



Industrial Development Board

Fortieth session

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Item 9 of the provisional agenda

Personnel matters

Personnel matters

Report by the Director-General

In line with staff regulations 13.3 and 13.4, the present document provides information on personnel-related matters in the Secretariat and amendments made to the staff regulations and staff rules. The report furthermore complements the information provided in the *Annual Report of UNIDO 2011* (IDB.40/2, chapter 2).

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I. Developments on personnel-related matters

1. Since the issuance of the last report by the Director-General on personnel matters,¹ there were 48 new appointments (21 women : 27 men) to established positions authorized for external recruitment, including 30 appointments in the Professional and higher categories. In the latter category 11 appointees were women and 19 were men.

2. Of the 30 new appointments in the Professional and higher categories, 24 appointments were to positions at UNIDO Headquarters and 6 to field positions; 16 new appointees were nationals of Member States from Lists A and C, 12 — from List B and 2 — from List D. At the time of writing this report, 81 women and 174 men were in service with UNIDO in the Professional and higher categories.

3. During the same period 61 staff members (30 women : 31 men) have separated from the UNIDO Secretariat, including 38 mandatory and early retirements. Other staff separations were due, inter alia, to resignations, health reasons, and transfers. 41 per cent of the separated staff members (25 cases) were in the Professional and above categories. Eighty per cent (20 cases) of all separations in the Professional and above categories took place from UNIDO Headquarters and 5 from the field. Of the separated Professionals and above, 8 were nationals of Member States in List A, 12 — in List B, 1 in List C and 4 — in List D.

4. Furthermore, since the issuance of the last Director-General's report on personnel matters, there were 53 internal reassignments of staff members, 27 of whom were staff in the Professional and above category, including 8 women and 19 men.

5. Sixty-seven per cent of the reassignments (18 cases) of staff in the Professional and above categories were within UNIDO Headquarters. Two reassignments were from the field to UNIDO Headquarters, 3 from UNIDO Headquarters to the field, 3 from field to field and one to the UNIDO Office in New York. Fifty-nine per cent (16 cases) of the Professional and above reassignments were a result of a competitive selection process. Out of the 27 Professional and above reassignments, 21 were lateral, i.e. without a change in the staff member's personal level. In six cases staff members were selected for higher level positions and have therefore been promoted.

6. In terms of personnel policy developments since the issuance of the last report, the Board may wish to note the new UNIDO Framework for Staff Performance Management,² which was promulgated on 9 March 2012 (see also *Annual Report of UNIDO 2011*, chapter 2). The Framework has been developed in close consultation with staff representatives and introduced as an integral part of the UNIDO Programme for Change and Organizational Renewal (PCOR). The new Staff Performance Management system supports and reinforces results-based performance management, alignment of the corporate and individual goals and 360 degree performance feedback and appraisal. It is underpinned by and based on the UNIDO

¹ IDB.39/17, dated 2 May 2011.

² UNIDO/AI/2012/01 of 9 March 2012, entitled "Framework for Staff Performance Management".

Competency Framework issued in December 2011³ as well as the e-performance module of the UNIDO enterprise resource planning (ERP) system.

7. On 15 May 2012, UNIDO also promulgated a new Framework for the Recruitment and Administration of Personnel under Individual Service Agreement (ISA).⁴ The majority of such personnel are employed for or in the context of the UNIDO technical cooperation programmes and projects. The Framework reflects a strategic decision by UNIDO management that personnel employed under an ISA represents an integral part of the UNIDO human capital and that the recruitment and administration of such personnel shall therefore be based on and governed by similar principles and standards of conduct which apply to personnel employed under the staff rules. The new Framework consolidated previous policy and administrative issuances governing the recruitment and administration of international and national consultants and local support personnel and introduced some changes, including a new uniform contract template, namely the ISA. As with the new Framework for Staff Performance Management, the new Framework for ISA holders is supported by the Human Capital Module (HCM) of the UNIDO ERP system, which is integrated with the ERP Portfolio and Project Management (PPM) module. Information on ISA holders is contained in the *Annual Report of UNIDO 2011*, appendix E.

II. Common system developments

8. The present report also informs the Board of any recent decisions taken by the International Civil Service Commission (ICSC) and recommendations adopted by the United Nations General Assembly that are of relevance to UNIDO, as an organization in the United Nations common system. According to staff regulation 13.3, the Director-General is authorized within the budgetary level approved by the General Conference, to make appropriate amendments to schedules and annexes of the staff regulations so as to bring them into conformity with any relevant decisions that may be taken by the General Assembly on recommendation of the ICSC. In compliance with the aforementioned regulation, the Director-General reports annually on such amendments to the Board.

Salary scale for staff in the Professional and higher categories

9. **Schedule I to the staff regulations.** The concept of the base/floor salary scale was introduced by the General Assembly in resolution 44/198, section I.H., of 21 December 1989. The scale is set by reference to the salary scale of the comparator civil service (the federal civil service of the United States of America) in Washington, D.C. Periodic adjustments are made on the basis of a comparison of net base salaries of United Nations officials with the corresponding salaries of their counterparts in the United States federal civil service.

³ UNIDO/IC/2011/14 of 14 December 2011, entitled “Competency Framework – UNIDO core values and competencies”.

⁴ UNIDO/AI/2012/02 of 15 May 2012 on the “Framework for the Recruitment and Administration of Personnel under Individual Service Agreement (ISA)”.

10. By resolution 66/235 of 24 December 2011, the General Assembly approved, with effect from 1 January 2012, an increase of 0.13 per cent in the base/floor salary scale for staff in the Professional and higher categories. In accordance with the established practice, the revised base/floor salary scale has been implemented on a “no loss, no gain” basis. Consequently, concomitant with the introduction of the revised base/floor salary scale on 1 January 2012, post adjustment multipliers applicable at all duty stations have been scaled down. The total net remuneration amount (base salary plus post adjustment) has therefore remained unchanged. However, the new salary scale will result in some gains under different elements of the separation benefits for eligible staff. The costs of such increases can be absorbed under the existing budgetary provisions.

11. The revised base salary scale for staff in the Professional and higher categories, effective 1 January 2012 is set out in annex I. It has been implemented with the January 2012 payroll.

Staff assessment for staff in the Professional and higher categories

12. **Schedule III to the staff regulations.** By resolution 66/235 of 24 December 2011, the General Assembly approved with effect from 1 January 2012 the new scale of staff assessment for staff in the Professional and higher categories. The new scale of staff assessment applies only to gross salaries of staff in the Professional and above category and results in lower gross salaries with no impact on net salaries of staff in the Professional and higher categories.

13. The revised rates of staff assessment used in conjunction with gross salaries and the gross amounts of separation payments effective 1 January 2012 are shown in annex II.

III. Matters related to the staff rules

14. In compliance with staff regulation 13.4, the Director-General also reports annually to the Industrial Development Board those staff rules and amendments made thereto in order to implement the staff regulations.

Salary scale for staff in the General Service category

15. **Appendix A to the staff rules.** In accordance with the Flemming principle, General Service (GS) staff shall have pay and other conditions of employment that match the best on offer at the duty station. The principle was first stated in 1949 by a body of experts on pay established by the United Nations General Assembly. It is the cornerstone of the methodology employed by the International Civil Service Commission (ICSC) for local salary surveys, which are conducted by the ICSC at all headquarter and field duty stations on a periodic basis. During the periods between the salary surveys, the GS salary scale is subject to interim adjustments, which should be made on the basis of movements of an appropriate wage or price index or a combination of indices.

16. According to the ICSC methodology, the interim adjustment to the GS salary scale in Vienna is based on the movement of the combined indices, namely the local consumer price index and the local wage index for office workers. The previous interim adjustment to the Vienna GS salary scale was effected in November 2010. Based on the officially published movements of the local consumer price index and of the local wage index for office workers in the period November 2010 to October 2011, the VIC-based organizations (VBOs) agreed that the GS salary scale in Vienna was due for the next interim adjustment on 1 November 2011 and that the revised salary scale should reflect an increase of 2.81 per cent.

17. The revised GS salary scale, which has been implemented effective 1 November 2011, is set out in annex III to this document. The increased costs under the revised salary have been estimated at €67,000 for the remainder of 2011 and at about €390,000 per year, including €320,000 under the UNIDO regular budget and €70,000 under the UNIDO operational budget.

Scale of pensionable remuneration for the Professional and higher categories

18. **Appendix C to the staff rules.** In accordance with article 54 (b) of the Regulations of the United Nations Joint Staff Pension Fund, the scale of pensionable remuneration should be adjusted on the same date as the net remuneration amounts (base salary plus post adjustment) of officials in the Professional and higher categories in New York are adjusted.

19. With effect from 1 August 2011, the post adjustment multiplier for New York was revised from 61.3 to 65.7. Accordingly, the ICSC has promulgated the revised scale of pensionable remuneration effective 1 August 2011, which is shown in annex IV to the present document. The increased costs under the revised scale of pensionable remuneration have been estimated at €52,000 for the remainder of 2011 and at about €177,500 for the biennium 2012-2013, including €147,500 under the UNIDO regular budget and €30,000 under the UNIDO operational budget.

Staff Performance Appraisal System

20. **Appendix M to the staff rules and staff rules 103.10, 104.08, 106.02 and 110.05.** Appendix M to the staff rules and the aforementioned staff rules have been changed to reflect the introduction of a new Staff Performance Management (SPM) system, which supports and reinforces results-based performance management with relevant consequences such as within-grade salary increments and extension of appointments. The SPM system has been promulgated as an integral part of the UNIDO Programme for Change and Organizational Renewal (PCOR).

21. The revised texts of appendix M and of the staff rules are shown in annexes V to IX to the present document. The new text is underlined and deletions are shown in square brackets.

IV. Action required by the Board

22. The Board may wish to consider the adoption of the following draft decision:

“The Industrial Development Board:

- (a) Takes note of the information contained in document IDB.40/18;
- (b) Notes the amendments to Schedules I and III to the staff regulations, made in compliance with staff regulation 13.3;
- (c) Also notes the amendments to the appendices A, C and M to the staff rules and to staff rules 103.10, 104.08, 106.02 and 110.05, made in compliance with staff regulation 13.4.”

Annex I

Schedule I to the staff regulations

Salary scale for the Professional and higher categories showing annual gross salaries and the net equivalents after application of staff assessment
(United States dollars)
Effective 1 January 2012

		S T E P S														
LEVEL		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII	XIV	XV
D-2	Gross	141 227	144 223	147 221	150 227	153 351	156 476									
	Net D	112 096	114 283	116 471	118 659	120 846	123 033									
	Net S	102 981	104 827	106 666	108 500	110 329	112 147									
Principal Officer																
D-1	Gross	129 047	131 678	134 304	136 936	139 568	142 197	144 830	147 459	150 093						
	Net D	103 204	105 125	107 042	108 963	110 885	112 804	114 726	116 645	118 565						
	Net S	95 394	97 062	98 728	100 388	102 047	103 702	105 349	106 996	108 638						
Senior Officer																
P-5	Gross	106 718	108 955	111 195	113 430	115 670	117 905	120 147	122 384	124 622	126 860	129 099	131 336	133 575		
	Net D	86 904	88 537	90 172	91 804	93 439	95 071	96 707	98 340	99 974	101 608	103 242	104 875	106 510		
	Net S	80 734	82 186	83 633	85 079	86 524	87 963	89 402	90 838	92 272	93 703	95 132	96 556	97 981		
First Officer																
P-4	Gross	87 933	89 929	91 924	93 919	95 916	97 910	99 908	102 059	104 219	106 377	108 540	110 696	112 856	115 018	117 178
	Net D	72 467	74 044	75 620	77 196	78 774	80 349	81 927	83 503	85 080	86 655	88 234	89 808	91 385	92 963	94 540
	Net S	67 483	68 918	70 354	71 784	73 215	74 645	76 074	77 500	78 924	80 349	81 770	83 191	84 612	86 030	87 447
Second Officer																
P-3	Gross	72 267	74 114	75 962	77 808	79 657	81 503	83 348	85 199	87 046	88 892	90 742	92 586	94 437	96 282	98 128
	Net D	60 091	61 550	63 010	64 468	65 929	67 387	68 845	70 307	71 766	73 225	74 686	76 143	77 605	79 063	80 521
	Net S	56 091	57 433	58 777	60 118	61 462	62 803	64 143	65 488	66 828	68 170	69 508	70 847	72 182	73 521	74 859
Associate Officer																
P-2	Gross	59 267	60 920	62 571	64 225	65 877	67 528	69 182	70 832	72 485	74 139	75 790	77 443			
	Net D	49 821	51 127	52 431	53 738	55 043	56 347	57 654	58 957	60 263	61 570	62 874	64 180			
	Net S	46 730	47 915	49 096	50 279	51 461	52 645	53 847	55 046	56 251	57 452	58 650	59 854			
Assistant Officer																
P-1	Gross	46 399	47 878	49 348	50 891	52 476	54 063	55 653	57 243	58 827	60 415					
	Net D	39 439	40 696	41 946	43 204	44 456	45 710	46 966	48 222	49 473	50 728					
	Net S	37 202	38 359	39 516	40 671	41 827	42 982	44 138	45 280	46 416	47 553					

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

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

Annex II

Schedule III to the staff regulations — Staff assessment (*continued*) (in percentages)

Staff assessment rates used in conjunction with gross base salaries and the gross amounts of separation payments

A. (i) Staff assessment rates for staff members with dependants

Total assessable payments (US dollars)	Staff member with a dependent spouse or a dependent child (per cent)
First \$50,000 per year	[19] <u>15</u>
Next \$50,000 per year	[28] <u>21</u>
Next \$50,000 per year	[32] <u>27</u>
Remaining assessable payments	[35] <u>30</u>

B. Staff assessment for staff members without dependants

Staff assessment amounts for staff members with neither a dependent spouse nor a dependent child are equal to the differences between the gross salaries at different grades and steps and the corresponding net salaries at the single rate.

(ii) The assessment shall be calculated at the following rates for staff whose salary rates are established under regulation 6.5 (a) of the present regulations:

Total assessable payments (US dollars)	Assessment (per cent)
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

(iii) The Director-General shall determine which of the scales of assessment set out in (i) and (ii) above shall apply to staff whose salary rates are established under regulation 6.4 or 6.6 of the present regulations.

Annex III

Appendix A to the staff rules

Salary scales for staff in the General Service category showing annual gross,
gross pensionable and net salary after application of staff assessment
(Euros)
Effective 1 November 2011

		STEPS											
		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII*
G-1	Gross	28 149	29 071	30 019	30 978	31 938	32 897	33 857	34 816	35 776	36 735	37 695	38 654
	Gross pens.	27 671	28 594	29 518	30 441	31 364	32 287	33 211	34 135	35 058	35 981	36 905	37 828
	Net	22 262	22 972	23 682	24 392	25 102	25 812	26 522	27 232	27 942	28 652	29 362	30 072
G-2	Gross	32 818	33 928	35 039	36 150	37 261	38 372	39 482	40 593	41 704	42 815	43 926	45 109
	Gross pens.	32 210	33 279	34 347	35 414	36 482	37 550	38 619	39 687	40 754	41 822	42 890	43 958
	Net	25 753	26 575	27 397	28 219	29 041	29 863	30 685	31 507	32 329	33 151	33 973	34 795
G-3	Gross	38 273	39 562	40 851	42 141	43 430	44 768	46 151	47 533	48 916	50 299	51 681	53 064
	Gross pens.	37 455	38 694	39 932	41 171	42 410	43 649	44 887	46 126	47 364	48 649	49 937	51 227
	Net	29 790	30 744	31 698	32 652	33 606	34 560	35 514	36 468	37 422	38 376	39 330	40 284
G-4	Gross	44 636	46 236	47 836	49 436	51 036	52 636	54 236	55 836	57 436	59 036	60 636	62 236
	Gross pens.	43 530	44 964	46 398	47 846	49 339	50 831	52 324	53 816	55 308	56 800	58 291	59 784
	Net	34 469	35 573	36 677	37 781	38 885	39 989	41 093	42 197	43 301	44 405	45 509	46 613
G-5	Gross	52 478	54 328	56 177	58 026	59 875	61 725	63 574	65 423	67 272	69 122	70 971	72 820
	Gross pens.	50 685	52 409	54 133	55 858	57 582	59 306	61 030	62 754	64 478	66 202	67 927	69 651
	Net	39 880	41 156	42 432	43 708	44 984	46 260	47 536	48 812	50 088	51 364	52 640	53 916
G-6	Gross	61 558	63 696	65 833	67 971	70 109	72 246	74 384	76 522	78 659	80 797	82 935	85 072
	Gross pens.	59 150	61 143	63 137	65 130	67 124	69 116	71 110	73 241	75 378	77 516	79 655	81 792
	Net	46 145	47 620	49 095	50 570	52 045	53 520	54 995	56 470	57 945	59 420	60 895	62 370
G-7	Gross	72 049	74 528	77 006	79 484	81 962	84 441	86 919	89 397	91 875	94 354	96 832	99 310
	Gross pens.	68 937	71 249	73 728	76 205	78 682	81 159	83 637	86 113	88 591	91 068	93 545	96 021
	Net	53 384	55 094	56 804	58 514	60 224	61 934	63 644	65 354	67 064	68 774	70 484	72 194

*Long-service step

The qualifying criteria for in-grade increase from step XI to step XII are as follows:

- The staff member should have had at least 20 years of service within the United Nations common system and five years of service at step XI of the current grade;
- The staff member's service should have been satisfactory.

Language allowance: for the first additional language, 1,651 euros

per year net, for the second additional language, 825 euros (to be included in pensionable remuneration).

Increment: Salary increments within the levels shall be awarded annually, on the basis of satisfactory service.

Non-resident's allowance: 1,889 euros per year net (to be included in pensionable remuneration) for eligible staff appointed prior to 1 September 1983 and nil thereafter for staff serving in Vienna.

Annex IV**Appendix C to the staff rules**

Scale of pensionable remuneration for the Professional and higher categories
 (For purposes of pension benefits and pension contributions)
 (United States dollars)
 Effective 1 August 2011

LEVEL	STEPS														
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII	XIV	XV
D-2	227 281	232 449	237 614	242 774	247 938	253 101									
D-1	206 583	210 820	215 057	219 284	223 520	227 966	232 507	237 046	241 577						
P-5	171 902	175 504	179 105	182 712	186 313	189 916	193 516	197 123	200 724	204 327	207 931	211 542	215 404		
P-4	140 318	143 791	147 256	150 723	154 199	157 663	161 132	164 605	168 071	171 537	175 003	178 484	181 947	185 417	188 888
P-3	115 324	118 272	121 214	124 153	127 101	130 043	132 986	135 934	139 014	142 235	145 452	148 668	151 888	155 105	158 323
P-2	94 612	97 251	99 879	102 513	105 146	107 778	110 410	113 040	115 676	118 309	120 938	123 573			
P-1	73 674	76 210	78 739	81 267	83 799	86 326	88 862	91 388	93 919	96 448					

Annex V

Appendix M to the staff rules

Staff Performance Appraisal System

(a) As stipulated in staff rule 104.08, the service and conduct of staff members shall be the subject of [appraisals made from time to time by their supervisors] regular appraisals under the Staff Performance Management system (SPM). The SPM is an integral part of UNIDO's programme for Change and Organizational Renewal and supports and reinforces results-based management with meaningful and relevant consequences.

[(b) Performance appraisals will be made on the following occasions:

- (i) After 12 months of probationary service, where applicable;
- (ii) On an annual basis.]

(b) A normal performance cycle shall cover a 12 months period, normally beginning on 1 January and ending on 31 December of the same year. The formal review and assessment of the staff member's performance during a normal performance cycle occurs in three phases, namely the Start of the Cycle (SOC) from 1 January to 31 March, the Midterm Review (MTR) from 1 July to 31 August, and the End of the Cycle (EOC) from 1 December to 28 February.

[(c) In addition, unless an appraisal has been made during the last six months, it will be required on the following occasions:

- (i) If the staff member is assigned to another organizational unit within the UNIDO Secretariat, to another duty station or to a mission for a period of six months or longer;
- (ii) If the staff member is transferred to another organization of the United Nations common system or separates from service;
- (iii) If the immediate supervisor is about to leave on another assignment or to be separated from the Secretariat.]

(c) In case the SPM is required at a time when the normal performance cycle may not be possible (e.g. at the entry of new staff, reassignment of serving staff, change in first reporting officers, planned or unplanned absences), the performance period covered by a performance document may not be shorter than six months and not longer than 17 months. Therefore, if at least six months are left within a given year, the performance document shall cover such a period. If there are less than six months left during the given year, this period shall be added to the next year.

[(d) If the staff member, upon receipt of the appraisal, does not agree with its content, he or she may submit, within one month, a statement of explanation. The statement of explanation can relate to any comment or rating in the appraisal; it will be placed on the staff member's Official Status File. It is, however, not a rebuttal.]

(d) At the end of the cycle, two overall ratings are established in the SPM of a staff member, i.e. one for the achievement of the results under the compact and the other for the demonstration of core values and competencies as applicable under UNIDO's competency framework.

[(e) A rebuttal may be submitted within one month of receipt of the appraisal if the staff member has received and does not agree with a summary evaluation given in part VI which indicates that the performance needs improvement or is unsatisfactory. The rebuttal may cover one or all parts of the appraisal.]

(e) The definitions of the performance ratings are established as follows:

- For the achievement of the results of the compact:
 - Five (5): Extraordinary achievement of results: Results achieved under the compact are considered extraordinary in terms of consistently surpassing all expectations or in terms of impact on organizational performance;
 - Four (4): Exceptional achievement of results: Results achieved under the compact are considered exceptional in terms of surpassing targets in quality or quantity;
 - Three (3): Full achievement of results: Results achieved under the compact are fully achieved in terms of quality or quantity;
 - Two (2): Partial achievement of results: Results achieved under the compact are meeting over half of the requirements but not all;
 - One (1): Non-achievement of results: Results achieved under the compact are not meeting at least half of the requirements.
- For the performance in the core values and competencies:
 - Five (5): Extraordinary proficiency: Consistently demonstrates all behavioural indicators, impacting own results as well as the performance of others;
 - Four (4): Exceptional proficiency: Consistently demonstrates all behavioural indicators;
 - Three (3): Proficient: Consistently demonstrates more than half, but not all of the behavioural indicators;
 - Two (2): Developing proficiency: Demonstrates half of the behavioural indicators;
 - One (1): Not proficient: Demonstrates less than half of the behavioural indicators.

[(f) The rebuttal is a formal procedure of investigation by a panel of three persons selected by the staff member from a list of five persons normally senior in grade to the staff member. The list will be proposed by the reviewing officer. Following the investigation the panel will submit its report to the reviewing officer, who will record his or her appraisal in writing.]

(f) When one or both of the final overall ratings is “1” or “2”, a performance improvement period of six months is applicable during the extension of the probationary period by six months. A performance improvement period of minimum six months and maximum 12 months is applicable for a staff member on a fixed-term contract whose probationary period has been confirmed.

[(g) The within-grade salary increment provided for in staff regulation 6.1 and staff rule 106.01 shall be withheld if the summary evaluation given in part VI of the staff performance appraisal is that the performance needs improvement or is unsatisfactory.]

(g) A staff member, who has received “1” or “2” as final performance ratings and is not in agreement with one or both of these ratings, may submit a rebuttal within 30 calendar days from the final notification transmittal date by the second reporting officer.

[(h) Special reports shall be made by the head of the division in the form of a memorandum relating directly to the facts requiring the action when:

(i) Events warranting the withholding of the salary increment occur subsequent to the most recent performance appraisal which would otherwise have served as the basis for the salary increment;

(ii) There is a recommendation for termination of appointment for unsatisfactory service.]

(h) A rebuttal panel is established at UNIDO headquarters and constitutes a pool of ten members, who shall be serving staff members of UNIDO. A rebuttal case shall be reviewed by a sub-panel comprising of three members selected from the pool, who shall submit their recommendations to the Director, Human Resource Management Branch for a final decision.

[(i) Within one month of receipt of the special report, the staff member may submit a rebuttal, which will also be subject to investigation by a rebuttal panel as referred to in paragraph (f) above.]

[(j) A staff member may request a special report in respect of any assignment of less than six months in another organizational unit.]

Annex VI

Staff rule 103.10

Fixed-term appointments

(a) On recruitment, staff members shall be granted a fixed-term appointment[s for a fixed term. The fixed-term appointment, having an expiration date specified in the letter of appointment, shall] normally [be granted] for a period of three years, with the first 12 months being a probationary period [that can in exceptional circumstances be extended for an additional period up to one year] referred to in paragraph (c).

(b) [The fixed-term appointment does not carry any expectancy of renewal or conversion to another type of appointment.] In the interest of the programme activities of the Organization and subject to the performance ratings outlined in the provisions of staff rule 104.08 and Appendix M to the staff rules as well as [satisfactory performance and] budgetary coverage, the fixed-term appointment[s shall normally] may (i) be extended for a period of normally three years, (ii) be extended for a period of less than three years, (iii) be allowed to expire, or (iv) be terminated prior to its expiration date in accordance with staff regulation 10.3(c). Extensions of fixed-term appointments exceeding the normal three-year period up to a maximum of five years may exceptionally be granted under conditions established by the Director-General. For staff appointed under the Young Professionals Programme the three-year period is the maximum duration of employment under this programme.

[(c) Non-extension of fixed-term appointments does not entail payment of an indemnity.]

Probationary period

[(d)] (c) All initial fixed-term appointments with a duration of three years shall be subject to a period of probationary service covering the first 12 months of the appointment. At the end of the period of probationary service, the results of the staff member's performance reflected in the overall rating for the compact and overall rating for the demonstration of core values, core competencies and managerial competences as applicable, shall determine [an assessment will be made of the staff member's performance and conduct with a view to determining] the staff member's suitability for continued service under the fixed-term appointment and whether (i) the appointment be confirmed, (ii) the probationary period be extended to cover a performance improvement period of maximum six months, or (iii) the appointment be [. On the basis of the assessment, the fixed-term appointment may be confirmed or] terminated in accordance with staff regulation 10.3(d). [In exceptional circumstances, the probationary service may be extended for an additional period up to one year.]

(e) (i) Recommendations proposing the confirmation of fixed-term appointments with a duration of three years on the grounds that the holder of the appointment has successfully completed the period of probationary service may be made to the Director-General by agreement between the Human Resource Management Branch and the office concerned;]

[(ii) In the absence of an agreed favourable recommendation as provided in subparagraph (e)(i) above, the appointment of the staff member shall be terminated and the matter shall be referred to the appeal procedures should the staff member concerned so wish.]

Annex VII

Staff rule 104.08

Service and conduct reports

[(a)] The service and conduct of a staff member shall be the subject of appraisals [made from time to time by the staff member's supervisors as described in appendix M to the Staff Rules] under the Staff Performance Management system (SPM). Satisfactory service for the purposes of the SPM is defined as the achievement of overall performance ratings of "3", "4" or "5" as described in Appendix M to the Staff Rules. The staff member has the right of rebuttal with respect to one or both final overall ratings, if they are "1" or "2", in accordance with the provisions set forth in Appendix M to the Staff Rules. [Such appraisals shall be shown to the staff member and, subject to his or her right of rebuttal in accordance with the provisions set forth in appendix M to the Staff Rules, shall form a part of his or her permanent cumulative record.]

[(b)] The performance appraisal shall serve to ensure that the staff member's assigned work is effectively and efficiently carried out and also to provide a basis for career counselling for the staff member.]

Annex VIII

Staff rule 106.02

Conditions for salary increments

(a) Satisfactory service for the purpose of awarding a salary increment shall be defined, unless otherwise decided by the Director-General in any particular case, as the achievement of overall performance ratings of “3”, “4” or “5” as described in Appendix M to the Staff Rules, for the most recent completed performance cycle. To ensure that increments are considered following an up-to-date performance document, the same performance document should normally not be considered for more than one increment [satisfactory performance and conduct of staff members in their assignments as evaluated by their supervisors in the most recent annual staff performance appraisal].

(b) No change.

Annex IX

Staff rule 110.05

Expiration of fixed-term appointments

(a) A fixed term appointment does not carry any expectancy of renewal or conversion to another type of appointment. It shall expire automatically and without prior notice on the expiration date specified in the letter of appointment. [(b)] Separation as a result of the expiration of a fixed term appointment shall not be regarded as a termination within the meaning of the Staff Regulations and Staff Rules. Accordingly, non-extension of fixed-term appointment does not entail payment of any indemnity.

[(c)] (b) Notwithstanding the terms of (a) above and in the interests of sound management, every effort shall be made to inform staff members who have held fixed-term appointments for a continuous period of five years or more of the outcome of the review of their contractual status reasonably in advance of the expiration of their appointment.
