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United Nations common system

Report of the Fifth Committee

Rapporteur: Mr. Gert Auväärt (Estonia)

I. Introduction

1. At its 2nd plenary meeting, on 18 September 2015, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its seventieth session the item entitled “United Nations common system” and to allocate it to the Fifth Committee.

2. The Fifth Committee considered the item at its 14th and 23rd meetings, on 10 November and 23 December 2015. Statements and observations made in the course of the Committee’s consideration of the item are reflected in the relevant summary records.¹

3. For its consideration of the item, the Committee had before it the following documents:

(a) Report of the International Civil Service Commission for the year 2015 ([A/70/30](#));

(b) Statement submitted by the Secretary-General on the administrative and financial implications of the decisions and recommendations contained in the report of the International Civil Service Commission in accordance with rule 153 of the rules of procedure of the General Assembly ([A/C.5/70/3](#));

(c) Related report of the Advisory Committee on Administrative and Budgetary Questions ([A/70/7/Add.4](#)).

¹ [A/C.5/70/SR.14](#) and [A/C.5/70/SR.23](#).



II. Consideration of draft resolution [A/C.5/70/L.14](#)

4. At its 23rd meeting, on 23 December, the Committee had before it a draft resolution entitled “United Nations common system” ([A/C.5/70/L.14](#)), submitted by the Chair on the basis of informal consultations coordinated by the representative of Sweden.

5. At the same meeting, the Committee adopted draft resolution [A/C.5/70/L.14](#) without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

United Nations common system

The General Assembly,

Recalling its resolutions 44/198 of 21 December 1989, 51/216 of 18 December 1996, 52/216 of 22 December 1997, 53/209 of 18 December 1998, 55/223 of 23 December 2000, 56/244 of 24 December 2001, 57/285 of 20 December 2002, 58/251 of 23 December 2003, 59/268 of 23 December 2004, 60/248 of 23 December 2005, 61/239 of 22 December 2006, 62/227 of 22 December 2007, 63/251 of 24 December 2008, 64/231 of 22 December 2009, 65/248 of 24 December 2010, 66/235 A of 24 December 2011, 66/235 B of 21 June 2012, 67/257 of 12 April 2013, 68/253 of 27 December 2013 and 69/251 of 29 December 2014,

Having considered the report of the International Civil Service Commission for 2015,¹

Reaffirming its commitment to a single, unified United Nations common system as the cornerstone for the regulation and coordination of the conditions of service of the United Nations common system,

1. *Takes note with appreciation* of the work of the International Civil Service Commission;
2. *Takes note* of the report of the Commission for 2015;¹
3. *Reaffirms* the role of the General Assembly in approving conditions of service and entitlements for all staff serving in the organizations of the United Nations common system, bearing in mind articles 10 and 11 of the statute of the Commission;²
4. *Recalls* articles 10 and 11 of the statute of the Commission, and reaffirms the central role of the Commission in regulating and coordinating conditions of service and entitlements for all staff serving in the organizations of the United Nations common system;

I Conditions of service applicable to both categories of staff

Mandatory age of separation

Decides that the mandatory age of separation for staff recruited before 1 January 2014 should be raised by the organizations of the United Nations common system to 65 years, at the latest by 1 January 2018, taking into account the acquired rights of staff;

¹ Official Records of the General Assembly, Seventieth Session, Supplement No. 30 (A/70/30).

² Resolution 3357 (XXIX), annex.

II Conditions of service of staff in the Professional and higher categories

A. Base/floor salary scale

Recalling its resolution 44/198, by which it established a floor net salary level for staff in the Professional and higher categories by reference to the corresponding base net salary levels of officials in comparable positions serving at the base city of the comparator civil service (the United States federal civil service),

Approves, with effect from 1 January 2016, as recommended by the Commission in paragraph 35 of its report, the revised base/floor scale of gross and net salaries for staff in the Professional and higher categories, as contained in annex IV to the report;

B. Evolution of the margin and margin management around the desirable midpoint

Recalling section I.B of its resolution 51/216 and the standing mandate from the General Assembly, in which the Commission is requested to continue its review of the relationship between the net remuneration of the United Nations staff in the Professional and higher categories in New York and that of the comparator civil employees in comparable positions in Washington, D.C. (referred to as “the margin”),

1. *Reaffirms* that the range of 110 to 120 for the margin between the net remuneration of officials in the Professional and higher categories of the United Nations in New York and officials in comparable positions in the comparator civil service should continue to apply, on the understanding that the margin would be maintained at a level around the desirable midpoint of 115 over a period of time;

2. *Notes* that the estimated margin between net remuneration of the United Nations staff in grades P-1 to D-2 in New York and that of officials in comparable positions in the United States federal civil service in Washington, D.C. for the period from 1 January to 31 December 2015 is 117.2 and that its five-year average (2011 to 2015) also amounts to 117.2, which is above the desirable midpoint of 115;

3. *Recalls* its request, contained in its resolution 69/251, that the Commission continue action to bring the calendar year margin to around the desirable midpoint and further examine issues relating to margin management;

4. *Approves* the recommendations of the Commission on the margin management methodology as stated in paragraph 302 of its report;

5. *Decides* that, if the margin trigger levels of 113 or 117 are breached, the Commission should take appropriate action through the operation of the post adjustment system;

III

Review of the common system compensation package

1. *Approves* the proposals on the common system compensation package,³ subject to the provisions of the present resolution;
2. *Decides* that, unless otherwise established, these provisions should come into force on 1 July 2016;
3. *Takes note* of the fact that, following the submission of the Commission's report on the comprehensive review to the General Assembly, the freeze in the increases of allowances requested in its resolution 68/253 (sect. I.A, para. 5) will be discontinued, effective 1 January 2016 for the General Services and related categories, and effective 1 January 2017 for the Professional and higher categories;
4. *Recalls* paragraph 5, section I.A, of its resolution 68/253, and requests the Commission to review all allowances under its purview in order to assess the requirements for upward revisions;
5. *Encourages* the Commission to continue its inclusive approach with the representatives of the different stakeholders of the common system;

1. Unified salary scale and transitional measures

6. *Approves* the proposed unified base/floor salary scale structure, as recommended by the Commission in paragraph 210 (a) and as shown in annex II, section A, of its report, as of 1 January 2017;
7. *Decides* that the unified salary scale should be updated, as recommended in paragraph 211 (a) and as shown in annex II, section A, of the report of the Commission, to reflect any adjustments in base/floor salaries that may be approved before its implementation;
8. *Approves* the grade and step matching of staff for conversion from the current salary scale structure to the unified scale structure, as recommended in paragraph 249 (a) and as shown in annex II, section B, of the report of the Commission;
9. *Decides* that:
 - (a) The salary levels of staff members that were higher than those at the maximum step of their grade upon conversion to the unified salary scale should be maintained by the Commission as a pay protection measure;
 - (b) Those salaries should be adjusted for any changes in post adjustment, including consolidation of post adjustment to base salaries approved by the General Assembly;
 - (c) The Commission will maintain and adjust the applicable pensionable remuneration amounts for such salaries;

³ *Official Records of the General Assembly, Seventieth Session, Supplement No. 30 (A/70/30), chap. VI, sect. C.*

10. *Also decides* that:

(a) Staff members in receipt of the dependency rate of salary in respect of a dependent child at the time of conversion to the unified salary scale structure will receive a transitional allowance of six per cent of net remuneration in respect of that dependent child and that no child allowance should be paid concurrently in that case;

(b) The allowance would be reduced by one percentage point of net remuneration every 12 months thereafter;

(c) When the amount of the transitional allowance becomes equal to or less than the amount of the child allowance, the latter amount would be payable in lieu;

(d) The transitional allowance would be discontinued if the child in respect of whom the allowance was payable were to lose eligibility;

11. *Further decides* that the net base salaries of the Assistant Secretaries-General and Under-Secretaries-General in the unified scale shall be established at the level of their present dependency rate of pay, reduced by six per cent, and that the pensionable remuneration of these grades should be maintained at their current levels;

2. Staff assessment rates

12. *Approves* the staff assessment rates to be used in conjunction with gross base salaries upon implementation of the unified salary scale, as recommended in paragraph 210 (b) and as shown in annex II, section C, of the report of the Commission;

13. *Decides* that these staff assessment rates should be reviewed two years after the implementation of the revised compensation system to ensure that there continues to be no adverse impact on the Tax Equalization Fund;

3. Pensionable remuneration scale

14. *Approves* the proposed pensionable remuneration scale, upon implementation of the proposed unified salary scale, as recommended in paragraph 210 (c) and as shown in annex II, section D, of the report of the Commission;

15. *Decides* that the proposed pensionable remuneration scale should be updated to reflect any changes in net remuneration that may occur in New York before it is implemented to ensure that staff continue to receive at least the same pensionable remuneration;

16. *Also decides* that the pensionable remuneration scale should continue to be updated on the same date and by the same percentage as net remuneration changes in New York;

4. Spouse allowance

17. *Approves* the establishment of a dependent spouse allowance at the level of six per cent of net remuneration, as recommended in paragraph 210 (d) of the report of the Commission;

18. *Decides* that serving staff members with a dependent spouse should be paid a spouse allowance at the time of conversion to the unified salary scale, as recommended in paragraph 249 (b) of the report of the Commission;

5. Single-parent allowance

19. *Decides* that staff members who are single parents and who provide main and continuous support for their dependent children shall receive an allowance in respect of the first dependent child, which shall be at the level of six per cent of net remuneration, and should be provided in lieu of the child allowance;

6. Step increments and performance incentives

20. *Decides* to grant within-grade step increments annually from step I to step VII and biennially thereafter for grades P-1 through P-5, and to maintain biennial steps at the D-1 and D-2 levels as per the current system, as recommended in paragraph 279 (a) of the report of the Commission;

21. *Also decides* to maintain present eligibility arrangements for step increments;

22. *Further decides* to discontinue the current practice of granting accelerated step increments;

23. *Requests* the Commission to conduct a study on the performance management schemes in common system organizations and to formulate recommendations on performance incentives based on merit that are not related to cash rewards, such as the possibility of accelerated step increments, and invites the Commission to review its recommendations contained in annex III of its report in the light of its findings and to report thereon not later than at the seventy-second session of the General Assembly;

24. *Also requests* the Commission to conduct a detailed study on the budgetary and administrative arrangements necessary for the establishment of a cash reward system, including funding, oversight and accountability mechanisms, and to report thereon not later than at the seventy-second session of the General Assembly;

7. Education grant

25. *Decides* that the revised education grant scheme shall be introduced as of the school year in progress on 1 January 2018;

26. *Also decides* to revise the criteria covering post-secondary education to make the grant payable up to the end of the school year in which the child completed four years of post-secondary studies or attained a first post-secondary degree, whichever comes first, subject to the upper age limit of 25 years;

27. *Further decides* that admissible expenses should be tuition (including mother tongue tuition) and enrolment-related fees, as well as assistance with boarding expenses;

28. *Decides* that tuition- and enrolment-related expenses should be reimbursed under a global sliding scale consisting of seven brackets, with declining reimbursement levels ranging from 86 per cent at the lowest bracket to 61 per cent

at the sixth bracket and zero per cent at the seventh bracket, as outlined in table V in the report of the Commission;

29. *Also decides* that boarding-related expenses should be paid by a lump sum of 5,000 United States dollars, and only to staff serving in field locations whose children are boarding to attend school outside the duty station at the primary or secondary level, and that, in exceptional cases, boarding assistance should be granted to staff at “H” duty stations under the discretionary authority of executive heads;

30. *Further decides* that round-trip education grant travel between the staff member’s duty station and the location of study should be provided for each academic year for a child of staff in receipt of assistance with boarding expenses;

31. *Decides* that capital assessment fees should be covered outside the education grant scheme by the organizations of the common system;

32. *Also decides* that the global sliding scale should be reviewed for possible adjustment, based on movements in tuition fees tracked biennially for a list of representative schools and upon assessment by the Commission;

33. *Further decides* that the amount of assistance with boarding expenses should be reviewed for possible adjustment, based on the movements in fees charged by boarding facilities of International Baccalaureate schools tracked biennially and upon assessment by the Commission;

34. *Decides* that the lists of both the representative schools and the International Baccalaureate schools mentioned in paragraphs 356 (f) and (g) of the report of the Commission should be reviewed every six years for possible updating;

35. *Also decides* that the current scheme of the special education grant for children with disabilities shall continue to apply after the introduction of the revised regular education grant scheme, subject to the overall global ceiling equal to the upper limit of the sliding scale plus the amount equivalent to the boarding lump sum under the regular education grant scheme;

36. *Further decides* that the maximum admissible expenses for the special education grant should be synchronized with those of the education grant, so as to set the maximum at an amount equal to the upper limit of the top bracket of the applicable global sliding scale;

37. *Decides* that for boarding assistance under the special education grant for children with disabilities, actual expenses should be used in the calculation of the total admissible expenses for reimbursement, up to the overall grant ceiling equal to the upper limit of the top bracket of the global sliding scale, plus the amount of 5,000 dollars equivalent to the boarding lump sum paid in the education grant scheme;

8. Repatriation grant

38. *Confirms* the rationale of the repatriation grant as an earned service benefit payable to expatriate staff members who leave the country of the last duty station upon separation;

39. *Decides* that a threshold of five years of expatriate service should be established as an eligibility requirement for the repatriation grant, as recommended in paragraph 375 of the report of the Commission;

40. *Also decides* that, on transition to the new scheme, current staff members should retain their eligibility within the current grant schedule up to the number of years of expatriate service accrued at the time of the implementation of the revised scheme;

9. Relocation-related elements

41. *Approves* the Commission's recommendation to discontinue the non-removal allowance;

42. *Decides*, for staff who move before the implementation date of the new relocation package and who choose the option of non-removal of household goods, to continue to pay the non-removal allowance up to five years at the same duty station or until the staff member moves to another duty station, as a transitional measure;

43. *Also decides* to retain the current approach to relocation travel, which would remain the responsibility of the organizations of the common system;

44. *Approves* the options concerning relocation shipments provided by the Commission in paragraph 399 (d) and (f) of its report;

45. *Decides* to provide a settling-in grant equivalent to 30 days of local daily subsistence allowance for staff, plus 15 days of local daily subsistence allowance for each accompanying eligible family member, and a lump sum amount equivalent to one month of net base pay plus applicable post adjustment;

10. Field allowances and benefits

46. *Approves* the adjusted hardship system consisting of five categories, as proposed in paragraphs 122 and 413 of the report of the Commission, which would be effective immediately upon implementation and for which no transitional measures would be required;

47. *Also approves* the new non-family service allowance, in lieu of the current additional hardship allowance, as described in paragraph 421 of the report of the Commission, and underlines that no transitional measures would be put in place for this allowance;

48. *Further approves* the new mobility incentive to encourage mobility of staff to field duty stations, as recommended by the Commission in paragraphs 129 and 431 of its report, which would apply to staff with five consecutive years of prior service in an organization of the common system and from their second assignment, and which would exclude duty stations categorized as "H" duty stations under the hardship scheme;

49. *Decides* to increase the proposed mobility incentive by 25 per cent upon the fourth assignment of a staff member and by 50 per cent upon the seventh assignment;

50. *Also decides* to maintain the provisions of the current rest and recuperation framework, as proposed by the Commission in paragraph 443 (a) of its report;

51. *Further decides* to discontinue accelerated home leave travel, except at D and E category duty stations that do not fall under the rest and recuperation framework;

11. Compensation review and other issues

52. *Takes note* of the Commission's intention to review the use of different categories of staff;

53. *Approves* an incentive payment for the recruitment of experts in highly specialized fields in instances in which the Organization is unable to attract suitably qualified personnel, as described and recommended in paragraphs 271 and 279 (c) of the report of the Commission, and decides that the Commission should assess the scheme after a period of three years from the date of its implementation;

54. *Recalls* its requests contained in its resolution 69/251 that the Commission continue to monitor progress in achieving gender balance, and requests the Commission to provide information to the General Assembly at its seventy-first session on the progress made by organizations of the common system in the implementation of existing gender policies and measures towards achieving the goal of 50/50 gender balance in the common system;

55. *Also recalls* the decisions of the Commission contained in paragraph 137 of its report for 2014,⁴ and in this regard requests the Commission to provide information to the General Assembly in future annual reports on how the new compensation package contributes to the strengthening of gender balance and geographical diversity;

56. *Invites* the organizations of the United Nations common system to make efforts to ensure work-life balance and provide career development opportunities, which are important elements in motivating and retaining staff;

57. *Also invites* the Commission to present to the General Assembly, at its seventy-first session, a progress report on the implementation of the new common system compensation package, and a comprehensive assessment report, including a global staff survey on the conditions of service, no later than at its seventy-fifth session.

⁴ Ibid., *Sixty-ninth Session, Supplement No. 30 (A/69/30)*.