

# FICSA CIRCULAR



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To: Chairs, Member Associations/Unions  
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Chairs and Vice-Chairs of Standing Committees

From: Evelyn Kortum, General Secretary

**REPORT OF THE FEDERATION OF INTERNATIONAL CIVIL SERVANTS' ASSOCIATIONS (FICSA)  
ON THE 88<sup>TH</sup> SESSION OF THE INTERNATIONAL CIVIL SERVICE COMMISSION (ICSC)  
(United Nations, New York, 18 to 29 March 2019)**

*Submitted by Brett Fitzgerald (President),  
Imed Zabaar (Member for Compensation Issues)*

## **Agenda**

The main items on the agenda of the Commission's 88<sup>th</sup> session included:

- Resolutions and decisions adopted by the General Assembly at its seventy-third session related to the work of the Commission;
- Career development;
- Report of the working group on the operational rules governing post adjustment;
- Relocation shipment: review of the ceiling for payments;
- Report of the working group on the review of the General Service salary survey methodologies; and
- Review of the consultative process and working arrangements in the Commission.

### FICSA's opening statement

During the opening of the session FICSA delivered its general statement which has been circulated to the FICSA membership as document FICSA/CIRC/1307 (**see annex**).

### **ICSC agenda item 4: Resolutions and decisions adopted by the General Assembly at its seventy-third session related to the work of the Commission**

The new ICSC Chairman reminded this session of the Commission of its recommendations which had been submitted to, and considered by, the 73<sup>rd</sup> session of the UN General Assembly. The Chairman, while informing this session that Member States at the General Assembly's Fifth

Committee had requested comprehensive information on all benefits, entitlements, grants and allowances, stated that cost implications were clearly at the forefront of the Fifth Committee discussions. The Fifth Committee took decisions on the review of pensionable remuneration, the framework for human resources management, post adjustment issues and the conditions of service for staff at duty stations with extreme hardship. The Fifth Committee, however, did not take any decisions on the ICSC recommendations relative to the recommended end-of-service grant nor on the review of the level of the children's and secondary dependant's allowances.

#### FICSA's intervention delivered on agenda item 4

*"FICSA was pleased to note that the UN General Assembly decided to grant, although only for E duty stations and on a pilot basis, an amount of \$15,000 for staff members with eligible dependants in duty stations with E hardship classification conditions. We are also pleased to note that the General Assembly adopted the ICSC recommendations relative to its review of pensionable remuneration.*

*Thank you for the additional information provided this morning on the reasons for which the General Assembly chose to not take up the recommended introduction of an end-of-service grant to fixed-term staff whose contracts are not renewed and the recommendations relative to the ICSC's review of the level of children's and secondary's allowances. If our understanding is correct, it was purely for cost reasons. With this in mind, we would like to ask the Commission what its intention is in respect of following up on these two recommendations which were not adopted by the General Assembly."*

#### Decision of the Commission on agenda item 4

Although the Commission decided to take note of General Assembly resolution 73/273, the ICSC Chairman stated that none of the proposals made to the Fifth Committee were closed and added that organizations and staff would be consulted regarding all the items that were not approved by the General Assembly with a view to considering different ways of presenting new proposals to the General Assembly.

#### **ICSC agenda item 5: Career development**

The ICSC secretariat presented its report on career development issues with the UN common system organizations, including information obtained via responses from 21 common system organizations to a questionnaire issued by the ICSC secretariat. Given the lack of opportunities for promotion to higher levels in organizations, employers are attempting to encourage staff to view career development in a different light which is aligned with employee expectations to work in organizations which allow them to grow through continuous learning and development opportunities, thus enhancing their relevance in the broader labour market and further employability. Representatives from several different organizations delivered presentations on career development in their respective organizations, including one which spoke of the impact of their financial crisis, downsizing and redeployment on career management in that organization.

#### FICSA's intervention delivered on agenda item 5

*"FICSA would like to thank the ICSC secretariat for the document R. 3 relative to career development, its presentation thereon, as well as the presentations from our colleagues from UNHCR, IFAD and UNDP. We appreciate that they have kindly shared with us their practices and policies relative to this agenda item.*

*It is somewhat alarming to read that a recent report on workforce activity showed that 40 per cent of departing employees had cited the lack of future career development as a reason for dissatisfaction with their job and was a key driver of employee attrition.*

*We also noted that, according to the most recent global staff survey of the Commission, conducted in 2013, lack of career progression and promotion was one of the issues that needed to be addressed.*

*We fully appreciate the Commission's definition of career development as follows:*

*'Career development is a structured approach to the matching of employees' goals and the business needs of the organization.'*

*Whilst we recognize the importance of all elements which are essential for a proper career development policy, such as managers who provide guidance and career advice to their staff, the provision of targeted learning programmes in areas of organizational relevance and staff who also individually assume their share of the responsibility in planning and managing careers, in FICSA's views the first and foremost element required to ensure a proper and transparent career development path is for the human resources departments to disseminate model typical career paths accompanied by targeted and relative learning programmes. Without model typical career paths developed and made available by the human resources departments staff are frequently left to struggle in finding their own individual ways to progress within their careers.*

*Of course, as pointed out, career development also depends on an organization's business needs, the number of job opportunities as well as the ratio of staff to non-staff in the organization. These are also important matters to examine within the context of managing the career development expectations of staff. Certainly, organizations having greater mobility would normally be in a better position to satisfy the expectations of staff in respect of career development.*

*It's clear that an approach to career development by one organization may not fit all organizations. However, we do remain convinced that, at the very foundation of any career development policy, model typical career paths developed by the human resources services and made available to all staff are essential for purposes of providing general direction to all staff.*

*We sincerely hope that the organizations will continue to undertake more work on the issue of career development policies as we are aware of the importance which the staff place thereon."*

#### Decision of the Commission on agenda item 5

Considering the valuable presentations delivered on career development and the extensive discussions on this agenda item, it was disappointing that the Commission decided to simply take note of the report and the presentations.

#### **ICSC agenda item 6(a): Report of the working group on operational rules**

The ICSC secretariat, after providing an overview of post adjustment trends across the UN common system, presented the report of the working group which included a detailed overview of the current system of operational rules. An ICSC secretariat-proposed revised system of operational rules known as the controlled convergence mechanism (CCM) was then presented.

FICSA's first intervention on the report of the working group on operational rules (agenda item 6(a))

"In light of the issues experienced during the previous round of cost-of-living surveys, both the staff representatives and those representing the majority of the common system organizations came to the conclusion that the method for determining salaries of staff in the Professional and higher categories was overly complex as well as seriously flawed.

The ICSC consultant's 64 recommendations, which were the main focus of discussions at the 40th session of the Advisory Committee on Post Adjustment Questions (ACPAQ) as well as at the 86th session of the ICSC, offered evidence enough of the post adjustment system's flaws and shortcomings.

At the same session of the ICSC, the staff federations and representatives of the common system organizations jointly requested the ICSC to undertake a holistic review of the post adjustment system methodology and operational rules. Emphasis was made that throughout this exercise action should focus on adherence to ensuring the following criteria: 1) fit-for-purpose; 2) easily understandable; 3) transparent; and 4) predictable.

FICSA appreciates the decision taken by the Commission at its 87th session to establish a working group for the review of the operational rules and a task force on the review of the conceptual framework of the post adjustment index (PAI).

FICSA participated in the first meeting of the working group on the review of the operational rules which was held in New York, from 10 to 17 December 2018. As outlined in its the terms of reference, the working group focused primarily on achieving two key objectives:

(a) To respond to the UN General Assembly, which had requested the ICSC, in resolution 72/255 to 'continue its efforts to improve the post adjustment system in order to minimize any gap between the pay indices and the post adjustment indices and, in this context, to consider the feasibility of more frequent reviews of post adjustment classifications of duty stations' as well as to 'review the gap closure measure in the post adjustment system during its next round of cost-of-living surveys'; and

(b) To address specific recommendations of the independent consultant appointed by the ICSC to review the post adjustment system, which include, among others, the harmonization of the trends between the post adjustment indices (PAI) and pay indices (PI), and the streamlining of the current system of operational rules.

The working group examined the operational rules for salary setting and adjustments applicable to expatriate staff of three international organizations and one national civil service, namely, the European Union, the Co-ordinated Organizations, the World Bank Group, and the US Department of State. As in the case of the UN common system, each of the reviewed pay systems was found to be based on, more or less, the principle of purchasing power parity between a duty station and the headquarters location.

While recognizing the merits of the current system of operational rules in fulfilling many of the UN's compensation policy objectives, the working group concluded that one of the major shortcomings associated with the current system related to the possible breach of the principle of equalization of purchasing power which originated from a sustained and prolonged gap between PAIs and PIs.

To address some of the shortcomings of the current system of operational rules, the ICSC secretariat proposed a new model, called the controlled convergence mechanism (CCM) which architecture involves the setting of explicit policy parameters.

Based on historical data from July 2010 to October 2018, the ICSC secretariat simulated the CCM under various scenarios, for various duty stations.

Although the CCM appears to be simpler, more transparent and predictable than the current system of rules, FICSA expressed the view that more time was needed to conduct further analysis and simulations to verify its efficacy and the impact on stability of staff remuneration, before making any recommendation on whether to adopt it along with a chosen set of parameters, or to retain the current system with appropriate adjustments designed to respond to the request of the General Assembly in its resolution 72/255.

In conclusion, FICSA appreciates the spirit of cooperation and the efforts made by the ICSC secretariat to demonstrate the CCM to its delegates at its annual FICSA Council meeting in February in Vienna and respectfully requests that more time be allowed for its working group to conduct further analysis and discuss policies and allow the task force of statisticians to complete their review of the methodology before making any recommendation.”

#### FICSA’s second intervention on agenda item 6(a)

In light of comments made by some members of the Commission, the FICSA delegation made the following second intervention:

“We note that the ICSC secretariat is recommending the Commission to take a decision regarding the implementation of the CCM which is against the recommendation of the working group which requested that more time should be allowed to conduct further analysis and discuss policies and allow the task force of statisticians to complete their review of the methodology before making any recommendation. I would ask our distinguished members of the Commission to refer to paragraph 39 of the report of the working group (ICSC/88/R.4).

The working group discussed the CCM and listed a number of options which had not been discussed and thus no conclusion drawn.

Therefore, if we are to discuss the CCM as one option, we need to also discuss the merits of the other proposals made by the working group. What about the request to amend the 10-point rule, for example?

Paragraph 39 of the report also provides that:

‘In the meantime, the secretariat would continue fine-tuning the controlled convergence mechanism along the lines discussed by the working group, and it would test the proposals for adjusting the current set of operational rules and the proposal of the expert statistical consultant, as described above. So, we would greatly appreciate it if the secretariat could inform us on its review of these proposals.’

Furthermore, the working group explicitly requested the secretariat to be careful about presenting information, and unanimously agreed to not use the term financial impact since we were using

historical data. We consider the use of this information very misleading. Also, the use of the concept of average gap for different duty stations under different conditions is statistically not viable.

The earlier idea to amend an existing operational rule at this time to increase the frequency of reviews for Group I would be more appropriate for discussion in the working group at which time all ideas and scenarios can be thoroughly examined for purposes of consistency, including the other proposals regarding the operational rules under the current system.

Our request is to convene another meeting of the working group once the task force of statisticians has finalized its work.”

#### Decision of the Commission on agenda item 6(a)

The Commission decided to: (a) Take note of the report of the working group; (b) Convene a second meeting of the working group on operational rules after the commission’s consideration of the recommendations of ACPAQ on the report of the task force on the review of the conceptual basis of the post adjustment index; with a mandate to, *inter alia*, examine the implications of harmonizing interim reviews of post adjustment classifications for both group I and group II duty stations, and to submit final proposals on the review of operational rules for the Commission’s consideration at its 90<sup>th</sup> session.

#### **ICSC agenda item 6(b): Relocation shipment: review of the ceiling for payments**

It was recalled that in 2015 when the ICSC had concluded its comprehensive review of the UN compensation system the review included the issue of relocation. At its 81<sup>st</sup> session the ICSC decided to establish a new relocation package consisting of relocation travel, relocation shipment and a settling-in grant. When taking those decisions, the Commission had requested the organizations to report on the actual costs of relocation under the previous and new relocation packages after two years from the date of implementation of the new package. As the new relocation package had entered into effect on 1 July 2016, it was now time to review the ceiling for the relocation shipment-related payments.

#### FICSA’s intervention on relocation shipment: review of ceiling for payments (Agenda item 6(b))

“Recalling some of the discussions which took place on this matter back in 2015 when the Commission was reviewing the total compensation package, and after having reviewed the data provided by the organizations which is contained in the document currently under discussion, the proposal from the ICSC secretariat to maintain the ceiling for relocation shipment-related payments at the current level of \$18,000 would seem reasonable.

FICSA would also agree that the secretariat review the ceiling every three years using data on actual shipment costs just in case there should be any significant change during the next few years.”

#### Decision of the Commission on agenda item 6(b)

The Commission decided to maintain the ceiling for the relocation shipment-related lump-sum payments, in lieu of full removal by the organizations, at the current level of \$18,000; review the ceiling for relocation shipment-related payments every three years using actual shipment cost data obtained from the organizations; and request the organizations to report to it every three years on the actual annual costs of relocation shipments in order for it to conduct its review.

## **ICSC agenda item 7: Report of the working group on the review of the General Service salary survey methodologies**

The ICSC secretariat presented the report of the first meeting of the working group created to review the General Service salary survey methodologies. Following the Commission's discussions on the report it concluded that the fundamentals of the methodologies continued to remain valid but, at the same time, concluded that some adjustments were required to address concerns raised by certain stakeholders.

### FICSA's first intervention on the report of the working group on the review of the General Service salary survey methodologies (agenda item 7)

*"We thank the ICSC Secretariat for its comprehensive presentation on the work of the working group on the review of the GS salary survey methodologies which properly reflect the discussions of the group.*

*When it comes to recruitment and retention, let's be reminded that GS staff are intended to come from the locality and in accordance with Article 101 of the Charter of the United Nations which reads that 'The paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence, and integrity'.*

*FICSA believes that the Flemming principle, as a guiding principle, is still valid. However, its resulting methodologies need to reflect the reality of today's workforce and ensure a full and unbiased assessment.*

*FICSA participated in the first meeting of the ICSC working group and very much appreciated the inclusive, fair and objective approach taken by the group.*

*At the meeting, FICSA raised numerous concerns and proposed solutions relevant to:*

- *Employers' participation*
- *Criteria for the selection and retention of employers*
- *The role of local salary survey committees*
- *The one-to-one comparison with the Ministry of Foreign Affairs (MoFA), in isolation from the rest of the sample*
- *Benchmark jobs and survey job descriptions*
- *Data collection*
- *Data analysis*
- *Data quantification*
- *Implementation of the survey results and interim adjustment*
- *Categorization of duty stations*

*Although FICSA is aware and agrees that ensuring participation by competitive employers has been a major problem in many duty stations, it is essential to understand the magnitude of this phenomenon, the extent of its impact, the mitigating measures applied to date and the root causes of employers' reluctance to participate.*

Particularly on the latter issue, it should be ascertained whether this is due to the self-imposed restrictive criteria defined by the methodology for the selection and retention of employers, or whether the reasons provided for non-participation are of a temporary nature (for example, unsuitable period of the year for data collection, non-availability of responsible officers, lack of resources etc.) or whether it is of a structural nature (for example, cultural compliance with privacy principles, legal considerations or constraints, lack of interest in cooperating with the UN in absence of any valuable return for the effort required).

FICSA considers the mandatory inclusion of the MoFA in the representation of the national civil service, in addition to the minimum mandatory quota for the public sector, to be a distortion in the application of the Flemming Principle.

The one-to-one comparison with MoFA, in isolation from the rest of the sample, is not justified from a technical perspective since such fragmentation does not reflect the seamless nature of the competitiveness of the labour market.

From a technical perspective, the ‘special treatment’ of MoFA data hinders the proper application of the Flemming Principle as it unduly skews the results.

From a legal perspective, the inclusion of MoFA introduces a random variable and permanent unknown bias in the survey process.

FICSA would like to express its concerns regarding UN General Assembly Resolution A/RES/71/264 of 16 January 2017, Section III which provides that the Commission ‘during its next review of the General Service salary survey methodologies under the Flemming Principle is to consider the possibility of further increases in the weight of the local national civil services among the retained employers, taking into account that the United Nations is a civil service organization, as well as past experiences of the Commission from the previous round of surveys’.

Furthermore, FICSA believes that taking a decision to purchase commercially available compensation data could render the issue of employer participation moot; however, other issues would arise. For instance, there is the question of whether the Flemming Principle would be upheld. The Flemming Principle states that, with respect to locally recruited staff, ‘the conditions of service, including both paid remuneration and other basic elements of compensation, are to be among the best in the locality’. The fact that the data purchased from an external vendor can come from any employer who is willing to participate is evidence that the data collected is not necessarily amongst the best. Furthermore, the current methodology requires that the public sector be surveyed. The majority of employers participating in the data collection surveys used by external vendor are from the private sector, and there are some other requirements in the current methodology which would not be fully met.

Should the Commission decide to use external purchased data, FICSA strongly believes that adjustments would have to be made to the methodology in order to uphold the Flemming principle through different means. To ensure the fairness and transparency of the process, the role of Local Salary Survey Committees (LSSC) would have to be further reinforced and strengthened and not be reconfigured as a ‘salary survey partner with just 2 - 4 members per duty station for outreach and change management and communication’.



In conclusion FICSA:

Urges respect for Article 101 of the UN Charter and the Flemming Principle;

Respectfully requests that the fundamental role of the Local Salary Survey Committees be safeguarded whenever the potential use of external data is considered;

Opposes any further increase in the weight accorded to national civil services;

Requests reconsideration of the mandatory use of Ministries of Foreign Affairs as a comparator and objects to procedures being established that increase artificially the weight of those ministries compared to the rest of the survey sample;

Finally, FICSA would like to assure the Commission of its open-minded and proactive participation in the ICSC working group and express our gratitude to Mr. Mounts for having invited the staff federations, prior to this session, to meet with representatives from the Office of Overseas Employment at the offices of the U.S. Department of State who demonstrated how external data is used by them for the establishment of salaries for their locally recruited/employed staff.”

#### FICSA's second intervention on agenda item 7

In light of comments made by some members of the Commission, the FICSA delegation made the following second intervention:

“FICSA has been following the discussions on the review of the survey methodologies with attention and the purpose of our present intervention is to address the concerns expressed by some distinguished members of the Commission.

Let us start with the role of the LSSCs.

These committees play a pivotal role as they represent the operational interface between the methodology and the reality of the local labour market. Contacts and communication between the LSSC and the local comparator employers comprise fundamental components of the whole process.

On the other hand, both methodologies stipulate that surveys are conducted under the overall responsibility of the ICSC and its secretariat, the CEB and the responsible/coordinating agencies. Therefore, as checks and balances are in place there should be no concerns regarding the soundness of the decision-making process.

With this in mind, the working group carefully reviewed the allocation of roles and responsibilities and, having identified possible areas for further procedural improvements, it was emphasized that the LSSC plays a vital role in fostering the outreach of the survey, the dialogue among the various stakeholders and, in particular, the transparency and fairness during all phases of the process.

Paragraph 5 of the ICSC methodology (document ICSC/72/R.10) that was promulgated as a result of the UN General Assembly resolution 62/03 of 6 February 2009 provides that:

‘The involvement of staff representatives in the survey process, in conjunction with the organizations and the ICSC secretariat or the responsible agency, is therefore highly desirable and will contribute to the transparency of the process for all interested parties.’

This is in line with the consultative process stipulated in Article 12 of the Statute and Rules of Procedure of the ICSC which provides that:

*‘...the executive head or heads concerned, after consultation with the staff representatives, may request the Commission to determine the salary scales at a particular duty station instead of making a recommendation. The salary scales so determined shall apply to all staff in the same category at the duty station.’*

Moreover, the balanced composition of the LSSC, a combination of representatives of both senior management and staff, under the coordination of centrally-appointed salary survey specialists, fully respects the spirit and the recommendations of the ICSC Human Resources Management Framework, in particular the chapter dedicated to staff representation and staff-management relations.

The HRM Framework enunciates the following broad principle:

- *Staff representatives should be fully involved in, and contribute to, decisions affecting all matters relating to personnel/human resources policies and practices.*

As an outcome:

- *Organizations should formally recognize the legitimate role of staff representatives in representing the views of staff on all matters relating to personnel/human resources policies and practices;*
- *Organizations should ensure that staff representatives are fully informed on matters affecting conditions of service and consulted on those related to personnel/human resources policies and practices; and*
- *Organizations should ensure that appropriate mechanisms are established to offer the opportunity for staff representatives to participate in and influence decisions affecting personnel/human resources policies and practices.*

In essence, FICSA believes that the composition and the role of the LSSC is truly reflective of the participatory approach called for by UN legislative organs as an essential component of balanced decisions and buy-in by all parties.

This view has also been expressed in FICSA resolution 72/1 on the review of the methodologies, adopted in Vienna by the 72nd FICSA Council on 8 February 2019.

On the other hand, we remain extremely concerned over the use of multiple, secondary (and potentially tertiary) salary scales, which create inequitable differences among staff performing the same functions and at the same grade. Moreover, multiple scales are cumbersome and costly to administer.

Concerning the UN General Assembly’s request ‘to consider the possibility of further increases in the weight of the local national civil services among the retained employers’, FICSA would like to refer the members of the Commission to paragraph 20 of Methodology I applicable for Headquarters and similar duty stations which reads that:

*‘The public/non-profit sector, including the national civil service represented by the ministry of foreign affairs, should form at least 25 per cent of the retained employers.’*

Based on the information provided by the ICSC secretariat and the feedback received from our membership, FICSA shared with the working group an analysis in respect to the weight of the public sector and the national civil service in the salary surveys conducted by the ICSC secretariat in eight duty stations (Rome, Paris, New York, Geneva, London, Madrid, Vienna and Montreal) during the last round of surveys. In this analysis, we highlighted that the representation of the public sector/ national civil service varied between one-third and more than one-half (38% - 54%) of the sample of comparator employers, therefore considerably above the minimum required share of 25% of the total comparator employers.

Based on the evidence provided, we consider that the current methodology fully addresses the request stemming from the UN General Assembly resolution and provides flexibility to adjust according to local labour market structures.

With regard to the one-to-one comparison in the representation of the civil service (i.e. MoFA), an evidence-based analysis of the last round of surveys demonstrated that the pre-determined weight attributed to MoFA, by means of a separate calculation, had a distorting effect and extremely negative consequences on the overall weighted average adjustment resulting from the salary survey.

FICSA provided an analysis showing that in all of the eight headquarters duty stations under consideration, this one-to-one comparison yielded negative results ranging from -9.8% to -52.2%.

It is worth noting that all empirical evidence has been supported by methodological quality testing during the work of the working group.

Therefore, it would be very questionable and hardly acceptable by staff if the Commission were to decide to continue this practice when the same methodology in use provides, at paragraph 19, that:

‘The employers selected should be reputed to be among those offering the best overall conditions of employment.’

In conclusion, FICSA would like to reassure the Commission that it has taken note of the discussions and the concerns expressed and will make every effort to address all of them with a truly collaborative approach.

We are convinced that adequate, clear and convincing answers can be found within the working group, as far as it is given adequate time and continuity to carry on its mandate with the same open and constructive spirit that - under your able chairmanship, Mr. Chairman - inspired its first meeting.”

#### Decision of the Commission on agenda item 7

The Commission decided on a list of priority items to be further considered by the working group, including: the use of the national civil service; secondary salary scales and transitional arrangements; quantification of benefits and allowances; the possibility of using a different mechanism for establishing salaries of the Security Service category; and the possibility of using external data (to replace the salary surveys currently conducted under Methodologies I and II). The Commission also decided on a timeline for the review.

## **ICSC agenda item 8: Review of the consultative process and working arrangements in the Commission**

The Chair introduced this agenda item by firstly providing a summary of the discussions which had taken place on 11 July 2018 between some Commission members, the CoChairs of the HR Network and the Presidents of the three staff federations. It was recalled that FICSA and the HR Network had requested such a review of the consultative process and working arrangements in the Commission. The Chair then summarized the discussions which had taken place during the first meeting of this contact group held on 10 October 2018, and informed that, since that first meeting, the Commission had issued revised rules of procedure to reflect changes which had been adopted by the Commission many years ago.

### FICSA's intervention on agenda item 8

*"FICSA would like to thank the ICSC secretariat for its document ICSC/88/R.7 relative to the review of the consultative process and working arrangements in the Commission.*

*As mentioned during FICSA's opening remarks this morning, we appreciate that the Commission is taking on board the request from FICSA (together with the request of the HR Network) for a review of the consultative process and working arrangements in the Commission. At the first meeting of this Contact Group, FICSA had enumerated a list of issues to be placed on the agenda of the contact group for discussion at the future meetings, one of which was that the ICSC secretariat update its Rules of Procedures as decided by the Commission and noted by the General Assembly back in 1998. This has since been done.*

*We now look forward to the second meeting of this contact group scheduled for 5 April 2019, when we would expect to have a comprehensive discussion on the process of consultation and its definition.*

*In brief, although the contact group has begun its work, there remains work to be done, and we look forward to reporting back to the next session of the Commission on work completed between now and then."*

### Decision of the Commission on agenda item 8

As there were no decisions for the Commission to take at this moment in the discussions, it took note that the next meeting of the contact group was scheduled for 5 April 2019, in Bonn, immediately following the HLCM session.

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[Annex attached]

## **ANNEX**

### **OPENING STATEMENT DELIVERED BY THE PRESIDENT OF THE FEDERATION OF INTERNATIONAL CIVIL SERVANTS' ASSOCIATIONS (FICSA) TO THE 88<sup>TH</sup> SESSION OF THE INTERNATIONAL CIVIL SERVICE COMMISSION (ICSC)**

**(United Nations, New York, 18 March 2019)**

Mr. Chairman, Members of the Commission and Distinguished Colleagues,

Please allow me to join others in offering FICSA's congratulations to Mr. Djacta on his election to the position of Chairman of this distinguished body, to Ms. Gardner, Ms. Bechtel on their re-election and to Messrs. Bangali, Kurer and Winid on their election to the Commission. FICSA looks forward to working with you and the other serving members on a rejuvenated Commission as it continues to review a number of important issues during the current year.

Although we take note of the resolution and related decisions adopted by the UN General Assembly on matters which were discussed here in this body last year, we are surprised that two of those matters would appear to have not been taken up by the General Assembly, namely the recommended introduction of an end-of-service grant to fixed-term staff whose contracts are not renewed and the recommendations relative to the ICSC's review of the level of children's and secondary's allowances. We look forward to receiving clarification during this current session when we discuss agenda item 4.

It is refreshing to see that career development has been placed on the agenda for discussion because, for the past several years, staff have been conveying to us their questions as to whether careers still exist within the international civil service. We look forward to the discussions on this subject and the possibility to inform staff that this subject matter has been revived.

Having examined the report of the working group on the review of the operational rules governing the determination of the post adjustment multipliers, we look forward to further discussion on the controlled convergence mechanism proposed by the ICSC secretariat, in particular in respect of the appropriate choices relative to the control parameters and whether such a CCM would meet the required criteria of transparency, accuracy and equity. We would also like to better understand the consequences, if any, of not including New York in the CCM as suggested in the working group's report. In any case, it seems apparent that the Task Force on the review of the methodology for the compilation of the post adjustment index would need to complete its review first before taking decisions on the operational rules.

The report of the working group on the review of the salary survey methodologies used for purposes of establishing the salaries of General Service and other locally recruited categories of staff demonstrates, on the one hand, the vast number of issues which have been raised and, on the other hand, the desire on the part of one or more quarters to entirely eliminate the conduct of salary surveys and replace them with data purchased from external sources or vendors. FICSA has strong concerns about this latter issue and recalls when the ICSC had discussed it in 2011. At that time, and in respect to private sector data which had been provided by two vendors selected to provide information to evaluate this option, the ICSC working group had found that: the food and

retail sectors were over-represented in New York City; the banking and financial sectors were under represented; the data provided by the vendors was with a different audience in mind; the number of common employers from the common system surveys and the vendor database was no more than one or two per survey; one of the two vendors could only provide country-wide data; the employers chose what data to submit and it could not be confirmed that data for support positions were submitted; in general, employers submitted data relating to core professional and managerial jobs; customization of the data set to identify the best employers for each job resulted in limited data sets, and thus resulting in volatility; and the full market data provided did not focus on the best paying employers.

These deficiencies would need to be overcome before one could conclude that the use of purchased data reliably complies with the Flemming Principle.

FICSA welcomes the fact that its request (together with the request of the HR Network) for a review of the consultative process and working arrangements in the Commission has been taken on board and we look forward to the second meeting of this Contact Group scheduled for 5 April 2019, when we would expect to have a comprehensive discussion on the process of consultation and its definition as well as new and innovative ways of working together.

We look forward to our discussions and interactions over the course of the two weeks of this Session of the Commission and we would like to reassure the Commission of FICSA's full involvement therein.

I thank you for your attention.

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