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**COMMISSION DE LA FONCTION
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**REPORT BY THE CHAIRMAN, MR. LARBI DJACTA
ON ACTIVITIES SINCE THE LAST SESSION OF THE COMMISSION
New York, 18 March 2019**

**Madam Under-Secretary-General,
Members of the Commission,
Ladies and Gentlemen,**

It is with great pleasure that I welcome you to the eighty-eighth session of the International Civil Service Commission. On behalf of the Commission, I would like to acknowledge and thank the Under-Secretary-General for Department of Management Strategy, Policy and Compliance, Ms. Jan Beagle, for being with us for the opening of the session and for providing us with excellent meeting facilities.

I am aware of the sweeping changes made by the Secretary-General in the areas of Development, Management, Peace and Security, to enable the achievement of the 2030 Agenda. Please be assured that the Commission will tirelessly expend all efforts for the achievement of the human resources management reforms in the organizations of the United Nations common system that will support the ongoing reform process aimed at strengthening the capacity of organizations to fulfil their mandates effectively and efficiently.

I am optimistic that the recent renewal and rejuvenation in the membership of the Commission present an ideal opportunity for us to all take a fresh look at human resources in the United Nations common system. On that note, let me take the opportunity to welcome first-time members of the Commission Messrs. Andrew G. Bangali of Sierra Leone, Ali Kurer of Libya and Boguslaw Winid of Poland. Congratulations are extended to returning members, Ms. Carleen Gardner of Jamaica, and Mme Marie-Francoise Bechtel of France, on their re-elections to the Commission. Our sincere thanks to Mr. Emmanuel Oti Boateng who helped in “demystifying” so many of our concerns regarding post adjustment and Mr. Eugeniusz Wyzner for his diplomatic approach and legal expertise. It is with a degree of sadness that I have to say farewell to both Commissioners as their rich contributions to the Commission were so invaluable. I wish them the very best in their endeavours.

Last but by no means least, I must also convey my profound appreciation for the contribution made to the Commission by Mr. Kingston Rhodes, the former Chair, of the ICSC. Following a very long career in the secretariat of the ICSC, Mr. Rhodes then led the Commission as Chair for a period of 12 years. His strength and enthusiasm leading the Commission were unsurpassed. The UN common system has fully benefitted from his intellect, knowledge and experience. Mr. Rhodes is known for his patience, tolerance, wit and genuine friendliness. He has left a legacy of wisdom and vision. We wish him all the best in this new phase of his life.

Before going any further let me briefly share the vision that I have for the common system. Living in this era of socio-economic and technological change, my focus is on staff satisfaction as we strive to attain the best possible conditions of service. A new generation of employees with new skills and distinct employment preferences is now emerging and will soon represent a majority of the common system workforce. The use of technology will continue to change the nature of many jobs and there will be a need for staff with skills both to cope and compete. I am conscious that the ICSC continued relevance depends on the support, not only of Member States, but also on staff and organizations. That is why it is important that organizations are able to attract the right staff and enhance staff satisfaction by investing in staff training in order to acquire the latest skills.

To accomplish this, my vision is to have and seek more meaningful ways of engaging not only with organizations but with staff union heads. My approach is simple and transparent: two-way dialogue. The success of our partnership lies in communication. As a start, ICSC has launched a new, more user-friendly website, where the emphasis will be placed on informing and educating staff and other interlocutors. More emphasis will be placed on two-way communication as we actively seek your views and opinions. I intend to be more visible and available to staff and organizations; you will be seeing more frequent informative and easily understood publications from the ICSC to keep you up-to-date on compensation and staff related issues. I intend to make more frequent visits with organizations and staff, taking stock of needs and expectations in this changing environment. As a start, myself, the Vice Chair, the Executive Secretary and senior staff of the ICSC have been reaching out to our partners in the common system. During my mission to Vienna to attend the FICSA Council meeting in February, I met with a number of Executive heads in Vienna and Paris. Upon my return to New York similar visits were made to Executive Heads here. At the end of February, the Vice Chair visited organizations in Denmark and Hungary. More meetings are planned with various entities in the common system. Our objective is to identify challenges facing the organizations and staff and to reinforce the role of the Commission in this era of reform.

I turn now to activities since the last session.

Post Adjustment Classification Reviews for Headquarters and other Group I duty stations

In accordance with UN General Assembly resolution A/RES/69/251, the post adjustment classification of all headquarters and other group I duty stations were reviewed on

the anniversary date of the post adjustment review for New York (effective 1 February 2019). The review led to real salary increases in 43 (out of 49) group I duty stations whose updated post adjustment indices exceeded their prevailing pay indices (exchange-rate-only adjusted post adjustment multiplier plus 100). For the remaining 6 duty stations, the updated post adjustment index fell below the prevailing pay indices and so the prevailing pay indices were maintained.

Cost of Living Surveys

The 2018 round of surveys is well underway, as of July 2018, with surveys conducted in 17 group I duty stations since September 2018, and in 47 group II duty stations since July 2018. Local survey committees (comprising UN common system organizations and staff associations) are actively involved in the process, as usual, and staff participation has been higher than ever before, which is an indication of the level of confidence that staff at large have in the post adjustment system.

The staff of ICSC fielded missions to help organize cost-of-living surveys in Liberia and Cote d'Ivoire. Also, a delegation from Bangladesh and Ukraine were briefed by secretariat staff on various aspects of the UN compensation system and the applications of the ICSC retail price index in the adjustment of salaries of diplomatic staff of these Member States serving around the world.

Hardship review

Under the annual hardship review cycle, the ICSC conducted its review of the conditions of Life and Work which in 2018 included duty stations in Latin American and the Caribbean, Europe and the Middle East. Approximately 170 duty stations were reviewed and the resulting hardship classification were promulgated effective 1 January 2019. The list of Danger Pay and non-family duty stations were concurrently revised and promulgated as of the same date.

In the context of the review of hardship duty stations, last Fall, the Chair, VC, one additional Commissioner along with Executive Secretary participated in a joint mission with the former UN Department of Field Services to evaluate the conditions of service of staff in Mali and Guinea Bissau. Given the very volatile situation in Mali, security was provided at all times during the mission.

Gender Parity

ICSC continues to actively participate in the Task Force on Gender Parity established under the leadership of the United Nations Secretary-General and contribute towards implementation of the Gender Parity Strategy across the UN system.

Let us now turn to our agenda items

Post Adjustment issues: Review of the Post Adjustment system

In keeping with the decision of the Commission at its 87th session, the ICSC secretariat is conducting a comprehensive review of the Post Adjustment System (PAS) in collaboration with organizations and staff federations of the United Nations common system. The statistical methodology underpinning the Post Adjustment Index is being reviewed by a Task Force comprising of statisticians. The report of the Task Force will be submitted to ACPAQ at its 41st session, (which will be preceded by a special-topics Workshop for participants). ACPAQ will submit recommendations to the Commission at its 89th session.

The system of operational rules governing the determination of the post adjustment multipliers (PAMs), and, hence, salaries of staff in the Professional and higher categories, is being comprehensively reviewed by a Working Group. The working group comprises four members of the Commission, three representatives of the organizations plus one alternate, and one member plus one alternate representing each of the three staff federations. It's mandated to address all compensation policy priorities, such as predictability and stability of salaries.

The Working Group met from 10-17 December 2018 in New York. The outcome of that meeting, summarized in the document ICSC/88/R.4, can be considered as an important first step in the ongoing effort to improve the current system. In particular, the ICSC secretariat proposed the Controlled Convergence Mechanism (CCM) to improve the current system of operational rules, including a mechanism for minimizing the gap between pay indices and post adjustment indices, as requested by the General Assembly in its Resolution 72/255. The secretariat has simulated the impact of the CCM on various duty stations under a wide range of scenarios and parameters. The results of these simulations are summarized in document ICSC/88/R.4/Add.1.

Review of the Salary Survey methodologies

At its 87th session last summer, the Commission, in order to facilitate its review of the GS salary survey methodologies, established a tripartite working group on the subject, which met in New York from 21 to 30 January 2019. In accordance with its terms of reference, the working group reviewed the issues identified during the last round of salary surveys, explored current and alternative ways of obtaining salary data, including the possibility of purchasing it from external sources and considered the matter of the adequate representation of the national civil service. In view of their interrelationships, all issues and concerns were grouped and analyzed by broader subjects.

The report of the working group is presented in document ICSC/88/R.6. The group noted the scope, volume and interdependence of the items reviewed and concluded that more time was needed to address them in a constructive and comprehensive manner. The group also noted that more time was needed to obtain salary data from a number of external vendors in order to develop the necessary scenarios and simulations.

Although the report before us is a progress report, the group has accomplished an important and indispensable step in the review process by considering all of the issues identified by various stakeholders. While more work needs to be done on most of the items, they were the subject of extensive discussions which highlighted their relative importance and interdependence with other issues and concerns. There was unanimous acknowledgement by the group that the Flemming Principle should continue to guide this review as the foundation of compensation for General Service and related categories. Finally, the group prioritized the items for further analysis, which include: approaches to establishing a representative national civil service employer, the introduction of secondary scales, the quantification of benefits and the adjustment of salaries for staff in the Security Service category and the possibility of using external salary data. The group's conclusions and proposals for the way forward are presented to the Commission for its consideration and approval in section IV of the document.

Career Development

The issue of career development comes under Article 14 of the Commission's Statute. Document ICSC/88/R.3 presents a broad overview of related developments within the organizations. It also highlights how, in the face of constant change, organizations are encouraging a broader perspective on the issue and supporting staff who are ultimately responsible for their career development. Three of the common system organizations (UNDP, UNHCR and WFP) will make presentations on their related initiatives and I hope that this will help the Commission and the other organizations to learn about their experiences and stimulate further conversations on this important topic.

Relocation Grant

It has been two years since the revised relocation-related elements were introduced under the new common system compensation package. In document ICSC/88/R.5, data provided by the organizations was analysed with a view to revising the current ceiling for relocation shipment payments. Based on the analysis, a proposal is being made to retain the current ceilings. In addition, information on relocation shipment options offered by the organizations is also provided.

In secretariat news...

I am now happy to report to you that, today we welcome Ms. Henrietta De Beer (Zimbabwe), the new Chief of Human Resources Policies Division. Ms. De Beer is no stranger to the Commission, having represented United Nations Development Programme (UNDP) at our Commission sessions on a number of occasions. She has more than 30 years of progressive managerial experience in human resources management within the public sector of her country and UNDP. For the past ten years, she has served as the Chief of Human Resources Policies and Compensation of UNDP. She has chaired the HR Network Standing Committee on Field Duty Stations (i.e. the Field Group) for many years and has been exposed to many issues concerning the work of the Commission. Today is her first day with the ICSC secretariat and we formally welcome her.

Based on my years with the Commission and my observation over the past few weeks here I am pleased to say that ICSC secretariat is blessed with a group of highly qualified and dedicated staff who have undoubtedly been hired for their expertise in their respective fields. Their dedication and commitment to the values of the international civil service is unmatched. The secretariat can boast of a rich mix of cultures, demographics and perspectives, having more than 25 different nationalities represented among its 45 staff members and of course at the grades P-4 and above, the gender distribution has been at least 50/50 for a number of years. I look forward to working with you all during my tenure as Chair of the ICSC.

Conclusion

In closing, let me accentuate my position on the type of culture I would like to continue to cultivate and promote in the common system. I see a real urgency in creating a positive culture that supports inclusivity and equality within the organizations of the common system, including the ICSC secretariat. I am proud that the ICSC's revised diversity framework was adopted by the General Assembly and I take this opportunity to affirm my total commitment to ensuring the Secretary-General's zero tolerance policy on sexual harassment is effectively implemented across the common system. If we all adopt this policy as individuals, and as a whole, I have no doubt that we will be able to co-exist in a calm and serene workplace, devoid of bullying, harassment, and abuse of power, all of which are in line with our Standards of Conduct.

I look forward to your cooperation and wish us all a constructive and productive session.

Thank you.

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