

*** CHECK AGAINST DELIVERY ***



Agenda items 134, 139, 141 and 148
Proposed programme budget for the biennium 2016-2017
Human resources management
United Nations common system
Administrative and budgetary aspects of the financing of the United Nations
peacekeeping operations

**Administrative and financial implications of the decisions and recommendations contained
in the report of the International Civil Service Commission for the year 2015**

**Statement submitted by the Secretary-General in accordance with rule 153 of
the rules of procedure of the General Assembly (A/C.5/70/3)**

FIFTH COMMITTEE

Statement by

Ms. Bettina Tucci Bartsiotas
Assistant Secretary-General, Controller
10 November 2015

Mr. Chairman,
Distinguished delegates,

1. I would like to present the Statement detailing financial implications arising from the 2015 report of the International Civil Service Commission, and highlight the implications on the programme budget for 2016-2017.
2. The ICSC has estimated that the full implementation of the recommendations of the comprehensive review would amount to a net reduction of \$113.2 million per year for the entire United Nations common system. Based on headcount, \$19.6 million would correspond to the UN Secretariat if immediately applied in its entirety.

3. However, due to transitional measures proposed by the Commission, as well as the time it would take for the Secretariat to make the necessary amendments to the staff rules and regulations, and the modification that would be needed to the newly deployed ERP, the overall reduction for the two years of the 2016-17 biennium has been estimated at approximately \$1.1 million.

4. With regard to the survey of the best prevailing conditions of employment in New York, the report of the Commission indicates that the new salary scales for locally recruited staff in New York would not have any immediate financial implication, as they would be implemented only to newly recruited staff. This recommendation would nonetheless have an impact on the proposed programme budget for 2016-2017, estimated at a reduction of \$16 million. This is due to the fact that the salary scales of existing GS staff, while not reduced, would be frozen. The currently proposed programme budget includes a recosting element of 2.3% per year for GS staff salaries in New York, to cover projected inflation during 2016-2017. This projected recosting would not materialize if GS salaries in New York are frozen. The overall net reduction of \$16.8 million will be applied to the revised estimates for the biennium 2016-2017, which will be issued early next month

5. With regard to the review of the base/floor salary scale of remuneration of the professional and higher categories, the ICSC estimates an increase of \$232,100 related to the projected separation costs of staff.

6. The Commission also recommended that the higher mandatory age of separation be implemented in 2016. While the exact financial implications cannot be determined at this time, this recommendation would have an impact on the implementation of the proposed programme budget for 2016-2017. The budget includes a proposal for abolishment or freezing of posts, some of which are projected to be vacant, including as a result of planned retirements. To the extent that such planned retirements would not be taking place, and to the extent that the proposed budget is endorsed by the General Assembly, programme managers would need to identify alternative measures to maintain the proposed budget level.

Mr. Chairman, Distinguished Delegates, I look forward to the discussions on this item.