

FICSA CIRCULAR



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To: Chairs, Member Associations/Unions
Chairs, Members with Associate Status
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Presidents, Federations with observer status
Chairs and Vice-Chairs, Standing Committees
Members of the Executive Committee/Regional Representatives

From: Brett Fitzgerald, Acting General Secretary

*** Revision ***

**REPORT BY THE FEDERATION OF INTERNATIONAL CIVIL SERVANTS' ASSOCIATIONS (FICSA)
ON ITS PARTICIPATION IN
THE 80TH SESSION OF THE INTERNATIONAL CIVIL SERVICE COMMISSION (ICSC)¹**

(UNHQ New York, 16 to 27 March 2015)

The Chair welcomed the participants and thanked the United Nations for providing the facilities for the session.

Statement of the Secretary-General

1. The Chef de Cabinet of the UN Secretary-General opened the session and thanked all the members of the Commission for their work and congratulated the re-elected Chair and Commissioners.
2. In closing, the Chef de Cabinet expressed the Secretary-General's appreciation for the efforts of the Commission to seek the views of staff, human resources practitioners and executive heads through establishing working groups for the continued exchange of ideas and dialogue with regards to the Compensation Review.
3. The Chef de Cabinet thanked the Commission for its dedication in undertaking such a complex and challenging task and wished it every success in its deliberation.

Statement of the Chair of the ICSC

¹ FICSA statement, ref. FICSA/CIRC/1193.

4. The Chair thanked the Chef de Cabinet for opening the session. On behalf of his fellow Commission members he welcomed the re-elected Commissioners Ms. Marie-Françoise Bechtel (France), Ms. Carleen Gardner (Jamaica) and Mr. Eugeniusz Wyzner (Poland).

5. The Chair reported on some of the activities which occupied the secretariat since the last session, mainly the decision of the General Assembly; the hardship review of the Working Group on conditions of life and work in field duty stations; briefings to Members States on various aspects of the common system compensation package; and the survey of best prevailing conditions of employment in Kingston, Jamaica.

6. With respect to the review of the common system compensation package, the Chair reported that since the last session in Rome there had been two working group meetings: one on Working Group (1), remuneration structure, and the second on Working Group (3), performance incentives and other human resources issues, as well as the annual Advisory Committee on Post Adjustment Questions (ACPAQ, 37th Session). The findings of the working groups will now be discussed in the 80th session of the ICSC and will help in setting the way forward in the revision of the Compensation Package.

7. The Chair emphasized that with limited resources and a tight timeframe, the Commission would be obliged to work in cooperation with the organizations and staff federations as intensely and efficiently as possible to produce an improved compensation system that would respond to the needs of all stakeholders.

8. In concluding, the Chair made reference to the Secretary-General's Sustainable Development Goals (SDGs) and targets to continue the development agenda advanced by the Millennium Development Goals (MDGs). He added that applying scientific and evidence-based tools to implement the SDGs would be critical in the next decade. Consequently, Member States would be in need of expert assistance from the UN and other organizations in this and other areas. The Chair added that the Secretary-General had reiterated that more was expected from organizations (document A/69/700) and that in order for new goals to be delivered, a United Nations "fit for purpose" was required; one that was innovative, results-oriented, and responsive to the differentiated needs of countries. Such a system would depend on a skilled, high-performing workforce, able to provide specialized advice and better support for the diverse Member States in addressing the complex challenges. In the Chair's view, it was apparent that SDGs were likely to broaden the mandates of many organizations. It was also evident from the ongoing high-level discussions of the SDGs that the effective implementation of the post-2015 agenda would not be successful without a highly competent and motivated workforce.

9. Finally, the Chair voiced his optimism that discussions during the session would yield a compensation package that would be modern, transparent, competitive, cost effective and sustainable and which would ensure the continuing ability of the organizations to effectively deliver their mandates.

Views of the organizations

10. The Co-Chair of the Human Resources Network expressed pleasure in addressing the Commission. She congratulated all of the newly re-elected members of the Commission and wished them every success. She further informed the Commission of the recent change in leadership in the CEB HR Network, namely the three new chairpersons over the next two years –

Ms. Carole Wainaina, ASG for Human Resources Management in the UN Secretariat, Ms. Karen Farkas, HR Director of UNHCR for the UN Funds & Programmes and Mr. Mark Levin, HR Director of the ILO for the Specialized Agencies.

11. She then turned her attention to the review of the common system compensation package and reported that it had been the focus of the HR Network during the past few months. The Network had met in Madrid two weeks prior to the Commission's session. It had been an engaging and constructive meeting. The HR Directors had also met at a Workshop in November 2014 in order to align their views and prepare further input from the organizations for the review; this was in addition to the active participation of the organizations in the ICSC working groups in November 2014 and February 2015 and a number of additional HR Network discussions. The Network therefore looked forward to participating in discussions on the review later in the sessions.

12. The spokesperson made reference to the progress that Member States had made in the definition of a post-2015 UN Development Agenda. She added that, the development represented the cornerstone of the work of the common system organizations in the years ahead. Executive heads of the organizations in the Chief Executives Board had initiated preparatory work to ensure that the organizations were "fit for purpose" to successfully deliver their mandates in the post-2015 period. The excellence and motivation of staff as well as flexible and high quality practices in human resources management would be critical prerequisites for such "fit for purpose" operations, thus the success of the review would depend on a compensation package adequately devised and structured so that it would be "fit for purpose".

13. The spokesperson further clarified the Network's position by emphasizing that the review should not be constrained by the present structure and practices with regard to compensation and the risk of looking solely for short-term cost cutting. While organizations understood and appreciated the financial constraints of Member States and were fully committed to finding solutions that improved financial predictability and provided tools for mid-term cost control, the Network hoped that all relevant proposals would support geographic mobility of staff and service in hardship duty stations. Organizations looked forward to a comprehensive package that would also lead to efficiencies through the reduced administrative cost of a simplified and more transparent package. The spokesperson further emphasized that organizations looked forward to a new compensation system that would be cohesive at the core but allow for sufficient flexibility to cater for the broad range of mandates and operational challenges of common system organizations. The ultimate expectation was a new model which would maintain the attractiveness and competitiveness of common system organizations in a diverse labour market. While organizations acknowledged that a number of the proposals for consideration by the Commission supported these objectives, some elements such as the hardship scheme or the current proposals on relocation entitlements would need considerable additional discussion in order to arrive at final proposals that would be supported by the organizations.

14. Through its ongoing Working Group on performance management, the Network was working on a set of common criteria for enhancing performance management systems. It was carefully monitoring the outcome of the pilot of UNOPS and IFAD on performance-based pay elements. The organizations were of the view that a new compensation system would benefit from the inclusion of certain performance-based pay elements, and HR Network was committed to continuing its work to improve preparedness for the implementation of such elements over the next few years.

15. While stating that the implementation of a new compensation package was a major and critical change management initiative for organizations and staff, the spokesperson drew the attention of members of the Commission to creating an implementation strategy involving transitional measures as well as a communication strategy as they believed that those would be critical to the success of the review. The Network was concerned about resources which would be needed to adapt the new package to existing systems and volunteered assistance in devising a plan before a final proposal would be sent to the General Assembly. The spokesperson reassured members of the Commission that the Network would continue to be supportive of the compensation review stating that members had valued working in continued partnership with the Commission, especially as it would be highly desirable to arrive at fully-costed, fact-based proposals with a clear and agreed transition and implementation path. Moreover, these proposals would have to be based on the broadest possible consensus of all involved parties.

Views of the staff representatives

16. All staff federations congratulated the newly re-appointed Commissioners and wished them success. With respect to the review of the common system compensation package, they had a number of concerns. The representative of the Federation of International Civil Servants' Associations (FICSA) recalled that due to their dissatisfaction with the manner in which decisions at the Working Group on the remuneration structure had been taken, all staff federations had walked out. They were of the view that members of the Commission participating in the Working Group were not open to all opinions expressed. The representative further recalled that although the representative of the Coordinating Committee for International Staff Unions and Associations of the United Nations System (CCISUA) and himself had assisted in drafting the Working Group report, they were both surprised by what was finally circulated by the secretariat as it did not fully reflect the discussions held and concerns expressed during the meeting. He expressed further disappointment because he believed that the review had turned out to be a cost-cutting exercise and that the sustainability of the common system would not be safeguarded since it would lose its competitive edge as a result of the cuts. In this regard, he turned his attention to the issue of the education grant scheme. While acknowledging that there was a need to simplify the scheme, he was concerned about the limits placed on admissible expenses and the changes being proposed regarding the cost sharing under the grant. In the representative's view the current cost-sharing ratios should be maintained and should not be the subject of discussion. Finally, he assured the Commission he was aware that there was less than six months left to complete the review and that his Federation would continue to be cooperative and committed to finalizing the package on time.

17. In addition to voicing similar concerns to those expressed by FICSA, the representative for CCISUA recalled the rationale for and the attributes of the review, and that the definition of cost containment meant keeping costs under control, not cutting costs. He pleaded with the Commission to take into account the Secretary-General's wish to attract the "best talent" of the "highest caliber". He referred to a survey which CCISUA had conducted in which 9,800 staff in the Professional and Field categories voiced concerns about the proposed removal of the recuperation framework, reduction of hardship levels cuts to the assignment grant and decompression of the salary scale to the benefit of some and the detriment of others. According to him, in the opinion of the staff surveyed, the new package was neither modern nor "fit-for purpose". He also made suggestions in the areas of education grant and leave. He suggested

that the education grant should cover pre-primary child care and that maternity leave should be extended following the practice in UNICEF as recommended by WHO.

A. Staff survey

18. FICSA and CCISUA had conducted a global staff survey, in response to the on-going comprehensive review of the common system compensation package, open to all staff in the P and National Professional Officer (NPO) categories and in all locations, in order to obtain staff's perspective in areas of concern linked to both compensation and performance management issues.

19. The key findings of the staff survey, which included data from approximately 9,000 staff, were presented by the President of CCISUA at the session. They showed that the overall level of engagement among the United Nations common system staff members was high with the feeling that the new compensation package would not be competitive enough to attract and retain staff of the highest calibre.

20. The Commission appreciated the detailed presentation of the survey results and underscored that the exercise of the compensation review was extremely complex, requiring information from different sources. One important source was the views of the staff members who were the most important asset of the organizations and who enabled them to carry out their mandates.

21. The Commission considered the survey to be useful, offering information on a number of elements that could help shape further work on the compensation review.

B. The Working Groups on the compensation package

As background for the ICSC discussion on the comprehensive review, the reports of the two working group meetings held since the 79th session were presented. The Commission then systematically took up the topics of the comprehensive review.

I. The remuneration structure, including post adjustment WG (1):

22. The objectives of the meeting were to identify ways of cutting costs. The staff representatives had walked out of the meetings and had made their opinions known to Member States. In the view of FICSA the recommendations of Working Group 1 did not reflect the views of the staff and in most cases did not even reflect the organization's views.

II. Performance incentives and other human resources issues WG (3):

23. The Working group was far more positive than the previous working group and concluded with the following:

(a) Within grade step increments, irrespective of the periodicity, should be used as a true performance-based incentive and only granted to those staff members whose performance appraisals were rated "fully satisfactory" and above. This could be a major concern in some organizations depending on how this rating is given. If any blemish can be used to say "not fully satisfactory, step increases could be blocked. The Working Group also felt the use of accelerated

step increments for other types of incentives such as language incentives should be avoided. These could be addressed through other types of non-pensionable cash or non-cash awards.

(b) The granting of step increments should be linked to the performance cycle. This would avoid the automatic granting of pay increases on the staff member's anniversary date and would reflect a true merit based increase. However, it was noted that this might raise some administrative issues which would have to be examined by organizations before any changes could be implemented.

(c) Central review boards or similar monitoring mechanisms should be instituted to oversee the granting of cash-merit awards to ensure consistency of approach across the organizations.

(d) The Working Group concluded that retention did not seem to be a problem within the UN, no incentive was necessary for this purpose. While for relocation, the mobility and hardship allowance was in place for this purpose. Other existing mechanisms should be applied or strengthened if necessary. Finally, it was agreed that additional incentives could be granted in the circumstances where highly specialized expertise was needed and where the normal channel did not yield appropriate candidates. The additional incentive scheme for recruitment of certain top expertise would be assessed after three years by the Commission to determine if it had made a difference in attracting the right staff. With regard to the recruitment incentive, appropriate written documentation should be in place and it should not exceed 25% of annual net base salary for each year of the agreed contract. The Commission would request organizations to report periodically on payment of such additional incentives. The scheme would be reviewed and assessed after a period of three years.

(e) The Working Group agreed that the revised framework would be submitted to the Commission for approval (Annex).

(f) The Working Group concluded that while there was a clear need to review the utilization, compensation, conditions of service and other issues affecting the NPO category, this should be done within the context of a comprehensive analysis of the use of all categories of staff in the UN common system. This would be best accomplished through the formation of a working group specifically convened for that purpose. In terms of timeframe for conducting such a review, it was generally felt that the process should begin early. It decided that it would make recommendations to the Commission accordingly.

(g) The working group agreed that the ICSC framework and the three types of appointments outlined therein provided sufficient flexibility to accommodate organizations' needs for appointments of limited or temporary duration and should be maintained.

III. The Commission deliberations and recommendations:

1. Dual salary scales

24. To adopt one net salary with a dependent spouse allowance set at 6 per cent of base pay plus post adjustment. The new salary scale would start from the Dependants rate less 6 per cent which meant in most cases that single staff would gain while married staff would keep the same remuneration. For married staff this would result in a 6 per cent loss in termination indemnity.

25. The Working Group (2) on competitiveness and sustainability would review the scale to ensure that no current staff would lose any money and would fine tune the proposed salary scale. With respect to acquired rights, the Chairman of the Commission, although hesitant to make any definite statements pending legal advice following the finalization of the recommendations, indicated that existing staff salaries would be protected, although allowances could be adjusted.

2. Scale structure

26. The general structure of the salary scale was reviewed. This related both to the number of grades and steps; accordingly the Commission agreed that a scale with the current grades be maintained with 13 steps at each grade except at the D-2 level where it would end with 10 steps.

27. However, this would disadvantage the majority of staff who were placed at the P-3 and P-4 levels who, under the current system, went up to steps 14 and 15. This would be a step backwards for staff in the system at the most populated grades. It went without saying that current staff would not lose out from their current salaries but would lose out in the future when they would no longer get those steps. This would be raised at the Working Group 2 on competitiveness and sustainability.

28. Adding steps at the D-1 and D-2 levels would give the view of paying the rich and making the poor poorer; which would consequently mean a pay raise for ASGs and USGs of about 8 per cent.

3. Performance management

29. Following the discussion above, some Commission members were of the view that the lack of promotion would result in a decrease in motivation which would then negatively impact performance. In this regard, a view was expressed that a system of career progression should be explored whereby staff would have upward mobility based on their growth in competence rather than based on seniority. Another view was that an increased number of grades would give staff more hope for career progression. Yet, there was also an opinion that not all organizations needed to have a pyramid structure with a rigid structure for promotion. The Commission concluded:

- (a) Modify the granting of within-grade step increments annually from step 1 to step 7, and biennially thereafter;
- (b) Discontinue the practice of granting accelerated step increments as incentive as currently practiced in the area of language proficiency;
- (c) Approve the introduction of an incentive payment for the recruitment of experts in highly specialized fields in instances where the organization has failed to attract suitably qualified personnel;
- (d) Approve the updated appraisal and recognition framework and the accompanying training module;
- (e) Review the use of the different categories of staff, including NPOs, Field Service and General Service category, in line with its programme of work; and

(f) Maintain the ICSC framework for contractual arrangements as contained in annex V of the ICSC annual report for 2007 (A/65/3).

4. Post adjustment system

30. The Commission affirmed that maintaining of purchasing power parity of salaries was an essential feature of the compensation of expatriate staff assigned to different locations around the world, but also stressed the need for simplification of the post adjustment system to make it transparent, predictable, and financially sustainable over time. While the post adjustment system was more complex than the cost equalization approaches adopted by other international organizations, it was demonstrably more cost effective.

31. The Commission approved all ACPAQ recommendations and requested the Secretariat to conduct further analysis aimed at submitting specific proposals regarding the modification of the operational rules governing the post adjustment system and the implementation of key features of the rental subsidy scheme that should be harmonized across all organizations and duty stations. The proposals should be submitted for the Commission's consideration at its 81st session.

5. Allowances:

32. Although there was a general agreement that in reviewing the allowances, the following considerations should also be borne in mind: linkage of hardship/mobility allowances to the family status; eligibility to family-oriented allowances among the staff on the single-rate salary scale; potential overlaps of mobility allowance and other relocation-related allowances; and the modality of allowance provisions for effectiveness. From the staff perspective the Commission's direction on allowances was excessively of a cost-cutting nature and with obvious favoritism towards a non-culture type of UN as well as a non-family friendly UN.

5.1 Location specific and relocation-related elements of the compensation package:

33. The Commission decided:

(a) Not to propose any change to the current approach for relocation travel; it would remain the responsibility of the organization;

(b) To confirm the existing weight/volume entitlement for full removal of household goods by organization up to a maximum of 8,150kg/50.97m for staff with accompanying eligible dependents and up to 4,890kg/30.58m for staff without accompanying eligible dependents;

(c) For relocation shipments, to provide the following two choices:

- i. Shipment by the organization: To provide full removal of household goods or unaccompanied shipments (depending on the length of the appointment) by the organization if that option was available; or for the organizations to reimburse staff members for the cost of their self-organized shipments up to the established weight/volume entitlement, if this option was available at the organization;
- ii. Payment of a lump sum (Optional Removal Grant) for the full removal of household goods or unaccompanied shipments, in lieu of the actual shipments;

- (d) To request its secretariat to further assess the possible provision of flexibility to organizations in deciding on the appropriate amount(s) for the optional removal grant in lieu of shipments according to circumstances, such as length of appointments, reassignments within the country, mission/operations area, or moves between non-family duty stations. The ceiling of the amounts paid for the optional removal grant would be set by the Commission;
- (e) To request its secretariat to present a proposal for a settling-in grant, in coordination with the organization, to cover the initial cost of relocation; and
- (f) To request its secretariat to undertake further analysis and to present cost scenarios to the upcoming meeting of the Working Group on competitiveness and sustainability, as well as a new proposal at the 81st session.

5.2 Rest and recuperation framework.

34. The Commission decided to:

- (a) Maintain the current rest and recuperation framework;
- (b) Recommend to the General Assembly to discontinue the accelerated home-leave travel in keeping with the Commission's previously expressed view regarding the overlap between the accelerated home leave and rest and recuperation travel; and
- (c) Request the organizations to provide data on the estimated number of staff members and their eligible dependents installed in D and E non-capital duty stations and E capital duty stations, as input to the working group on competitiveness and sustainability.

35. It is to be noted that further discussion on the accelerated home leave will continue in the forthcoming working group on competitiveness and sustainability.

5.3 Hardship allowance/additional hardship allowance (AHA):

36. The Commission decided:

- (a) To recommend to the General Assembly the adjusted current hardship system with five categories coupled with the non-family service allowance of one amount for both single and staff with dependents; and
- (b) To request the Working Group on competitiveness and sustainability to make any adjustments with regard AHA as necessary.

37. Single and married parents would be paid the current rates at the married level except for AHA were the proposal amount was an average of the current two amounts of single and married which decreased the amount provided to the married considerably. From one perspective this could be seen as another element of the non-family UN but there is also an appreciation that hardship applies equally to all. The AHA was originally designed to address the family concerns, but reductions to make the allowances cost neutral defeated some of the purpose. At the WG II session should resources due to reductions in other areas be identified, more of this allowance could be restored. .

5.4 Single parent child allowance:

38. The question arose as to the special needs of single parents. Under the previous system they would have received the dependency allowance, but now were seen to be eligible only for child allowances through their children. The Commission decided to defer further consideration on the issue to its 81st session and requested:

- (a) Its secretariat, in consultation with the organizations, to develop a definition of single parents who might be eligible for any assistance along with proposals for such assistance; and
- (b) The organizations to provide data on the estimated number of staff members who would be eligible for any assistance under the definition in (a) above.

39. Bearing in mind that this category of staff would suffer as a result of the introduction of a single salary scale, as they would not be eligible for the spouse allowance; the Commission further requested the Working Group on competitiveness and sustainability to assess the above proposals and related financial implications and make further recommendations for consideration by the commission.

5.5 Mobility incentive:

40. Voices from the Commission were for the elimination of this incentive completely. However after strong arguments from staff representatives and organizations as well as support by some Commissioners, the Commission decided:

- (a) Not to integrate the settling-in grant (current assignment grant) and the mobility incentive into one system;
- (b) To reconfirm its decision at its 79th session to exclude "H" duty stations from the mobility one system;
- (c) To recommend to the General Assembly to introduce a mobility incentive in lieu of the current mobility allowance to encourage mobility of staff in general of field duty stations with annual payments to be made up front up to a maximum period of five years. The mobility incentive would be applicable only to staff with five consecutive years of prior service in the common system and from their second assignment (i.e. first geographical move);
- (d) To request the Working Group on competitiveness and sustainability to make any adjustments as necessary; and
- (e) To revisit the mobility incentive after five years of its implementation to re-evaluate the need for such an incentive to encourage mobility of staff to the field, noting that mobility should be driven by work requirement of the international character of the organizations of the United Nations common system.

5.6 Education grant

41. While acknowledging that the education grant was an essential element in the common system compensation package to attract candidates, the Commission wondered whether the reimbursement level provided by the present scheme was reasonable. It was pointed out, in particular, that the comparator as well as most other national civil services covered 100 per cent of the costs for 13 years (pre-K up to, and including, secondary education) while the common system and other international organizations covered 75 per cent for 17 years (up to, and including, tertiary education).

42. The staff survey confirmed the above and showed that staff welcomed more flexibility to the system

43. FICSA recalled that the costs of the education grant of the common system and the education allowance of the comparator service had recently been compared and found to be financially comparable despite the difference in the scheme arrangements.

44. The participants agreed that the purpose of education grant had evolved along with the evolution of the organizations' mandates and functions. A new proposed scheme based on a sliding scale with two options, 6 brackets and 7 brackets scales, were discussed and the general agreement was to adopt the 7 bracket system as follows:

Claim amount	Reimbursement rate
1-10,000 USD	86%
10,001-15,000 USD	81%
15,001-20,000 USD	76%
20,001-25,000 USD	71%
25,001-30,000 USD	66%
30,001-35,000 USD	61%
35,001 USD & above	0%

45. The Commission made the following recommendations regarding the education grant:

- a) The cost-sharing principle as well as the coverage of education grant scheme regarding eligible age groups and level of education should be maintained;
- b) Expenses considered admissible under the scheme would be tuition (including mother-tongue language tuition) and enrolment-related fees as well as boarding assistance;
- c) Tuition and enrolment related expenses would be reimbursed under a global sliding scale consisting of seven brackets. The actual scale model would be finalized at 81st session of the

Commission, on the basis of recommendations from the Working Group on competitiveness and sustainability;

- d) Boarding assistance would be provided as a lump sum in the amount of USD 5,000 to eligible staff serving in field with children in a boarding school at the primary and secondary levels;
- e) Education grant travel would be provided each scholastic year for the child of staff in receipt of boarding assistance;
- f) The conditions under which flexibility might be granted to organizations for extending boarding assistance to staff serving in H-category duty stations should be examined by the secretariat, in consultation with the organizations, and presented to the commission for its consideration at the 81st session;
- g) Capital assessment fees would be covered outside of the education grant scheme by respective organizations;
- h) The global sliding scale would be reviewed for possible adjustment, based on tuition fee movements, tracked bi-annually, for a list of representative schools, and also based on the Commission's assessment;
- i) The amount of boarding assistance would be reviewed for possible adjustment, based on the movements of boarding facility fees of International Baccalaureate (IB) schools tracked bi-annually and also based on the Commission's assessment;
- j) Both lists of representative schools and IB schools, mentioned in (h) and (i) above, would be reviewed every six years for necessary update; and
- k) Revisions to the special education grant scheme in line with the new scheme for regular education grant would be developed by secretariat and proposed for the Commission's review at its 81st session.

46. Staff representatives continued to have concerns regarding the scheme. From the data provided it would appear that many staff, particularly at high cost duty stations, could suffer a significant financial loss.

5.7 Repatriation grant:

47. Voices from the Commission were for the elimination of this grant completely, however after strong arguments by staff representatives and organizations as well as support by some Commissioners, the Commission decided to defer the consideration of the repatriation grant to its 81st session pending the review and elaborations of proposals by the Working Group on competitiveness and sustainability, based on additional information provided by the Human Resources Network and its secretariat.

C. Resolutions and decisions adopted by the GA at its sixty-ninth session related to the work of the ICSC:

48. The Chair of the ICSC presented the resolutions and decisions adopted by the General Assembly (GA) at its sixty-ninth session related to the work of the ICSC and the members took note of it.

49. FICSA requested discussion on the mandatory age of separation for existing staff and a final recommendation to the next session of the GA based on the earlier implementation date which is 01-01-2016.

50. The Commission decided to request its secretariat to consult with the organizations regarding the proposed implementation date for the mandatory age of separation and to report the outcome to the Commission at its 81st session.

D. Survey of best prevailing conditions of employment at Kingston, Jamaica:

51. On the basis of the methodology for surveys of best prevailing conditions of employment of the General Services and other locally recruited staff at Field duty stations (survey methodology II), the ICSC conducted a survey in Kingston with a reference date of September 2014.

52. The recommended salary scale for the Kingston-based organizations was 5.1% higher than the current scale. A non-pensionable component of 3.7% would also be established based on survey findings. The highest point of the proposed scale, GS-7/X, was 3,556,372 Jamaican dollars or \$US 31,531 at September 2014. As at 1 September 2014, this was lower than the net remuneration of the P-1/I level at the single rate and around NO-A/III (net base salary plus post adjustment). The total annual financial implications of implementing the recommended salary scale were estimated at approximately \$US 66,992.

53. The recommended salary scale for the NPO category in the Kingston-based organizations was 9.55 higher than the current scale. The total annual financial implications of implementing the recommended salary scale were estimated at approximately \$US 76,424.

54. In view of the request made to the Commission by the General Assembly in its resolution 68/253 not to increase any of the allowances under its purview until the comprehensive review, decided in resolution 67/257, had been submitted to the Assembly for its consideration, the Commission decided that dependency allowances for the General Service staff of the common system organizations in Kingston should not be adjusted pending the decision by the Assembly on the annual report of the Commission for 2015 containing recommendations on the review.

55. Based on FICSA's intervention on the freeze, the Commission reviewed the matter and agreed that the freeze would no longer be in effect once the compensation package was submitted to the GA, except if further GA resolutions were issued on this issue.

E. Review of the Common Classification of Occupational Groups:

56. The Commission took note of the changes and decided that its secretariat should submit final changes for approval at the 81st session after full consultation with and responses of all the organizations.

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Proposed Revised Framework

Principles and guidelines for performance appraisal and management for the recognition of different levels of performance (Revised)

Principle 1: Performance appraisal is a management tool, but it is not a substitute for good management

- Performance appraisal is not an end in itself; it represents one element in a set of management measures

Principle 2: The objectives that the organization has for performance appraisal should be formulated before a system is selected or developed: the process and procedures employed should be consistent with these purposes

- Objectives should be clearly communicated to supervisors and staff
- Use information from performance appraisals for decisions regarding contract extensions, personal development, promotions etc.,

Principle 3: The purposes of performance appraisal should be clearly understood by all

- Policies and procedures should be effectively communicated to staff
- Comprehensive training should be provided on performance management

Principle 4: Performance management and appraisal must be important and meaningful to executive heads, managers and supervisors

- Executive Head and senior management should be fully engaged and committed and act as role models for the organization
- Managers should be directly involved in devising new or modifying existing performance appraisal systems
- Performance appraisal should be part of every manager's job and their own performance in this regard should be assessed accordingly
- Managers and supervisors should undergo training in performance appraisal

Principle 5: To the extent possible, appraisals should be based on agreed individual work plans emanating from organizational priorities, together with the competencies required to accomplish them.

- Managers and supervisors should be fully committed to the system
- Individual work plans should be drawn up and agreed upon by the staff member and manager

- Work plans should be realistic and achievable, stated in clear and objective terms, specifying the outcome expected at the end of the reporting period
- If included in the appraisal, competencies should correspond to the organization's competency framework
- Where no agreement is possible, the manager's decision prevails

Principle 6: Consistent with the purposes to be served, the performance appraisal process should be as simple as possible

- The appraisal system should be simple and transparent
- Complicated processes and procedures to be avoided
- Best use should be made of prevailing technology and software

Principle 7: The work plan, standards of performance and priorities should be derived from organizational objectives and agreed at a meeting between staff and supervisor at the beginning of the reporting period, be subject to a mid-term review and a final appraisal meeting

- Continuous dialogue between staff member and supervisor is encouraged throughout the reporting period
- Changes in work plans or priorities should be discussed as early as possible, but no later than at the mid-term review
- Final appraisal meeting should be conducted in an open and transparent manner to ensure no surprises in the final written appraisal document

Principle 8: Performance ratings must be applied objectively and accurately

- Human resources department to monitor compliance with performance appraisal system and provide periodic reports on overall ratings
- Establishment of performance review bodies is encouraged
- Feedback and further training and coaching as necessary to be provided for managers to ensure objectivity and accuracy in their appraisals

Principle 9: Staff members and supervisors should engage in continuous dialogue throughout the performance cycle and staff members should be provided with an opportunity to comment on their performance ratings, and to rebut their ratings in cases of less than satisfactory performance

- Performance appraisal systems should include a provision for staff to make comments on supervisor's appraisal
- Staff members should be open to constructive feedback
- Use of mediation or other such service is encouraged before formal rebuttal procedure is launched
- Rebuttal procedures must conform to organization's rules and regulations in this regard

Principle 10: There must be different consequences for different levels of performance that are known to both supervisors and staff

- Organizations should clearly specify the administrative and other actions that address different levels of performance, and to communicate these to the staff
 - While duly maintaining confidentiality, it is desirable for human resources departments to provide periodic statistics on the administrative actions taken in response to different levels of performance
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