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INTERNATIONAL CIVIL SERVICE  
COMMISSION

COMMISSION DE LA FONCTION  
PUBLIQUE INTERNATIONALE

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**ITEM 145: UNITED NATIONS COMMON SYSTEM  
REPORT OF THE INTERNATIONAL CIVIL SERVICE COMMISSION**

**INTRODUCTORY STATEMENT BY THE CHAIRMAN  
OF THE INTERNATIONAL CIVIL SERVICE COMMISSION  
MR. LARBI DJACTA  
TO THE FIFTH COMMITTEE OF THE GENERAL ASSEMBLY  
NEW YORK, 15 NOVEMBER 2022**

**Mr. Chair  
Distinguished Members of the Fifth Committee,  
Ladies and Gentlemen,**

Before introducing the annual report of the International Civil Service Commission (ICSC) for the year 2022, I would first like to congratulate you, Mr. Chair, and your Bureau on your election. Let me assure you of the Commission's highest regard and our best wishes for a successful session. We look forward to working with you over the coming weeks towards a positive end.

Let me first turn your attention to the four decisions/recommendations of the Commission which call for decisions by your Committee as contained in the report before you.

***Base/floor salary, including the review of staff assessment rates used in conjunction with gross salaries and response to General Assembly resolution 76/240***

Based on the comparator's salary movement, the Commission is recommending a 2.28 per cent increase in the United Nations base/floor salary scale, effective 1 January 2023. As is the usual practice, the increase in the base/floor salary scale would be implemented based on the no-gain/no-loss consolidation procedure, whereby the increase in the base/floor salary scale would be accompanied by a commensurate reduction in post adjustment multiplier points, leaving the overall net remuneration levels unchanged. Additionally, under the established triennial review cycle, the Commission examined the staff assessment rates used in conjunction with gross salaries. Noting the current situation of the Tax Equalization Fund, no change in the current rates is recommended.

Also, this year's report contains the Commission's response to the Assembly's request in resolution 76/240 regarding the impact of the base/floor salary scale adjustment on the expenditures on post resources for 2022, including separation payments, post adjustment payments and pension contributions from member organizations. You will find the details in the ICSC report but, essentially, the Commission confirms that the adjustment of the base/floor salary scale could only result in financial implications under the following two items:

- (1) The net remuneration at those duty stations where the post adjustment is too low to absorb the base/floor salary increase; and
- (2) Separation payments.

Both items are routinely reported by the Commission to the Assembly under the proposed adjustment of the base/floor salary scale. As regards all other elements of the compensation package of Professional staff, the adjustment of the base/floor salary scale has no impact on their levels and, consequently, leads to no financial implications.

### ***Evolution of the United Nations/United States net remuneration margin***

The Committee will note from para. 154 of the report that, based on the data available at the time of the Commission's consideration, the UN/US net remuneration margin for calendar year 2022 stands at 113.9. We will continue to monitor the level of the margin so as to ensure that it remains within the established range.

### ***Framework for contractual arrangements***

The Commission first adopted the framework of guidelines for contractual arrangements in 2005, which consisted of three types of appointments - continuing, fixed-term and temporary. In 2010, in examining the broader use of appointments of limited duration, the Commission was of the view that such contracts no longer met the needs of the organizations given that the compensation offered under such contracts was not comparable to other types of contract, the Commission therefore decided at that time to remove the reference to appointments of a limited duration of up to four years from the short-term appointment modality. The Commission affirmed that it did not require organizations to implement all three types of appointments as described in the framework and that they could implement any combination of the defined contract types in accordance with the particular needs of the organization. At its ninetieth session, the Commission decided to form a working group to review the implementation of the current contractual framework by the organizations and any possible improvements within the current framework. After its meeting in October 2021, the working group presented a number of conclusions to the Commission which were further discussed. Based on those discussions, the Commission decided to recommend to the General Assembly that the provisions for annual leave for temporary appointments across the common system organizations should be harmonized at 2.5 days of leave per month. The discussion and other decisions relating to this item are contained in the Commission's annual report.

### ***Children's and secondary dependant's allowances: review of methodology and level***

This year, the Commission reviewed again the methodology and the resulting levels of the dependency allowances. Cognizant of the issues previously raised with the current methodology to establish the child allowance, the Commission agreed on a revised methodology so as to create a more stable updating mechanism based on credible and pragmatic parameters.

Under the new approach, the child allowance would be set as a flat rate equivalent to 4 per cent of base salary at the P4/VI level for all staff and would be reviewed periodically, taking into account the general trend in the evolution of child benefits worldwide. The 4 per cent level was agreed upon because this was the level of the child allowance when the General Assembly last approved it.

It is believed that the new approach would address many of the concerns previously raised regarding the methodology and, in particular, the one regarding the dominance of one duty station in determining the level of the allowance. I hope that this year, the Assembly will be in a position to agree on updating the levels of the dependency allowances based on this new approach as outlined in the Commission's report. Such an increase appears long overdue, considering that the dependency allowances have not been updated for over a decade (since 2011).

I will now highlight some of the other items in our annual report.

### ***Parental Leave***

The Commission has always considered parental leave to be an important issue for all families, affecting both the new parent and the newborn child. As a result, over the past few years, it has kept the item under consideration. As part of its review, the Commission considered reports from its secretariat, the HR Network, the ILO and other entities outside the common system. The Commission decided to establish a working group composed of members of the Commission and representatives of organizations and staff federations to examine the parental leave entitlements of the common system in a holistic and comprehensive manner and to develop a proposal for its consideration. The working group met twice in the past year and made a number of proposals to the Commission. Based on those proposals, the Commission decided to replace the current maternity, paternity and adoption leave provisions with a parental leave provision of 16 weeks for all parents and to provide an additional period of 10 weeks to birth mothers to meet their specific pre- and post-natal needs. More details on the item can be found in the Commission's annual report.

### ***Post adjustment matters***

I am happy to inform you that the 2021 baseline cost-of-living surveys conducted at the headquarters duty stations and Washington, D.C., were successfully completed in November 2021, thanks to the active collaboration of administrations and staff associations of the UN common system, through local survey committees that were established at each duty station. ACPAQ confirmed that all aspects of the surveys had been conducted by the secretariat in all concerned duty stations, in accordance with the methodology, procedures and guidelines approved by the Commission for the 2021 round of surveys, except for a few modifications that ACPAQ considered reasonable, correct,

and justifiable, given the stated circumstances. The Commission therefore decided to endorse the recommendations of ACPAQ. The results of the surveys were implemented in August 2022.

Furthermore, the roll-out of the 2021 round of surveys to all other duty stations is well underway, starting with group I duty stations. The first tranche of surveys this month are in Scandinavian countries (Denmark, Sweden, Finland, and Norway), and were preceded by an ICSC mission to the region. The next tranche, in six east European duty stations, will take place in January 2023, and will also be preceded by an ICSC mission to the region. Next will be western Europe in February and March, Asia in April, etc. The survey round will commence in field duty stations in September 2023. The results of all surveys conducted under the 2021 round will be implemented on the basis of the newly modified system of operational rules which ensures higher transparency, stability, and predictability in the adjustment of net remuneration.

For more information on the methodological aspects of the cost-of-living surveys, the results of 2021 baseline cost-of-living surveys, discussions and other decisions relating to post adjustment, please refer to the Commission's annual report.

### ***Standards of accommodation for air travel***

One review requested by the General Assembly and welcomed by staff and organizations was the review of the standards of accommodation of air travel in which the ICSC was encouraged to assess system-wide standards of accommodation for air travel and to present relevant recommendations to the General Assembly. In this regard, the Commission reviewed the system-wide standards of accommodation for air travel and considered possible approaches to harmonize and modernize those standards among the common system organizations. Following its study, the Commission, *inter alia*, decided to invite the common system organizations to harmonize their standards of accommodation for air travel to the extent practicable and invited them to conduct a pilot application, in 2023, of the revised criteria for determining the class of travel for travel on official business or mission, namely, upgrading from economy to premium economy class for travel of over 6 hours' duration and to business class for travel of over 9.5 hours' duration, including layovers. The Commission intends to revert to the Assembly on the standards of accommodation for air travel after the completion of the pilot study. Our annual report provides in-depth discussions on the item and additional suggestions made by the Commission to common system organizations.

### ***Review of the General Service salary survey methodologies***

The Commission has successfully completed its review of the salary survey methodologies for the General Service and related categories with full participation of the organizations and staff federations. The new methodologies will come into effect as of 1 January 2023. Methodology I will be applied to the eight common system headquarters duty stations and methodology II will be applied to all other duty stations.

In response to the Assembly's requests at its seventy-first and seventy-sixth sessions, the Commission decided, among other changes to the methodologies, that the national civil service should be represented by a mainstream national ministry. In addition, it was decided that the pilot project for

external data would be implemented at all duty stations whereby salary assessments may be conducted, under certain circumstances, on the basis of external salary data procured from external vendors.

***Other items***

In the interest of time, I will mention some other items contained in the Commission's report such as multilingualism, the Standards of conduct and the implementation of the recruitment incentive. We have also done the usual reviews of the level of a number of allowances and incentives such mobility, hardship, non-family service allowance and relocation shipment. For all of these items, our annual report provides in-depth details.

***Mr. Chair, distinguished members of the Committee,***

Let me conclude by thanking you Mr. Chair and Members of the Committee for your attention. As usual, the Commission's recommendations, together with their financial implications, are summarized at the beginning of our report for ease of reference. My secretariat and I will be happy to answer your questions and provide any clarification you may need. I look forward to working with you and receiving your comments on our work.

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