

Governing Body

335th Session, Geneva, 14–28 March 2019

GB.335/PFA/13

Programme, Financial and Administrative Section
Personnel Segment

PFA

Date: 13 February 2019

Original: English

THIRTEENTH ITEM ON THE AGENDA

Update on developments related to the International Civil Service Commission (ICSC) review of its consultative process and working arrangements as well as of the reform of the post adjustment methodology

Purpose of the document

To inform the Governing Body about the latest developments regarding the ongoing ICSC review of the post adjustment system and other salary survey methodologies, and review of the consultative process and working arrangements of the ICSC.

The Governing Body is invited to take note of the information presented in this document.

Relevant strategic objective: None.

Main relevant outcome/cross-cutting policy driver: None.

Policy implications: None.

Legal implications: None.

Financial implications: None.

Follow-up action required: Continued active collaboration of the Office with the ICSC and its secretariat in the context of the ongoing review of the post adjustment methodology and the review of the consultative process and working arrangements of the ICSC.

Author unit: Human Resources Development Department (HRD).

Related documents: GB.334/PFA/13(Rev.); GB.332/PFA/11; GB.332/PFA/INF/6; GB.331/PFA/16(Rev.).

1. At its 334th Session (October–November 2018), the Governing Body requested the Director-General to continue to actively engage with the International Civil Service Commission (ICSC) with the objective of reforming the post adjustment and other salary survey methodologies, and in the comprehensive review of the consultative process and working arrangements of the ICSC, ensuring the full involvement of the United Nations (UN) workers' federations and respect for the basic principles of social dialogue in those processes. Furthermore, it requested the Office to report on developments related to the ICSC's review of its consultative process and working arrangements as well as of the reform of the post adjustment methodology at its 335th Session (March 2019).¹
2. The ongoing phased process related to the review of the ICSC's consultative process and working arrangements involves a contact group comprising members of the Commission and representatives of organizations and staff federations. A first meeting was held in October 2018 in Paris, during which key areas for review were agreed. The meeting was attended by the ILO Deputy Director-General for Management and Reform, in his capacity as member of the Strategic Group of the UN System High-Level Committee on Management, and by the Director of the ILO Human Resources Development Department, in his capacity as Co-chair of the Human Resources Network of the UN System Chief Executives Board for Coordination. Another consultation session of the contact group that was scheduled for December 2018 had to be cancelled due to the unavailability of one stakeholder group, the staff federation representatives. The next meeting of the contact group is now tentatively scheduled to take place in April 2019.
3. The comprehensive review of the post adjustment system and its operational rules is ongoing. In its resolution 73/273 adopted in December 2018,² the UN General Assembly reaffirmed the central role of the ICSC in regulating and coordinating conditions of service and entitlements for all staff serving in the organizations of the UN common system, and requested the Commission to continue its efforts to improve the post adjustment system in order to minimize any gap between the pay indices and the post adjustment indices. In this context, the General Assembly welcomed the review of the post adjustment methodology and operational rules governing the determination of post adjustment multipliers so as to enhance the accuracy, stability and predictability of salary adjustments.
4. The ICSC has called for the active cooperation of all stakeholders in the review and has invited representatives of staff members and the organizations to contribute to the technical work of the ICSC secretariat by sharing their statistical expertise. A senior statistician of the Office is participating in the work of a task force established to review the conceptual framework of the post adjustment index, the results of which will be submitted to the Advisory Committee on Post Adjustment Questions at its 41st session in May 2019.
5. Moreover, in the context of the ICSC's review of the compensation package for locally recruited staff, an in-depth review of the ICSC salary survey methodologies for such staff is currently ongoing with the active participation of members of the ICSC and representatives of staff federations and of organizations, including the ILO, as part of a working group. In accordance with articles 10(a), 11(a) and 12 of its Statute, the Commission has established and maintains the local salary survey methodologies for headquarters and other duty stations. These methodologies were last reviewed in 2011. The objective of the current review, which follows the last round of surveys, is to find progressive and sustainable solutions to the ongoing challenges in salary-setting, in particular related to employer participation and the appropriate positioning of UN salaries in local markets. It is foreseen at this stage that revised methodologies resulting from the review could be submitted to the UN General Assembly

¹ [GB.334/PFA/PV](#), para. 203.

² See [GB.335/PFA/INF/4](#).

at its seventy-fourth session. Initial proposals will be submitted to the Commission at its 88th session (March 2019), with a view to determining the way forward and revisiting the timeline.

Draft outcome

- 6. The Governing Body took note of the information presented in document GB.335/PFA/13.*