



Governing Body

309th Session, Geneva, November 2010

GB.309/PFA/14

Programme, Financial and Administrative Committee

PFA

FOR DECISION

FOURTEENTH ITEM ON THE AGENDA

Amendments to the Staff Regulations

Overview

Issues covered

The Governing Body is called upon to consider a request for harmonization made by the United Nations General Assembly to the organizations applying the common system in respect of some features of two entitlements: the conditions of eligibility of the repatriation grant and the beneficiaries of the grant on death.

Policy implications

The Director-General is of the view that the harmonization requested is not consistent with the purpose of the entitlements nor with some legal principles and values. At the same time, he considers that some adjustments to the administration of the repatriation grant are justified.

Legal implications

An amendment to article 11.15 of the Staff Regulations is proposed in paragraph 8.

Financial implications

The proposed amendment to article 11.15 could result in a modest reduction in the liability for repatriation grants. As the provision for these and other termination indemnities is not fully funded, no change in the budgetary provision is proposed. The financial impact of maintaining article 11.14 is negligible.

Decision required

Paragraph 16.

References to other Governing Body documents and ILO instruments

GB.307/PFA/10.

1. At its 307th Session (March 2010), the Governing Body received a report on the recommendations of the International Civil Service Commission (ICSC) for 2009 and the decisions taken by the United Nations General Assembly at its 64th Session (2009) concerning those recommendations, including a request for harmonization across organizations of the UN common system of two separation payments, namely repatriation grant and grant on death.¹ As implementing these decisions would require amendments to the Staff Regulations, the Office undertook to submit a proposal to the Committee in November 2010.

Repatriation grant

2. Article 11.15 of the Staff Regulations specifies that the repatriation grant shall be payable to any non-locally recruited official, both in the Professional and General Service categories, “who on leaving the Organization ... has completed one year of service outside the country of his home”. Payment is subject to provision of documentary evidence “that the official has taken up residence in a country other than that of the last duty station”. In the case of General Service staff members employed in Geneva, the grant is not payable unless the official provides evidence of relocation outside of the area of local recruitment as defined in article 4.3 of the Staff Regulations, which is the area within a 25 kilometres radius of the Pont du Mont-Blanc in Geneva. The amount of the repatriation grant is determined by the years of service and dependency status of the official concerned.
3. The United Nations and certain other UN organizations further stipulate that the grant is not payable to officials who are living in their home country and working abroad at the time of separation or who have permanent resident status at the last duty station. These conditions are met only at duty stations close to a national border, such as Geneva, Vienna or The Hague, where officials do frequently live in a country neighbouring that of the duty station.
4. On the recommendation of the ICSC, the UN General Assembly reaffirmed in 2009 the rule as applied by the UN Secretariat and called upon the governing bodies of those organizations which had not done so to align themselves with it. There are two other Geneva-based organizations with provisions similar to the ILO’s.
5. While the Office is committed to the largest possible degree of consistency in the application of common system conditions of employment, in this instance an unqualified alignment by the ILO with UN rules concerning eligibility criteria for the repatriation grant would raise several problems.
6. As regards ILO headquarters, neighbouring France has never been considered to be a part of the duty station (Geneva, Switzerland), due to the existence of a national border, the lack of a host country agreement with France and the fact that not all ILO officials are able to take up residence in France due to their own nationality. However, the housing market in Geneva is such that renting or purchasing accommodation in neighbouring France is sometimes the only viable option and as a result a significant number of officials live in neighbouring France. Approximately 40 per cent of Professional and higher category officials and 55 per cent of non-locally recruited General Service staff posted in Geneva live in neighbouring France.
7. Furthermore, the UN rule establishes a distinction that is based on nationality alone, without regard to the purpose of the entitlement which is to assist officials obliged to

¹ GB.307/PFA/10.

change their place of residence in order to work for the Organization to meet the exceptional expenses incurred in resettling elsewhere upon cessation of service. Therefore, the use of nationality as a determining eligibility criterion for repatriation grant would, in the case of ILO officials serving in Geneva, deprive internationally recruited officials who are French nationals of the entitlement to a repatriation grant on the ground of their nationality. The application of the UN rule would exacerbate unequal treatment between staff members as officials, other than French nationals, whose duty station is Geneva but who live in neighbouring France, would continue to receive a repatriation grant if they decide to remain in their last place of residence in neighbouring France. By contrast, an official whose last duty station is Geneva and who maintains residence in Switzerland upon cessation of service is not eligible to repatriation grant.

8. For the above reasons, the Office considers that it would be more equitable to modify the conditions concerning evidence of relocation upon cessation of service, in line with the practice in place in respect of non-locally recruited General Service staff. Article 11.15 of the Staff Regulations could be amended as follows (additions appear underlined):

(a) A repatriation grant shall be payable to any non-locally recruited official who on leaving the Organization otherwise than by transfer to the United Nations or a specialized agency or summary dismissal has completed one year of service outside the country of his home. The grant shall be computed in accordance with the schedule below. ...

...

(c) The payment of the grant shall be subject to the provision by the former official of documentary evidence satisfactory to the Director-General that the official has taken up residence in a country other than that of the last duty station and has relocated outside of the area of recruitment of locally recruited officials as defined in article 4.3 of the Staff Regulations. ...

9. While the implementation of the above proposal could reduce the amounts paid in repatriation grant and therefore the overall level of employee benefits liabilities, it would have no budgetary impact. The basis on which provision is made for this benefit in the Terminal Benefits Fund has not generated sufficient funding to cover the full liability. As such, the potential small reduction in liability would not justify a change in the financial amount of the provision.

Grant on death

10. Article 11.14 of the Staff Regulations provides for a grant payable upon the death of an official to the official's surviving spouse or recognized dependants, defined as a dependent child or a dependant parent, brother or sister in respect of whom the official ensures the main and continuing support. The grant is calculated based on the length of service of the official and provides a one-time social benefit to the surviving members of the family in consideration of the expenses associated with the death and the reduction in the household's level of income.

11. The UN General Assembly decided in 1978 that the grant on death would no longer be payable to secondary dependants. The ILO maintained payment of the grant to secondary dependants for whom a family allowance was payable so long as there was no surviving spouse or dependent child, believing that this course of action was – and remains – justified.

12. The General Assembly, in its resolution on the 2009 ICSC report, reiterated that the grant should not be payable to secondary dependants and called upon the governing bodies of

the organizations to align their statutory provisions with those applicable in the United Nations.

13. In 2009, 44 officials were in receipt of a family allowance in respect of a secondary dependant (20 officials in the Professional category and above, and 24 officials in the General Service category in Geneva – no reliable data are available for the time being for local staff in field offices). Over the past three years, 19 grants on death have been granted, of which only one to a secondary dependant. There is no specific budgetary provision for grant on death. It is included in the terminal payment component of the standard cost for staff in the professional category and for General Service staff at headquarters. In field duty stations, the cost is also included in the average remuneration used for budgeting purposes for each office and region.
14. In view of the rationale and continued justification for the payment of this benefit and of its very limited budgetary impact, it is proposed to maintain the payment of the grant on death to secondary dependants.
15. In accordance with article 14.7 of the Staff Regulations, the Joint Negotiating Committee has been consulted on the amendment to article 11.15 proposed in paragraph 8 above on the repatriation grant and also on the recommendation to maintain the payment of the death benefit to secondary dependants.
16. ***The Committee may wish to recommend to the Governing Body that it approve the amendment to article 11.15 in paragraph 8 above and that it confirm the provision in article 11.14 of the Staff Regulations concerning eligible beneficiaries of the grant on death.***

Geneva, 23 September 2010

Point for decision: Paragraph 16