

## **Financial and administrative implications for the Secretariat of resolutions proposed for adoption by the Executive Board**

<b>Resolution:</b> Amendments to the Staff Regulations and Staff Rules	
<b>A. Link to the general programme of work and programme budget</b>	
<b>1. Outcome(s) in the Twelfth General Programme of Work, 2014–2019 and output(s) in the Programme budget 2016–2017 to which this resolution would contribute if adopted.</b>	
<b>Twelfth General Programme of Work, 2014–2019 outcome(s):</b>	None.
<b>Programme budget 2016–2017 output(s):</b>	None.
<b>2. Brief justification for considering the draft resolution, if there is no link to the results as indicated in the Twelfth General Programme of Work, 2014–2019 and the Programme budget 2016–2017.</b>	The amendments described in document EB141/11 stem from the decision taken by the United Nations General Assembly at its Seventieth session, in resolution 70/244 adopted on 23 December 2015, <sup>1</sup> on the basis of recommendations made by the International Civil Service Commission in its report for the year 2015. <sup>2</sup>
<b>3. Estimated time frame (in years or months) for implementation of any additional deliverables.</b>	The amendments related to the extension of the mandatory age of separation to 65 for staff members appointed on or before 1 January 2014, taking into account their acquired rights, will enter into force:
(a) with effect from 1 January 2018 (in which case the Board will be invited to adopt <b>draft resolution 1</b> );	
or	
(b) with effect from 1 January 2020 (in which case the Board will be invited to adopt <b>draft resolution 2</b> ).	
<b>B. Budgetary implications</b>	
<b>1. Estimated total cost to implement the resolution if adopted, in US\$ millions:</b>	If resolution 1 is adopted, WHO could potentially incur additional liabilities of about US\$ 10 million for the biennium 2018–2019 (see section 3).
<b>2.a. Estimated additional budgetary requirements in the current biennium, in US\$ millions:</b>	No budgetary implications for the current biennium.

<sup>1</sup> See [http://www.un.org/en/ga/search/view\\_doc.asp?symbol=A/RES/70/244](http://www.un.org/en/ga/search/view_doc.asp?symbol=A/RES/70/244) (accessed 10 May 2017).

<sup>2</sup> See <http://icsc.un.org/resources/pdfs/ar/AR2015.pdf> (accessed 10 May 2017).

**2.b. Resources available during the current biennium**

- **Resources available in the current biennium to fund the implementation of the resolution if adopted, in US\$ millions:**

Not applicable.

- **Extent of any financing gap, in US\$ millions:**

Not applicable.

- **Estimated resources, not yet available, which would help to close any financing gap, in US\$ millions:**

Not applicable.

**3. Estimated additional budgetary requirements in 2018–2019 (if relevant), in US\$ millions:**

The extension of the mandatory age of separation to 65 for staff members appointed on or before 1 January 2014 will have budgetary implications in terms of delaying a more cost-effective realignment of the WHO staffing structure.

**For resolution 2:**

As 359 staff members are due to retire in 2018 and 2019 (164 staff members in professional and higher categories; 151 general service staff members; 44 national professional staff members), WHO could avoid additional liabilities of about US\$ 10 million for the biennium 2018–2019, if the extension was delayed by two years, based on:

(i) an estimate of the additional statutory separation costs for staff members who choose to stay on, but whose posts are subsequently abolished, with the largest group being staff members working for the Global Polio Eradication Initiative (US\$ 3–4 million of the approximately US\$ 10 million additional costs). It is likely, however, that some other WHO programmes will also be affected, given the overall budgetary outlook;

(ii) the higher salary grade/step of staff members who would have retired compared with that of the younger staff members who would be appointed to replace them (51% of the staff members due to retire in 2018 and 2019 have reached the maximum step in their grades);

(iii) the fact that many of the positions currently occupied by staff due to retire in 2018 and subsequent years could be downgraded and would thereby create additional, more cost-effective opportunities for recruitment at more junior levels;

(iv) the fact that 12.5% of the staff members who would have been due to retire in 2018 and 2019 will be able to meet the 10-year eligibility for ASHI, thus increasing WHO liabilities that could have been avoided otherwise.

Regarding the United Nations Joint Staff Pension Fund, the impact of the extension appears to be cost-neutral: there would be additional pension payouts as a result of longer service, possibly offsetting additional income arising from the pension contributions payable for an additional three years, funded one third by staff members, and two thirds by WHO.

**Has this been included in the Proposed programme budget 2018–2019?**

Not applicable.

**4. Estimated additional budgetary requirements in future bienniums (if relevant), in US\$ millions:**

See section 3.

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