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FOLLOW-UP TO DECISIONS AND RESOLUTIONS ADOPTED BY THE EXECUTIVE BOARD AND THE GENERAL CONFERENCE AT THEIR PREVIOUS SESSIONS

PART III – HUMAN RESOURCES ISSUES

ADDENDUM

COMMENTS BY THE UNESCO STAFF UNION (STU)

Pursuant to Item 9.2.E.7 of the UNESCO Human Resources Manual, the UNESCO Staff Union (STU) submits its comments on the reports by the Director-General.

A. Geographical distribution and gender balance of staff

Section I – Geographical distribution of the staff

The STU notes with regret that there is no improvement in the geographical representation of Member States and urges the Director-General to increase representation within the Organization. The relaunch of the Young Professionals Programme in 2016 is a good first step in this direction. However, the STU believes that the calls for applications for the Young Professionals Programme should be disseminated more broadly than just National Commissions and diplomacy circles, to target specialized communities and the best experts in every field. Efforts should also be made in order to guarantee that such a programme could be beneficial to field offices, which is not the case today.

Section II – Gender balance of staff

The STU is satisfied with the overall increase of gender balance but notes with regret that the percentage of female directors (44%) and professionals at the highest grade (P-5 = 36%) is still low.

Following the high rate of retirement at the Director level in the next two and a half years, the STU hopes that the Administration will seize the opportunity to remedy this imbalance at the Director level. The STU also hopes that during the recruitment of the current and future vacancies women will be given due priority at equal competence.

B. Feasibility study on introducing a new health insurance scheme
(Follow-up to 191 EX/Dec.29, 196 EX/Dec.5 (V, B))

The STU supports the proposed decision to suspend the feasibility study to introduce a new health insurance scheme, since such a scheme would have damaging legal and financial implications for UNESCO and the participants in the Medical Benefits Fund.

The STU thus endorses the arguments presented in the document 199 EX/5 Part III.B, starting from paragraph 11. However, it notes that it in the first 10 paragraphs there are a number of factual errors which it draws to the attention of the Executive Board, and requests the Administration to correct.

In the first instance, there is some confusion between the establishment of a health insurance scheme by the United Nations and that by UNESCO. While the General Assembly of the United Nations resolved in February 1957 to authorize a sharing of costs between the Organization and participating staff members (para. 1), at UNESCO, the Organization has made a contribution equal to that of the member of staff since the establishment of the Medical Benefits Fund in 1948 (3C-ADM-10, Annex 1, Article III). Similarly, while the General Assembly of the United Nations is noted to have approved the establishment of an after-service health insurance scheme in December 1966 (para. 7), such a scheme was made available to retired staff in UNESCO in October 1958 (10 C/46).

Paragraph 3 states that “The Medical Benefits Fund is a self-financing scheme administered by a third party commercial provider.” While reimbursements claims have been outsourced to a private provider, the Fund has, since its establishment, been administered by UNESCO. The co-owners of the Fund, i.e. the participants, are anxious to have this statement corrected.

Paragraph 5 states that “The Fund has faced financial problems for many years with expenditure on claims exceeding income (i.e. contributions from participants)” This last statement should of course be “contributions from participants <u>and the organization”</u>.

The STU wishes to remind the Executive Board that the Fund had a deficit for four years, from 2008 to 2011, with the reserve reduced to 7% of reimbursements in 2011. There are several reasons for this:

(a) there was no increase in contributions for the 16 years, from 1996 to 2012, despite the generally accepted medical costs annual inflation rate of 5%, salary increases at a rate of 3%, and the General Assembly of Participants repeatedly drawing the attention of the Directors-General to the problem;

(b) the proposal to move to the 60:40 cost-sharing formula in three stages, beginning 1 January 2008, contained in the Director-General's 2005 Global Plan of Action[1], has never been implemented. And similar proposals were not accepted by the governing bodies of UNESCO in 2011 and in 2013.

These reasons are not recognized by the emphasis on a decrease in the number of active staff, and the increase in the number of retired staff.

The change in the rates as well as the increase in contributions in 2012 has improved the financial situation, and the present dollar-euro exchange rate is no doubt helping as well. However, it should not be forgotten that, although UNESCO was well ahead of the United Nations in the early days, it is a less than generous employer now, still contributing only 50% towards the health insurance of the staff, while other organizations contribute up to 75%, and a number provide a substantial subsidy to retired staff; for example, the cost-sharing formula in ILO and United Nations Geneva is 50/50 for active staff and 67/33 for retired staff (187 EX/32 Annex I).

C. Annual report (2015) by the International Civil Service Commission (ISCS): Report by the Director-General

(Follow-up to 114 EX/Dec.8.5, 22 C/Res.37, 196 EX/Dec.5 (V, A), 38 C/Res 88)

The STU expresses its **opposition to the adopted reforms of the compensation package for staff in the Professional and higher categories** (family allowances, spouse benefit, child allowance, assignment grant, rental deduction, education grant, mobility and hardship scheme, etc.).

The STU through FICSA intends to actively monitor the implementation of the new compensation package, as well as its consequences for staff and our organizations. In particular, we intend to monitor follow up to the UNGA request that the ICSC report back on how the changes in the new compensation package affect **gender balance** and **geographical mobility**. Moreover, the STU will further examine the legal implications of the package in the context of staff's acquired rights.

The STU is concerned that staff are constantly being asked to do more with less. At the same time, our Organization needs to attract and retain the highest level of expertise and performance. The STU is therefore placing as its top concern safeguarding staff's pay and benefits.

Education grant

As for the **education grant**, the ICSC proposed two options for the reimbursement of tuition and enrolment fees. The STU through FICSA was able to persuade delegates to adopt the better of the two options (US $40,600), which provides for a 75% reimbursement of tuition and enrolment fees. Unlike the present scheme, lower amounts of school fees will benefit from a higher rate of reimbursement. The STU remains concerned, however, that unavoidable costs (such as transport, exam fees, books and supplies, mandatory school meals, etc.), which in some duty stations are significant, will no longer be covered.

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[1] 172 EX/Decision 38 Item 8. "Invites the Director-General to report to it at its 176th session on the implementation of the global action plan, including proposed measures to increase the contributions to the Medical Benefits Fund, which will be presented as part of the Draft Programme and Budget for 2008-2009 (34 C/5)."

Regrettably, only in exceptional circumstances will staff at headquarter duty stations be able to receive support for boarding fees for primary and secondary education. Moreover, boarding support and education travel will no longer be available at the university level.

Mandatory age of separation

The General Assembly decided that for staff recruited before 1 January 2014, the mandatory age of separation should be raised by the organizations of the United Nations common system to 65 years, **at the latest** by 1 January 2018, taking into account the acquired rights of staff. (I.e. staff retains the right to retire at either 60 years or 62 years, depending on the rules applicable when the staff member entered into United Nations service.) Whereas the ICSC had recommended implementing the new age of separation by 1 January 2017 at the latest, major contributing countries supported by the administrations initially proposed postponing implementation until 2020. Ultimately, the compromise date of 1 January 2018 was agreed upon, with organizations being granted the flexibility to introduce the change earlier should they so wish to do so. The STU will monitor that this deadline is met by the Organization, notably by means of a Resolution to be adopted by the forthcoming 39th session of the General Conference

Moreover, the STU is deeply concerned by the worrying situation facing thousands of new retirees of the United Nations common system, including our former UNESCO staff members, participating in the United Nations Joint Staff Pension Fund. Delays in the disbursement of retirement benefits following separation have attained six months.

Mobility and field allowances and benefits

The STU through FICSA argued that proposed cuts to mobility allowances would reduce the attractiveness of geographic mobility. As a result, the UNGA agreed to increase the allowance by 25 per cent for those on their fourth assignment and by 50% for those on their seventh assignment. Regrettably, staff serving in “H” duty stations is excluded from receiving a mobility allowance.

Based on the above, the STU proposes that the following could be added to the decision to be adopted:

> *The Executive Board:*
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> *…*
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> *5. Also invites the Director-General to report to it at its 201st session* on how the changes in the new compensation package affect **gender balance** and **geographical mobility**.

D. Preliminary proposals for a Human Resource Management Strategy for 2017-2022
(Follow-up to 196 EX/Dec.23 (III))

The STU is concerned by the lack of clarification and concrete development of the many ideas listed in this section.

And first and foremost, the STU, following document 197 EX/5 Part V, would like to see an evaluation of the Human Resources management strategy for 2011-2016.

I. Build staff capabilities for the SDGs

Getting the foundations right: values and competencies of UNESCO staff

The STU acknowledges that there is an urgent need to allocate funding for training programmes.

Although a request to finance a set of training programmes has been submitted to the preparatory group of the Executive Board in document 197 EX/5.INF.2 “Invest for Efficient Delivery”, it cannot replace a stable corporate training budget financed by the regular programme.

Therefore, the STU regrets that Zero USD is allocated for training in the $518 million expenditure plan scenario for the biennium. Training also requires the availability of time and energy to dedicate, and it is a matter of fact that, following the restructuring of the Organization, this has become the less available resource.

The STU further deplores that promises made during the redeployment exercise in 2014, according to which redeployed staff would be duly trained on their newly-assigned functions, have not been kept.

The STU further deplores that there have been no efforts on the part of Human Resources Management to find an adequate or appropriate solution for our downgraded colleagues.

Attracting and retaining the best

The STU questions how UNESCO is able to attract and retain the best candidates in its field of competences as overall employment conditions will considerable deteriorate for professional staff following the implementation of the ICSC Review.

Achieving SDGs is an appealing challenge which will require improvement of capacities in many specialized disciplines, and it is a matter of concern that efforts of which the management is so proud, like the “invest for efficiency”, are addressing mainly managerial competencies (not programme oriented)…

The STU remains deeply concerned with the lack of human resources planning in the Organization, which is crystallized by the fact that the **2011-2016** Human Resource Management strategy remained at the development stage already reported in 197 EX/5 Part V and that no concrete outcome has been published since. The STU urges the Director-General to develop a real human resources management policy for UNESCO for 2017-2022, with clear goals and mechanisms, in which all levels of hierarchy become accountable for their responsibilities in human resources management, including knowledge and skills development, career development planning and transparent mobility and recruitment processes.

Recruitment and selection processes

The STU is pleased to read that the recruitment process will be made more rapid, transparent and efficient but would like to learn how this will be made possible Current recruitment procedures should be revised in order to ensure some level of equity, fairness and transparency at each stage of the recruitment process. HRM should start by playing a role in the recruitment process and ensure that personnel policies area applied.

Furthermore, STU is worried that the decision by the last General Conference on Staff Issues (“*Staff members shall be given priority of consideration for vacant posts on the basis of equal competence”*) will not be implemented, and that this staff acquired right will not be protected. Should external recruitment become the norm, this will perpetuate a high percentage of demotivated staff with no prospects for career development.

This with the lack of training opportunities we were stressing before is generating a very dangerous and unfair situation of non-competitiveness (linked to the continuous erosion of our competences) of internal human resources.

Mobility policy

According to paragraph 18, it is proposed to introduce a managed mobility programme, which will cover functional and geographical mobility for Professional staff and functional mobility for General Service staff. Support for mobility and assignments outside UNESCO, with some possibility to return, will also be explored.

STU is outraged to see that after years of unapplied mobility policies and schemes, HRM is still at the stage of exploring! STU would like to recall that to this date no mobility mechanism whatsoever has been set up and that the majority of dispositions of the October 2013 Mobility Policy have remained unapplied. Transfers at equal grade between field offices or from Headquarters to field offices and vice versa are left to the discretion of sectors and field directors, and are decided on a case-by-case basis with completely opaque criteria.

II. Create an engaging and enabling work environment

The STU fully supports HRM's initiative to finally introduce flexible work arrangements to enable staff to work remotely and firmly believes that these measures will positively contribute to the motivation of staff and improve work-life balance. The STU hopes that the eligibility criteria for flexible work and the modalities to grant it will be equitable and transparent to all parties concerned.

Based on the above, the STU proposes that the following could be added to the decision to be adopted:

The Executive Board:

…

5. Invites the Director-General to report to it at its 200th session on the ***evaluation of the Human Resources management strategy for 2011-2016****;*

And

Invites the Director-General to develop a human resource management policy for UNESCO including knowledge and skills development, career development planning and transparent mobility and recruitment processes;

And

Invites the Director-General to provide further clarification and outline what is meant by "an optimal design for the Organization".