the appropriate intellectual and moral qualities, personality, character and demeanor for employment by CI as an organization.

35. The supervisor should meet with the newly appointed staff member as soon as possible after the staff member's entry on duty to establish the staff member's work plan. The work plan should be discussed with the staff member and a copy should be provided to him/her.

36. The performance of a staff member is first reviewed after six months of service. A second review is conducted before the end of the 12th month of the staff member's service. These reviews shall be initiated by the immediate supervisor, through a performance evaluation process, resulting in confirmation of staff member's appointment, extension of probationary period, or termination of appointment. For Management team (Director, DD1 and DD2), their employment and performance related matters are determined by the Governing Council as stated in the Discussion Paper. In the case of unit heads, the decision to confirm the appointment or extend a probationary period shall be made by the Director. The DD1 shall make the determination concerning confirmation or extension of probationary period for technical staff. However, nonconfirmation of appointment of all international/professional staff positions (i.e., unit heads and technical staff) shall be approved by the Director, as the Head of the CI.

37. In case of national and administrative support staff, Unit Head for Finance and HR shall make the determination concerning confirmation or extension of the staff member's probationary period while nonconfirmation shall be approved by DD1. The staff member's appointment will generally be confirmed if the staff member's performance is satisfactory and the staff member is considered suitable for further employment at CI.

38. A staff member's appointment may be terminated in the interest of the CI during probationary period at any time during the staff member's first 12 months of service. If after the second review of the staff member's performance the decision is taken not to confirm the staff member's appointment, the staff member shall be separated on the day of the month which coincides with the end of the 15th month of his/her service with the CI.

39. CI may extend the probationary period of a staff member by giving notice to this effect. Such notice shall generally be given before the end of the 13th month of the staff member's service. If the staff member's probationary period is extended, a third evaluation of the staff member's performance is carried out before the end of the 18th month of service. If the staff member's appointment is not confirmed at this time, it shall be terminated with effect from the day which coincides with the end of the 21st month of service.

Non-Duplication of Staff Benefits

40. Upon request by the CI, the staff member shall provide satisfactory certification to CI that there is no duplication of benefits being paid to such staff member or his or her spouse by an existing, former or prospective employer or by any third party.

41. In particular, where a staff member is recruited from another employer that provides relocation benefits such as relocation travel, shipment, etc., the total value of the relocation benefits provided by the CI and by such employer shall not exceed that provided by either party, whichever is greater. This principle of non-duplication of benefits will similarly apply to a staff member who is provided with relocation benefits by virtue of his/her spouse's employment.

Regularization of Fixed –Term/Contractual Appointments

42. The CI is under no obligation to extend or convert a fixed-term appointment of a staff member. Such appointment will generally be extended or converted to a regular appointment, when the following criteria are met:

- a) CI decides that it will continue to require the staff member's particular blend of skills and experience for the foreseeable future;
- b) CI is satisfied with his/her performance and suitability for further employment; and
- c) There is no in conflict with the fixed-term employment rules as provided in the discussion paper on CI on certain positions (i.e., Director, DD1, DD2, and Unit Heads).

43. Unit Heads are required to make an initial recommendation to the DD1 or DD2 in case of technical staff and the Unit Heads for Finance and HR in case of national and administrative support staff, not later than seven months prior to the expiry date of a staff member's fixed-term appointment, as to its regularization, extension or non-renewal, which shall be copied to the staff member. In cases where the extension or non-renewal of the staff member's fixed-term appointment is recommended, such recommendation shall be discussed with the staff member, who shall be given five working days to submit comments. The DD1 or Unit Head for Finance and HR, as the case may be, will make final recommendation to the approving authority indicated below, to which the staff member's comments are to be attached.

Regularization/Extension or Non-Renewal

| Applicable Staff Category | Initial Recommendation | Final Recommendation | Approval |
|--|---|------------------------------|-----------------|
| Technical Staff | Concerned Unit Head to DD1 or DD2 | DD1 | Director |
| National and Administrative Support Staff | Concerned Unit Head to Unit Head for Finance and HR | Unit Head for Finance and HR | DD1 |
| Contractual Services (on exceptional case) | Concerned Unit Head to Unit Head for Finance and HR | Unit Head for Finance and HR | DD1 |

Note: This document has incorporated a reworded paragraph 36.

Attachment: CI Organizational Chart (Source: Discussion Paper April 2014)

CAREC Institute Organization Structure

