



## EIGHTH 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 some of the recommendations contained in the report of the International Civil Service Commission (ICSC) for 2005.<sup>1</sup> The Fifth Committee of the United Nations General Assembly decided<sup>2</sup> to defer consideration of items concerning the United Nations common system to the resumed part of its sixtieth session in spring 2006. The corresponding General Assembly resolution is therefore not available for presentation to the Committee at its present session.
2. The present document summarizes those recommendations made by the ICSC, concerning the mobility/hardship/non-removal allowance and the base/floor salary scale, which will have a financial impact for the Office, if approved by the General Assembly.

**Mobility/hardship/non-removal allowance**

3. The current mobility and hardship scheme was established by the ICSC in 1989 and approved by the General Assembly as part of the package resulting from the comprehensive review of conditions of service of staff in the Professional and higher categories. The scheme was designed as a matrix comprising three elements (mobility, hardship and non-removal). Soon after the establishment of the scheme, the General Assembly expressed its concern that the scheme was pegged to the mid-point of the base/floor salary scale and that each time the mid-point increased, the associated entitlements were automatically increased by the same percentage.
4. This concern prompted a series of reviews of the scheme and the ICSC secretariat was requested to present alternative approaches that would allow the scheme to be de-linked from the base/floor salary scale and that would permit the three elements to be handled independently of one another.
5. A Working Group was established, comprised of Commissioners, representatives of the organizations and representatives of the staff, to examine a variety of options to meet the

<sup>1</sup> A/60/30.

<sup>2</sup> A/C.5/60/L.29.

Commission's concerns. The guiding principle for the proceedings of the Working Group was that of cost neutrality. With that in mind, the Group considered that cost neutrality could be attained by redistributing amounts across the three elements. Although each element was treated separately, the Group took into account the agreement not to erode the overall entitlements of staff.

6. Based on the conclusions of the Working Group, the ICSC decided to recommend the following major changes in the mobility/hardship/non-removal allowance: the introduction of flat amounts to replace the automatic link to the base/floor scale, the recognition of a greater number of geographical moves, and the reduction of the period of eligibility to five years (for the mobility and non-removal elements) at the same duty station.
7. The proposed implementation date for the revised mobility, hardship and non-removal allowance is 1 July 2006, given the need to modify existing payroll systems to accommodate the changes.
8. Another Working Group has been set up in anticipation of the General Assembly's positive decision to develop a detailed communications strategy to inform staff of the modalities of the revised allowance, and to establish transitional measures for implementation.

## Base/floor salary scale

9. At its 294th Session (November 2005), the Committee recommended<sup>3</sup> that the Governing Body accept the implementation of a revised base/floor salary scale, subject to approval by the General Assembly. A decision on the revised scale will also be taken by the General Assembly at its resumed spring 2006 session.
10. The Office will make a full report to the Committee on the General Assembly's decisions at its 297th Session (November 2006).

## Financial implications

11. As noted in paragraph 5 above, the proposed modifications to the mobility/hardship scheme have been developed on the principle of cost neutrality and therefore should have no financial implications for the Office. The Committee was informed at its 294th Session (November 2005) that the cost of the revised base/floor scale and related allowances would be covered by provisions made for that purpose in the Programme and Budget for 2006-07.
12. *With a view to avoiding costly retroactive implementation measures, the Committee may wish to recommend that – subject to the approval by the United Nations General Assembly of the proposals contained in the ICSC report for 2005, as modified if appropriate – the Governing Body authorize the Director-General to give effect in the ILO to those decisions through amendments to the Staff Regulations, as necessary.*

Geneva, 27 January 2006.

*Point for decision:* Paragraph 12.

<sup>3</sup> GB.294/8/2.