

FICSA CIRCULAR



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From: Gemma Vestal, General Secretary

**** Updated version ****

**REPORT BY THE FEDERATION OF INTERNATIONAL CIVIL SERVANTS' ASSOCIATIONS (FICSA)
ON THE 84TH SESSION OF THE INTERNATIONAL CIVIL SERVICE COMMISSION (ICSC)
(20 to 31 March 2017, UN New York)**

The 84th session of the International Civil Service Commission (ICSC) was held at the United Nations in New York from 20 to 31 March 2017. The Federation was represented by Diab El-Tabari, President; Pilar Vidal Estevez, Member of the Executive Committee; and Irwan Mohd Razali, Treasurer, during the first week of the session, and by Diab El-Tabari; Gaston Jordan, Member of the Executive Committee; and Brett Fitzgerald, Information Officer, during the second week of the session.

While delivering a statement of behalf of the UN Secretary-General at the opening of the session the UN's Chef de Cabinet mentioned the expectation that UN staff maintain their personal integrity, impartiality and independence in everything they do and acknowledged the importance of the ICSC in creating the conditions in which staff could live up to those principles. She also appealed to the Commission to re-consider the elements of the new compensation package that would adversely affect current staff members who were working parents and whose spouse was not recognized as a dependent.

The main agenda items on which deliberations were held included: the use of categories of staff (General Service, National Professional Officer, Field Service and Security Service); the review of pensionable remuneration; the review of hardship classification methodology; the results of the 2016 round of place-to-place surveys; and the report thereon from ACPAQ.

1. The use of categories of staff, including General Service (GS), National Professional Officer (NPO), Field Service (FS) and Security Service (SS)

The discussions on this agenda item were framed by the two presentations made by the following speakers on the first day:

- a. Dr. Jean-Marc Coicaud; and
- b. Mr. Juwang Zhu on the strategic development goals.

The presenters spoke about the role of the UN common system to facilitate, coordinate and assist and suggested that we must examine how we position ourselves to provide what is needed while establishing a balance between specialization and generalization. The importance of evaluating our impact and monitoring was also stressed.

Within the context of the 2030 Agenda for Sustainable Development, key features were highlighted as well as the principles and priority areas. The role of the UN system in following up on progress in achieving the goals of this agenda was also mentioned.

Another resounding theme was the role of countries and communities in achieving the strategic development goals (SDGs) as well as the role of the UN system in coordinating, regulating and following up. It was stated that this was a change from the past when the UN prescribed and the countries implemented. Today, the countries undertake the work and seek assistance from the UN system only when necessary, depending on the level of development in a respective country.

One strategic question was whether or not UN services should be demand based. A presenter spoke about the readiness of UN system staff, the need to reform the UN development system as well as UN management, changing mindset, our knowledge base and qualifications.

The need for training and empowerment of staff was mentioned by one of the presenters and was strongly supported by Commissioners.

It was also mentioned that the abundant use of non-staff could create a situation in which there was no staff buy-in towards the goals of the UN system.

Documents R.3, R.4 and R.5 were then presented by the ICSC Secretariat.

During the ensuing discussions FICSA supported the use of NPOs to build national capacity but opposed providing flexibility in the use of NPOs for regional functions because this blurred the line between internationally-recruited staff and National Officers, which could potentially lead to incorrect use of the category resulting in less pay for the same work. It was also highlighted that the comparisons with the private sector had not served us well, and that was shown during the review of the compensation package for Professional staff. FICSA expressed support for development and career development of GS staff.

The Federations also reflected on the use of one single salary scale for GS and NPOs, but not for Professional staff and the need to address classification of jobs. FICSA insisted on the need to maintain criteria for NPOs, stressing that the UN should not compete with national governments. The UN should be the convening power.

With regards to Field Service staff, the need for this category was reiterated. It was mentioned that it was not about the classification but instead about the uniqueness of the FS category. The UN FS Union in Brindisi highlighted the issues related to FS staff and the need to ensure neutrality

and impartiality as well as confidentiality and freedom of movement combined with technical expertise. The message about FS staff was that the category was important to the operational requirements of peacekeeping missions, and that the current review should strive to build on and further improve, but not dismantle, what has been working.

The Chair of the ICSC stated the need to deal with today's reality to influence the future. Statistics demonstrate a dramatic increase in the use of NPOs and non-staff, increasing from 5 to 25 per cent over a period of only five years.

Four informal working groups were formed to come up with ideas and issues to guide an eventual formal ICSC working group should the Commission decide to create one. Each group was asked to consider a common set of five questions, keeping in mind ongoing and future developments through the lens of organizations' mandates and the SDGs.

The questions were:

1. What kind of international civil service do we envisage for the future?
2. Circumstances for the use of internationally-recruited staff, locally recruited staff – including HQ duty stations
3. What specific internal and external challenges are encountered by the organizations and what specific changes to the use of categories would address these?
4. What are some external practices that could be explored and what benefits could be expected from these? and
5. Does the system encourage alternate career paths?

The outcome of the informal working groups is well reflected in Annex II to the ICSC's report (document ICSC/84/R.8), except for the following point made by both FICSA representatives in Groups I and IV of the informal groups, in which they emphasized that the flexibility in the use of contracts and staff categories needed to be balanced with a strong framework of accountability to ensure that the mix of staff categories and contracts was not abused.

It was decided that an ICSC working group would be formed in which discussions on this agenda item would continue, following which a paper would be prepared and presented to the 85th session of the ICSC when it meets in Vienna in July 2017.

It is recommended that FICSA develop a strategy and position paper on the issues related to the use of categories of staff in preparation for its participation in this formal working group.

2. The review of pensionable remuneration

This agenda item had been included in the Commission's 2017-2018 programme of work as part of its normal review of pensionable remuneration (PR). The ICSC Secretariat submitted document ICSC/84/R.4 which contained a description of the methodology used for establishing PR and suggested a preliminary list of issues which could be considered for purposes of the review. The ICSC Secretariat anticipated that this review would be completed by its 87th session so that the outcome could be reported to the UN General Assembly at its 73rd session in 2018.

During the discussions, the staff federations cautioned that the review should not affect the acquired rights of staff and that any review should proceed carefully and cautiously. FICSA questioned whether it was necessary to conduct a full comparability study and analysis of the UN

pension scheme against the US Federal Employees Retirement System Scheme (FERS) since a similar study had already been conducted not so long ago at substantial cost and which apparently found that it was difficult, if not impossible, to compare the two with any accuracy due to significant differences between the two pension schemes. The HR Network also stated it was not convinced that another comparability analysis was necessary at the present stage.

The Commission decided that the following items should be considered during the review of the PR: income inversion; revision of the scale of PR for Professional staff using the interim adjustment procedure or recalculation of the scale using the approved methodology; options for recalculating PR for Professional staff under the revised compensation package; review of the grossing-up factors applied to Professional and GS categories; update of the common scale of staff assessment and comparability study between the UN pension scheme and that of the US FERS. It was understood, however, that this list of items and road map were subject to change depending on specific requirements and additional tasks which might emerge in the process.

Although the Commission recognized that this review might require the creation of a working group, it came to the conclusion that it was premature to decide on the necessity of creating such a group at this preliminary stage of the review.

3. The review of hardship classification methodology

The ICSC Secretariat submitted document ICSC/84/R.6 containing a proposed time frame and work plan for purposes of conducting the review of the hardship classification methodology. It was pointed out that during the last review of the methodology the weightings for individual factors had been adjusted effective 1 January 2012. In doing so, the Commission had established “security” as the most important factor, with a relatively higher weight compared to the other factors, followed by health and then the remaining factors. It was also mentioned that there was currently a wide range of “A” duty stations.

Having looked into hardship classification approaches used by other organizations, the ICSC Secretariat found that many national governments obtained vendor supplied data with some level of customization, purportedly for administrative ease, efficiency, greater transparency, freshness and customizability. The European Union and the US Government used a combination of external data along with a questionnaire completed by staff posted overseas.

During the discussions, the HR Network stated that it supported a holistic, thorough and comprehensive review of the methodology and noted that the Medical Directors of the UN organizations were implementing a comprehensive country health risk assessment as a basis for further planning of required clinics, infrastructure and occupational health and safety provisions for staff in field duty stations. The Network also suggested that air pollution, instead of being evaluated under climate conditions, could be evaluated under the health factor, as in some duty stations it presented a significant health risk.

FICSA supported a solid review of the methodology, stating that although the security element needed to be maintained as a preponderant factor, it should be complemented by other factors such as health, which should have a higher weight. The weight given to factors such as mental health and matters of concern for female staff should also be increased. The FICSA representative stated that isolation was increasingly being cited by staff in difficult duty stations as an important hardship factor. Other determining factors such as education, housing, the environment, climate and public services also needed to be accorded more importance. FICSA expressed the belief that

it would be worthwhile examining the possibility of creating two subcategories -A1 and A2- without necessarily causing a review of the whole category.

Some members of the Commission stated that the high weighting accorded to security was necessary and that the isolation factor deserved further attention, especially the effects it could have on mental health.

The Commission decided to continue the study of the hardship classification methodology and requested its Secretariat, together with representatives of the organizations and staff, to:

- Review the assessment of the weighting of factors;
- Examine the range of “A” duty stations and their ratings; and
- Review the hardship questionnaire as appropriate, in particular the health section which should be reviewed in collaboration with the UN Medical Services including the possibility of using external vendor data.

4. The results of the 2016 round of place-to-place surveys and the report thereon from ACPAQ

Two days of the session (23 and 24 March) were exclusively dedicated to the ACPAQ report and post adjustment issues, mainly the results of the 2016 round of cost-of-living surveys and, in particular, the negative results of Geneva, the implementation of the results, timeline for the implementation and possible mitigation measures to gradually implement the reduction over a set period. Despite all the arguments and efforts by the staff federations and administrations, most of the commissioners were intransigent in regards to the Geneva survey.

This was one area where both staff and administrations have joined forces and are fighting together.

Nevertheless, the Commission was adamant that the methodology followed by the ICSC Secretariat was sound and that the results had been carefully examined at ACPAQ. It noted that the adjustments of the approved methodology by the ICSC Secretariat with regard to data collection and processing were justifiable in the light of the reported circumstances, and it decided to approve the survey results for Geneva, Montreal and Washington, D.C., with an implementation date of 1 May 2017 for all three of these duty stations. Where the results were negative for staff, they would be implemented on the basis of established transitional measures.

In regard to the European Comparison Programme (ECP) covered duty stations (London, Madrid, Paris, Rome and Vienna), the Commission requested its Secretariat to conduct further research, together with the organizations and staff federations, including a price survey in Brussels, supplementary price data collection via a mini-survey in New York and analysis of the Brussels price data in order to identify and adjust for any differences in the price data that might be attributed to the transition from the ICSC's to the ECP's survey systems. The findings of this research would be used to estimate a survey transition factor which could be used to adjust the in-area (excluding housing) indices of the ECP-covered duty stations.

Concerning field duty stations, the Commission approved the methodology to be used for data collection and processing, the use of the modified housing costs and endorsed the modifications to the questionnaires to be used for the cost-of-living surveys in field duty stations.

5. Other business

Some of the issues raised by the staff federations under the agenda item “Other business” were whistle-blower protection, mandatory age of separation and treatment of staff members who previously received the dependent rate for their first child in lieu of the spouse.

The Commission decided that it would look at the ICSC Standards of Conduct to see whether the matter of whistle-blower protection was appropriately referenced therein.

In response to the staff federations’ concerns that some organizations apparently did not intend to implement the changed age of separation by 1 January 2018 as decided on by the UN General Assembly, the ICSC pointed out that the Commission would review this matter at its 85th session in July 2017.

The staff federations raised the issue of staff members who no longer receive the equivalent of the dependent rate for the child, under the new compensation package, due to the first child coming of age, while the staff member/parent has other under-aged children. The federations mentioned that their concern had also been noted by the former and current Secretary-Generals, and the issue had also been mentioned by the Chef de Cabinet in her opening statement on behalf of the Secretary-General.

The Commission stated that the matter of double-income households where staff members no longer received the equivalent of the dependent rate for the child under the new compensation package had been dealt with by the Commission and decided on by the General Assembly.

The representative of FAO delivered a statement on rental subsidy matters in which it was requested that the Commission consider that its Secretariat handle all rental subsidy matters since the ICSC was already administering the majority of items pertaining to post adjustment. The FAO representative also requested that the Commission consider reducing the total number of years a staff member could receive rental subsidy as a newcomer, from 7 to a maximum of 3 years, and requested that the Commission consider applying the same provisions in the field as in headquarters and to apply the same time limit in both types of duty stations.

The Commission decided that the ICSC Secretariat should look into this matter and return to the Commission with proposals at its next session.
