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COUNCIL
24th extraordinary session
Agenda item 5(a)

C/ES.24/5(a)
12 September 2007
Original: ENGLISH

RESOURCE MANAGEMENT

(a) Personnel matters, including amendments, if any, 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 for the year 2007, including the results of the survey of best prevailing conditions of employment for staff in the General Service category; and on the recommendations made by the 54th session of the United Nations Joint Staff Pension Board, held in July 2007

Action to be taken: Paragraph 11

Related documents: None

Introduction

1 This document summarizes the recommendations recently adopted by the International Civil Service Commission (ICSC) and the United Nations Joint Staff Pension Board (UNJSPB) and seeks the approval of the Council to implement, at IMO, the decisions of the United Nations General Assembly expected to be made later this year, during its sixty-first session, on the basis of the ICSC and UNJSPB recommendations, in accordance with the Organization's usual practice. The report of the UNJSPB contains no recommendations requiring action by the Organization.

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

2 The ICSC will 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 2008. This consolidation will be neutral in income terms; whilst base salaries will be increased by 1.97 per cent, the post adjustment payment will be decreased by a corresponding amount.

¹ The post adjustment compensates for the differences in the relative costs of the UN Headquarters' duty stations compared with New York, the base of the UN system.

Pensionable remuneration for staff in the Professional and higher categories

3 An increase in pensionable remuneration for staff in the Professional and higher categories of approximately 3.19 per cent, promulgated by the ICSC, was implemented with effect from 1 September 2007. The relevant amendment to the Staff Regulations is attached at annex 1. The budgetary implications are considered under agenda items 5(d) and 6.

Net remuneration margin

4 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 has been estimated to be 113.9 for 2007. The Council will recall that the UN General Assembly recommends that this margin should be between 110 and 120, preferably at the mid-point of 115.

Salary scale for staff members in the General Service category

5 The Council will recall that a survey of best prevailing conditions of employment for staff in the General Service category has just been carried out in London. The data collection phase started in November 2006 but, due to the lack of sufficient participation from employers, the results were not available until late July 2007.

6 Following the data analysis and the deliberations at its sixty-fifth session (Geneva, 9 - 20 July 2007), the ICSC recommends:

- .1 the implementation of the salary scale shown at annex 2 with retroactive effect from 1 October 2006;
- .2 the following rates for dependency allowances:
 - (a) an allowance of £1,221 per annum for the first dependent child of a married, single, widowed or divorced staff member;
 - (b) an allowance of £952 per annum for each additional dependent child; and
- .3 that after 1 August 2007, the spouse allowance should no longer be payable to staff who would have become entitled to that allowance. The payment made to staff already in receipt of this allowance, before this date, will remain unchanged, on the basis of reserved rights.

7 The Organization has always respected the recommendations of the ICSC concerning salary surveys and the Secretary-General, in accordance with the authority delegated by the Council at its ninety-eight session, has approved the implementation of these recommendations in their entirety. The new salary scale represents an increase of 1.24% on the previous salary scale with a reference date of 1 October 2005. The dependency allowances are in line with United Kingdom legislative changes and local practice. The budgetary consequences of the new salary scale are reported under agenda items 5(d) and 6.

Recommendations of the United Nations Joint Staff Pension Board

8 The Board agreed with the proposal of the Secretary/CEO concerning limited modification to the UNJSPF Regulations so that, for participants who return to active contributory service after a period on disability, the latter could be considered as part of the participant's UNJSPF contributory service without requiring the participant to pay the contributions for that corresponding period; and requested that the relevant changes to the Regulations be presented to the Board at its next session.

9 Regarding the study on impact of currency fluctuation on pension benefits (especially the weakening of the US dollar, which creates variability and disparity in paid or expected pension benefits paid to retirees and other beneficiaries residing in Europe), the Board requested the Fund's secretariat to undertake a new in-depth study, which should provide solutions to remedy the impact of currency fluctuations.

10 Regarding the proposal to allow additional contributions for part-time staff, the Board decided to amend the UNJSPF Regulations to reflect the offer to staff, who are in part-time contributory status, of the option of voluntarily paying full contributions, limited to a period of three consecutive years, to accumulate a full pension for the relevant period. The Board further agreed that the exact text of the amendments to the UNJSPF Regulations would be reviewed at the Board's next session in 2008, the same year as the recommendations would be submitted for the approval of the United Nations General Assembly.

Action requested of the Council

11 The Council is invited to take note of the information contained in this document and, in particular, to approve the implementation of the decisions of the United Nations General Assembly with respect to the recommendations in the 2007 report of the International Civil Service Commission, with effect from the dates determined by the General Assembly.

ANNEX 1

**Pensionable remuneration for Professional and higher categories
(in United States dollars)
Effective 1 September 2007**

Steps

Grade	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII	XIV	XV
P-1	67,308	69,625	71,935	74,245	76,558	78,867	81,183	83,491	85,804	88,114					
P-2	86,437	88,848	91,249	93,655	96,061	98,465	100,870	103,272	105,681	108,086	110,489	112,896			
P-3	105,360	108,052	110,740	113,425	116,119	118,807	121,495	124,188	127,003	129,945	132,884	135,822	138,764	141,703	144,643
P-4	128,194	131,367	134,532	137,700	140,875	144,040	147,209	150,382	153,549	156,715	159,882	163,062	166,226	169,395	172,567
P-5	157,048	160,340	163,629	166,924	170,215	173,506	176,795	180,091	183,380	186,672	189,965	193,264	196,792		
D-1	188,733	192,604	196,474	200,336	204,207	208,269	212,417	216,563	220,703						
D-2	207,643	212,364	217,082	221,796	226,514	231,231									
ASG	249,714														
USG	270,172														

ANNEX 2

General Service Category – salaries
showing annual gross and net after application of staff assessment
(in pounds sterling)
Effective 1 October 2006
Duty Station – LONDON

Grade		I	II	III	IV	V	VI	VII	VIII	IX	X	XI
G.1	Gross	17,573	18,303	19,033	19,763	20,492	21,222	21,952	22,708	23,468	24,227	24,986
	Gross Pensionable	17,281	18,011	18,741	19,471	20,201	20,931	21,661	22,390	23,120	23,850	24,580
	Total Net/Net Pensionable	13,972	14,534	15,096	15,658	16,220	16,782	17,344	17,906	18,468	19,030	19,592
G.2	Gross	19,754	20,566	21,379	22,199	23,045	23,891	24,736	25,582	26,428	27,274	28,120
	Gross Pensionable	19,462	20,275	21,088	21,901	22,714	23,527	24,340	25,153	25,966	26,779	27,592
	Total Net/Net Pensionable	15,651	16,277	16,903	17,529	18,155	18,781	19,407	20,033	20,659	21,285	21,911
G.3	Gross	22,197	23,143	24,089	25,035	25,981	26,927	27,873	28,819	29,765	30,711	31,657
	Gross Pensionable	21,900	22,809	23,718	24,627	25,536	26,445	27,354	28,263	29,172	30,081	30,990
	Total Net/Net Pensionable	17,528	18,228	18,928	19,628	20,328	21,028	21,728	22,428	23,128	23,828	24,528
G.4	Gross	25,038	26,096	27,154	28,212	29,270	30,328	31,386	32,445	33,535	34,670	35,804
	Gross Pensionable	24,629	25,646	26,663	27,680	28,697	29,714	30,731	31,748	32,764	33,802	34,860
	Total Net/Net Pensionable	19,630	20,413	21,196	21,979	22,762	23,545	24,328	25,111	25,894	26,677	27,460
G.5	Gross	28,220	29,408	30,596	31,784	32,972	34,239	35,513	36,787	38,061	39,335	40,609
	Gross Pensionable	27,688	28,829	29,971	31,113	32,254	33,401	34,589	35,776	36,964	38,152	39,340
	Total Net/Net Pensionable	21,985	22,864	23,743	24,622	25,501	26,380	27,259	28,138	29,017	29,896	30,775
G.6	Gross	31,791	33,126	34,554	35,981	37,409	38,836	40,264	41,691	43,119	44,546	45,974
	Gross Pensionable	31,119	32,398	33,694	35,025	36,356	37,687	39,018	40,349	41,681	43,012	44,343
	Total Net/Net Pensionable	24,627	25,612	26,597	27,582	28,567	29,552	30,537	31,522	32,507	33,492	34,477
G.7	Gross	35,981	37,578	39,175	40,772	42,370	43,967	45,564	47,161	48,758	50,355	51,952
	Gross Pensionable	35,025	36,514	38,004	39,493	40,982	42,471	43,960	45,449	46,939	48,428	49,918
	Total Net/Net Pensionable	27,582	28,684	29,786	30,888	31,990	33,092	34,194	35,296	36,398	37,500	38,602

The difference between steps I-X within grades indicate annual increments awarded, on the basis of satisfactory service. Step XI at all grades is only awarded to staff with over 20 years of service within the United Nations system, who have been at step X for five years and demonstrated an entirely satisfactory service record.

**Allowances payable to General Service Staff
effective 1 October 2006**

<i>Allowances</i>	<i>Staff joining before 1 July 1996 and in receipt of the allowance before 1 August 2007</i>	<i>Staff joining on or after 1 July 1996 and prior to 1 October 1999 and in receipt of the allowance before 1 August 2007</i>	<i>Staff joining on or after 1 October 1999 and prior to 1 August 2007 and in receipt of the allowance before 1 August 2007</i>	<i>Staff becoming entitled on or after 1 August 2007</i>
<i>net per annum</i>	<i>net per annum</i>	<i>net per annum</i>	<i>net per annum</i>	<i>net per annum</i>
Dependent spouse	£430	£285	£258	nil
First dependent child of a married staff member	£1,221	£1,221	£1,221	£1,221
First dependent child of a single, widowed or divorced staff member	£1,221	£1,221	£1,221	£1,221
Each additional dependent child	£952	£952	£952	£952
Secondary dependant (where there is no dependent spouse, for either a dependent parent, dependent brother or dependent sister)	nil	nil	nil	nil
Language allowance (to be included in pensionable remuneration)	£970	£970	£970	£970
Non-resident's allowance (to be included in pensionable remuneration):				
for staff recruited before 1.9.1983	£225	n/a	n/a	n/a
for staff recruited on or after 1.9.1983	nil	nil	nil	nil