

COUNCIL
113th session
Agenda item 4(a)

C 113/4(a)
13 October 2014
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RESOURCE MANAGEMENT

(a) Human Resources matters, including amendments to the Staff Regulations and Staff Rules

Note by the Secretary-General

SUMMARY

Executive summary: This document reports on the annual deliberations of the International Civil Service Commission (ICSC) for the year 2014

Strategic direction: 4

High-level action: 4.0.1

Planned output: 4.0.1.5

Action to be taken: Paragraph 9

Related document: C 113/4(c)

Introduction

1 This document summarizes the recommendations adopted at the July 2014 session of the ICSC and seeks the approval of the Council to implement, at IMO, the decisions of the United Nations General Assembly expected to be made during its sixty-ninth session, later this year, on the basis of the former's recommendations, in accordance with the Organization's usual practice.

Base/Floor salary scale for staff in the Professional and higher categories

2 The ICSC is expected to recommend to the General Assembly the consolidation of several classes of post adjustment¹ into the base salary scale for staff in the Professional and higher categories with effect from 1 January 2015. This consolidation will be neutral in income terms; whilst base salaries will be increased by 1.01%, the post adjustment payment will be decreased by a corresponding amount.

¹ The post adjustment compensates for the differences in the relative cost of living at United Nations Headquarters duty stations compared with New York, the base of the United Nations system.

Net remuneration margin

3 The margin between net remuneration of United Nations staff members in the Professional and higher categories in New York and that of employees in the United States of America's federal civil service in comparable positions amounts to 117.4 for 2014. The Council will recall that the United Nations General Assembly recommends that this margin should be between 110 and 120, preferably at the mid-point of 115. The average value of the margin over the last five years is 116.4.

4 Although the 2014 margin has shown a considerable decrease from that of 2013, which stood at 119.4, the average value over the last five years is still above the desirable midpoint of 115. Therefore, in order to permit the margin to be brought back to its desirable midpoint, the ICSC decided that:

- (a) the normal procedure for management of the margin within the established range would be suspended until further notice; and
- (b) the freeze in net remuneration in New York would be continued until such time as the margin has been brought back to its desirable midpoint.

Compulsory age of separation

5 The issue of raising the mandatory age of separation to age 65 for all staff members will be put forward, once more, to the General Assembly. In this context, the latter had previously requested the ICSC to examine a number of related factors further (e.g. workforce and succession planning, performance management and appraisal, rejuvenation, gender balance and equitable geographical representation) and the Commission's analysis have now been put to the General Assembly together with its view that increasing the mandatory age of separation will become inevitable.

Review of the common system compensation package

6 As reported previously to the Council, this item will not be presented to the General Assembly until the end of 2015. However, it is important to keep the Council informed of any developments since the scope of this project is very broad and its outcome could have a very significant impact on the future staffing of the whole United Nations system.

7 To date, substantial progress has been made with the review process. The exploratory phase, involving background research and analysis of the existing package, has been completed. Based on these studies, some general directives have been agreed upon. In the next phase of the review, the Commission's working groups² are expected to finalize the pending issues, in particular, the expatriate and relocation-related allowances. The remuneration structure, including the number of grades and steps will also be examined. The working groups will furthermore coordinate to consider the competitiveness of the common system and to create a performance-oriented environment. Subsequent recommendations from the working groups, as well as from the Advisory Committee on Post Adjustment Questions (ACPAQ) regarding modifications of the operational rules governing the post adjustment system, designed to improve the predictability, transparency and sustainability of salary adjustments over time, will also be reviewed.

² The working groups deal with the remuneration structure, including post adjustment; competitiveness and sustainability; and performance recognition and other related human resources matters.

8 At its eightieth session in the spring of 2015, the ICSC will appraise the revised compensation package in a holistic manner to ensure its sustainability, overall competitiveness and the acquired rights of existing staff. The question of possible transitional measures will also be discussed. At its eighty-first session in summer 2015, the Commission will finalize its package proposal and present it to the General Assembly for consideration at its seventieth session.

Action requested of the Council

9 The Council is invited to take note of the information contained in this document and to approve the implementation of the decisions of the United Nations General Assembly with respect to the recommendations contained in the 2014 report of the International Civil Service Commission, with effect from the dates determined by the General Assembly.
