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BUDGET COMMITTEE CONTINUES DEBATE ON RECOMMENDATION

OF INTERNATIONAL CIVIL SERVICE COMMISSION

The Fifth Committee (Administrative and Budgetary) this morning continued its debate on the recommendations of the International Civil Service Commission (ICSC) on improving the conditions of service of international staff. Questions were raised about the benefits system, making decisions on the recommendations of a panel on improving the international civil service, gender balance among staff and contractual arrangements.

The common system represents shared standards, methods and arrangements applied to salaries, allowances and benefits for the staff of the United Nations and its specialized agencies and organizations. Covering over 52,000 staff members at various duty stations, the common system is designed to avoid serious discrepancies in terms and conditions of employment, to avoid competition in recruitment of staff and to facilitate the interchange of personnel.

The representative of Canada, speaking also on behalf of Australia and New Zealand, drew attention to the question of benefits enjoyed by staff within the common system. She said that, while salaries were based on the United States civil service, it was not clear that there was a counterpart for benefits, which created the risk of cherry-

picking the most attractive models for particular allowances. That matter merited further exploration, she added. She also hoped for action during the current session on the recommendations of the Panel on the Strengthening of the International Civil Service, which had already been discussed in both the fifty-ninth and sixtieth sessions.

Dealing with these matters in a timely manner was also important to South Africa's representative, who spoke for the "Group of 77" developing countries and China. The General Assembly taking decisions on the review of the pay and benefits system, the mobility and hardship allowances, and hazard pay should be a priority.

She also voiced the Group's serious concern over insufficient progress made by the organizations of the United Nations system in achieving gender balance, especially at senior levels, as reported by the Commission. A greater effort should also be made to recruit women from developing countries, she said.

Bangladesh's representative shared that concern and he encouraged all bodies within the common system to designate focal points to provide leadership on gender issues. An element of accountability should be put in place on the achievement by managers of gender goals, he added.

The representative of Guyana, speaking on behalf of the Rio Group, saw the need to ensure adequate follow up on contractual arrangements and harmonization of conditions of service, and noted that those matters could also be discussed under human resources management reform.

Taking up the same subject, China's representative said that such reform measures would have direct impact on the existing conditions of service in the common system and suggested that the Commission should conduct a comprehensive study on the matter, which took into consideration cost-effectiveness and budgetary implications of the proposed measures. He also noted the framework for three types of contracts presented by the ICSC last year and said that reform of contract arrangements must aim at improving performance, enhancing efficiency and satisfying the requirements of the Organization.

Also speaking were representatives of Iraq, Russian Federation, Algeria and Nigeria, as well as the Chairman of the ICSC, Mohsen Bel Hadj Amor.

The Committee will next take up human resources management reform at 10 a.m. Monday, 30 October.

Background

The Fifth Committee (Administrative and Budgetary) met to continue its debate on the United Nations common system this morning. For summaries of the documents before the Committee, see Press Release [GA/AB/3761](#) of 25 October.

Statements

KAREN LOCK ([South Africa](#)), speaking on behalf of the “Group of 77” developing countries and China, said that ensuring that United Nations staff -- the most valuable asset of the Organization -- were provided with the best conditions of service was essential in the efforts to attract and retain the most qualified, representative and motivated international civil servants. The International Civil Service Commission (ICSC) played a key role in advising Member States on how to offer the best possible conditions of service to the United Nations employees.

Continuing, she welcomed the improvements made to the report of the Commission and expressed appreciation for the inclusion of the summary of its previous recommendations. The Assembly still had to take decisions on matters raised in the previous report of the ICSC, in particular on the review of the pay and benefits system, the mobility and hardship allowances, and hazard pay. Further deliberations and elaboration of the proposals would be required. In that connection, the Group stressed that the process of modernizing and simplifying allowances, intended to enhance efficiency, had to be transparent and equitable.

On the education grant, she said that providing access to quality education constituted an important element of the conditions of hiring international civil servants. The ICSC recommendation, therefore, deserved favourable consideration. Also, taking note of the margin levels for 2005 and 2006 for the remuneration of staff, she said the Group was willing to consider the proposed adjustment for the base/floor salary scale to reflect the movement of the comparator for the last two years. As for the conditions of service of staff, in particular in the field, the Group realized that the subject had to be considered in tandem with proposals to reform the human resources management system. It might be prudent to consider the comments of the ICSC in that framework, with a view to ensuring that United Nations staff had the best possible working conditions.

In conclusion, she voiced the Group's serious concern over insufficient progress made by the organizations of the United Nations system in achieving gender balance, especially at senior levels, as reported by the Commission. She supported the recommendations aimed at improving representation of women in the Organization. A greater effort should also be made to recruit women from developing countries.

SHANNON-MARIE SONI (Canada), speaking also on behalf of Australia and New Zealand (CANZ), underscored the importance of the ICSC and the direct connection between its work and the effective functioning of the organizations of the common system. She appreciated the ICSC review of benefits and allowances individually, but wondered how it led to a better understanding of those things in totality, especially in the context of a modern, competitive and streamlined compensation package. She said that, while salaries were based on the United States civil service, it was not clear that there was a counterpart for benefits, which created the risk of cherry-picking the most attractive models for particular allowances. That merited further exploration.

She welcomed the ICSC's decision to establish a working group to examine conditions of service in the field, particularly in non-family duty stations, and its decision to allow the functioning of the current contractual arrangements in peacekeeping. The design of a compensation package which is transparent, simple, and easy to administer was an important feature of the working group's terms of reference, and would serve as an integral component of the General Assembly's efforts on human resources management reform.

She joined the ICSC in expressing disappointment at the insufficient progress made regarding representation of women in the Professional and higher categories. She

urged the ICSC, with the United Nations System Chief Executives Board for Coordination, to review that issue and return to the General Assembly with practical ideas on how progress could be achieved. Finally, she said the General Assembly's examination of the oversight and governance systems within the United Nations, as well as human resources management, made it befitting that the recommendations of the Panel on the Strengthening of the International Civil Service Commission be acted on by the Fifth Committee. She looked forward to finalizing the discussions on that matter completed during the fifty-ninth and sixtieth sessions of the General Assembly.

SHEN YANJIE ([China](#)) said that he was pleased with the fruitful results achieved by the ICSC in 2006. He aligned himself with the position of the Group of 77, but wanted to address some aspects of particular interest to his delegation. In particular, he noted that the ICSC had reviewed the proposals of converting appointments in field missions from 300 to 100 series and harmonizing the conditions of service in non-family duty stations, taking into account the proposals of the Secretary-General on the human resources management reform. He welcomed the Commission's decision to establish a working group to conduct a feasibility study on the need to harmonize the conditions of service in various missions.

Turning to the proposal on streamlining the contractual arrangements throughout the system, establishing a standing peacekeeping force and a single staff mobility scheme, he said that such reform measures would have direct impact on the existing conditions of service in the common system and suggested that the Commission should review those issues from the perspective of the common system, conducting a comprehensive study on the matter. He hoped the study would take into consideration such considerations as cost-effectiveness and budgetary implications of the proposed measures. He emphasized the importance of continuity in the management reform measures and their harmonization with current practices, with a view to safeguarding the interests of staff, as well as transparency and accountability of management and effective judicial redress to guarantee the rights and interests of staff members.

On contractual arrangements, he noted the framework for three types of contracts presented by the ICSC last year and said that reform of contract arrangements must aim at improving performance, enhancing efficiency and satisfying the requirements of the Organization. He also cautioned against turning the proposed continuing contracts into de facto permanent ones. Continuing appointments should be granted through transparent and open procedures, with appraisals at specific intervals.

He also addressed the issue of the Senior Management Network, stressing the need to avoid subjectivity in the selection of its members. The inclusion in the Senior Management Network should be based on objective and clear criteria, giving attention to full geographical diversity to reflect the international nature of the United Nations. He also said that creation of the Network should be carried out within existing resources, instead of creating new burdens for Member States.

In conclusion, he expressed hope that, in the process of modernizing human resources management, the ICSC would continue to play its important role in regulating and coordinating conditions of service within the system.

TROY TORRINGTON (Guyana), speaking on behalf of the Rio Group, reaffirmed the importance of the United Nations common system and the fundamental need to preserve the independence and expertise of the ICSC in regulating and coordinating conditions of service. He said the summary of ICSC's recommendations for 2005-2006 facilitated deliberations and decisions of the General Assembly and urged the ICSC to continue incorporating the summary in future reports. He sought implementation of a decision on the system of allowances beginning in 2007. He added that the Rio Group saw the need to ensure adequate follow-up on contractual arrangements and harmonization of conditions of service, and noted that those matters could also be discussed under human resources management reform. Specific attention needed to be paid to the review of the methodology to determine the education grant. He also called on the General Assembly to reaffirm the Noblemaire principle and retain the current comparator, in order to make the Organization attractive to the most outstanding and competent individuals worldwide.

MUHAMMAD MUHITH (Bangladesh) viewed the strengthening of performance-based human resources management at the United Nations as important and, therefore, appreciated the progress of the participating organizations in the pay-for-performance project. He agreed that career management was a key variable in ensuring broad acceptance of the project by staff, and he welcomed the participation of more organizations in the project. He emphasized the need to adhere to the ICSC's criteria for the study to produce an impartial and consistent outcome. He was also interested to see the impact of the new human resources structures on the goals of the pilot study.

With regard to the remuneration margin level, he took note that it remained below the desirable midpoint of 115, but had increased by 2.9 per cent; that the margin level had not fallen below 110 or risen above 120; and that the midpoint was desirable and not

mandatory. He also appreciated the recommendations of the ICSC on hazard pay, and commended the dedication and commitment of staff working not only in dangerous locations, but also exposed to life-threatening diseases.

He shared ICSC's disappointment with the unsatisfactory progress made in the representation of women in the United Nations common system. He encouraged all bodies to follow those that had already designated focal points to provide leadership for gender issues. He fully supported the ICSC recommendations, and believed an element of accountability should be put in place on the achievement by managers of gender goals. Also, he supported ICSC's recommendations on the need for work to yield a fair, practical, and more accurate methodology on children's and secondary dependants' allowances.

Finally, he said the proposal to increase base/floor pay by 4.57 per cent, on a "no-gain/no-loss" basis and introduce new arrangements for the mobility and hardship scheme deserved serious consideration. He recognized the need for reforming the field service category in United Nations peace operations in the context of the Organization's evolving operational human resources management. He said the ICSC's recommendations had merit, though the issue needed to be dealt with in the context of human resources management system reform.

SHAKIR M. BANDAR (Iraq) said that the ICSC had offered important recommendations that needed follow-up, and sought a pragmatic approach. He took note of the importance of achieving an improved gender balance, and stressed the need to recruit men and women from developing countries and underrepresented countries, while also giving due attention to the United Nations criteria on competency and qualifications.

ANDREY V. KOVALENKO (Russian Federation) noted the significant work of the Commission, which related to the functioning of the United Nations common system. He noted that the new arrangements for mobility and hardship allowances at hardship duty stations would be introduced on 1 January 2007. His delegation would return to the issue of the wisdom of introducing the first adjustments in payments under that scheme in 2008 during informal consultations. He also took note of maintaining the variance in remuneration between the United Nations and United States Federal civil service, which required no decision at the current stage, outside of the standard method of consolidating post adjustment multiplier points on a no-loss/no-gain basis.

He also took note of the fact that the Commission had set aside its previous recommendations that separate approaches should be maintained to meet the needs of different groups of staff serving under different types of appointment, in particular in special peacekeeping and peacebuilding missions. He inquired about the reasons for that change of position and wanted to know about the Commission's vision as far as ensuring monitoring of the evolution of the benefits and allowances system at non-family duty stations. He also noted the Commission's intention to continue work on other important aspects of the pay and benefits system, including on the review of the methodology for review of education grants.

Regarding the pilot study of the broadbanding/pay-for-performance system, he said that, before the Assembly took a decision on the matter, the Commission should clearly demonstrate that the new system would be more effective as compared with the current one. He looked forward to receiving additional information on the implementation of the project during informal consultations.

Regarding the Senior Management Network, he said that the Commission should continue monitoring the developments in that regard and attract Member States' attention to that project, should it evolve towards creating a separate category of staff or setting up a sort of senior management club with limited membership and special benefits for its members.

In conclusion, he said that his delegation continued to advocate the strengthening of the Commission as a central system-wide body regulating the remuneration and the conditions of service of staff. When considering the recommendations of the Panel on Strengthening the International Civil Service, the Fifth Committee should be guided by the goals of strengthening and not weakening the Commission, confirming the guiding role of Member States and maintaining the trilateral consultative process within the Commission in its current form. He did not fully understand the linkage -- introduced by some delegations -- between the Commission reaching conclusions on the Panel's recommendations and the adoption of a resolution on the benefits and allowances system. Unfortunately, that approach had precluded the sixtieth session from reaching a decision on the item. He hoped it would be possible to avoid such a situation during the current session.

ABDELATIF DEBABECHE (Algeria) said that his delegation's specific remarks would be saved for the forthcoming discussion of human resources management reform, and he thanked yesterday's speakers for their presentations of the reports.

NONYE UDO (Nigeria) said the review of the payment system was initiated in 2000 with high hopes to streamline allowances and benefits, introduce more clarity and transparency, and have an impact on recruitment, contract arrangements, and performance-based management. She said the linkages of the agenda item with human resources management reform were pertinent. She also sought additional details on a number of particular issues: the status of participation by organizations in the review of the payment system; the broadbanded structure; an update on the analysis of the desirability of harmonization of conditions of service in non-family duty stations; the interrelationship on enhancing productivity, competitiveness, and effectiveness, as observed by the Chief Executives Board in 2004; efforts to achieve gender balance at senior levels, especially with attention to including women from Africa and other developed countries that remained underrepresented; and, changes to the mobility and hardship allowances.

MOHSEN BEL HADJ AMOR, Chairman of the International Civil Service Commission, thanked the delegates for the opportunity to brief them on the main aspects of the work of the Commission and said that the concerns expressed in the past two days would be given serious consideration by the ICSC. The Commission was fully cognizant of the key role it had in the reform of the United Nations system. It would continue to direct its efforts towards establishing a mobile, flexible and responsive common system, which would allow the United Nations to attract and retain the best and the brightest of human talent available.

He added that the Commission was aware of the urgency of addressing the needs of peacekeeping and field-oriented organizations. It was also aware of the mammoth task before the Fifth Committee to achieve resolution of the issues in the reports before it. He was sure it would achieve results acceptable to all parties. The Commission stood ready to provide any further information to assist the Committee in its deliberations.