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**INTERNATIONAL CIVIL SERVICE
COMMISSION**

**COMMISSION DE LA FONCTION
PUBLIQUE INTERNATIONALE**

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**ITEM 142: UNITED NATIONS COMMON SYSTEM
Report of the International Civil Service Commission (ICSC)**

**Introductory Statement by the Chair of the ICSC
Mr. Larbi Djacta
to the Fifth Committee of the General Assembly
New York, 25 October 2019**

**Mr. Chair,
Distinguished Members of the Fifth Committee,
Ladies and Gentlemen,**

Before introducing the annual report of the International Civil Service Commission, I would first like to congratulate you and your Bureau on your election. Let me assure you of the Commission's highest regard and our best wishes for a successful session. We look forward to working with you over the coming weeks towards a positive outcome.

This being my first year as Chair of the Commission, I am pleased to introduce the work of the Commission for the year 2019. I reaffirm the Commission's commitment to carry out its mandate to regulate and coordinate the conditions of service of the United Nations common system. For its continued success, the Commission needs the support of all stakeholders.

I will now turn to some of the major items in our annual report.

Post adjustment issues

Pursuant to article 11 of its statute, the Commission continues 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. The Advisory Committee made recommendations regarding a range of technical questions pertaining to the ongoing comprehensive review of the methodology underpinning the post adjustment system, including proposals for the refinement of the post adjustment index methodology by a Task Force that had been established by the Commission. The Commission invited the Advisory Committee to continue with the review of the methodology in preparation for the next round

of cost-of-living surveys. In addition, the Commission has established a working group on the operational rules of the post adjustment system, which has met twice so far. Further details can be found in the Commission's report.

Base/floor salary

Adjustments to the unified base/floor salary scale are made on the basis of a comparison of net base salaries of United Nations officials with their counterparts in the United States federal civil service. In order to reflect the 2019 combined effect of the movement of the gross salaries under the General Schedule and the tax changes in the US and to maintain the common system salaries in line with those of the comparator, the Commission is recommending a 1.21 per cent increase in the United Nations base/floor salary scale, effective 1 January 2020. As is the usual practice, the increase in the base/floor salary scale would be implemented with a commensurate reduction in post adjustment multiplier points, resulting in no-loss/no-gain in net take-home pay.

Evolution of the United Nations/United States net remuneration margin

The Commission continued under a standing mandate to monitor the net remuneration margin, which is the relative difference between the net remuneration of United Nations staff in the Professional category in New York and that of officials in comparable positions in the United States federal civil service in Washington, D.C. Based on the most recent staff statistics, I am pleased to report that the net remuneration margin for 2019 amounts to 113.4. The details of the comparison and information on the development of the margin over time are provided in the Commission's report.

Education Grant: Review of the scale and level of boarding lump sum

The Commission conducted a review of the education grant scheme in accordance with the approved methodology for tracking tuition and boarding fee movements at selected schools. For the sliding reimbursement scale, tuition fee data was collected at the primary and secondary education levels from 29 representative schools. The weighted average rate of tuition fee movements over a period of five years amounts to 15 per cent. The Commission is recommending that each bracket of the sliding scale be adjusted by this percentage to reflect the tuition increases over the review period and to preserve the scale structure. For the boarding lump sum, the average boarding fees at the 30 International Baccalaureate schools selected for the current lump sum were found to have increased by 5.3 per cent over the last five school years. Accordingly, an adjustment of the lump sum by this percentage is being recommended. Further details are provided in the report.

Review of the level of various allowances

The Commission reviewed the level of a number of allowances all of which are scheduled to be reviewed every three years: the Hardship allowance; the Non-family service allowance; Relocation shipments and the Mobility incentive.

With respect to the **hardship allowance**, the Commission decided to grant a 2 per cent increase in the allowance effective 1 January 2020. This was based on the movement of the base/floor salary scale.

As regards the **non-family allowance**, the Commission decided that the current level of the non-family allowance should be maintained at its current level. Similarly, based on a review of actual costs for **relocation shipments**, the Commission decided that the current ceiling be maintained.

The level of the **mobility incentive** was reviewed in accordance with the adjustment methodology approved by the Commission, that is, using the weighted monthly average base salary of staff in the Professional and higher categories and using the latest available staff data from the CEB. The review resulted in a slight increase in the amounts of the incentive.

The Commission's report provides more in-depth explanations of the analyses.

Review of the consultative process and working arrangements in the Commission

Following a decision in 2018 to review the consultative process and working arrangements in the ICSC, a contact group established for that purpose met first in October of last year. Following a second meeting held in April 2019, the Commission deliberated on the issues discussed and the conclusions reached at that meeting. One of the issues identified was the need for improved communications and transparency with staff and other stakeholders and hence the need for a Communications Officer at the P-4 level within the ICSC secretariat, the financial implications of which can be found in our annual report.

ILOAT judgements

Finally, regarding the ILOAT judgements on post adjustment multipliers for Geneva based on the 2016 round of surveys, I wish to highlight that the Tribunal concluded that the Commission "did not have power to decide, itself, the amounts of post adjustments". The Tribunal further stated that the "ICSC could only make recommendations and not decide on amounts", adding that the General Assembly had to approve any changes to post adjustment levels of the duty stations. However, article 11 (c) of the ICSC Statute states that the "Commission shall establish: ... the classification of duty stations for the purpose of applying post adjustments."

These judgements have placed the Commission in a difficult position as regards the management of the post adjustment system which is an essential element in maintaining the common system. It therefore warrants a speedy decision by the General Assembly in order to clarify the authority of the Commission in this area.

Mr. Chair, distinguished members of the Committee, .

For your information, there are a number of other items which are being studied closely by the Commission. Those include the review of the General Service salary survey methodologies and, in this context, the possible use of external data. We are also reviewing many aspects of diversity in the organizations of the common system and have begun to discuss the issue of parental leave, all of which will be presented within the next year or two.

Let me conclude by thanking you, Mr. Chair and Members of the Committee for your attention.

As usual, the Commission's recommendations, together with their financial implications, are summarized at the beginning of our report for ease of reference. My secretariat and I will be happy to answer your questions and provide any clarification you may need. I look forward to working with you and receiving your comments on our work.