



EIGHTEENTH ITEM ON THE AGENDA

**Decisions of the United Nations
General Assembly on the report of the
International Civil Service Commission**

1. This paper provides information on the report of the International Civil Service Commission (ICSC) for 2004¹ and the decisions taken by the United Nations General Assembly at its 59th Session in 2004 concerning the recommendations contained in the ICSC's report.

Review of the pay and benefits system

2. The General Assembly took note of the information provided on the pilot study on broadbanding and pay for performance. It noted that if all three models of the pay-for-performance system considered by the ICSC were not tested, this could diminish the value of the pilot project and encouraged volunteering organizations to test all three models. It looked forward to receiving further annual updates on the pilot studies and decided that no new strategy on pilot projects in broad-banding or pay for performance should be undertaken until it had had the opportunity to review the results of the present pilot, which are expected in 2006.
3. In this context, the Assembly also requested the ICSC to report on the contemporary rationale for separate salary scales for single staff and those with dependants.

Contractual arrangements

4. This question had been under discussion for several years, and significant progress had been made. The General Assembly noted the Commission's intention to provide a final report on this issue at its 60th Session (2005).

¹ A/59/30.

Mobility and hardship allowance

5. The General Assembly noted the Commission's decision to separate the mobility element from the hardship element, and to delink both allowances from the base/floor salary scale. However, the implementation of this decision would be deferred until a new system was implemented. In the meantime, a working group comprising members of the Commission, its secretariat, the organizations and staff would be established to develop various options for compensating staff for service in hardship duty stations and for encouraging mobility, to estimate the cost of those options, and to submit recommendations to the Commission at its spring 2005 session.

Hazard pay

6. The Committee was informed at its 289th Session (March 2004)² of the ICSC's recommendations concerning hazard pay for local staff. At the request of the General Assembly, the ICSC reconsidered its position and decided that the level of hazard pay granted to locally recruited staff should be increased to 25 per cent of the midpoint of the local salary scale. This decision was implemented across the organizations of the UN common system (including the ILO) with effect from 1 June 2004. The General Assembly took note of the decision.

Review of the level of the education grant

7. In line with the approved methodology, the Commission recommended increases in the maximum reimbursement levels for 15 countries, as well as other increases in respect of the reimbursement of expenses under the education grant. The General Assembly approved the Commission's recommendations, and also requested further information as to the practices of other relevant civil services and international organizations concerning the provision of education grants.
8. The above increases are applicable as from the school year in progress on 1 January 2005. Article 3.14 of the ILO Staff Regulations will be modified to reflect these changes.

Paternity leave

9. The Governing Body at its 282nd Session (November 2001), approved the implementation in the ILO of provisions for paternity leave on a pilot basis.³ The scheme would be reviewed in the light of any guidelines proposed subsequently by the ICSC. Since that time, 68 instances of paternity leave have been granted: 53 at headquarters, 14 in Latin America and the Caribbean region, and one in the Arab States. None has been granted for Europe. Information as to the number of paternity leave instances in Africa and Asia will be communicated orally to the Committee.

² GB.289/PFA/17.

³ GB.282/PFA/8/1.

10. The General Assembly has now noted the decision of the ICSC to implement paternity leave throughout the UN common system within the following parameters:
 - a duration of up to four weeks' paid leave for paternity purposes should be granted to staff at headquarters and family duty stations, and up to eight weeks for staff at non-family duty stations, or in exceptional circumstances, such as death of the mother, inadequate medical facilities or complications encountered at the time of pregnancy;
 - these provisions should supersede the existing paternity arrangements in organizations;
 - the provisions for adoption leave should not be subsumed under the provisions for paternity leave;
 - administrative details covering the management of paternity leave (e.g. the maximum number of leave entitlements) should be determined at the level of the organizations.
11. The Office, in consultation with other UN common system organizations, is considering the administrative details necessary for the management of new paternity leave entitlements with a view to replacing existing paternity leave provisions. The enforcement of the new entitlement will require the adoption of a new provision in the Staff Regulations.

Examination of the Noblemaire principle and its application

12. The ICSC reported to the General Assembly that the current practice of using the highest-paid national civil service, combined with a reference check with international organizations, was sound. The General Assembly took note and reaffirmed the continued application of the Noblemaire principle. It also reaffirmed the need to continue to ensure the competitiveness of the conditions of service of the United Nations common system.
13. The Commission had on its work programme for 2005-06 a study to determine the highest-paid civil service, including a total comparison between the United Nations and the United States federal civil service.
14. The General Assembly requested the Commission to include the review of grade equivalency between the United States federal civil service and the United Nations common system in the study to determine the highest-paid civil service.

Evolution of the margin

15. The General Assembly noted that the margin for the period 1 January to 31 December 2004 was 100.3. It reaffirmed that the range of 110 to 120 for the margin between the net remuneration of officials in the Professional and higher categories of the United Nations in New York and the officials in comparable positions in the comparator civil service should continue to apply, on the understanding that the margin would be maintained at a level around the desirable midpoint of 115 over a period of time.

Base/floor salary scale

16. In document GB.291/PFA/18, the Committee recommended that the Governing Body accept the recommendations of the ICSC (and authorize the Director-General to implement

them), subject to their approval by the UN General Assembly, concerning an increase, on a “no loss/no gain” basis of 1.88 per cent in the base/floor scale, and the consequential increases in the mobility and hardship allowances and separation payments with effect from 1 January 2005. The General Assembly approved the Commission’s recommendations and the changes were introduced in the ILO with effect from 1 January 2005. The salary scale for officials in the professional category and above referred to in article 3.1 of the Staff Regulations will be modified to reflect this change.

2005 Senior Management Services

17. The Governing Body was informed at its 288th Session (November 2003)⁴ that the ICSC was following the developmental work on the Senior Management Service under the auspices of the United Nations System Chief Executives Board (CEB). The ICSC was informed at its 59th Session (summer 2004) that the CEB had endorsed the establishment of a Senior Management Service in April 2004, that it was envisaged that the service would be developed progressively, that organizations had agreed on common criteria and a set of managerial competencies and that the United Nations System Staff College was now involved in this work. The ICSC took note of this information and, while confirming that the Commission was the only body responsible for recommending to the UN General Assembly the establishment for the UN common system of a separate category of staff or such an entity as a senior management service, it requested to be kept informed of further developments. The UNGA took note of this development and requested the ICSC to monitor the development of this project.

Strengthening of the international civil service

18. In 2002, the UN General Assembly endorsed the proposal of the Secretary-General to establish a Panel on the Strengthening of the International Civil Service with the view to review the functioning of the International Civil Service Commission (ICSC). The panel met three times during 2004 and submitted its report in July 2004. The report made a number of recommendations with regard to the functioning of the Commission, including the working methodology and selection of members of the Commission; and to specific human resource management issues in the common system that are a priority to the work of the ICSC.
19. The Commission responded to the Panel’s report and in many areas its views converged while on some others, in particular with regard to the selection of members of the Commission, its views differed. Both the Panel’s report and the Commission’s reply were submitted to the UN General Assembly in its session in 2004 but the Fifth Committee decided to postpone its consideration to its resumed session in 2005.

Financial implications

20. The annual estimated cost of the decision on hazard pay (paragraph 6) is approximately US\$6,000 and will be absorbed within the budgets of the two offices affected by this decision. The changes in education grant limits (paragraphs 7 and 8) are covered by provisions made for that purpose in the Programme and Budget for 2004-05. Concerning paternity leave, as it is envisaged that the entitlement be taken in instalments or on a part-time basis, the departments concerned will not receive a supplementary allocation to

⁴ GB.288/PFA/19.

employ replacement staff. Accordingly, the provision of paternity leave to officials will have no financial implications.

21. *The Committee may wish to recommend that the Governing Body:*

- (a) endorse the decisions of the United Nations General Assembly as reported in the present paper and authorize the Director-General to give effect in the ILO to these decisions (relating to new levels of education grant – paragraph 8; paternity leave entitlements – paragraph 11; and a new salary scale for officials in the professional category and above – paragraph 16), through amendments to the Staff Regulations, as necessary;*
- (b) authorize the Director-General to determine the administrative details of implementing the revised paternity leave provisions in the ILO (paragraph 11).*

Geneva, 21 January 2005.

Point for decision: Paragraph 21.