



COMMUNICATIONS

ICSC TOWNHALL MEETING IN GENEVA ON BASELINE COST OF LIVING SURVEYS AT HEADQUARTERS DUTY STATIONS

55/21

**Geneva
3 November
2021**

To: Chairs/Presidents of FICSA Members based in Geneva.

For Information: FICSA Members in the UN Common System especially in Headquarters duty station where a Cost of Living survey is upcoming.

For distribution to: All staff representatives / All International Professional staff / Members of the Local Survey Committee (LSC)

From: Cosimo Melpignano, General Secretary & Irwan Mohd Razali, Information Officer

Dear colleagues,

FICSA represented you at the ICSC hybrid town hall meeting that took place in Geneva on Wednesday, 20 October 2021. The target audience for this meeting was all International Professional staff at large in Geneva, to inform them about the upcoming Cost-of-Living survey for Geneva, tentatively scheduled for November 2021, subject to the LSC's assessment of the [feasibility criteria](#) agreed during the 91st ICSC session.

Although the townhall meeting was targeted to P staff and above in Geneva, the **information shared** during that meeting is **equally relevant to all Staff Representatives who serve on Local Survey Committees (LSCs) as well as all P staff and above in the UN common system where Cost of Living surveys are scheduled to take place:**

- The 2021 round of surveys will begin with the baseline survey at headquarters and similar duty stations in London, Madrid, Montreal, Paris, Rome, Vienna, Geneva and

Washington D.C., and for the first time will include non-headquarters duty stations Bangkok and Nairobi.

- The [2016 round of surveys](#) includes active ongoing surveys in Azerbaijan, Bolivia, Congo, Gabon, Guinea Bissau, Kenya, Mauritania, Sao Tome and Principe, Serbia, Thailand, Republic of North Macedonia and Vietnam, followed by upcoming surveys in Eritrea and Uruguay in December.

For more information on this topic, please also refer to the following FICSA communications:

- [48/21 – Ask the FICSA Expert – Cost of Living Survey](#)
- [43/21 – Updates on the Baseline Cost of Living Surveys](#)
- [37/21 – ICSC Comprehensive Cost of Living Surveys](#)

Key Points from the meeting

- The 2021 round of survey will use a new, revised methodology and operational rules. These were reviewed and revised through working group meetings which involved representatives from the Staff Federations to represent staff, representatives from the Organizations and the ICSC Commissioners & Secretariat.
- The new, revised methodology was agreed by all parties to be fit for purpose at the current time, however, there may be room for improvements in the future.
- The survey will take place at headquarters duty stations, and for the first time, will include two field locations, Nairobi and Bangkok.
- The objective of the Post Adjustment system is to **ensure purchasing power parity compared to the base, which is New York**. It is not to determine the absolute cost of living, but to determine the **cost of living relative to New York**.
- The sum of weights, from the expenditure surveys, and indices, from market prices, construct what is called “**the Post Adjustment Index**”. The Post Adjustment Index components include In-Area expenses, Housing, Out of Area expenses, Pension contribution and Medical Insurance contribution.
- The Post Adjustment Multiplier is updated monthly to reflect currency exchange rates, in the example for Geneva, between USD and CHF. Movements in the consumer price index (CPI) (inflation) will impact the Post Adjustment Index.
- The ICSC explained the sample size required in each duty station (e.g. 2414 respondents in Geneva) in order for the survey data to be considered valid. The number may vary at other duty stations based on the total number of International Professional staff in the duty station.

- The Cost of Living Survey will comprise of two main components; **the Expenditure Survey**, and **the Price Survey**.
- The Price survey will include 304 goods and services in a basket, through outlets selected by the LSC through the Survey Coordinator. For HQ duty stations, price survey consultants will be used, whereas in non-HQ duty stations, there will be pricing agents. Prices will also be collected online or through websites, as well as through physical stores and via telephone, for items comparable with the physical stores.
- The instruments used for the survey will include:
 - Survey Coordinator’s report to reflect the general conditions at the duty station
 - Pricing Book which is used by the Pricing Agent or Consultant to record prices.
 - Expenditure Questionnaire for Staff, that reflects the monthly and annual expenditure pattern of staff.
- According to the ICSC, **ways in which individual staff members can take part** includes:
 - Participate in the survey
 - Download the [PDF version of the survey](#) through the [ICSC micro-site](#) and review the questionnaire in advance.
 - Start keeping a diary of expenditures
 - Spread the word about the survey
 - Once the survey is launched, complete the questionnaire on time and with quality data

Questions from staff

How can nursery or childcare expenses, which is some of the highest expenses in a duty station like Geneva, be reflected in the survey?

- The ICSC replied that there is now a possibility to reflect nursery/kindergarten/childcare in the survey under education expenses, and also to indicate which expenses are reimbursable (by education grant) and not.

In the case of Geneva, how is expenditure in neighboring France factored in the survey.

- ICSC assured staff that only expenditure and prices in Geneva and, to a lesser extent, neighboring Vaud, will be taken into account. The impact of expenditure in France will show up as an “Out of Area” component of the survey, i.e., it might increase or decrease the Out of Area weight versus the In-Area weight, which may in turn have an impact on the Post Adjustment

- There is now a specific section in the [FAQ on the ICSC Microsite](#) for Geneva-specific questions.

How has / will the Covid pandemic impact the survey

- The ICSC acknowledged that the situation is fluid at the moment and is evolving. They committed to re-do the survey in 2-3 years if necessary, and noted that an additional price survey can be conducted if needed. It was noted that there is a measure of flexibility in the process, for example, if the expenditure pattern changes drastically in the next 2-3 years.

If items are ordered online and shipped from outside of the duty station, how would the shipping cost and tax be taken into account?

- The ICSC explained that for the expenditure survey, staff can reflect the net expenditure which would include all fees (including shipping, import costs) and taxes into account.

The LSC Chair requested the ICSC to explain how inflation and CPI movement would be taken into account.

- The ICSC explained that the benchmark would be the survey in New York that took place in July 2021. This data will be compared to the data from the baseline survey in other headquarters duty stations scheduled for November, with a targeted implementation date of **August 2022**.
- After the baseline surveys are completed (i.e. after August 2022), the 2021 round of survey for other duty stations will begin.
- Before implementing the results, the data collected will be updated with the latest CPI movement (inflation or deflation) from November to August 2022.
- The ICSC further noted reiterated that the LSC can appoint an independent expert, that will have access to the data with full transparency, and will be able to review the end to end data throughout the process, including being present in New York with the ICSC secretariat for the final review of the data. As a final step, the ICSC Advisory Committee for Post Adjustment Questions (ACPAQ) will review the report, as well as the LSC Chairs. The Staff Federations are also present at ACPAQ meetings.
- The ICSC invited staff to access the following information:
 - The micro-site at <https://surveys.unicsc.org/cold>, including:

- A [soft copy](#) of the questionnaire for review
- [FAQs](#) (which includes a section on Geneva-specific questions)

Please do not hesitate to contact the FICSA Secretariat if you have any questions related to this important topic: ficsa@un.org
