Human resources

Report of the International Civil Service Commission

Report by the Secretariat

1. Under article 17 of its statute, the International Civil Service Commission (ICSC) is required to submit an annual report to the United Nations General Assembly which is transmitted to the governing organs of the organizations of the United Nations system through their executive heads.

2. The Director-General submits to the Executive Board herewith the thirtieth report of the International Civil Service Commission. At the time of preparation of this document, the report was under consideration by the United Nations General Assembly at its fifty-ninth session.

3. Decisions expected to be taken by the General Assembly on the Commission’s recommendations that require a revision of WHO’s Staff Rules are reported separately. The subjects concerned include base/floor salary, education grant and paternity leave; they are therefore not dealt with in this document.

SUMMARY OF RECOMMENDATIONS AND DECISIONS OF THE COMMISSION

Contractual arrangements

4. Continuing its policy of periodically reviewing contractual arrangements for various types of staff appointment in organizations of the United Nations common system, in 2003 the Commission examined proposals for a framework for three categories of appointment – indefinite, fixed-term and temporary – that would guide the formulation of future policy. The secretariat of the Commission was requested to prepare a model contract for each of the three categories for consideration at the Commission’s summer 2004 session.

5. The Commission reviewed the model contracts, which provided details on conditions of employment including the following: duration of tenure, mobility requirements, the requirement for a probationary period, procedures for progression to other contract types, the compensation package, social security and health insurance provisions and conditions for extension and/or termination.

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2 Official records of the General Assembly, fifty-ninth session, supplement no.30 (A/59/30, vols. I and II) (copies available in the meeting room).
3 Document EB115/38.
6. As a result of representations by the organizations on various aspects of the model contracts, the Commission decided to report to the General Assembly on their existence, indicating that its secretariat would continue to refine them in collaboration with the organizations for consideration at the Commission’s spring 2005 session. It was further decided that a final report on contractual arrangements would be provided to the General Assembly at its sixtieth session.

**Mobility/hardship allowance, hazard pay and strategic bonuses**

7. The General Assembly has on several occasions expressed its concern at the financial implications of entitlements set out in the mobility and hardship scheme. In addressing those concerns, the Commission has carried out a number of reviews of the scheme.

8. At its summer 2003 and 2004 sessions, the Commission carried out further reviews, including consultations with the organizations and staff. It concluded in its report in 2004 that it was ready to take a decision on certain important revisions to the scheme. However, in order to respond to the concerns of the organizations and staff, the Commission agreed to establish a working group comprising members of the Commission, together with representatives from its secretariat, the organizations and staff. The working group has a brief to examine different elements of the scheme and propose new approaches; it will report on its findings to the Commission at its spring 2005 session.

**Hazard pay**

9. The Commission decided that the level of hazard pay granted to locally recruited staff should be increased to 25% of the midpoint of the local salary scale with effect from 1 June 2004.

**Review of pensionable remuneration**

10. In December 1996 the General Assembly asked the Commission, in cooperation with the United Nations Joint Staff Pension Board, to undertake in 2002 further comprehensive reviews of the methodologies for determining the pensionable remuneration of staff in the professional and higher categories and to submit recommendations to the General Assembly at its fifty-seventh session in 2002. In 2001 the Commission decided to reschedule the comprehensive review to 2004, in view of its heavy work programme.

11. At its summer 2004 session the Commission considered the scope and approach to be adopted for the review, together with proposals from the Pension Board that included the establishment of a joint ICSC Pension Board working group to produce recommendations to the General Assembly in 2006. After detailed discussions and consultations with other interested parties, the Commission decided to concur with the proposals of the Pension Board with regard to the terms of reference for the working group and the modalities for cooperation.

**Evolution of the United Nations/United States net remuneration margin**

12. Under a standing mandate from the General Assembly, the Commission keeps under review the relationship between the net remuneration of United Nations staff in the professional and higher categories in New York and that of United States federal civil service employees in comparable positions in Washington, DC. This relationship is known as “the margin”.

13. The Commission noted that, on the basis of the approved methodology and information available in May 2004, the net remuneration margin for 2004 had been estimated at 110.3.

**Review of the Noblemaire principle**

15. The Commission decided to report to the General Assembly that in applying the Noblemaire principle its current practice – using the highest-paid national civil service, combined with a reference check with international organizations – was sound. The Commission’s work programme for 2005-2006 includes a study to determine the highest-paid civil service, including a full comparison between the United Nations common system and the United States federal civil service, the current comparator.

**Establishment of grade equivalencies between the United States federal civil service and the United Nations system**

16. The Commission also considered the approach to be adopted in 2005-2006 for the next five-yearly review of grade equivalencies between the United Nations common system and the comparator; a decision was then taken on the nature of equivalency studies to be carried out in 2005, taking account of major changes made in both the pay structure of the United States federal civil service and the job evaluation system of the United Nations. The Commission requested that reports on these studies be submitted to the Commission in 2005 and 2006.

**Report of the Panel on the Strengthening of the International Civil Service**

17. In view of the key role played by the International Civil Service Commission in the regulation and coordination of conditions of service of the United Nations common system, the General Assembly approved a review of the Commission in order to increase its effectiveness in meeting the challenges facing the organizations of the system. The review would take the form of a process with a focus on:

- further strengthening the Commission and maximizing its ability to support the General Assembly in guiding the common system;
- considering ways of better equipping the Commission to implement its tasks, while further ensuring its independence, impartiality and effectiveness; and
- reporting on ways of enhancing the Commission’s capability to reinforce, modernize and strengthen the international civil service to meet new and complex challenges.

18. The comments of the Commission on the Panel’s findings and recommendations together with the report of the Secretary-General, are submitted to the United Nations General Assembly for consideration at its fifty-ninth session.

**ACTION BY THE EXECUTIVE BOARD**

19. The Executive Board is invited to note the thirtieth report of the International Civil Service Commission.