

# **Report of the International Civil Service Commission**

## **Report by the Secretariat**

1. Under its Statute,<sup>1</sup> the International Civil Service Commission is required to submit to the United Nations General Assembly an annual report that is transmitted to the governing bodies of the organizations of the United Nations system through their executive heads.

2. The Director-General submits to the Executive Board herewith the forty-first annual report of the Commission.<sup>2</sup> The report is scheduled to be considered in December 2015 by the United Nations General Assembly at its seventieth session. Decisions expected to be taken by the General Assembly on the Commission's recommendations requiring a revision of WHO's Staff Rules are reported separately to the Board.<sup>3</sup> The report is divided into two parts: part one addresses issues taken up by the Commission in 2015 (outside the comprehensive review of the common system compensation package); and part two contains a review of the common system compensation package for professional and higher categories.

### **Part one**

#### **Issues taken up by the Commission in 2015 (outside the comprehensive review of the common system compensation package)**

### **Chapter III**

#### **Conditions of service applicable to both categories of staff**

##### ***Mandatory age of separation***

3. In its resolution 69/251, the General Assembly decided to raise the mandatory age of separation to 65 years for staff recruited before 1 January 2014, taking into account the acquired rights of staff, and requested the Commission to revert to it with an implementation date at its earliest opportunity,

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<sup>1</sup> International Civil Service Commission: Statute and Rules of Procedure. New York: United Nations; 1987 (document ICSC/1/Rev.1), Article 17.

<sup>2</sup> General Assembly Official Records, Seventieth Session: Supplement No.30 (document A/70/30) (copies available in the meeting room, together with the Secretariat's summary of the Commission's recommendations). In particular, the Board is referred to pages 10–13 and 38–122 of the Commission's report.

<sup>3</sup> Document EB138/54.

but no later than the seventy-first session of the General Assembly, following consultations with all the organizations of the common system.

4. The Commission noted that the General Assembly had already decided to raise the mandatory age of separation to 65 years for staff recruited before 1 January 2014; the only issue before the Commission was to recommend an implementation date. The Commission noted that it had followed the request of the General Assembly and consulted with executive heads on an implementation date.

### **Decision of the Commission**

5. The Commission decided to recommend to the General Assembly that the date for implementing the General Assembly's decision to raise the mandatory age of separation to 65 years for staff recruited before 1 January 2014 should fall during 2016 and by 1 January 2017 at the latest, and should take into account the principle of acquired rights. Once the General Assembly has decided on the date of implementation, WHO will determine how to implement the change. The amendments that will be required to the Staff Rules will be proposed to the Executive Board in due course.

## **Chapter IV**

### **Conditions of service of the professional and higher categories**

#### ***Base/floor salary scale***

6. The Commission was informed that a 1% increase had been implemented in the comparator's base General Schedule salary scale effective 1 January 2015. Minor changes were also introduced in the United States tax schedules at the federal level for 2015. The Commission noted that, in accordance with the normal adjustment procedure, in order to reflect the salary increase in the General Schedule, as well as the impact of the tax changes referred to above, the base/floor scale would need to be adjusted upward by 1.08% as at 1 January 2016. This would be implemented through the standard no-loss-no-gain procedure, that is, by commensurately decreasing post adjustments.

### **Decisions of the Commission**

7. The Commission, subject to the decision of the General Assembly on a unified salary scale, decided to recommend to the General Assembly for approval with effect from 1 January 2016 the revised base/floor salary scale for the professional and higher categories, as shown in Annex IV to the Commission's report, reflecting a 1.08% adjustment to be implemented by increasing the base salary and commensurately reducing post adjustment multiplier points, resulting in no change in net take-home pay.

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

8. Under a standing mandate from the General Assembly, the Commission reviews the relationship between the net remuneration of United Nations officials in the professional and higher categories in New York and that of United States federal civil service officials in comparable positions in Washington, D.C. For that purpose, the Commission annually tracks changes occurring in the remuneration levels of both civil services.

9. On the basis of those changes, the Commission was informed that the estimated net remuneration margin for 2015 amounted to 117.2, with the corresponding five-year average (2011–2015) also amounting to 117.2. The details of the comparison are shown in Annex V to the Commission’s report.

### **Decisions of the Commission**

10. The Commission decided to report to the General Assembly that the margin between the net remuneration of United Nations officials in the professional and higher categories in New York and that of officials in comparable positions in the United States federal civil service in Washington, D.C., amounted to 117.2 both for the calendar year 2015 and for the five-year (2011–2015) average.

### ***Report of the Advisory Committee on Post Adjustment Questions on its thirty-seventh session***

11. Pursuant to Article 11 of its Statute, the Commission continued to keep under review the operation of the post adjustment system and, in that context, considered the report of the Advisory Committee on Post Adjustment Questions on the work at its thirty-seventh session, in 2015. Convened as part of the review of the common system compensation package, as well as the methodological preparations for the 2016 round of cost-of-living surveys, the Advisory Committee reviewed pertinent studies and made a number of recommendations for the Commission’s consideration, which the Commission approved (see paragraphs 49 to 64 of the Commission’s report).

### ***Modifications to the operational rules governing the post adjustment system***

12. In response to the Commission’s decision, with a view to making salary adjustments more predictable and sustainable, and following the conduct of cost-of-living surveys and the calculation of the post adjustment index, the Secretariat reviewed all the operational rules governing the post adjustment system. The Commission concluded that four rules merited consideration for modification.

### **Decision of the Commission**

13. The Commission decided as follows in respect of the rules concerned:

- (a) to retain the 5% rule in order to account for excessive inflation in group I duty stations in a more timely manner. The reference date for monitoring inflation should be reset at the time of the statutory review of the post adjustment classification, whether or not there was a change in classification. The rule should be implemented only if triggered more than three months before the date of statutory review of the post adjustment classification;
- (b) to modify the gap closure measure in determining the post adjustment multiplier applicable to a duty station by abolishing the 5% augmentation of the post adjustment index derived from negative place-to-place survey results;
- (c) to continue to apply the 0.5% rule, in accordance with existing operational rules; and
- (d) to establish rental subsidy thresholds by applying the threshold calculated using the proposed unified salary scale to staff with no dependants and dividing it by the factor 1.06 to derive the threshold for staff with dependants, with effect from the date of promulgation of the unified salary scale for staff in the professional and higher categories.

**Chapter V**  
**Conditions of service of staff in the general service and related categories and other locally recruited staff**

14. Surveys of best prevailing conditions of employment in Kingston (Jamaica), New York and London were conducted between 2014 and 2015 and the results are presented under chapter V of the Commission’s report.

**Part two**  
**Review of the common system compensation package**

15. Following its comprehensive review of the compensation package for professional and higher categories, the Commission’s report includes recommendations to the General Assembly on a unified salary scale, dependent spouse allowance, periodicity of step increments, education grant, mobility incentive, hardship and relocation/shipment benefits, repatriation-related payments, settling-in-grant, accelerated home leave travel and non-family duty station service allowance. The Commission has proposed transitional measures in the event that serving staff are adversely affected by the changes in their remuneration. Changes in the compensation package will require the Staff Rules to be amended. When such amendments are submitted to the Executive Board in due course, their implications for policy and the Global Management System will be highlighted, together with the financial implications.

**ACTION BY THE EXECUTIVE BOARD**

16. The Board is invited to take note of the report, paying particular attention to the information on decisions taken on issues outside the comprehensive review of the common system compensation package.

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