

COUNCIL
117th session
Agenda item 5(a)

C 117/5(a)/1
29 November 2016
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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 provides the text of amendments to the Staff Regulations and Staff Rules to be implemented as of 1 January 2017 to give effect to the second phase of implementation of the new compensation package for staff members in the Professional and higher categories

Strategic direction: 4

High-level action: 4.0.1

Output: 4.0.1.5

Action to be taken: Paragraph 14

Related document: C 117/5(a)

Amendments to the Staff regulations

1 **Regulation 3.3(a)**. This regulation is being amended to reflect the introduction of the single parent allowance and to delete mention of the dependency rate of staff assessment following the introduction of the new unified salary scale.

2 New staff **regulations 3.3(b) and 3.3(c)** are proposed to establish the new dependent spouse allowance and the single parent allowance, as approved by the United Nations General Assembly.

Amendments to annex 1 of the Staff Regulations

3 Paragraph 4 is being amended to reflect the new periodicity of the within-grade step increments and the discontinuance of accelerated step increments.

4 The existing table 1 on "Salary scale for staff in the Professional and higher categories" is deleted and replaced by a table displaying the new unified salary scale for staff in the Professional and higher categories, which will enter into force on 1 January 2017.

5 The existing table 2 on "Staff assessment rates", which is based on the current salary structure of dependency and single rate net salaries, is deleted and replaced by the new staff assessment rates approved by the General Assembly, in connection with the introduction of the new unified salary scale for staff in the Professional and higher categories.

6 The existing table 5 on "Pensionable remuneration scale" is deleted and replaced by the table displaying the Pensionable remuneration scale which the General Assembly approved in connection with the introduction of the new unified salary scale for staff in the Professional and higher categories.

Amendments to the Staff Rules

7 Salaries and allowances (SR 103.1):

- .1 paragraph h) (ii), which provides for the payment of post adjustment calculated on the basis of the dependency rate of salary, is being deleted with the introduction of the new unified salary scale; and
- .2 paragraph m): the amendment reflects the new periodicity of the within-grade step increments and the discontinuance of accelerated step increments.

8 Salary policy in promotions (SR 103.5):

- .1 Paragraph d): the reference to net base salary at the single rate is being deleted with the introduction of the new unified salary scale.

9 Dependency allowances (SR 103.9):

This rule is being amended to reflect the amount of the dependent spouse allowance and the single parent allowance, as well as the adjustment to the single parent allowance where a staff member receives a direct government grant for the child in respect of whom the allowance is payable. The definitions given in the new text have been brought in line with the text of the corresponding staff rules of the United Nations. The new text also reflects that the determination of the dependency of a spouse should be made on the basis of all spousal income, including pensions and other retirement-related income, as recommended in the report of the International Civil Service Commission. The word "occupational" in staff rule 103.9 paragraph (a) is therefore deleted. The interim measures in place for married staff members currently receiving their salary at the dependency rate in respect of a child are also included in this rule.

10 Salary scales – Transitional measures (New rule 103.16):

A new rule 103.16 provides for a pay protection measure for staff whose salaries are higher than those at the maximum step of their grade upon conversion to the new unified salary scale.

11 Eligible dependants (SR 107.4):

This rule is amended to include the mention of single parent allowance. The proposed new texts of the above staff rules are shown in annex 2 of this document.

Modification of software

12 For the purpose of implementing the second phase of the new compensation package and giving effect to the amendments to the Staff Regulations and Staff Rules set out in this submission, the software used for payroll and other human resource-related purposes is being modified. Although arrangements have been put in place which thus far have ensured that testing, and anything else expected from the Secretariat, has been done within the agreed timelines, at this stage the contractor involved is not in a position to provide assurances that the modifications will be satisfactorily completed in time to run the payroll for January 2017, as this is dependent on when SAP SE of Germany (the software copywriter) will complete the release of all notes relating to the software modifications and on their subsequent successful implementation in the existing software, which has been customized to meet the needs of IMO. The same situation is faced by the other organizations of the United Nations system which use SAP software.

13 Although the efforts to complete the modification on time will continue, at this stage contingencies are being made in case this does not prove possible. As a result, although the proposed amendments to the Staff Regulations and Staff Rules will enter into effect on 1 January 2017, it may transpire that the salary paid to the staff concerned at the end of January 2017 is not the correct one or does not give full effect to all the amendments of the Staff Regulations and Staff Rules, as this is dependent on which aspects of the modification will be ready for use. At this stage, it is not possible to be specific as to likely deviations or whether it will be possible to carry out the required work in an alternative way or manually. Thus, the Council may wish to note that the Secretary-General will apply the proposed amendments to the Staff Regulations and Staff Rules as from 1 January 2017 and that the effective implementation of the amendments for each of the staff concerned will be completed by 28 February 2017. The Staff Association has been made aware of the uncertainties in relation to timely and satisfactory completion of the modifications to the software, and arrangements are in place to provide further information to staff concerned in order not to create expectations which may not materialize.

Action requested of the Council

14 The Council is invited to:

- .1 approve the establishment of staff regulations 3.3(b) and 3.3(c);
- .2 approve the amended text of the following staff regulations:
 - .1 regulation 3.3(a); and
 - .2 paragraph 4 and tables 1, 2 and 5 of annex 1 of the Staff Regulations and a new table 6;
- .3 note the amended staff rules 103.1, 103.5, 103.9, and 107.4, and the establishment of new staff rule 103.16; and
- .4 note that the Secretary-General will apply the proposed amendments to the Staff Regulations and Staff Rules as from 1 January 2017 and that the effective implementation of the amendments for each of the staff concerned will be completed by 28 February 2017, due to the uncertainties with respect to the timely and satisfactory completion of the modifications to the software which will be used to carry out the related calculations.

ANNEX 1

AMENDMENTS TO STAFF REGULATIONS

Previous text of Regulation 3.3	New text of Regulation 3.3
<p>Article III</p> <p>SALARIES AND RELATED ALLOWANCES</p>	<p>Article III</p> <p>SALARIES AND RELATED ALLOWANCES</p>
<p>REGULATION 3.1 – No change</p> <p>REGULATION 3.2 – No change</p> <p>REGULATION 3.3(a) Staff members in the Professional and higher categories shall be entitled to receive dependency allowances for a dependent child, a disabled child and a secondary dependant at the rates applicable in the United Nations common system as follows:</p> <p>(i) The staff member shall receive an allowance for each dependent child except that, where there is no dependent spouse, no allowance shall be paid for the first dependent child, in which case the staff member shall be entitled to the dependency rate of staff assessment.</p> <p>(ii) The staff member shall receive a special allowance when a dependent child is determined by the Secretary-General, on the basis of medical evidence, to be physically or mentally handicapped either permanently or for a period expected to be of long duration, except where the staff member has no dependent spouse and staff assessment is applied at the dependency rate in respect of the child in which case the allowance shall be the same as the allowance for a dependent child in (i) above.</p> <p>(iii) Where there is no dependent spouse, a single annual allowance for either a dependent parent, a dependent brother or a dependent sister.</p>	<p>REGULATION 3.1 – No change</p> <p>REGULATION 3.2 – No change</p> <p>REGULATION 3.3(a) Staff members in the Professional and higher categories shall be entitled to receive dependency allowances for a dependent child, for a disabled child and for a secondary dependant at the rates applicable in the United Nations common system as follows:</p> <p>(i) The staff member shall receive an allowance for each dependent child, except that the allowance shall not be paid in respect of the first dependent child if the staff member receives a single parent allowance under regulation 3.3(c).</p> <p>(ii) The staff member shall receive a special allowance when a dependent child is determined by the Secretary-General, on the basis of medical evidence, to be physically or mentally handicapped either permanently or for a period expected to be of long duration. However, if the staff member is entitled to the single parent allowance under regulation 3.3(c) in respect of a disabled child, the allowance shall be the same as the allowance for a dependent child in subparagraph (i) above;</p> <p>(iii) Where there is no dependent spouse, a single annual allowance shall be paid for either a dependent parent, a dependent brother or a dependent sister.</p>

<p><i>New</i></p>	<p>REGULATION 3.3 (b): Staff members in the Professional and higher categories shall be entitled to receive a dependent spouse allowance in the amount of 6 per cent of net base salary plus post adjustment.</p>
<p><i>New</i></p>	<p>REGULATION 3.3 (c): Staff members in the Professional and higher categories without a spouse shall be entitled to a single parent allowance in respect of the first dependent child in the amount of 6 per cent of net base salary plus post adjustment.</p>
<p><i>REGULATION 3.3(b): Renumbered</i></p>	<p>REGULATION 3.3(d): If both husband and wife are staff members, one may claim, for dependent children, under 3.3(a)(i) above, in which case the other may claim only under 3.3(a)(ii) above, if otherwise entitled.</p>
<p><i>REGULATION 3.3(c): Renumbered</i></p>	<p>REGULATION 3.3(e): Staff members whose salary rates are set by the Secretary-General under paragraph 6 of annex 1 to these Regulations shall be entitled to receive dependency allowances at rates and under conditions determined by the Secretary-General, due regard being given to the circumstances in the locality in which the office is located.</p>
<p><i>REGULATION 3.3(d): Renumbered</i></p>	<p>REGULATION 3.3(f): Claims for dependency allowances shall be submitted in writing and supported by evidence satisfactory to the Secretary-General. A separate claim for dependency allowances shall be made each year.</p>

Previous text of Annex 1	New text of Annex 1
<p>ANNEXES TO THE STAFF REGULATIONS</p> <p>ANNEX 1</p> <p>Salaries and allowances</p>	<p>ANNEXES TO THE STAFF REGULATIONS</p> <p>ANNEX 1</p> <p>Salaries and allowances</p>
<p>Paragraphs 1 to 3 – No change</p> <p>Paragraph 4</p> <p><i>Salary increments within the levels set forth in table 1 of the present annex shall be awarded annually on the basis of satisfactory service, except that the period of satisfactory service required for increments to step XII in P.2, steps XIV and XV in P.3, steps XIII to XV in P.4, steps XI to XIII in P.5 and to any salary step above D.1, step IV shall be two years. The interval between salary increments may be reduced to 10 months and 20 months, respectively in the case of staff who have an adequate and confirmed knowledge of an official language of the Organization in addition to the working language primarily used in their daily work and in addition to their mother tongue. This provision shall not apply to staff appointed to posts with special language requirements.</i></p> <p>Paragraphs 5 to 12 – No change</p> <p>Tables 1 – Salary scale for the Professional and higher categories</p> <p>Table 2 – Staff assessment rates for the Professional and higher categories</p> <p>Table 5 – Pensionable remuneration for Professional and higher categories</p>	<p>Paragraphs 1 to 3 – No change</p> <p>Paragraph 4</p> <p><i>For staff in the Professional and higher categories, salary increments within the levels set forth in table 1 of annex 1 shall be awarded annually on the basis of satisfactory service, except that:</i></p> <ul style="list-style-type: none"> <i>– for grades P-1 to P-5, any increments above step VII shall be preceded by two years at the previous step;</i> <i>– for the D-1 level any increments above step IV shall be preceded by two years at the previous step;</i> <i>– for the D-2 level any increments shall be preceded by two years at the previous step.</i> <p>Paragraphs 5 to 12 – No change</p> <p>Tables 1 – Please refer to document C 117/5(a), annex 1 (table A)</p> <p>Tables 2 – Please refer to document C 117/5(a), annex 1 (table E)</p> <p>Tables 5 – Please refer to document C 117/5(a), annex 1 (table B)</p>
	<p>Table 6 – Pay protection points for staff in the Professional category – Please refer to document C 117/5(a), annex 1 (table D)</p>

ANNEX 2

AMENDMENTS TO STAFF RULES

Previous text of Rule 103.1	New text of Rule 103.1
Rule 103.1 SALARIES AND ALLOWANCES	Rule 103.1 SALARIES AND ALLOWANCES
<p>(a) to (g) No change.</p> <p>(h) (i) The amount of post adjustment of each level and step of the Professional and higher categories shall be determined for each duty station by applying the multiplier of the post adjustment classification for the duty station to 1 per cent of the corresponding net base salary rates;</p> <p>(ii) A staff member who is entitled to salary at the dependency rate shall be paid post adjustment calculated on the basis of such salary regardless of where the dependants reside.</p> <p>(i) to (l) No change.</p> <p>(m) For staff in the Professional category, salary increments within the levels set forth in table 1 of annex 1 shall be awarded annually on the basis of satisfactory service, except that the period of satisfactory service required for increments to step XII in P.2, steps XIV and XV in P.3, steps XIII to XV in P.4, steps XI to XIII in P.5 and to any salary step above D.1, step IV shall be two years. The interval between salary increments may be reduced to 10 months and 20 months, respectively in the case of staff who have an adequate and confirmed knowledge of an official language of the Organization in addition to the working language primarily used in their daily work and in addition to their mother tongue. This provision shall not apply to staff appointed to posts with special language requirements.</p>	<p>a) to g) No change.</p> <p>(h) The amount of post adjustment of each level and step of the Professional and higher categories shall be determined for each duty station by applying the multiplier of the post adjustment classification for the duty station to 1 per cent of the corresponding net base salary rates;</p> <p>(ii) deleted</p> <p>(i) to (l) No change.</p> <p>(m) For staff in the Professional and higher categories, salary increments within the levels set forth in table 1 of annex 1 shall be awarded annually on the basis of satisfactory service, except that:</p> <ul style="list-style-type: none"> – for grades P-1 to P-5, any increments above step VII shall be preceded by two years at the previous step; – for the D-1 level any increments above step IV shall be preceded by two years at the previous step; – for the D-2 level any increments shall be preceded by two years at the previous step

Previous text of Rule 103.5	New text of Rule 103.5
<p style="text-align: center;">Rule 103.5 SALARY POLICY IN PROMOTIONS</p> <p>(a) to (d)(i) No change</p> <p>(d) (ii) the post adjustment corresponding to the net base salary at the single rate for the grade and step in the Professional category to which the staff member is promoted.</p> <p>(e) No change.</p>	<p style="text-align: center;">Rule 103.5 SALARY POLICY IN PROMOTIONS</p> <p>(a) to (d)(i) No change</p> <p>(d) (ii) the post adjustment corresponding to the net base salary at the single rate for the grade and step in the Professional category to which the staff member is promoted.</p> <p>(e) No change.</p>
Previous text of Rule 103.9	New text of Rule 103.9
<p style="text-align: center;">Rule 103.9 DEPENDENCY ALLOWANCES</p> <p>(a) A dependent spouse shall be a spouse whose gross occupational earnings, if any, do not exceed the gross salary of the General Service salary scale, in force on 1 January of the year concerned, applicable to the G.2, Step I level in London.</p> <p>(b) A dependent child shall be the staff member's natural or legally adopted child or, if residing with the staff member, his or her step-child or any other child for whom as a member of his or her family, the staff member is legally responsible and where legal adoption is not possible, provided that the child is under the age of 18 years or, if in full-time attendance at a school, university or similar educational institution, under the age of 21 years. If the child is physically or mentally incapacitated for substantial gainful employment, either permanently or for a period expected to be of long duration, the requirements as to age and school attendance shall be waived.</p>	<p style="text-align: center;">Rule 103.9 DEPENDENCY ALLOWANCES</p> <p>Definitions</p> <p>For the purpose of the Staff Regulations and Staff Rules:</p> <p>(a) A "dependent spouse" shall be a spouse whose gross occupational earnings, if any, do not exceed the gross salary of the General Service salary scale, in force on 1 January of the year concerned, applicable to the G.2, Step I level in London.</p> <p>(b) A "child" is any of the following children for whom the staff member provides main and continuing support:</p> <p style="padding-left: 20px;">(i) a staff member's natural or legally adopted child; or</p> <p style="padding-left: 20px;">(ii) a staff member's stepchild who is residing with the staff member; or</p> <p style="padding-left: 20px;">(iii) a child who cannot be legally adopted, for whom the staff member has legal responsibility and who is residing with the staff member;</p>

A staff member must certify that he or she provides the main and continuing support for the child. In the case of "any other child" specified above, or if the child does not reside with the staff member because of the staff member's divorce or legal separation, or if the child is married, satisfactory documentary evidence must be provided to support the certification of dependency.

- (c) A "dependent child" is a child for whom the staff member provides main and continuing support and who meets one of the following criteria:
- (i) The child is under the age of 18 years;
 - (ii) The child is between the ages of 18 and 21 years and attends university or its equivalent full-time; the requirement of residing with the staff member does not apply in this case;
 - (iii) The child is of any age and has a disability that is permanent or for a period that is expected to be long-term that prevents substantial gainful employment;
- (d) A "single parent" is a staff member who does not have a spouse and has a dependent child for whom the staff member provides continuing and main support.
- (e) A staff member claiming a child as a dependant must certify that he or she provides main and continuous support. In this context, "main support" means an amount at least twice the amount of the child allowance. This certification must be supported by documentary evidence satisfactory to the Secretary-General, if the child:
- (i) does not reside with the staff member;
 - (ii) is married; or
 - (iii) is recognized as a dependant under subparagraph (b)(iii) above.

<p>The allowance shall be reduced by the amount of any dependency allowance received from other sources in respect of the same child, by the staff member or his or her spouse.</p> <p>(c) A secondary dependant shall be either a father, mother, brother or sister of whose financial support the staff member provides one half or more, and in any case at least twice the amount of the dependency allowance, provided that a dependent brother or sister shall be subject to the same age and school attendance requirements, or otherwise, as a dependent child.</p> <p>No allowance for a secondary dependant shall be paid to a staff member with a dependent spouse.</p>	<p>Paragraph moved under "Amount of dependency allowance"</p> <p>(f) A secondary dependant shall be either a father, mother, brother or sister of whose financial support the staff member provides one half or more, and in any case at least twice the amount of the dependency allowance, provided that a dependent brother or sister shall be subject to the same age and school attendance requirements, or otherwise, as a dependent child. No allowance for a secondary dependant shall be paid to a staff member with a dependent spouse.</p> <p>Moved to paragraph (f) above</p> <p>Amount of dependency allowance</p> <p>(g) Dependent spouse allowance: a dependent spouse allowance in the amount of 6 per cent of net base salary plus post adjustment shall be paid to a staff member in the Professional and higher categories with a recognized dependent spouse, regardless of where the spouse resides.</p> <p>(h) Single parent allowance: a staff member in the Professional and higher categories recognized as a single parent shall receive a single parent allowance in the amount of 6 per cent of net base salary plus post adjustment in respect of the first dependent child. A staff member who receives a single parent allowance in respect of the first dependent child shall not be eligible for payment of a dependent child allowance for that child.</p> <p>(i) Dependent child allowance: eligible staff members shall receive a dependent child allowance for each recognized dependent child.</p>
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(d) The rates of dependency allowances applicable to the General Service category shall be those set out in appendix A to these Rules. If the dependent child is disabled, a further allowance equal to the allowance for an additional dependent child shall also be payable.

(j) Where the staff member or his or her spouse receives a direct governmental grant in respect of the same child the dependent child allowance or single parent allowance payable under this rule shall be reduced by the amount of that grant. No dependent child allowance or single parent allowance is payable if the governmental grant is equal to or exceeds the rate set out under the Staff Regulations and Staff Rules.

(k) The rates of dependency allowances applicable to the General Service category shall be those set out in appendix A to these Rules. If the dependent child is disabled, a further allowance equal to the allowance for an additional dependent child shall also be payable.

Transitional measures

(l) A staff member in the Professional and higher categories in receipt of the dependent rate of salary in respect of a first dependent child on 31 December 2016 and who is not in receipt of the single parent allowance, shall be eligible for a transitional allowance in the amount of 6 per cent of net base salary plus post adjustment in respect of that child.

(m) While in receipt of the transitional allowance, no concurrent payment of the dependent child allowance under staff regulation 3.3(a) shall be paid in respect of that child, except where the child qualifies for a special dependency allowance for a disabled child.

(n) The amount of the transitional allowance shall be reduced by one percentage point every 12 months thereafter, until the amount of the transitional allowance is equal or less than the amount of the dependent child allowance

	<p>provided for under staff regulation 3.3 (a), at which time the dependent child allowance shall be payable instead.</p> <p>(o) The transitional allowance shall be discontinued earlier if the first dependent child in respect of whom the transitional allowance is payable is no longer recognized as a dependent child.</p>
	<p style="text-align: center;">New Rule 103.16</p> <p style="text-align: center;">Rule 103.16 SALARY SCALES – TRANSITIONAL MEASURES</p> <p>Salary scales</p> <p>Following the introduction of the unified salary scale on 1 January 2017:</p> <p>(a) The salaries of staff members that are higher than those at the maximum step of their grade upon conversion to the unified salary scale on 1 January 2017 shall be maintained as a pay protection measure, until such time as the staff member is promoted or separated from service.</p> <p>(b) Such salaries shall be adjusted for any consolidation of post adjustment to base salaries as approved by the General Assembly. Pensionable remuneration at those steps shall be maintained and shall be adjusted corresponding to those salaries when the pensionable remuneration scale is adjusted.</p>
<p style="text-align: center;">Previous text of Rule 107.4</p> <p style="text-align: center;">Rule 107.4</p> <p style="text-align: center;">ELIGIBLE DEPENDANTS</p> <p>(a) Dependants, for the purposes of official travel, shall be deemed to comprise a spouse and those children in respect of</p>	<p style="text-align: center;">New text of Rule 107.4</p> <p style="text-align: center;">Rule 107.4</p> <p style="text-align: center;">ELIGIBLE DEPENDANTS</p> <p>(a) Dependants, for the purposes of official travel, shall be deemed to comprise a spouse and those children</p>

<p>whom a dependency allowance is payable under rule 103.9 or in respect of whom such an allowance would be payable if, under the Staff Regulations, the staff member concerned was not specifically excluded from entitlement. A son or daughter of more than 21 years of age may also be considered a dependant for travel purposes if totally disabled.</p>	<p>in respect of whom a dependency allowance or a single parent allowance is payable under rule 103.9 or in respect of whom such an allowance would be payable if, under the Staff Regulations, the staff member concerned was not specifically excluded from entitlement. A child of more than 21 years of age may also be considered a dependant for travel purposes if totally disabled.</p>
<p>(b) The Secretary-General may authorize payment of the travel expenses of a child for one trip either to the staff member's duty station or to the staff member's home country beyond the age when the dependency status of the child would otherwise cease under the relevant staff regulations and staff rules, either within one year or upon completion of the child's continuous full-time attendance at a university, when the attendance at the university commenced during the period of recognized dependency status.</p>	<p>(b) No change</p>
