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UNITED NATIONS COMMON SYSTEM

Report of the Fifth Committee

Rapporteur: Mr. Igor GOUMENNY (Ukraine)

I. INTRODUCTION

1. At its 3rd meeting, on 20 September 1996, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of the fifty-first 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 32nd to 34th, 36th, 37th, 39th and 46th meetings, on 25, 27 and 29 November and 4, 6, 11 and 17 December 1996. Statements and observations made in the course of the Committee's discussion of the item are reflected in the relevant summary records (A/C.5/51/SR.32-34, 36, 37, 39 and 46).

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 1996 (A/51/30);¹

(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 (A/C.5/51/24);

¹ Official Records of the General Assembly, Fifty-first Session, Supplement No. 30 (A/51/30).



(c) Note by the Secretary-General transmitting a statement adopted by the Administrative Committee on Coordination at its second regular session of 1996 (A/C.5/51/25 and Corr.1).

4. At the 32nd meeting, on 25 November 1996, the Chairman of the International Civil Service Commission introduced the annual report of the Commission (see A/C.5/51/SR.32).

II. CONSIDERATION OF DRAFT RESOLUTION A/C.5/51/L.35

5. At the 46th meeting, on 17 December 1996, the representative of New Zealand introduced a draft resolution entitled "United Nations common system: report of the International Civil Service Commission" (A/C.5/51/L.35), submitted by the Chairman of the Committee on the basis of informal consultations.

6. At the same meeting, the Committee adopted draft resolution A/C.5/51/L.35 (see para. 7 below).

III. RECOMMENDATION OF THE FIFTH COMMITTEE

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

United Nations common system: report of the International Civil Service Commission

The General Assembly,

Having considered the twenty-second annual report of the International Civil Service Commission² and other related reports,³

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,

Reaffirming the central role of the Commission in the regulation and coordination of the conditions of service of the United Nations common system,

Taking note of the statement of the Administrative Committee on Coordination and of the introductory statement of the Secretary-General regarding the report of the Commission,

² Official Records of the General Assembly, Fifty-first Session, Supplement No. 30 (A/51/30).

³ A/50/30 and Add.1, A/C.5/51/24 and A/C.5/51/25 and Corr.1.

I

CONDITIONS OF SERVICE OF THE PROFESSIONAL
AND HIGHER CATEGORIES

A. Examination of the Noblemaire principle and its application

Recalling its resolutions⁴ related to the study of all aspects of the application of the Noblemaire principle,

Recalling also section I.B of its resolution 44/198 of 21 December 1989, by which it reaffirmed that the Noblemaire principle should continue to serve as the basis of comparison between United Nations emoluments and those of the highest-paying national civil service,

Recalling further section I.A of its resolution 50/208 of 23 December 1995, by which it decided to defer consideration of the Noblemaire principle and its application and requested the Commission to review the recommendations and conclusions contained in chapter III.A of its twenty-first annual report,⁵ to take into account the views expressed by Member States at its fiftieth session, in particular regarding the appropriateness of the reduction of dominance and the treatment of bonuses in determining net remuneration comparisons,

1. Reconfirms the continued application of the Noblemaire principle;

2. Reaffirms the need to continue to ensure the competitiveness of the conditions of service of the United Nations common system;

B. Comparator

1. Takes note of the further steps taken by the Commission to complete its study to identify the highest paid national civil service as outlined in paragraph 47 of the addendum to its twenty-first annual report;⁶

2. Decides to consider at its fifty-second session the report of the Commission as contained in paragraphs 33 to 47 of the addendum to its twenty-first annual report;

⁴ Resolution 46/191 A, sects. IV and VI; resolution 47/216, sect. II.C; resolution 48/224, sect. II.A and B; and resolution 49/223, sect. III.A.

⁵ A/50/30. To be issued in final form as Official Records of the General Assembly, Fiftieth Session, Supplement No. 30 (A/50/30).

⁶ A/50/30/Add.1.

C. Margin considerations and base/floor salary scale

Recalling that in the past the General Assembly had requested the Commission to make recommendations on the net remuneration margin methodology and that the Assembly has taken decisions in this regard,

Recalling also that by its resolution 44/198, section I.C, paragraph 3, it had endorsed the methodological approach for the calculation of the net remuneration margin as outlined in paragraph 173 (d) of volume II of the fifteenth annual report of the Commission,⁷

Recalling further section VIII of its resolution 46/191 A of 20 December 1991, by which the Commission was invited to pursue as a matter of priority its review of merit systems and performance appraisal in the common system as a vehicle for enhancing productivity and cost-effectiveness, as well as section VII of its resolution 49/223 of 23 December 1994,

1. Decides that the net remuneration margin methodology without the modifications in paragraph 119 (b) (ii) and (iii) of the Commission's twenty-first annual report⁵ should continue to apply;

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

3. Notes that the margin between net remuneration of officials in the Professional and higher categories of the United Nations in New York and that of officials in comparable positions in the United States federal civil service for 1996, on the basis of its decision in paragraph 1 above, is 114.6;

4. Approves, with effect from 1 January 1997, the revised scale of gross and net salaries for staff in the Professional and higher categories contained in annex I to the present resolution and the consequential amendment to the Staff Regulations of the United Nations, as reflected in annex II to the present resolution;

5. Reiterates its request contained in section I.A., paragraph 4, of its resolution 50/208 that organizations should collect data to substantiate any problems with recruitment and retention difficulties faced by some organizations in respect of certain specialized occupations, and that the Commission should make recommendations for the implementation of special occupational rates as appropriate;

6. Requests the Secretary-General of the United Nations to make operational proposals to the General Assembly by 1 October 1997 on the

⁷ Official Records of the General Assembly, Forty-fourth Session, Supplement No. 30 (A/44/30), vol. II.

possibility of introducing a system of performance awards or bonuses, in the context of the performance appraisal system, to a limited number of staff in recognition of their outstanding performance and specific achievements in a given year, for consideration by the General Assembly at its fifty-second session;

7. Invites the executive heads of the organizations of the common system to develop and submit proposals, as a matter of priority, to their relevant intergovernmental bodies on the possibility of introducing performance awards or bonuses to a limited number of staff in recognition of their outstanding performance and specific achievements in a given year, and to coordinate, to the extent possible, these proposals with those developed by the Secretary-General;

8. Requests the Commission to provide general comments on the concept of performance awards and bonuses to the General Assembly at its fifty-second session;

D. Supplementary payments

Recalling the resolutions adopted by the General Assembly at its forty-fifth session regarding the decisions of the Commission with respect to the practice of some Member States of making supplementary payments with respect to their nationals, and recalling also the affirmation by the Commission that such arrangements are unnecessary, inappropriate and undesirable, and are inconsistent with the staff regulations of the organizations,

1. Requests the Secretary-General of the United Nations and the executive heads of the organizations of the common system to take such measures and make such proposals as they consider appropriate in order to end such practices;

2. Requests all organizations to issue or reissue, as appropriate, instructions to staff regarding the unacceptability of receiving supplementary payments;

3. Invites Member States to discontinue such practices;

E. Post adjustment matters

Recalling its request in section II.G of its resolution 48/224 of 23 December 1993, regarding place-to-place surveys conducted at headquarters duty stations,

Recalling also its request in section I.B, paragraph 3, of its resolution 50/208, regarding the operation of the post adjustment system, the examination of the system by the working group on post adjustment [including, inter alia, the identification of elements of pay, expenditures, that should not be indexed for local price charges, the evaluation of out-of-area expenditures as part of pay and the study of the appropriateness of applying the out-of-area index to some of those elements],

Recalling further its request in section I.B, paragraph 2, of its resolution 50/208, regarding the establishment in 1996, in respect of staff members whose duty station is Geneva, of a single post adjustment index which is fully representative of the cost of living of all staff working in the duty station and which ensures equality of treatment with staff in other headquarters duty stations,

1. Endorses the Commission's decision regarding the out-of-area expenditure weights as contained in paragraph 188 of its report,² and requests the Commission to continue to monitor this issue and to report to the General Assembly as appropriate;

2. Notes the introduction, with effect from 1 March 1997, of minimum out-of-area expenditure weights in the calculation of post adjustment indices as contained in paragraph 188 of the report of the Commission;

3. Reiterates its request to the Commission urgently to complete its study regarding the methodology for establishing a single post adjustment index for Geneva, and to complete the study needed to implement the single post adjustment at the earliest date, and no later than 1 January 1998;

4. Requests the Commission to review further all the issues relating to the post adjustment system, inter alia, those listed in paragraph 3 of section I.B of resolution 50/208, and to report thereon to the General Assembly at its fifty-third session;

F. Dependency allowances

Recalling paragraph 2 of section II.F of its resolution 47/216 of 23 December 1992, in which it noted that the Commission would review the level of dependency allowances every two years,

Noting the Commission's review of dependency allowances, reflecting relevant changes in tax abatement and social legislation at the seven headquarters duty stations since 1993,

1. Approves, with effect from 1 January 1997, an increase of 7.98 per cent in the children's allowance (including that for disabled children) and secondary dependant's allowance;

2. Takes note of the updated list of hard currency duty stations for which the allowances are specified in local currency, as contained in annex X to the report of the Commission;²

II

GENERAL SERVICE AND OTHER LOCALLY RECRUITED CATEGORIES

Recalling that, in section XIV of its resolution 45/241 of 2 December 1990, the General Assembly had requested the Commission to consider, inter alia, the

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relativities between the terms and conditions of service of staff in the Professional and higher categories and those in other categories,

Recalling also section III, paragraph 1, of its resolution 47/216, in which it endorsed the reaffirmation by the Commission of the Flemming principle as the basis for determining the conditions of service of the General Service and related categories,

1. Notes the preparations undertaken for the 1997 review of the methodologies for the surveys of best-prevailing local conditions of employment at headquarters and non-headquarters duty stations;

2. Urges the representatives of staff to participate fully in the working groups of the Commission in its review of the salary survey methodologies;

3. Requests the Commission, as part of its review of the methodology for salary setting for staff in the General Service and other locally recruited categories, inter alia:

(a) To resolve, to the extent possible, inconsistencies between that methodology and the one which is applied pursuant to the Noblemaire principle, inter alia, by examining the question of overlap in remuneration between the two categories;

(b) To study the feasibility of increasing the weight of public-sector employers in the salary surveys at headquarters duty stations;

(c) To submit a report based on the review of the methodology to the General Assembly at its fifty-second session;

4. Also requests the Commission to defer a final decision on the General Service salary setting methodology pending the review of the application of the Flemming principle by the General Assembly at its fifty-second session and to adjust its programme of headquarters salary surveys as appropriate;

5. Decides that the requests contained in paragraphs 6, 7 and 8 of section I.C above shall also apply in respect of staff in the General Service and other locally recruited categories of staff;

III

COMMON STAFF ASSESSMENT SCALE

Recalling that, in section I, paragraph 4, of its resolution 48/225 of 23 December 1993, it approved the procedure in paragraph 44 of the nineteenth annual report of the Commission⁸ for determining the common staff assessment scale, with two separate sets of rates (single and dependent), and recalling also that in paragraph 5 it requested the Commission, in close cooperation with the United Nations Joint Staff Pension Board, as part of the comprehensive

⁸ Ibid., Forty-eighth Session, Supplement No. 30 (A/48/30 and Corr.1).

review, inter alia, of the methodology for determining the scale of pensionable remuneration of staff in the Professional and higher categories scheduled for 1996, to develop a common staff assessment scale for the determination of the pensionable remuneration of all categories of staff using the above-mentioned procedure and reflecting the latest available tax rates,

Noting with satisfaction that the close cooperation between the Commission and the Board has resulted in agreement between the two bodies, inter alia, on the methodology and its application for the common staff assessment scale for all categories of staff, as reflected in their respective reports,

Noting that the Commission, in accordance with article 10 (d) of its statute, has developed the common staff assessment scale for pensionable remuneration purposes contained in annex IV to the report of the Commission,² taking into account the views of the United Nations Joint Staff Pension Board set out in paragraphs 152 to 159 of its report,⁹ and the considerations set out in paragraphs 83 to 89 of the report of the Commission,²

1. Approves, with effect from 1 January 1997, the revised staff assessment scale recommended by the Commission in annex IV to its report for determining the pensionable remuneration of all categories of staff, subject to the procedure set out in paragraph 107 of its report in the case of General Service and related categories, as well as for use in conjunction with gross salaries of the General Service and related categories of staff, and the consequential amendments to the Staff Regulations as shown in annex II to the present resolution;

2. Requests the Commission to report on the impact of the differences in national and local tax rates at the seven headquarters duty stations on the gross pension benefits of locally recruited staff in the General Service and related categories at those duty stations in comparison with the compensation for such taxes provided by the common staff assessment rates;

IV

EDUCATION GRANT

Recalling section IV, paragraph 1, of its resolution 47/216, in which it endorsed the revised methodology for the determination of the education grant,

1. Approves increases in the maximum reimbursement levels in seven currency areas, as well as other adjustments to the management of the reimbursement of expenses under the education grant, as recommended by the Commission in paragraph 230 (a) to (f) of its report;²

2. Takes note of the Commission's intention to undertake in 1997 an in-depth review of the methodology for determining the education grant;

⁹ Ibid., Fifty-first Session, Supplement No. 9 (A/51/9).

3. Decides, pending the completion of the above review, to delegate to the Chairman of the International Civil Service Commission the authority requested in paragraph 230 (e) of the report of the Commission;

V

APPOINTMENTS OF LIMITED DURATION

Takes note of chapter VI.B of the report of the Commission,² and requests the Commission to continue its review of the subject of appointments of limited duration without delay;

VI

MOBILITY AND HARDSHIP

Recalling section I.E of its resolution 44/198, by which it introduced a mobility and hardship allowance with effect from 1 July 1990 and requested the Commission to report to the General Assembly at its forty-seventh session on the operation of the allowance and the assignment grant,

Recalling also section V of its resolution 47/216, by which it took note of the intention of the Commission to review the operation of the mobility and hardship scheme after more experience had been gained in its operation and requested the Commission to report thereon to the General Assembly at its fifty-first session,

Recalling further section VI, paragraph 2, of its resolution 49/223, by which it requested the Commission to reconsider its decision to link hazard pay to the base/floor salary scale for internationally recruited staff and its decision on the level of hazard pay and to propose alternative approaches to hazard pay and to report thereon to the General Assembly at its fifty-first session,

1. Takes note of the conclusions of the Commission in respect of the operation of the mobility and hardship scheme as contained in chapter VII of its report;²

2. Approves the Commission's recommendations regarding the mobility and hardship scheme as contained in paragraph 304 (d) to (g) of its report;

3. Endorses the Commission's decision to delink hazard pay for Professional and higher level staff from the base/floor salary scale and to review the level of hazard pay every two years;

4. Requests the Commission to further review the linkage between the base/floor salary scale and the mobility and hardship allowance, taking into account the views expressed by Member States in the Fifth Committee of the General Assembly;

VII

STAFF PARTICIPATION IN THE WORK OF THE COMMISSION

Recalling section I.B of its resolution 47/216, section I of its resolution 48/224 and section II of its resolution 49/223,

1. Notes with appreciation the recent developments regarding the resumption of the dialogue between the Commission and the staff associations as expressed in relevant statements in the Fifth Committee;

2. Reiterates its request in section IV, paragraph 4, of its resolution 50/208, wherein it called upon the Coordinating Committee for International Staff Unions and Associations of the United Nations System and the Federation of International Civil Servants' Associations to resume participation in the work of the Commission in a spirit of cooperation and non-confrontation;

VIII

FUNCTIONING OF THE COMMISSION

Recognizing that an audit of the work of the Commission has not been undertaken since its establishment,

Calls upon the Board of Auditors, without prejudging its programme of work, to conduct a management review of all aspects of the work done by the secretariat of the Commission in time for the submission of a report thereon to the General Assembly during its fifty-second session;

IX

STATE OF THE COMMON SYSTEM

Recalling its resolution 46/191 A of 20 December 1991,

Requests the Commission to take the lead in analysing new approaches in the human resources management field so as to develop standards, methods and arrangements that will respond to the specific needs, especially regarding future staffing, of the organizations of the common system, including, inter alia, consideration of flexible contractual arrangements, performance-based pay and the introduction of special occupational pay rates, and to report to the General Assembly thereon at its fifty-third session.

Annex I
SALARY SCALE FOR THE PROFESSIONAL AND HIGHER CATEGORIES*
ANNUAL GROSS SALARIES AND NET EQUIVALENTS AFTER APPLICATION OF STAFF ASSESSMENT
(in United States dollars)
Effective 1 January 1997

Level	S															S				
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII	XIV	XV					
USG Gross Net (D) Net (S)	142 546 99 059 89 069																			
ASG Gross Net (D) Net (S)	129 524 90 855 82 245																			
D-2 Gross Net (D) Net (S)	106 053 76 033 69 824	108 373 77 516 71 112	110 704 78 998 72 384	113 056 80 480 73 616	115 409 81 963 74 849	117 763 83 446 76 083														
D-1 Gross Net (D) Net (S)	93 810 68 210 63 030	95 797 69 479 64 132	97 784 70 749 65 235	99 767 72 016 66 336	101 754 73 286 67 439	103 741 75 556 68 541	105 728 75 825 69 844	107 715 77 095 70 747	109 700 78 364 71 849											
P-5 Gross Net (D) Net (S)	82 758 61 090 56 664	84 534 62 239 57 707	86 310 63 387 58 749	88 085 64 536 59 791	89 861 65 685 60 833	91 655 66 833 61 834	93 453 67 982 62 831	95 251 69 131 63 829	97 047 70 278 64 826	98 845 71 427 65 824	100 643 72 576 66 822	102 439 73 724 67 819	104 237 74 873 68 817							
P-4 Gross Net (D) Net (S)	68 181 51 597 48 019	69 891 52 718 49 044	71 597 53 838 50 068	73 303 54 957 51 092	75 013 56 078 52 118	76 743 57 198 53 133	78 474 58 318 54 149	80 206 59 438 55 166	81 938 60 559 56 182	83 667 61 678 57 198	85 397 62 797 58 213	87 132 63 920 59 232	88 862 65 039 60 247	90 601 66 159 61 249	92 355 67 280 62 222					
P-3 Gross Net (D) Net (S)	55 700 43 326 40 419	57 282 44 378 41 387	58 866 45 431 42 356	60 446 46 482 43 323	62 030 47 535 44 292	63 612 48 587 45 260	65 196 49 639 46 228	66 802 50 692 47 191	68 405 51 744 48 153	70 011 52 797 49 116	71 614 53 849 50 079	73 218 54 901 51 041	74 822 55 953 52 003	76 445 57 005 52 958	78 073 58 058 53 914					
P-2 Gross Net (D) Net (S)	44 830 35 921 33 701	46 208 36 864 34 556	47 586 37 804 35 408	48 967 38 745 36 261	50 345 39 686 37 113	51 726 40 627 37 966	53 106 41 568 38 820	54 485 42 509 39 672	55 889 43 451 40 534	57 303 44 391 41 399	58 717 45 332 42 265	60 134 46 274 43 132								
P-1 Gross Net (D) Net (S)	34 152 28 435 26 825	35 417 29 341 27 658	36 710 30 245 28 488	38 004 31 150 29 319	39 297 32 054 30 149	40 590 32 958 30 979	41 887 33 864 31 811	43 180 34 768 32 411	44 473 35 671 33 471	45 786 36 576 34 296										

D = Rate applicable to staff members with a dependent spouse or child.

S = Rate applicable to staff members with no dependent spouse or child.

* This scale will be implemented effective 1 January 1997 in conjunction with a consolidation of 5.26 per cent of post adjustment. There will be consequential adjustments in the post adjustment indices and multipliers at all duty stations, effective 1 January 1997. Thereafter, changes in post adjustment classifications will be effected on the basis of the movements of the newly consolidated post adjustment indices.

Annex II

Amendments to the Staff Regulations of the United Nations

Regulation 3.3

Replace the tables in paragraph (b) (i) by the following:

Total assessable payments (United States dollars)	Staff assessment rates for purposes of pensionable remuneration and pensions (percentage)
Up to 20 000 per year	11
20 001 to 40 000 per year	18
40 001 to 60 000 per year	25
60 001 and above per year	30

Staff assessment rates used in conjunction with gross base salaries (percentage)		
Total assessable payments (United States dollars)	Staff member with a dependent spouse or a dependent child	Staff member with neither a dependent spouse nor a dependent child
First 15 000 per year	9.0	11.8
Next 5 000 per year	18.1	24.6
Next 5 000 per year	21.5	27.1
Next 5 000 per year	24.9	31.7
Next 5 000 per year	27.5	33.4
Next 10 000 per year	30.1	35.8
Next 10 000 per year	31.8	38.2
Next 10 000 per year	33.5	38.8
Next 10 000 per year	34.4	40.0
Next 15 000 per year	35.3	41.3
Next 20 000 per year	36.1	44.5
Remaining assessable payments	37.0	47.6

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Annex III

Amendments to the Staff Regulations of the United Nations

Regulation 3.3

Replace the table in paragraph (b) (ii) by the following table:

Total assessable payments (United States dollars)	Assessment (percentage)
Up to 20 000 per year	19
20 001 to 40 000 per year	23
40 001 to 60 000 per year	26
60 001 and above per year	31
