

FICSA CIRCULAR



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To: Chairs, Member Associations/Unions
Members of the Executive Committee
Chairs, Members with Associate Status
Chairs, Associations with Consultative Status
Presidents, Federations with Observer Status
Chairs and Vice-Chairs of Standing Committees

From: Diab El-Tabari, President

70TH SESSION – FIFTH COMMITTEE **Summary on Agenda Item 141: United Nations Common System**

1. On 23 December 2015, the United Nations General Assembly (UNGA) adopted a resolution (ref. A/C.5/70/L.14) on the United Nations common system that focused on the report of the International Civil Service Commission (ICSC) for 2015. The main elements of that resolution were the decisions relating to: (a) the implementation date of the new mandatory age of separation; and (b) the review of the compensation package for staff in the Professional and higher categories.
2. Thanks to intense and carefully coordinated advocacy, the Federation of International Civil Servants' Associations (FICSA), the Coordinating Committee of International Staff Unions and Associations (CCISUA) and the United Nations International Civil Servants Federation (UNISERV) managed to secure significant improvements to the original proposals to the benefit of staff at large. Admittedly, given the challenging negotiation environment, not all our reservations and counterproposals were heeded.
3. We have summarized below the changes that have been adopted by the UNGA and how they will affect your pay and other conditions of service. While this recent UNGA resolution brings most elements of the present compensation review to a conclusion, much work lies ahead. In particular, we are preparing for our active engagement in the ICSC review of the compensation package for General Service and national staff.

Compensation package for staff in the professional and higher categories

a) Elements of the package that were approved by the UNGA with some improvements

4. Following the concerns raised by the staff federations that **single parents** would suffer most were the new salary structure proposed by the ICSC to be implemented, the UNGA decided to provide, *in lieu of* a first dependent child allowance, a single parent allowance at the level of six per cent to staff members who are single parents and provide main and continuous support for their dependent children. This allowance matches that given to married staff whose spouses are not working.

5. The staff federations also 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 per cent for those on their seventh assignment. Regrettably, staff serving in 'H' duty stations would be excluded from receiving a mobility allowance.

6. The UNGA did not approve in full the ICSC proposal to abolish **accelerated home leave**. In response to the concerns raised by the staff federations, accelerated home leave will be retained, albeit only for staff in D and E category duty stations that are not covered by the rest and recuperation framework.

7. As for the **education grant**, the ICSC proposed two options for the reimbursement of tuition and enrolment fees. The staff federations were able to persuade delegates to adopt the better of the two options (\$US 40,600), which provides for a 75 per cent reimbursement of tuition and enrolment fees. Unlike the present scheme, lower amounts of school fees will benefit from a higher rate of reimbursement. The staff federations remain concerned, however, that unavoidable costs (such as transport, exam fees, books and supplies, mandatory school meals, etc.), which in some duty stations are significant, are not covered. This matter is to be followed up. Capital assessment fees are to be covered outside the scheme.

8. Regrettably, only in exceptional circumstances will staff at headquarter duty stations be able to receive support for boarding fees for primary and secondary education. We plan to work with management to understand what constitutes an 'exceptional circumstance'. Boarding support and education travel will no longer be available at the university level.

9. The proposal to increase the salaries of staff at the Under- and Assistant- Secretary General levels by ten per cent was not adopted. Moreover, **the freeze on increases in allowances** will be discontinued as 1 January 2016 for the General Services and related categories and 1 January 2017 for Professional and higher categories.

b) Elements of the package that were approved by the UNGA as recommended by the ICSC

10. As of 1 January 2017, a unified base/floor salary scale structure will apply for staff in the Professional and higher categories.

11. For grades P-1 through P-5, step increments will be granted once every two years after step 7.

12. The current practice of granting accelerated step increments for staff with language proficiency will be discontinued and replaced by either cash or non-cash awards.

13. The repatriation grant will require five years of service instead of two, with present incumbents retaining their current rights.

c) Other proposals that were sent back by the UNGA to the ICSC for further review

14. While inviting the organizations of the United Nations common system to make efforts to ensure work-life balance and provide career development opportunities, which are important elements in motivating and retaining staff, the UNGA requested the ICSC to formulate recommendations on merit-based performance incentives that are not related to cash rewards. It also invited the ICSC to review its recommendation that the performance incentive scheme, including cash awards, be financed from the savings that are expected to accrue from slowing down step progression as from step VII to the top of the new scale for grades P-1 to P-5.

Mandatory age of separation

15. 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 retain the right to retire at either 60 years or 62 years, depending on the rules applicable when the staff member entered into UN 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. Your Federation will be advocating with management that implementation take place at the earliest possible date so that all staff have the opportunity to continue serving up to age 65, if they wish.

Looking ahead

16. 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, FICSA will further examine the legal implications of the package in the context of staff's acquired rights, and we invite staff who are adversely affected to please contact the staff representatives in their entities.

17. In the year ahead, the staff federations will be participating in the ICSC review of pay and conditions for staff in the General Service and related categories, including National staff.

18. At a time when you are being asked to do more with less, and our organizations need to attract and retain the highest level of expertise and performance, safeguarding your pay and benefits is our top concern. We will continue to do our level best to that end.

19. We look forward to continue supporting and representing you in 2016.
