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**COMMISSION DE LA FONCTION
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**REPORT BY THE CHAIRMAN, MR. KINGSTON P. RHODES
ON ACTIVITIES SINCE THE LAST SESSION OF THE COMMISSION
Bonn, 9 July 2018**

**Mr. Deputy Executive Coordinator,
Members of the Commission,
Ladies and Gentlemen,**

It is indeed a pleasure for me to welcome you to the eighty-seventh session of the International Civil Service Commission (ICSC). On behalf of the Commission, I would like to thank the Deputy Executive Coordinator of the United Nations Volunteers Programme, Mr. Toily Kurbanov, for kindly agreeing to opening and hosting this session and for providing us with these fine facilities.

Let me now highlight some of the agenda items under review this session.

Post Adjustment System

In keeping with the decisions of the Commission at its 86th session, the secretariat has been fully engaged in a wide range of activities related to the operation of the current post adjustment system, and the proposed comprehensive review to be undertaken with the objective of establishing a revised post adjustment index methodology for application in the next round of surveys, along with a revised system of operational rules for possible earlier application. Activities include:

- (i) Completion of the implementation of the results of the 2016 baseline surveys at headquarters duty stations, including the payment of the final personal allowances for Geneva, in June 2018;
- (ii) Preparatory activities related to the roll-out of the 2016 round of surveys to the remaining duty stations, using the traditional ICSC price data collection, as well as the collection of staff expenditure data via online questionnaires in all duty stations. The

- launch of the surveys is planned to commence this month for group II duty stations and in September 2018 for group I duty stations.
- (iii) The “Post Adjustment Booklet”, published in April 2018. It was written for non-statisticians and is specifically addressed to staff at large, human resources specialists and payroll managers. It is available on the ICSC website and has been disseminated to all stakeholders for comments/suggestions.
 - (iv) Development of a project management plan covering all aspects of the full review of the post adjustment system. All relevant high-priority recommendations made by the independent consultant are addressed by the plan.

Accordingly, document ICSC/87/R.8 provides a status report on various aspects of the operation of the existing post adjustment system and the proposed review of the system for the future. Details about the project management plan for the review are provided in document ICSC/87/CRP.4.

Children’s and secondary dependents’ allowance

After reviewing the methodology for calculating the children’s and secondary dependants’ allowances last summer, the Commission decided to maintain the current methodology, but to keep it under review and revert to it as appropriate. At the same time, the Commission identified the referenced income level at which child benefits were compared as requiring further consideration. As a result, using two different referenced income levels, it requested that its secretariat provide updated levels for the children’s and secondary dependents’ allowances in accordance with relevant income tax regulations and social legislation payments in effect at the eight headquarters locations as of January 2018, in consultation with the organizations at these locations. The new resulting levels of the children’s and secondary dependants’ allowances are provided in document ICSC/87/R.7 for the Commission’s review.

Review of Pensionable Remuneration

After the Commission’s initial review of the Pensionable Remuneration scale at its eighty-fourth session followed by discussions at its eighty-fifth session, it decided to proceed, in coordination with the secretariat of the United Nations Joint Staff Pension Fund, with a comparability study on the pension schemes of the United States Federal civil service and the United Nations. In Document ICSC/87/R.2, the Commission is asked to consider the findings of the comparability study, and to finalize its recommendations on the review of pensionable remuneration to the General Assembly.

End-of-service severance pay

At its eighty-third session in the summer of 2016, the Commission decided to recommend the establishment of end-of-service severance pay. At the time, the General Assembly did not reach a consensus position and requested that the Commission undertake a comprehensive analysis of the effect of the recommendation, including updated financial implications and the distinctions between temporary, fixed-term and continuing appointments.

Document ICSC/87/R.3, examines, *inter alia*, the various proposals for end-of-service severance pay previously submitted to the General Assembly, including the Commission's rationale and the General Assembly's response to each proposal.

The secretariat also collected data through the Chief Executives Board (CEB) on staff separations over the 2015 to 2017 period. Twenty-one organizations participated in the study by providing requested data. Their collaboration and timely response to requests for clarifications enabled the preparation of document ICSC/87/CRP.3. Estimated financial implications are also provided for the Commission's consideration.

Base/floor salary scale

Document ICSC/87/R.5 provides a comparison of the current reference net base salary levels in the United Nations common system with those in the United States federal civil service. The Commission is requested to consider a 1.83 per cent increase of base/floor salary scale with effect from 1 January 2019 on a no gain, no loss basis.

Evolution of the United Nations/United States net remuneration margin

In document ICSC/87/R.6, the UN/US margin for calendar year 2018, as well as historical information on margin levels for the last ten years are provided. After issuing the document, the secretariat received more up-to-date personnel data from the comparator civil service which will have a slight impact on the margin level. The secretariat will provide an updated estimate when this item is taken up.

Review of salary survey methodologies

In preparation for the review of local salary survey methodologies, the Human Resources Network presented a preliminary list of issues to the secretariat for consideration. Additionally, input from the staff federations and from the local salary survey committees at headquarters duty stations were solicited. All issues submitted by stakeholders, including those identified by the Commission and included in the headquarters salary survey reports, have been compiled into a list of broad issues and specific concerns. Document ICSC/87/R.10 contains a preliminary list of the issues and a roadmap for the review of the local salary survey methodologies for the Commission's consideration.

Working Group on duty stations with extreme hardship

A working group consisting of members of the Commission, Human Resources managers of common system organizations as well as staff representatives and the ICSC secretariat met from 4 to 8 June in Rome, Italy. The working group considered issues related to field duty stations with extreme hardship, but which are not designated as non-family for security reasons. Document ICSC/87/R.11 contains the findings of the working group, while document ICSC/87/CPR.5 provides financial implications based on those findings.

Activities within the secretariat

The ICSC Regional Workshop on the United Nations common system compensation package was held in Praia, Cape Verde from 23 to 27 April 2018. There was strong participation from the Africa region with 36 participants from 22 countries in attendance. All issues under the Commission's mandate were covered, including mobility and hardship schemes, job classification, methodologies for GS salary surveys, staff assessment and the tax equalization fund, post adjustment, DSA, pensionable remuneration and the United Nations pension system.

While in Cape Verde, I was able to brief the country team in Praia on ICSC activities and learned about the UN programmes and conditions of life and work at the duty station. Accompanied by one other secretariat staff member as well as staff from UNFPA and UNDP, I visited the islands of Sao Vicente and Santo Antao where the UN has programmes. There, I met with local officials and visited a regional hospital, child emergency centre and local projects. Workshops like these continue to provide a unique opportunity to interact with staff members in the field and better understand the most relevant issues pertaining to their conditions of service.

The ICSC held its mid-year review meeting on the Classification of Duty Stations according to Conditions of Life and Work in June 2018. Twenty-eight duty stations from various regions were reviewed, as were another 500 duty stations with specific reference to non-family designation. In this connection and with the upcoming annual review which includes duty stations in Latin America, a fact-finding mission was undertaken by secretariat staff to Colombia in April 2018. Nine duty stations throughout the country were visited, including several very difficult and remote ones located near the rehabilitation camps where the UN Verification Mission in Colombia (UNVMC) operates to verify the peace agreement and the reintegration of former guerrilla combatants into civilian life. Given the complex security situation in Colombia, the mission was conducted jointly with UNDSS.

ISCS conducted job classification workshops in Nairobi and Addis Ababa in February and June respectively. They were carried out at the request of the organizations and were aimed at capacity-building. In the case of Addis Ababa, they were aimed at aiding reorganization efforts. As part of the ICSC secretariat's ongoing cooperation with Eurostat and the International Service for Remunerations and Pensions (ISRP) in the exchange of statistical information, one staff member from the Cost-of-Living Division (COLD) participated in the annual methodological meeting of the Article 64/65 working group in Luxembourg, and conducted further consultations with colleagues in these partner agencies on matters of mutual interest.

Since the last Commission session, the ICSC secretariat has continued to provide briefings to delegations from Member States and other international organizations on the UN system of salaries and allowances.

Secretariat News

The Chief of the Human Resources Policy Division, Ms. Marta Leichner-Boyce who joined the secretariat in 2011, will be retiring in a few months' time. She has spent more than three decades in the common system and served both at Headquarters and in field duty stations before joining our secretariat. Her varied experience in the field stations enabled her to make valuable contributions to the work of the Commission. Thank you for your creative vision and insight which helped in finding solutions to some of the challenges faced by the Commission. We wish you the very best as you embark on a new chapter in your life

Review of my tenure

Twelve years ago when I was first appointed Chair of the Commission, I set out my vision for a revitalized Commission, which would reassert its leadership role and deepen engagement with the overall reform taking place in the organizations of the United Nations common system. At the time, I urged members of the Commission to recommit to the concept of a unified, high performing, merit-based international civil service which emphasizes and rewards performance. The then Vice Chair and I embarked on a strategy for reaching out to the Commission's partners in the common system. From the start, we made it a point to meet with Executive Heads, Human Resources Directors and other key staff in the area of human resources management. Over the years, I participated in various symposiums and panel discussions which were invaluable in providing opportunities for understanding the different perspectives and ideas of colleagues, and which afforded valuable insights into human resources issues in both international organizations and national governments. My aim was to increase capacity-building efforts, improve the Commission's work in the area of information gathering, analysis and dissemination, while simultaneously improving horizontal coordination within the Commission's secretariat. The overall goal was to strengthen the United Nations family of organizations by improving strategic planning and policy formulation in areas under the Commission's mandate.

Looking back, I take pride in seeing how much has been accomplished and the extent to which we were able to realise that vision together, which is not to say that we cannot do more. There is and there will always be more to be done. With your help, however, we successfully completed a review of the methodologies for determining the adjustment of the Pensionable Remuneration (2011), the Mandatory Age of Separation (MAS) was increased to age 65 for new staff (2012) and later, for all staff (2018), we completed our revision of the Standards of Conduct (2013), the Framework for Performance Management was updated and approved (2017), and cornerstone of our accomplishments is the comprehensive review of the common system compensation package. This was a collaborative process which included personal visits to Executive Heads to solicit their views as well as the use of working groups at every stage of the process. These working groups included representatives of administration and staff. Many aspects of the package were simplified and modernized reflecting the overall trend in national public services, international organizations and large NGOS.

Looking ahead, I would stress the importance of continuously taking stock of the ever-changing global financial situation and its impact on member states and correspondingly on the common system. When we examined the National Professional Officer (NPO) categories in 2016,

we saw a substantial increase in their numbers over the past decade, particularly in organizations which relied on extra-budgetary resources. Today, every fourth professional staff member in the common system is a National Professional Officer, reflecting both the changing labour market and wider availability of talent. Additionally, organizations continue to employ growing numbers of so-called “non-staff” for well-known reasons including the greater flexibility they bring to the work place. Because of the potential impact these developments could have on the international civil service as we know it today, it is paramount that ICSC continues to engage in a continuous modernization of conditions of service in alignment with evolving global conditions. Organizations and their staff will need to readapt rapidly, reinventing themselves and maintaining relevance through continuous learning. Organizations will be called upon to invest more in training needed to acquire new skill sets. In other words, it is crucial that as the leading body in coordinating staffing and compensation policies in the UN common system, the organizations of the Common System, Staff Federations as well as the ICSC position themselves to effectively handle these developments.

As this is my last session as your Chairman, I would like to leave you with some personal reflections. What comes first to mind is the very valuable and rewarding experience I have had throughout my ICSC career, first as a staffer and later as Chairman. Despite having worked in the ICSC secretariat for some 25 years, wearing different hats, before assuming the leadership of the Commission, I can say that my vantage point as ICSC Chairman over the past decade or so has given me an increased and profound appreciation for the richness our diversity represents. I have learned from this diversity and tried to apply that learning to my daily work. I have striven to stay above the fray and form my opinions objectively and ethically and in that, I hope I have succeeded.

As I depart, my heartfelt gratitude goes to those closest to me, the dedicated staff in the ICSC secretariat whose advice I have sought, trusted and relied upon throughout the years, more than they will ever know. Its staff are recruited from a pool of highly qualified applicants; they are selected for their expertise in their respective fields and also because they are highly committed to the values of the international civil service. Its forty-five staff members come from more than twenty-five different nationalities. At the level of grades P4 and above the gender distribution has been 50/50 for a number of years with Ms Pawlik, our Executive Secretary, at the helm. I can say that it has been a truly wonderful experience working in an environment with such a rich mix of cultures, demographics and perspectives.

To you, my respected fellow Commissioners, I will be forever grateful for your wisdom, your guidance and your collegial friendship. Some of you have not hesitated to forthright with me when our views differed, but I also managed to win over others with arguments that they did not initially support. For me this is a sign of both your independence and of the true and mutual respect that we share, qualities which will stay with me as your lasting legacy.

I applaud the critical role played by other key stakeholders in our work, without whom the Commission could not function effectively. So, to the Executive Heads and their Representatives in the HRNetwork and the able staff of the common system organizations, I say thank you for your support, your valuable contributions and understanding over the years. Lastly, but certainly not least, I would like to salute the staff representative bodies and the individuals in them, the large majority of whom have worked diligently and honestly to represent their constituencies, but who

have also cooperated with the Commission to achieve our mutual goals which after all, are goals that benefit staff. To all of you, in your individual and collective capacities, you have helped and enriched me immeasurably in ways big and small. Thank you all. I will not forget you.

Now back to the present. Let us stay focused and open-minded as we work through the agenda items of this 87th session of the International Civil Service Commission. I wish you a productive session here in Bonn.

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