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APPENDIX 8 TO WATER MANAGEMENT CONTRACT [004]

Appendix 8

Staffing Policy Appendix

**STAFFING POLICY
APPENDIX 8 TO
GENERAL CONDITIONS FOR A
MANAGEMENT CONTRACT FOR
THE PROVISION OF WATER AND
WASTEWATER SERVICE**

STAFFING POLICY APPENDIX

ARTICLE 1 - GENERAL

1.1 Employment Status of Operations Staff

- (1) The Operator shall not be the employer of the Operations Staff in Service Area.
- (2) The Employer shall continue to pay the wages, salaries and benefits of the Operations Staff and shall continue to be the employer of the Operations Staff.

ARTICLE 2 - OPERATIONS STAFF IN THE SERVICE AREA

2.1 Operations Staff

(1) The Operations Staff employed by the Employer in the Service Area (the Operations Staff) shall be the responsibility of the Operator, to the extent outlined in this Staffing Policy Appendix and Contract, as of the Takeover Date as defined in GC Section 2.3.1(3).

(2) For the purposes of this Contract, the fundamental principles of the secondment of the Operations Staff to the Operator are as follows:

- (a) The Operator shall be responsible for the
 - (i) day to day direct supervision of the Operations Staff;
 - (ii) organisational structure of the Operations Staff complement;
 - (iii) assignment of various responsibilities and tasks to the Operations Staff;
 - (iv) determination of the day to day work assignments and location of the Operations Staff;
 - (v) evaluation of the performance of the Operations Staff; and
 - (vi) provision of recommendations to the appropriate Employer official with respect to disciplinary actions, hiring, firing and lay-offs;
- (b) the Operator shall not be responsible for,
 - (i) determining the routine hours of work of the Operations Staff except as it is permitted by the Applicable Law;
 - (ii) determining the rates of pay of the Operations Staff;
 - (iii) determining the benefits available to the Operations Staff; or
 - (iv) hiring, firing, demotion or lay-off of the Operations Staff;
- (c) the Operator's actions toward the Operations Staff shall, at all times, be in conformity with the Applicable Law; and

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(d) the Employer may, in its discretion and with notice to the Operator prior to the Submission Deadline, designate some of the Operations Staff as staff not to be the responsibility of the Operator.

(3) Where the Operator submits a recommendation pursuant to Section 2.1(2)(a)(vi) of this Services Appendix, the Employer shall carry out the Operator's recommendation unless the Employer is prohibited from doing so by the Applicable Law.

2.2 Payment of the Operations Staff

(1) The Operator shall prepare all weekly payroll records with respect to the Operations Staff on behalf of the Employer (the APayroll Records) and shall submit the Payroll Records to the appropriate Employer official.

(2) The Employer will promptly issue pay envelopes for the Operations Staff and give them to the Operator. The Operator shall distribute the pay envelopes to the Operations Staff.

2.3 Human Resources Plan

Within 15 days after the Starting Date the Operator shall submit a comprehensive plan with respect to the management, organization and supervision of the Operations Staff (the Human Resources Plan) to the Employer for review and approval.

ARTICLE 3 - OPERATIONS STAFF MERIT PAYMENTS AND SUPPLEMENTARY STAFFING

3.1 Merit Payments

(1) The Operator may recommend Merit Payments to the Operations Staff in accordance with the following:

- (a) the Operator shall prepare, at the end of each month, a recommendation as to the granting of Merit Payments to the Operations Staff (the Monthly Merit Payment Recommendations); and
- (b) the Monthly Merit Payment Recommendations shall be submitted to the Employer for review and approval.