



## FOURTEENTH ITEM ON THE AGENDA

**Report of the International  
Civil Service Commission**

1. This paper outlines the decisions and recommendations of the International Civil Service Commission (ICSC) submitted to the United Nations General Assembly (UNGA) in its annual report for 2008.<sup>1</sup> They concern the base/floor salary scale, as well as the following allowances for staff in the Professional and higher categories: children's and secondary dependants' allowances, mobility, hardship and non-removal allowances.
2. A more detailed document on the ICSC's 2008 annual report and related decisions of the UNGA will be provided to the Committee in March 2009, as decided by the Governing Body at its 289th Session.<sup>2</sup> The recommendations concerning the base/floor salary scale and the allowances mentioned above have financial implications for the Office. They are submitted to the Committee at the current session for early consideration so as to avoid costly retroactive adjustments.

**Base/floor salary scale**

3. The base/floor salary scale for the Professional and higher categories is set by reference to the General Schedule salary scale of the United States federal civil service. Periodic adjustments are made on the basis of a comparison of net base salaries of United Nations officials with the corresponding salaries of their counterparts in the United States federal civil service. The Commission was informed that, in view of the movement of the federal civil service salaries in the United States, an adjustment of the United Nations common system's scale of 2.33 per cent would be necessary as from 1 January 2008 in order to maintain the base/floor scale in line with the comparator's base scale.
4. The Commission decided to recommend to the UNGA that the current base/floor salary scale for the Professional and higher categories be increased by 2.33 per cent through standard consolidation procedures, on a no-loss/no-gain basis, with effect from 1 January 2009. Consequential increases in separation payments will also result from this salary adjustment.

<sup>1</sup> General Assembly, Official Records, 63rd Session, Supplement No. 30 (A/63/30).

<sup>2</sup> GB.289/PFA/17.

## Children's and secondary dependants' allowances

5. The ICSC revised the methodology for determining the level of children's and secondary dependants' allowances. The details of the new methodology will be provided to the Committee at its session in March 2009.
6. As a result of the revised methodology, the Commission also examined the level of the allowances and the following recommendations are being made to the General Assembly:
  - (a) the children's allowance should be set as a global flat-rate amount of US\$2,686 per annum and the allowance for children with disabilities should be double that amount, i.e. \$5,372 per annum. The present children's allowance ranges from \$1,780 to \$3,300 depending on duty station and date of entry;
  - (b) the secondary dependants' allowance should be set at \$940 per annum. The present allowance ranges from \$637 to \$1,471 depending on duty station and date of entry;
  - (c) at hard currency locations, the United States dollar amount of the allowance, as established in (a) and (b) above, should be converted to local currency using the official UN rate of exchange, as at the date of promulgation and should remain unchanged until the next biennial review;
  - (d) as a transitional measure, where, at the time of implementation, the revised flat-rate allowance is lower than that currently in effect, the allowance payable to currently eligible staff would be equal to the higher rate reduced by 25 per cent of the difference between the two rates. If that transitional rate remained above the one set as of 1 January 2011, a further reduction equal to 50 per cent of the difference between the transitional rates set on 1 January 2009 and the rate of the allowance set for 1 January 2011 would be applied. Such transitional measures would be discontinued as of 1 January 2013;
  - (e) the dependency allowances should be reduced by the amount of any direct payments received by staff from a government in respect of dependants.
7. The impact of the levels as set out in the previous paragraph will be that staff in all duty stations outside Geneva will receive an increase. However, all staff in Geneva will be subject to the transitional measures set out in paragraph 6(d) above.

## Mobility, hardship and non-removal allowances

8. In accordance with the decisions of the Commission, as approved by the General Assembly, the amounts of the mobility, hardship and non-removal allowances are to be reviewed every three years. As the amounts were originally set in 2005, the levels were due for review in 2008.
9. Based on the agreed adjustment factors, the Commission recommended that a 5 per cent increase be granted for the mobility allowance, the hardship allowance and the non-removal allowance, for implementation on 1 January 2009.

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## Financial implications

10. The cost of implementing the ICSC's recommendations as set out in paragraphs 4, 6 and 9 above is covered by provisions made for that purpose in the Programme and Budget for 2008–09.
11. *The Committee may wish to recommend that the Governing Body:*
- (a) *accept the recommendations of the ICSC, subject to their approval by the United Nations General Assembly, on the following entitlements:*
    - (i) *an increase of 2.33 per cent in the base/floor salary;*
    - (ii) *consequential increases in separation payments, for staff in the Professional and higher categories;*
    - (iii) *revised levels of the children's and secondary dependants' allowances, with the accompanying transitional measures as required;*
    - (iv) *an increase of 5 per cent in the mobility, hardship and non-removal allowances;*
  - (b) *authorize the Director-General to give effect, through amendments to the Staff Regulations (as necessary), to the measures referred to in subparagraph (a), subject to their approval by the General Assembly.*

Geneva, 9 October 2008.

*Point for decision:* Paragraph 11.