



## General Assembly

Distr.  
GENERAL

**A/C.5/41/13**  
**13 October 1986**

ORIGINAL: ENGLISH

Forty-first session  
**FIFTH** COMMITTEE  
Agenda item 118

### UNITED NATIONS COMMON SYSTEM: REPORT OF **THE** **INTERNATIONAL CIVIL SERVICE COMMISSION**

Comments by the Federation of International  
Civil Servants' **Association**

Note by the Secretary-General

The Secretary-General transmits herewith for consideration by **the** Fifth Committee a document submitted by the Federation of International **Civil** Servants' Associations (FICSA). This document has been presented pursuant to the provisions of paragraph 2 (b) of General Assembly resolution **35/213** of 17 December 1980, whereby the General Assembly reiterated its readiness "to receive and consider fully the views of the staff as set out by a designated representative of the Federation of International Civil Servants' Associations in a document submitted through the Secretary-General under the agenda item entitled "Report of the International Civil Service Commission".

## INTRODUCTION

1. The financial crisis now confronting the United Nations has dominated personnel policy in the United Nations common system during the course of 1986, and has exerted a strong influence on the work of the International Civil Service Commission (ICSC). The Federation of International Civil Servants' Associations (FICSA), an the representative of 30,000 staff in the common system, from United Nations affiliated bodies and specialized agencies alike, maintains that certain extraordinary measures which may have to be taken as a result of the financial crisis in the United Nations itself should not be applied system-wide to staff who may already have had to make sacrifices as a result of crises in their own organizations.

2. The staff view the financial crisis as a political crisis, brought about by the major contributors' reluctance to support the multilateral approach to international problem-solving. The United Nations organizations, created to harmonize the actions of nations in finding solutions to economic, social, cultural and humanitarian problems, are no longer considered politically expedient by the major Powers. In the face of this political and financial crisis, the staff who serve the organizations find themselves the easy target of criticism - their efficiency, competence and integrity are assaulted. Their entitlements are continually questioned.

3. The Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations failed to reach a consensus on reform of the planning and budgetary mechanism of the United Nations. Yet the Group found no difficulty in agreeing that "total entitlements of staff members have reached a level which gives reason for serious concern and it should be reduced". It could not, however, substantiate these conclusions. A study entitled "The United Nations financial emergency - crisis and opportunity", which has been made available to delegations, proposes an across-the-board salary reduction as a means to reduce expenditure in the United Nations to enable that Organization to survive 1986.

4. The Federation considers any such across-the-board reduction in salaries patently illegal and subject to appeal through the Administrative Tribunals. Any actions contemplated must be negotiated with the representatives of the staff concerned in the context of a package of measures which may have to be taken. Any measures concerning conditions of service of the common system will have to go through the appropriate machinery.

5. FICSA perceives a very real danger for the continued existence of the common system if the General Assembly takes decisions, in connection with the United Nations financial crisis, which have repercussions on the conditions of service of the common system. There is great unrest among the staff of the specialized agencies who have put much pressure on their executive heads not to follow decisions of the Assembly which may have a negative impact on the staff and which are taken only as a consequence of the problems in one organisation. The end of the common system is most definitely in sight.

6. It must be kept in mind that, while extraordinary, albeit temporary, measures may need to be taken to achieve short-term savings, the long-term effectiveness of the United Nations organizations depends not only on improvements in the function and structure of management, but also on their continued ability to attract and retain highly-qualified staff. Short-term solutions which depend on reductions in staff entitlements, with the result of making service with the United Nations organizations even less attractive than it already is to many highly-qualified experts, would seriously hamper the future of the organisations. The International Civil Service Commission has been established by the General Assembly to regulate and co-ordinate the conditions of service of the United Nations common system - conditions of service which will enable the organizations to attract and retain staff whose efficiency, competence and integrity are of the highest standard, a requirement specified in Article 101 of the Charter.

#### Report of the International Civil Service Commission

7. The Federation accepts ICSC as the body established by the General Assembly for the regulation and co-ordination of the conditions of service of the United Nations common system. The central role of ICSC within the common system in the development of a single unified international civil service through the application of common personnel standards and arrangements has been reaffirmed by the General Assembly itself on several occasions (e.g. resolution 38/232). Since 1975, ICSC has kept all staff entitlements under review and reported annually to the General Assembly on such matters as salaries, education grant and annual leave.

8. FICSA cannot therefore accept the sweeping and unsubstantiated statements, disseminated in various reports, that the staff's conditions of service give reason for concern, that annual leave provisions, including home leave, are excessive and that the education grant for post-secondary studies should be abolished. Any changes in entitlements must be studied in an appropriate manner by the competent organs, in the first instance ICSC.

9. With regard to the level of salaries, the Commission itself had to admit that "organisations were experiencing difficulties in recruiting staff from some of the major contributor 'countries whose nationals received a higher remuneration when working abroad for their own Governments or in the private sector than they did in the United Nations system' (ICSC report A/41/30, para. 202).

10. If the work of the Commission has been criticized by many, including FICSA, in the recent past, this is mainly due to a serious deterioration in the statutory consultation procedures with the representatives of the executive heads and the staff. These consultations form an integral part of the Commission's working methods: they were included in the statute, after extensive deliberations, mainly in order to avoid the unfortunate experience of previous salary review bodies.

11. The Commission also shows an increasing tendency to take political rather than technical decisions, and has tried to anticipate the reactions of the General Assembly. FICSA has frequently reminded the Commission that it was established as an independent body of experts in public administration and personnel management

and is not meant to be a political body. FICSA feels that the technical and independent advice of the Commission to the Assembly is more important than ever in these times of crisis, and must be safeguarded. The General Assembly is certainly best equipped to take political decisions itself.

12. It is **of course** not fair to put the entire blame for these political orientations on the Commission. Following the events of December 1984, when the General Assembly overruled a decision of the Commission to correct an error in the calculation of the New York **post** adjustment, the Commission has shown reluctance to make recommendations which it felt might displease the Assembly, regardless of the technical validity of the recommendations.

13. Another aspect has hampered the Commission's proper functioning: the excessive work-load generated by requests of the General Assembly for repeated studies, year after year. Many items, such as the purpose and scope of the education grant, have been reviewed **several** times since the Commission's inception. One year after a new methodology for pensionable remuneration was defined, the Commission was asked to study the matter again. Maybe the time has come for reviews of the broader aspects of conditions of service of the staff, instead of the item-by-item approach.

14. In the exercise of its functions the Commission is bound to follow certain procedures. The United Nations Administrative Tribunal recently confirmed (in **Judgement No. 370**) that such established procedures should be complied with. This judgement rescinded the decision of ICSC not to grant payment of the **post** adjustment increase for Professional staff in New York which became due on 1 December 1984. Citing a procedural illegality, the Tribunal ruled that the United Nations should pay the post adjustment increase due for the four-month period from 1 December 1984 to 31 March 1985. This case was the first to be heard Of 23 groups of cases submitted to the Administrative Tribunals under a legal defence strategy adopted by **FICSA** in 1985, Details of this strategy are found in the annex to this document.

15. FICSA wishes to make the following comments on those parts of the Commission's report which call for the General Assembly's attention.

I. PENSIONABLE REMUNERATION FOR THE PROFESSIONAL AND HIGHER  
**CATEGORIES (paras. 12-47)**

A. Pensionable remuneration

16. The staff are uneasy. There has been far too much instability in their pension system in recent years. Spurred on by accounts of high pensions paid to very few senior officials with long service, and concerned over the actuarial balance **of** the Pension Fund, the General Assembly has tried to find means to reduce pension benefits so as to avoid raising the level of contributions which, at 21.75 per cent of pensionable remuneration, is too low by any standard. The methodology for determining pensionable remuneration proposed by the Commission would not result in **the** much-needed stability in the pension **system**. If adopted,

it would have a negative effect on the actuarial balance of the Fund and thus render futile the considerable efforts which have been made in recent years, largely at the expense of present and future pensioners, to improve the actuarial imbalance of the Fund. FICSA can only support a methodology which will stand the test of time. There are too many unknown factors at present which would result in the proposed methodology yielding unwanted results a few years from now.

17. The last reduction in pensionable remuneration came only two years ago. New reductions as of 1987 would entail serious cuts in pension benefits for future retirees. Pensions are an extremely important element of the remuneration package, which must be kept at a level to enable the organizations to attract and retain the highly qualified staff they need.

18. When discussion on pensionable remuneration began in early 1986, the principle of income replacement was established and it was decided that the new scale should yield an income replacement level which is comparable to that available to United States civil servants. It was therefore accepted that 100 per cent of net remuneration at the base of the system would be used as the point of departure. Yet, the Commission has recommended using an arbitrary figure of 96 per cent of net remuneration, the argument being that this discounts the New York/Washington cost-of-living (COL) differential. Even though ICSC has agreed that this COL differential will no longer be taken account of in the margin calculations, it has not yet recalculated the margin range, based on the level of the margin in the past, discounting the COL differential (see para. 29 below). Furthermore, when the margin range is redefined some attempt may have to be made to define the components of the margin to better determine what its desirable level should be. Until such time, the use as a base of any figure less than 100 per cent of net remuneration can only be considered arbitrary and cannot be reconciled with the principle of income replacement.

19. It must be kept in mind that pensionable remuneration is only one factor in determining pension benefits, length of service and rate of accumulation being the others. Since most staff retire with less than 20 years of service, the pensions of the average retiree are consequently not high. And, contrary to popular opinion, most of these staff members have no other pension coverage. For staff with 20 years of service or less, the ICSC proposal would yield income replacement levels which lag far behind those of the United States civil service. In addition, in many cases the absolute amounts cannot be deemed an adequate pension. FICSA maintains that pensionable remuneration should be calculated assuming the maximum gross pension benefits under the current benefit accumulation formula (66.25 per cent of pensionable remuneration) and not 46.25 per cent as proposed by the Commission. This would reflect the special characteristics of the international civil service which include fewer years of service and less advantageous career opportunities than in the comparator civil service.

20. FICSA reiterates, however, that it is too soon to come to a decision on a methodology for determining pensionable remuneration. Much work has been done, but there remains a need for further consultation among all parties concerned. New factors such as the possibility of staff reductions in the United Nations need to be considered, since the Commission based its methodology on "zero growth" of

staff. Another one of the Commission's assumptions, made last July, is already outdated: tax laws in the comparator country, the United States, have changed, resulting in higher net remuneration for the same gross income. This will definitely have an impact on the Commission's calculations.

21. All these and many more technical points were brought to the Commission's attention by the Pension Board which had met prior to the Commission's twenty-fourth session (July 1986) precisely in order to examine the Commission's preliminary findings and to inform the Commission of its views. This co-operation had in fact been requested by the General Assembly in resolution 40/245. FICSA very much regrets the lack of will, on the part of the Commission, to co-operate with the Pension Board. As a result, a technically deficient methodology, which was not supported by the Pension Board at its special session in September 1986, is now before us and the General Assembly is faced with conflicting views of two of its subsidiary organs. FICSA believes that the only feasible solution lies in further in-depth studies and consultations by the competent organs, ICSC and the Pension Board.

22. The Commission's way of treating the issue of pensionable remuneration has led FICSA to request the Commission to review its working methods, in particular with regard to respecting the statutory consultation process with the representative of the executive heads and the staff.

23. Finally, it may be prudent to await the judgement of the Administrative Tribunals on the appeals concerning the new, lower scale of pensionable remuneration which was introduced in 1905 and on the suspension of the adjustment mechanism, article 54 (b) of the Regulations, before proceeding further.

24. FICSA proposes to defer a decision on the establishment of a methodology for determining pensionable remuneration for the Professional and higher categories until, at the earliest, the forty-second session to permit the preparation of a technically sound methodology.

#### B. Staff assessment

25. The Commission recommends a new scale of staff assessment for the Professional and higher categories. However, the staff were not consulted concerning the methodology for determining this scale. For this reason, FICSA considers that this matter should also be deferred to allow time for proper consultation. The proposed adjustment to the scale of separation payments (gross amounts) would also have to be deferred. It is recalled that the new scale of staff assessment for General Service staff which is recommended for implementation on 1 January 1987 has been arrived at through full consultation to the satisfaction of all parties concerned.

26. FICSA proposes to defer consideration of the implementation of the new scale of staff assessment to the forty-second session of the General Assembly.

II. CONDITIONS OF SERVICE IN THE PROFESSIONAL AND HIGHER CATEGORIES

A. Evolution of the margin between the remuneration of the United States federal civil service and that of the United Nations system (paras. 48-53)

27. FICSA reiterates its view that it is of utmost importance that the calculation of the margin be done with precision. Professional salaries are frozen system-wide, based on the decision of the General Assembly to maintain a defined margin range. FICSA regrets that no attempt has yet been made to define the components of the margin and to quantify these components.

28. FICSA notes the level of the net remuneration margin at 120.9.

B. The methodology used for calculating the margin based on net remuneration (paras. 54-74)

29. FICSA regrets that the Commission agreed not to take into account in the margin calculations the COL differential between New York and Washington, D.C. The United Nations salary system is unique in that it takes into account COL differentials not only between countries but also between cities within the same country. Not to take into account such COL differentials in comparing the base of the United Nations salary system (New York) with the base of the comparator civil service (Washington) is inconsistent with one of the basic principles of the United Nations post adjustment system: equalization of purchasing power among duty stations. However, since it has been agreed to disregard the COL differential, it then becomes imperative to re-examine the question of the desirable range for the margin, which was established based on the margin figures in the past (1976-1984) which did take into account the COL differential. Other elements of the margin calculation methodology which the Commission has agreed to modify must also be considered in recalculating the margin range, such as the use of average salaries rather than salaries at step I. FICSA notes that the Commission intends to revert to these issues in 1987. However, FICSA is of the view that modifications in the margin calculation methodology should only be introduced once a margin range has been established using the same parameters.

30. FICSA is concerned that the modification of the methodology for the margin calculation which would eliminate the COL differential between New York and Washington, D.C., contradicts the basic principle of the post adjustment system: equalization of purchasing power among duty stations. Any modification of the methodology can only be seen within the context of a margin range defined in terms of the same methodology.

C. The margin based on a comparison of total compensation (paras. 75-84)

31. FICSA has always maintained that a comparison of the United Nations remuneration with that of the United States civil service on the basis of total compensation is the most appropriate method for measuring the margin. A precise

method has become even more relevant' now that certain Member States are showing increasing concern about maintaining relativities between the United States federal civil service and the United Nations common system. A complete total compensation comparison would clearly show that the remuneration package of United Nations system staff is largely comparable to that of the comparator civil service. If expatriate benefits are included on either side, which is justified in view of the expatriate nature of service in the United Nations (over 90 per cent of Professional staff are expatriate), the balance will be tilted in favour of the United States civil service. It also has to be stressed that the United States civil service never pays its officials less than in Washington, the base of the system. In the United Nations, most duty stations have a post adjustment lower than that of New York and in a sizeable number of duty stations staff receive less than base salary, due to the application of negative post adjustment.

32. In connection with the expatriate nature of service in the United Nations, FICSA wishes to refer to a point which is raised in the report entitled "United Nations financial emergency - Crisis and opportunity". The authors of the report propose that the "expatriation allowance" not be paid to non-expatriate staff or to expatriate staff who have served in the same duty station for a number of years. FICSA must emphasize that there is in fact no expatriation allowance; such an allowance existed in the United Nations from 1947 until 1951. Its re-introduction was considered by salary review bodies in 1956 and 1966, but after careful study, no such recommendation was made. What the authors of the quoted report refer to is obviously that part of the margin of the United Nations salaries over those of the United States civil service which is to compensate for expatriation. The elements of the margin, however, have never been defined. Again, any change in the present salary structure would have to be studied in depth, considering all related items, such as the expatriate benefits in the comparator civil service.

33. FICSA considers it important that the Commission continue its studies on the total compensation comparison. After all, it has invested considerable time and effort in developing a methodology on which it has made good progress.

34. FICSA requests the General Assembly to instruct the Commission to pursue and complete its total compensation studies and include expatriate benefits in this comparison.

#### D. Matters relating to post adjustment

##### 1. Duty stations with extreme post adjustments (paras.121-124)

35. The Advisory Committee on Post Adjustment Questions (ACPAQ), a subsidiary body of ICSC, has been trying for some time to find a solution to the problems faced by staff in duty stations with low and negative post adjustments. Staff in such duty stations face real difficulty in meeting their out-of-area commitments and even in just "making ends meet" in terms of local expenses, given their low level of income. A mid-level Professional staff member (P-4-VI at the dependent rate) in a duty station with post adjustment class D (minus 20 multiplier points) earns \$US 2,192 per month, after deduction of pension contribution.

/...



36. In the report of its eleventh session (1986), ACPAQ stated that "although the statistical procedures (for determining post adjustment) were correct, at the bottom of the scale the real Lty was such that as a practical measure parity of purchasing power could not be achieved, thus the recommendation to set a floor was technically correct\*.

37. PICSA has always supported the setting of a floor - to ensure that net remuneration does not fall below a certain level, say post adjustment class B, or \$US 2,436 per month (after deduction of pension contribution) for a mid-level Professional (P-4-VI at the dependent rate). While the decision of the Commission in paragraphs 121 to 123 of the report was not the approach favoured by FICSA, it will provide some relief to staff in duty stations where extremely negative post adjustment classifications result in large amounts being deducted from base salaries.

38. FICSA supports the decision of the Commission to refine the treatment of the various components of the post adjustment index so that post adjustment is raised in duty stations with extremely negative post adjustment classifications.

## 2. Separation of the effects of inflation and currency fluctuations in the post adjustment (paras. 125-127)

39. The post adjustment system is designed to compensate for the upward and downward movements in cost-of-living and fluctuations in the exchange rate of the local currency vis-à-vis the United States dollar. However, the General Assembly's decision in 1984 to freeze post adjustment increases due to cost-of-living has interfered with the normal operation of the post adjustment system. It now operates only to compensate for fluctuations in currency exchange rates, going up when the United States dollar depreciates vis-à-vis the local currency unit and going down when the United States dollar appreciates.

40. The post adjustment system was never designed to compensate fully for movements in cost-of-living, compensating only 0.86 per cent (on average) for each 1 per cent movement in the cost-of-living index. The post adjustment system was conceived during a time of world monetary stability. Consequently, no special means were devised to compensate for currency fluctuations - the same regressive factor of 0.86 is applied to compensate for each 1 per cent movement in the exchange rate of the United States dollar vis-à-vis the currency of the duty station.

41. This regressivity built into the post adjustment system has meant severe reductions in take-home pay of staff in EU duty stations, where the United States dollar has depreciated as much as 40 per cent since March 1985.

42. FICSA has always maintained that there should be no gain, no loss to staff as a result of currency fluctuations. The decision of the Commission to apply a remuneration correction factor (RCF) to mitigate somewhat the losses felt by staff due to the regressivity built into the post adjustment system will give some relief to staff who have been severely affected by the falling United States dollar. Yet the perfect solution has not been found. The Commission has requested ACPAQ to continue its study of the issue.

43. FICSA supports the application of RCF which moderates variations in take-home pay due to currency fluctuations.

III. REMUNERATION OF THE GENERAL SERVICE AND RELATED  
CATEGORIES: STAFF ASSESSMENT (paras.130-140)

44. The new scale of staff assessment rates proposed by the Commission will mean reductions in pensionable remuneration for staff in the General Service and related categories who are in the upper salary ranges. It will in turn yield higher levels of pensionable remuneration for those in the lower brackets, thus providing an improved social benefit. The methodology for determining the scales makes use of tax rates in a mix of duty stations. Inasmuch as there has been a tendency for tax rates in most countries to go down, it is not surprising that the proposed staff assessment rates, derived from current tax rates in a mix of countries, are lower as compared to the rates now in effect. However, due to the averaging process, staff in duty stations where tax rates have remained high will find themselves at a disadvantage. Such is the case in Montreal, headquarters of the International Civil Aviation Organization (ICAO), where the already very high rates of taxation at provincial and federal levels are constantly increasing. Staff who retire in Canada are therefore left with inordinately low net pensions. The Commission has requested its secretariat to monitor the situation in Montreal with a view to making recommendations in due course to overcome the difficulties faced by staff in that duty station.

45. FICSA was fully involved at all stages in the development of the proposed scale. It will indeed mean reductions in pensionable remuneration for some staff but, in view of the technical soundness of the methodology, the reductions in comparison to the existing scale can be accepted. In addition, adequate transitional arrangements to protect the acquired rights of serving staff have been recommended.

46. The way in which the consultation procedure was respected in this issue is exemplary and should serve as a model for determining pensionable remuneration for Professional staff. The approach was one of trying to find a technically sound methodology, rather than to achieve reductions per se. The reductions which resulted can therefore be more easily accepted by the staff concerned.

47. FICSA supports the Commission's recommendation to implement the new scale of staff assessment for staff in the General Service and related categories, with effect from 1 January 1987, as and when the salary scales for the General Service and related categories are adjusted, FICSA also supports the transitional measures proposed by the Commission which will protect the acquired rights of serving staff.

#### IV. RECRUITMENT POLICY

##### A. Selection of staff (paras. 191-203)

48. FICSA reaffirms the necessity of applying proper selection procedures in all organizations in order to guarantee the appointment and promotion of staff who meet the highest standards, in accordance with the Charter. Such selection procedures should include the proper announcement of all vacancies and the full participation of staff representatives.

49. It is against the spirit of the Charter to earmark certain posts for certain nationalities.

50. With regard to geographical distribution, FICSA cannot accept the Commission's findings in paragraph 202 of the report that "while efficiency, competence and integrity were indeed important factors in the recruitment of staff, geographical balance was by no means secondary". FICSA objects to an interpretation of Article 101 of the Charter which would change its meaning: the Charter emphasizes the paramount importance of the highest standards of efficiency, competence and integrity; due regard is to be paid to geographical distribution.

51. It is not for the Commission to alter these conditions laid down by the Charter by stating that geographical distribution is "by no means secondary", thereby eliminating the paramount condition set by the Charter in the interests of the service. 1/

52. FICSA therefore requests the General Assembly to reaffirm that the paramount consideration in the recruitment of staff should be the highest standards of efficiency, competence and integrity.

##### B. Special measures for the recruitment of women (paras. 204-209)

53. FICSA expresses its satisfaction with the attention which the status of women in the international civil service is receiving from the Commission. However, progress in general continues to be very slow. FICSA therefore applauds the efforts of the executive heads to increase the level of participation of women in the work of the organization, efforts which might not have intensified had it not been for the pressure exerted by the Commission.

54. FICSA maintains the view that the issue has to be constantly reviewed, targets have to be set and results monitored.

55. FICSA fully concurs with the recommendations of ICSC and in particular stresses the importance of reaffirming commitment at the highest levels of the organization to the goal of achieving the presence of women at decision-making and policy-level posts; progress should be monitored at regular intervals) special efforts to recruit and promote women should be made by those organizations which

face additional difficulties due to their highly specialized mandate or their relatively small numbers of staff.

**V. IMPLEMENTATION OF THE COMMISSION'S RECOMMENDATIONS AND DECISIONS  
(paras. 218-225)**

56. FICSA notes that the Commission has reaffirmed the importance of monitoring the implementation by organizations of decisions and recommendations of the Commission (para. 225).

57. It is therefore difficult to understand why the Commission has singled out some organizations for having taken steps to protect the interests of their staff, for their own, very good reasons, while not mentioning the organization which has chosen not to apply the methodology for General Service salary surveys, approved by the General Assembly upon recommendation of the Commission, by withholding an interim adjustment of General Service salaries. The same organization did not apply the Commission's decision on the remuneration correction factor (RCF) to mitigate the effects of currency fluctuations on post adjustment.

Notes

1/ Similar ideas were expressed by the Administrative Tribunal of the United Nations in document AT/DEC/310 (p. 8).

Annex

**FICSA'S LEGAL DEFENCE STRATEGY**

1. After the thirty-ninth session of the General Assembly in 1984, PICSA decided to institute legal proceedings against the repeated and unfavourable changes made in the conditions of service and in the pension system of both serving and former staff of the United Nations system. Towards that end, in February 1985, the Federation prepared a legal defence strategy aimed at permitting the effective use of the appeal process. The strategy is based on the fundamental right of any individual to seek legal redress whenever his or her rights have been infringed upon. The right of United Nations staff to a judicial remedy in case of a dispute between them and the Organization was confirmed in 1954 by the International Court of Justice:

**"It would, in the opinion of the Court, hardly be consistent with the expressed aim of the Charter to promote freedom and justice for individuals and with the constant preoccupation of the United Nations Organization to promote this aim that it should afford no judicial or arbitral remedy to its own staff for the settlement of any disputes which may arise between it and them.**

**"In these circumstances, the Court finds that the power to establish a tribunal, to do justice as between the Organization and the staff members, was essential to ensure the efficient working of the Secretariat, and to give effect to the paramount consideration of securing the highest standards of efficiency, competence and integrity. Capacity to do this arises by necessary intentment out of the Charter." a/**

2. In pursuance of this strategy, 23 groups of cases have been brought before both the United Nations Administrative Tribunal (UNAT) and the International Labour Organisation Administrative Tribunal (ILOAT), of which 22 are still pending. Eight of them concern the consequences of the first freeze in the New York post adjustment which was decided upon by ICSC, and were brought by staff members of the Food and Agriculture Organization of the United Nations (FAO), the General Agreement on Tariffs and Trade (GATT), the International Labour Organisation (ILO), the World Health Organization (WHO), the International Telecommunication Union (ITU), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the Universal Postal Union (UPU) before ILOAT, and by staff members of the International Maritime Organization (IMO) before UNAT. Eight other groups of cases arising from the decision taken in December 1984 to reduce the pensionable remuneration of Professional staff have been brought by staff of the International Centre for Advanced Technical and Vocational Training, FAO, GATT, ILO, WHO, ITU and UNESCO before ILOAT, and by staff members of ICAO before UNAT. Lastly, six groups of cases were brought before UNAT by a number of individuals in receipt of pensions from the United Nations Joint Staff Pension Fund to contest reductions in pension benefits, decided by the General Assembly.

3. Nine protests, which include requests for the submission of the cases directly to the competent tribunals, have been submitted to the executive heads of FAO, GATT, ILO, IMO, WHO, ITU and UNESCO over the non-adjustment of the scales of pensionable remuneration for staff members in the Professional and higher categories. Staff of the United Nations Office at Vienna appealed the failure to grant an interim adjustment due to General Service staff. Similarly, an appeal is under preparation concerning the non-implementation by the United Nations Office at Vienna and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) of the ICSC decision related to the remuneration correction factor (RCF) aimed at mitigating the effects of currency fluctuations in the post adjustment system.

4. Finally, it should be noted that all measures concerning conditions affecting serving and former staff members of the organizations of the common system, such as a possible second reduction in pensionable remuneration or a change in the method of calculating the margin and its impact on the salary system of staff members in the Professional and higher categories, are also carefully examined from both the legal and personnel policy points of view. If a detailed study reveals that such measures disregard the legitimate rights of the individuals affected, FICSA will take, at the appropriate time, such measures as are necessary for the staff members concerned to make use of the means of redress available to them.

5. The Federation's policy is to encourage, to make possible and to co-ordinate, indeed to harmonize, the use of the appeal process against measures whose legality is seriously in question. FICSA will do everything in its power to ensure that judgements rendered by the tribunals are fully enforced.

#### Notes

a/ Effects of awards of compensation made by the United Nations Administrative Tribunal. Advisory opinion of the International Court of Justice, 13 July 1954; ICJ reports 1954, p. 57.

\*\*\*