

CIRCULAR

FICSA/CIRC/1337
Ref: Offorg/ICSC

Geneva, 20 November 2020

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

From: Evelyn Kortum, FICSA General Secretary

**REPORT OF THE FEDERATION OF INTERNATIONAL CIVIL
SERVANTS' ASSOCIATIONS (FICSA)
ON THE 90TH SESSION OF THE INTERNATIONAL CIVIL SERVICE COMMISSION
(ICSC)**

(United Nations, Geneva, 5-16 October 2020)

*Submitted by Tanya Quinn-Maguire (President),
Imed Zabaar (Member for Compensation Issues)*

Introduction

The International Civil Service Commission (ICSC) is an independent technical body established by the United Nations General Assembly in 1974 to establish the conditions of employment of staff in the Common System and, in particular, the methodologies for determining the level of compensation for staff in the professional and General Service categories. In exercising its functions, the ICSC's statutes provides that it shall consult with Executive Heads and the Staff Federations prior to making recommendations to the Fifth Committee of the United Nations General Assembly (UNGA).

The ICSC conducts periodical review of all conditions of service, including:

- the post adjustment methodology and operational rules for staff in the Professional and higher categories
- the salary survey methodologies used for purposes of establishing salaries of local staff, including those of the General Service and National Professional Officer categories
- the conditions of service in the Field

One of the main tasks for the FICSA Executive Committee is to represent our members at the ICSC. FICSA strongly encourages all staff representatives to learn about the work of the ICSC in order to better represent their members. As a first step, we encourage our members to visit the [ICSC website](#) which has been updated over the years to include good basic information about the functioning of the ICSC and how they regulate the terms and conditions of employment for staff of the United Nations Common System. We also strongly encourage FICSA members to pay close attention to the FICSA [Communications](#) and [Circulars](#) that are regularly sent which provide additional information about developments from the ICSC as well as FICSA participation on your behalf in ICSC related meetings. FICSA also invites anyone interested to reach out to any member of the FICSA Executive Committee to discuss ICSC related issues, including clarification on any of the points covered by FICSA Communications and Circulars. In particular, in order for the FICSA Executive Committee to effectively represent your views to this and other important bodies, we strongly urge you to actively participate in the work of the [FICSA Standing Committees](#) and to keep the FICSA Executive Committee informed of any concerns in between Council sessions.

90th Session of the ICSC

Because of the global COVID-19 pandemic, the ICSC met only once in 2020. The session scheduled for spring 2020 was cancelled and a hybrid session (virtual and in person attendance) was held in Geneva from 5-16 October. Meetings of various ICSC working groups and task forces had also to be either postponed or cancelled during 2020. In the context of COVID 19, members of the CEB HRN decided against participating in person, including those based in Geneva. Consequently, only members of the Commission, ICSC Secretariat staff and members of the three staff federations attended the ICSC session in person. To effectively represent your interests, FICSA was represented in person by FICSA President Tanya Quinn-Maguire and virtually from Vienna by Imed Zabaar, Member for Compensation Issues.

While every effort has been made to keep this report short and to the point, it should be noted that the discussions and deliberations on the agenda items sometimes took place over several days. Should any FICSA member require further details or clarification on any specific agenda item, they are encouraged to [contact](#) the authors of this report who would be happy to assist.

The formal report of the ICSC session will be posted on the FICSA website as soon as it becomes available.

Agenda

The main items on the agenda of the Commission's 90th session included:

- Resolutions and decisions adopted by the General Assembly at its seventy-third session related to the work of the Commission
- Contractual arrangements: review of the implementation of the three types of contracts
- Report of the working group on the operational rules governing post adjustment
- Children's and secondary dependants' allowances: review of methodology and level
- Danger pay and security evacuation allowance: review of level
- Report of the working group on the review of the General Service salary survey methodologies

FICSA's opening statement

During the opening of the session FICSA delivered its general statement which was circulated to the FICSA membership as document [FICSA/CIRC/1335](#) (see annex).

ICSC agenda item 5 (a): Contractual arrangements: review of the implementation of the three types of contract

Background / summary of discussion

The Commission considered a report on the implementation of the ICSC framework for contractual arrangements (A/65/30, annex V). Three appointment types, namely: continuing, fixed term and temporary appointments, are foreseen under that framework. The Commission reviewed the implementation of the framework at its seventy-fifth session, in 2012, and at its eighty-third session, in 2016. In 2012, the Commission, inter alia, decided that it did not require organizations to implement all three types of contracts and that organizations could implement any combination in accordance with the needs of each organization

Prior to the ICSC session, the ICSC secretariat disseminated a questionnaire to the organizations of the common system in October 2019 seeking information on the implementation status and on the extent to which the framework continued to meet the needs of the organizations. Of the 23 organizations of the common system who responded, only 19 organizations reported that they had implemented the ICSC contractual framework. Amongst the issues raised by some organizations was a request for a project-specific contractual modality. Some organizations also pointed out that the temporary appointment was too limiting. One organization reported that the reintroduction of continuing appointments in that organization had subsequently been reversed due to pressures from its Member States to reduce its long-term staff obligations, which were perceived to come with that appointment type.

The Human Resources Network (HRN) stated that in October 2019 the HLCM established a task force on the future of the United Nations workforce with a mandate which included the review of the current contractual modalities of the United Nations system. Taking into consideration that the ICSC secretariat's report was based on a survey prior to the outbreak of COVID-19 and that the HRM task force was expected to submit its final report to High-Level Committee on Management (HLCM) in Spring 2021, the HRN recommended the establishment of an ICSC working group once they have received the input from the United Nations organizations' Senior Management.

The three staff federations were of the view that the Commission should ensure the continuance of the three existing appointment types under the current ICSC contractual framework and that organizations should focus on improving their ways of working in order to achieve the required flexibility. As such, the three federations did not support the proposal to establish a working group and urged the Commission to advocate for and monitor the full implementation of the current framework by the organizations. However, following intense discussions, the Commission agreed to the establishment of a working group immediately after the session with a mandate strictly limited to the review of the implementation of the current three types of contracts. Therefore, the three staff federations reconsidered their positions and agreed to participate in the working group and requested the establishment of terms of reference prior to any meeting of the working group.

[Decision of the Commission on agenda item 5\(a\)](#)

The Commission decided to establish a working group to review the implementation of the current contractual framework by the organizations and possible improvements within the current framework and make recommendations as needed at its 92nd session. The working group will meet in order to establish the terms of reference.

[FICSA intervention on agenda item 5\(a\)¹](#)

FICSA thanks the secretariat for the comprehensive presentation which summarized very well the information provided in document ICSC/90/R.3

FICSA has quite a few observations on this issue, but we will attempt to be brief to ensure that our sister federations can also provide additional perspectives. I take this opportunity to reiterate that the three federations have worked closely in preparation for this session and, in principle, all our comments and interventions should be considered as complementary. This is particularly true with regard to this agenda item.

¹ Please also refer to the [Summary of Federation participation in the HLCM Meeting on the Future of Work](#) for further background

Mr Chairman, we note that the document presented is entitled “Contractual arrangements: review of the implementation of the three types of contracts”. This document clearly goes well beyond this remit in proposing a working group on a revision of the entire existing framework considering the relatively short period of time since the current arrangements were agreed by this Commission in 2016. Rather, FICSA would have expected an overview on its implementation by common system organizations, challenges, best practices and proposals on how the framework with its current three existing contracts could be improved to accommodate the comments from organizations instead of expending valuable time and resources in convening a working group to reimagine the whole set-up.

FICSA has listened with interest to the numerous declarations this week by other stakeholders related to the need to “keep an eye on the overall attractiveness of the UN Common System’s compensation system”.

- We have agreed with those sentiments wholeheartedly
- We have noted how the information presented in the ICSC staff survey identified staff concerns about the limited opportunities for long-term career development and how this is the main reason for staff to consider leaving their organization
- We then listened to the concern expressed by organizations on this issue and how they planned to find solutions going forward
- We have heard many statements, by all stakeholders, about the importance of ensuring that the common system attracts and retains staff at the highest standards of competence, efficiency and integrity
- We have all spoken at length about protecting our staff in these difficult times when the cost of living is rapidly increasing and there are often extreme and unpredictable fluctuations in exchange rates and inflation
- We have heard much about how important the principles of stability, predictability, transparency and simplicity are for the overall general good functioning of our common system
- We noted the vocal support of yourself, Mr Chairman, as well as the vocal support of all the stakeholders present at this session to supporting and improving the mental health and wellbeing of our over 100,000 current staff members serving across the globe.

In relation to the statement from our HRN colleagues, FICSA notes that the staff federations have not been included in the work of the Task Force on the Future of Work despite repeated requests since the start of this year. We are grateful that our request has just yesterday received a positive response and we look forward to engaging in what we hope is an open and transparent exchange of views.

FICSA is concerned that any steps towards the erosion of measures to ensure job security may make the common system organizations unattractive for recruitment and retention of staff with the highest standards of competence, efficiency and integrity from joining our organizations at a time when we are looking to increase the diversity of our workforce.

We are also deeply concerned that individuals engaged on contracts for only a limited period of time would not have the same feelings of attachment or loyalty or understand the obligation of a UN staff member to ensure a neutral and independent international civil service, as per the principles enshrined in this body’s Code of Conduct

Mr Chairman, Distinguished Members of the Commission, It is difficult to understand why, in particular during these difficult times, the ICSC Secretariat would recommend the establishment of a working group to

consider additional layers of bureaucratic contractual arrangements when we are all agreed that the Common System is in desperate need for conditions that are simple, stable and predictable.

It is inconceivable to FICSA that any consideration could be given to staff contractual arrangements with little, limited or no social security at a time when all our world leaders, including our Secretary General, are stressing the importance of decent jobs in building back better after the devastation of Covid 19.

Now, more than ever, staff members - your valuable assets, our valued colleagues, who are working day and night in all conditions, serving the mandate of our organizations - need to feel their contributions are valued and that they have a future. We also have an obligation and a duty of care to ensure the same stability and respect to the future generations we hope will join our workforce.

In conclusion, FICSA strongly rejects the proposal to establish a working group and urges the Secretariat to advocate for the full implementation of the current framework.

[Additional FICSA intervention on agenda item 5 \(a\), following proposal of the Chair](#)

It is unfortunate to be in this position. FICSA has clearly stated its position on this topic in this morning's session and nothing has changed since then. Of course, it is the prerogative of the Commission to decide to convene a working group. If that goes ahead, it would not be in the interest of our members if FICSA decided not to participate in the working group. However, before agreeing to participate in any proposed working group, we would be grateful if you could clarify the exact decision of the Commission and provide clarity on the mandate and Terms of Reference for any such working group.

ICSC agenda item 5 (b): Global survey on conditions of service

[Background / summary of discussion](#)

The 2019 global staff survey was organized by the ICSC with the aim of obtaining the perspective of staff in the area of compensation and performance management. The survey was open to all staff members, irrespective of their category or duty station. The 2019 ICSC survey was built on the 2013 global staff survey. The 2019 survey had a response rate of 21% compared to 14% in 2013. While FICSA did not ask staff not to reply to the 2019 survey, as had been the case in 2013, it was felt necessary to send a message to members clarifying the possible impact of responses on future staff compensation packages.

The results of the survey showed generally high levels of staff engagement despite often difficult circumstances. The results also highlighted, among many other points, staff concerns about the lack of career opportunities as well as the lack of support for inter-agency mobility. It was clear that there remained a lot of un-analyzed data which could be valuable to all stakeholders going forward.

[Decision of the Commission on agenda item 5\(b\)](#)

The Commission requested its secretariat to continue with the data analysis of the staff survey results, specifically with regard to preparing the comprehensive assessment report of the new common system compensation package, as requested by the General Assembly in its resolution 70/244. The next global survey will be conducted in five years' time.

[FICSA intervention on agenda item 5\(b\)](#)

FICSA takes note of Document ICSC/90/R.4 on the Global Survey. While noting the increase in participation since the last survey, we would like to note that in order to further increase the rate of staff participation in

all common system organizations in such surveys going forward we would strongly urge the Commission to include the participation of staff federations in any future surveys at all stages of the process; from development and implementation all the way through to analysis and use of survey data. Many individual staff associations conduct such surveys with their own organizations, and we are sure that there would be valuable guidance to be had from their experience. If the Federations were fully involved going forward, we then could encourage, with full confidence, all our members to participate in these surveys. We would also be in a position to address staff concerns about how survey results will be used.

Nonetheless, looking at the results of the survey FICSA notes the results related to staff concerns about lack of opportunities for career progression. We also note the interest of staff in moving within the common system. These are issues raised by FICSA in other forum and we reaffirm our commitment to work with all concerned stakeholders to find innovate and sustainable solutions to these important concerns which will affect the retention of staff as well as productivity, and ultimately the mental health and wellbeing of serving staff. FICSA also agrees that there is a wealth of unmined information still available and looks forward to receiving further disaggregated data in this regard.

ICSC agenda item 5 (c): Implementation of the principles and guidelines for performance appraisal and management for the recognition of different levels of performance

Background / summary of discussion

The ICSC Secretariat presented to the Commission document ICS/90/R12 as well as a complementary presentation which summarized the findings of that report. This document was in response to the General Assembly Resolution 74/255 B which requested the Commission to report on these issues at the 75th Session, and which particularly requested information on the aspect of conformity by the common system organizations with the framework for recognition and reward programmes.

In preparation of this report, the ICSC circulated a questionnaire to common system organizations, to which 22 organizations responded. It was noted that most of the information reported had not changed since previous reporting in 2017. The report highlighted the general agreement that it was necessary to improve the functionality of the electronic platforms as well as the appraisal and feedback processes. Three organizations focused their reporting on the link between performance management, career development and continuous learning and highlighted the need for further action in this regard. The ICSC reported that most organizations considered that the ICSC principles and guidelines continued to meet their needs.

Decision of the Commission on agenda item 5(c)

The Commission took note of the report and decided to draw the attention of the General Assembly to the issues in paragraphs 3 and 4 of the report which noted that a) all costs incurred to date were well within the cap of 1.5% of projected remuneration costs as per guidelines, and b) one organisation had discontinued the organizational performance reward which was paid only in 2018 to all staff with satisfactory performance.

FICSA intervention on agenda item 5(c)

FICSA thanks the Secretariat for the preparation of document R.12 and for the complementary presentation. We note that this issue has been under consideration for many years. As such, we would like to reiterate FICSA's position that performance management in organizations is very subjective and is often dependent on interpersonal relationships rather than actual transparent and consistent performance management

criterion. While we note that the document provides some information on steps taken to address this issue, which we appreciate and encourage, we believe that further effort is required on behalf of the organisations to address this fundamental issue before rolling out further steps to make cash or other rewards in this regard.

ICSC agenda item 6 (a): Post adjustment issues: i) Report of the Working group on operational rules; ii) Report of the Advisory Committee on Post Adjustment Questions (ACPAQ) on its forty-second session and agenda for the forty-third session

Background / summary of discussion

The Commission considered the report of the working group on operational rules which had met in Paris in February 2020². Prior to the ICSC session, the Secretariat issued two conference room papers (CRP) relevant to results of additional simulations of selected proposals in the Report of the Working Group on Operational Rules as well as the proposed agenda for the forty-second session of the ACPAQ. As there had not been sufficient time to allow consideration of the data presented in the two CRPs, the Commission agreed to FICSA's request to postpone the discussion of these documents in the session to allow time for informal meeting of available members of the Working Group to analyse and discuss the proposals to the extent necessary. The informal working group included representatives of the three staff federations as well as the ICSC secretariat and the HRN who was represented by their statistician.

The Commission resumed its discussion on this topic following the meeting of the informal working group and considered alteration of the 10-Point rule for group II duty stations (non-HQ) as well as the 12-Month review (12MR) rule for group I duty stations (HQ). The informal working group agreed that the amended proposal regarding the 12MR rule added value as it could address the issue which had arisen in one duty station which had caused considerable discomfort for affected staff. The informal working group also agreed that the amended proposals fully met the mandate of the Working Group to find a methodology which would narrow the gap and ensure predictability and stability going forward.

The Commission also considered a draft agenda for the next meeting of the ACPAQ which would allow the ACPAQ to finalize the methodology and present it for approval to the spring session of the ICSC.

Decision of the Commission on agenda item 6(a)

The Commission decided to approve the recommendations of the working group on operation rules as the relate to:

- 1. Maintaining the current formulation of the Gap Closure Measure (3%), and**
- 2. Changing the calculation of the Personal Transitional Allowance (PTA) according to the "consistent PTA" approach described in the report of the working group at its second meeting**

The Commission also decided to approve, in principle, the following:

Group I duty stations

- 1. 12-Month (12MR) review rule: use 3 per cent added to zero, or the lowest level of the gap attained since the introduction of the results of the latest cost-of-living survey, to define a duty station-specific threshold against which the gap between the Post Adjustment Index (PAI) and Pay Index is assessed. Should the gap amount to either the duty station-specific threshold or 5 per cent or more for two consecutive times, a price survey is triggered at the**

² Please refer to [FICSA/CIRC/1329](#) for a summary of the issues discussed at that time.

duty station, to be conducted within 6 months. No price survey will be conducted if triggered 18 or less months before the prospective survey at the duty station under the next scheduled round of surveys.

Group II duty stations

1. **Four-Month Review (FMR) rule:** cap to minus 3 post adjustment multiplier (PAM) points the decrease of a first FMR, while allowing for a full decrease of the next FMR, unless this would be minus 7 PAM points or more, in which case the 10-point rule would be triggered;
2. **10-point rule:** cap the total decrease within a year to less than minus 10 of PAM points. When a potential decrease of minus 10 or more PAM points is due within a year, thus from two or three consecutive negative reviews, the PAM should be frozen and a new out-of-cycle place-to-place survey conducted withing four months with precedence over the provisions of the FMR rule. Except for reasons of *force majeure*, if a place-to-place survey is not conducted within four months, at each of the next FMR the PAM is reduced by 10 PAM points, unless this would bring the PAM less than PAI minus 100, in which case the PAM becomes equal to the PAI minus 100.

It was agreed that the Secretariat would revert to the working group with the results of the tests and simulations of the modifications listed above, so that if any unexpected results were found the Commission has the right to revisit its decisions.

The Commission approved the agenda for the 42nd session of the ACPAQ.

The Commission requested the ICSC secretariat to continue active preparations for the next round of surveys, based on the new methodology to be agreed by the spring session of the ICSC, and which are scheduled to be launched in 2021, in collaboration with representatives of organizations and staff federations.

[FICSA intervention on agenda item 6\(a\)](#)

Mr. Vice-Chairman and distinguished Members of the Commission, first we thank the ICSC Secretariat for their presentation on the report of the working group.

FICSA is intent upon maintaining a constructive and healthy dialogue with all stakeholders participating in the review of the Post Adjustment system and Operational Rules. Now is the time for all of us to rise to the challenge and work together and build on our strengths to overcome the impact of this pandemic and ensure that the Common System's compensation methodologies are fit for purpose.

Mr Vice-Chairman, the transparency, simplicity, stability and the predictability of the post adjustment system, are the guiding principles that continue to drive the ongoing review of the Operational Rules since it has been initiated by the Commission.

In February, at the end of the meeting of the working group, considering the numerous challenges faced and the various approaches, we hoped that the consensus reached, in the form of a balanced package of operational rules presented a way forward out of this crisis that shattered the confidence of staff in the fairness and transparency of the compensation system.

However, although we appreciate the additional analysis conducted, the late submission of CRP4, and the fact that the analysis contained therein have not been discussed with the members of the WG raise numerous concerns.

Therefore, we respectfully request that any new proposals should first be discussed by the WG prior to review and consideration by the Commission.

In light of the special circumstances that we are facing since the outbreak of COVID-19, we believe that we should take the time to reflect on the lessons learned to ensure that prior to the next round of surveys, all the concerns raised by staff and their respective organizations have been addressed.

We therefore believe that it is vital for the success of this review that the Commission allow the WG on Operational Rules to virtually meet as soon as possible prior to upcoming ACPAQ meeting and the next session of the Commission to conduct further reviews and analyses.

Mr Vice-Chairman, with your permission, FICSA will intervene later during the discussion with more technical comments.

[Additional FICSA intervention on this item](#)

Thanks to the Leadership and the open dialogue and constructive environment that you established, our WG made a breakthrough in Paris and reached an agreement what you described as “a balanced package”.

We truly appreciate the additional information provided by the Secretariat and assure everyone that we have No intention to delay the process. Fixing the post adjustment system is joint responsibility that we take very seriously.

Ibrahim asked what else can we do? Which is also confirmed with the questions raised in paragraph 21 of CRP.4.

Mr Chairman as Ms Gardner just reminded us in her intervention, of the objectives of this process which are to enhance the stability, predictability and simplicity of the methodology, I count on your support as well as of the distinguished members of the Commission to keep this item open for further consultations so that we can report back to you at the beginning of next week at the latest.

The WG, which include members of the Commission, could virtually meet with Ibrahim and Roberto either this week or during the weekend to discuss to conduct further analysis and report back to the Commission.

Mr Chairman, I hope that you understand that our concerns are driven by the fact that we do not wish to miss something that may have a huge impact on the methodology later.

ICSC agenda item 6 (b): Children’s and secondary dependants’ allowances: review of methodology and level

[Background / summary of discussion](#)

In report ICSC/90/R.6, the ICSC provided a background to the issue under consideration. It was noted that the current level of these allowances had been in effect since 1 January 2011. There had been two attempts by the Commission to propose increases, in 2012 and 2018, neither of which were approved by the UNGA.

In 2018, the ICSC decided that some of the aspects of the methodology to establish these allowances should be revisited. Consequently, the Commission was presented with two options for consideration:

1. Option 1 (arithmetic mean - current method) - \$4374 for child allowance, \$8748 for disabled child allowance, \$1531 for secondary dependent
2. Option 2 - (geometric mean - new method) - \$3102 for child allowance, \$6204 for disabled child allowance, \$1086 for secondary dependents

During discussion, the Commission recognized that given the impact of the pandemic on the current economic conditions it may not be appropriate to propose a large increase in any of the allowances at this time. Therefore, an ad-hoc calculation was proposed based on a review of the average changes in child-related benefits in local currency since the last review.

Decision of the Commission on agenda item 6(b)

The Commission agreed to maintain the current methodology for calculating the children's allowance for the time being.

The Commission also decided to recommend to the General Assembly that, as of 1 January 2021:

1. **The children's allowance be set at \$3,222 per annum and the disabled child allowance be set at \$6,444 per annum.**
2. **The secondary dependant's allowance be set at \$1,128 per annum.**
3. **At hard-currency duty stations, the US dollar amount of the allowances, as established in subparagraphs 1) and 2) above be converted to the local currency using the official UN exchange rate as of the date of promulgation and remain unchanged until the next biennial review, regardless if there is an update to the level;**
4. **The dependency allowances be reduced by the amount of any direct payments received by staff from a government in respect of dependants.**

FICSA intervention on agenda item 6(b)

FICSA thanks the secretariat for the preparation of the document ICSC/90/R.6. We note with concern that there has been no adjustment since 2011, despite proposals in 2012 and 2018. On a purely practical level, given the number of years that have passed since the last review, it is unrealistic to continue in this fashion; we cannot continue to ignore this issue and hope that it will magically go away. Therefore, FICSA supports Option 1 proposed. We hope that there are no further delays.

ICSC agenda item 6 (c): Identification of the highest-paid national civil service (Noblemaire): reference check with other international organizations

Background / summary of discussion

Studies to identify the comparator of the common system, referred to as the Noblemaire studies, have always been focused, and continue to be focused, on national civil services and on identifying the highest-paid of those services. In 1992, in view of the growth of international and regional civil services that competed with the UN common system, the Commission considered remuneration data from other major international organizations outside the common system for reference purposes. This practice continued, and those reference checks are usually presented to the Commission under the general heading of the Noblemaire study.

The most recent Noblemaire study was completed in 2018, at which time the United States federal civil service was retained as the comparator. The reference checks with other international organizations was

deferred in order to benefit from an upcoming salary benchmarking study which included common system organizations as well as the OECD and the World Bank. However, due to several reasons the data provided by the study proved to be insufficient. Consequently, the Commission collected compensation reference data directly from the OECD and the World Bank. This data was processed and analyzed based on the grade equivalencies and other parameters that had been agreed upon for the previous reference studies. The comparisons found that the OECD was ahead of the common system by 28.2 per cent and the World Bank by 36.6 per cent.

Decision of the Commission on agenda item 6(c)

The Commission decided to report to the General Assembly that the remuneration levels of the World Bank and the OECD were, respectively, 36.6 and 28.2 per cent ahead of that of the UN common system. The Commission also agreed to report to the UNGA that the data should be viewed as supplementary to the Noblemaire study.

FICSA intervention on agenda item 6(c)

FICSA thanks the secretariat for the comprehensive presentation which complements document R.7. On reviewing the document, FICSA had made similar observations to the HRN with regard to the OECD and the World Bank and align with the comments made, particularly with regard to keeping an eye on the overall attractiveness of the UN Common System's compensation system and to actively discuss how to sustain and improve the overall "Employee Value Proposition" of the United Nations. We agree with the proposals made by the Secretariat on the way forward.

ICSC agenda item 6 (d): Review of the implementation of the recruitment incentive

Background / summary of discussion

The General Assembly approved, in its resolution 70/244, an incentive payment for the recruitment of experts in highly specialized fields in instances where the Organization was unable to attract suitably qualified staff. At the same time, the General Assembly decided that the Commission should assess the scheme three years from the date of its implementation.

Information was provided by 23 common system organizations which showed that only one organization had made recruitment incentive payments, and only in one case

Decision of the Commission on agenda item 6(d)

The Commission decided to inform the UNGA that it would conduct a further review of the recruitment incentive in two years' time, with a view to assessing its use.

FICSA intervention on agenda item 6(d)

FICSA takes note of document ICSC/90/R.8 and the very clear presentation. We note in particular the fact that there has been very limited use of this incentive since its introduction. We agree with the proposal to review again in two years' time.

ICSC agenda item 6 (e): Base/floor salary scale

Background / summary of discussion

The General Assembly introduced the concept of a base/floor salary scale in 1990 in its resolution 44/198. The scale is set in reference to the base General Schedule salary scale of the comparator (the United States federal civil service). The comparison is made at the established reference point of the United Nations pay scale (P-4, step VI) with the corresponding salaries of the comparator civil service.

A 2.6 per cent increase in the General Schedule salary scale of the Comparator was implemented with effect from 1 January 2020. In addition, tax changes were introduced in the United States in 2020. In order to maintain the base/floor scale in line with the levels of the comparator, it was noted that the unified salary scale should be increased by 1.90 per cent.

Decision of the Commission on agenda item 6(e)

The Commission agreed to recommend to the General Assembly for approval, with effect from 1 January 2021, an adjustment to the unified base/floor salary scale for the Professional and higher categories of 1.90 per cent, to be implemented through the standard no-loss/no-gain consolidation method of increasing the base salary and commensurately reducing post adjustment multiplier points.

FICSA intervention on agenda item 6(e)

FICSA thanks the Secretariat for the presentation and for the work in preparing document ICSC/90/R.13

ICSC agenda item 6 (f): Evolution of the United Nations / United States net remuneration margin

Background / summary of discussion

Under a standing mandate from the UNGA, the ICSC reports on an annual basis the margin between the net remuneration of United Nations staff in grades P-1 to D-2 and that of their counterparts in the comparator civil service.

In order for the Commission to manage the margin within the established range, a procedure was approved by the General Assembly in 2015. According to that procedure, if the margin levels of 113 and 117 are breached, appropriate action should be taken by the Commission through the operation of the post adjustment system. Such action was required in February 2020, on the anniversary of the post adjustment review in New York. In order to ensure that the margin did not go below the trigger point of 113, the post adjustment index for New York was scaled up, which resulted in an increase in the multiplier from 65.5 to 70.3.

Based on the established methodology and the information provided to the Commission in document ICSC/90/R.14, the margin for the period from 1 January to 31 December 2020 was estimated at 113.0.

Decision of the Commission on agenda item 6(f)

The Commission decided to report to the General Assembly that the margin for 2020 is estimated at 113.0. The Commission also requested its secretariat to continue monitoring the margin level so that corrective action could be taken as necessary should the trigger levels be breached in 2021.

FICSA intervention on agenda item 6(f)

FICSA thanks the Secretariat for the clear presentation and work in preparing the document ICSC/90/R. 14. We note that the present margin is at 113 which is within the 113 to 117 desirable range and have no additional comments at this time.

ICSC agenda item 7: Conditions of service of staff in the General Service and other locally recruited categories: reports of the third and fourth meetings of the working group on the review of salary survey methodologies

Background / summary of discussion

The Commission considered the report of the third meeting of the working group on the review of the salary survey methodologies hosted by the International Maritime Organization in London from 3 to 7 February 2020.

Decision of the Commission on agenda item 7

The Commission decided to:

- (a) support the conclusions reached by the working group at its third meeting**
- (b) include the following items for consideration at the fourth meeting of the working group:**
 - (i) The possibility of using external data:**
 - Review a comparative analysis by running a pilot application of external data conducted in parallel with the conventional salary surveys at selected locations;
 - Estimate the common system labor market positioning and evaluate the impact of the selection of parameters in the external data modality;
 - (ii) Categorization of duty stations: review of recommendations of the task force;**
 - (iii) Dual scales and transitional arrangements;**
 - (iv) The relevance of benchmark jobs and job descriptions;**
 - (v) Special measures under methodology II: review of thresholds**
- (c) apply flexibility to the timeline approved at its eighty-ninth session taking into account the COVID-19 related travel restrictions and to maintain the face-to-face modality in subsequent meetings of the working group**

FICSA intervention on agenda item 7 (joint statement on behalf of three staff federations)

Mr. Chairman and Members of the Commission, throughout the review process, FICSA has been working with its sister Federations, so today, I have the honor to speak on behalf of the three Federations.

FICSA, CCISUA and UNISERV thank the Secretariat of the ICSC for its presentation and the report of the working group on the review of the General Service salary survey methodologies contained in document R.9.

Being mindful of the on-going special circumstances due to COVID-19 pandemic and the huge negative impact on the global economy and labor market, FICSA, CCISUA and UNISERV would like to reaffirm our commitment to the validity of the Flemming principle in its current formulation to determine the level of compensation for locally recruited staff in all duty stations.

FICSA, CCISUA and UNISERV have been proactively participating in the on-going review and hopes that practical solutions could be identified to resolve the list of outstanding issues.

FICSA, CCISUA and UNISERV reiterate that the role of the Local Salary Survey Committee (LSSC), in existence since these salary surveys began, as an indispensable and fundamental element to ensure the participatory nature of the exercise.

Regarding the possible use of external data, FICSA, CCISUA and UNISERV would like to put on record that none of the vendors were able to conduct a survey in accordance with the requirements of the ICSC methodology.

Despite the fact that many of the criteria had to be relaxed to accommodate the use of external data, the main focus was on certain subsectors such as manufacturing, transport and wholesale with minimal or almost no coverage of public/non-profit sectors. Moreover, due to confidentiality requirements, it is not possible to control the quality or verify the source of data, particularly in countries where vendors are sub-contracting data collection to local partners.

Therefore, we reiterate our belief that the current methodologies should be reviewed with a view to facilitate comparators' participation, for example relaxing criteria for retention of the number of employers and calculation of benefits that are the root causes for discouraging the participation of competitive employers or dropping them from the sample of comparators, as well as the commuting distance.

Mr Chair, the latest crisis proved that despite the level of preparedness, there will always be a need for special measures to intervene and take urgent actions to address special compelling circumstances in certain duty stations.

We thank the ICSC Secretariat for their work to apply special measures as required due to the dramatic changes in local conditions, including inflation and exchange rates.

The establishment of a mechanism to adjust salaries between salary surveys is an area of great concern to staff in many duty stations and we urge the continued attention of the Secretariat to this key area.

In conclusion, Mr Chairman, we thank you for your enabling environment and count on you to ensure that our concerns are addressed and assure you of our readiness to continue working with you and the members of the working group on the review of the methodology in accordance with the proposed timeline.

ICSC agenda item 8 (a): Danger pay: review of level

Background / summary of discussion

In its review of the danger pay level in 2017, the Commission decided to maintain the rate of the allowance at \$1,600 for internationally recruited staff and to set the level of danger pay for locally recruited staff at 30 per cent of the net midpoint of the applicable General Service salary scales that were in effect in 2016. Once established, those amounts were then delinked from the salary scales.

It was noted that when previously reviewing the allowances under the mobility and hardship scheme under the former compensation package, the Commission considered the movement of the net base salary, as the most stable of the three adjustment factors considered, to be the point of departure. If the same approach is applied to the results of the current review, it would result in an increase of 2.82 per cent, which would amount to \$1,645 per month.

Decision of the Commission on agenda item 8(a)

The Commission agreed to set the level of danger pay for internationally recruited staff at \$1,645 per month, using as a reference the movement of the net base salary.

The Commission also agreed to update the amount of danger pay for locally recruited staff by updating the reference year of the salary scales on which the calculations were based from 2016 to 2019 and applying 30 per cent to the net midpoint of those scales.

FICSA intervention on agenda item 8(a)

FICSA takes note of document ICSC/90/R.10 and thanks the Secretariat for the document and the very clear presentation which complemented it. We also acknowledge with appreciation the prompt action of the ICSC Secretariat on this key issue in the context of the global COVID pandemic. We note with concern that the last review was in 2017. FICSA therefore supports the proposed levels for both internally and locally recruited staff - both of which are already overdue.

ICSC agenda item 8 (b): Security evacuation allowance: review of level

Background / summary of discussion

The current level of the security evacuation allowance was established in 2012 to assist in offsetting the direct added expenses of staff members and eligible family members who are evacuated from their official duty stations and is to be reviewed every three years, as from 2017.

The Commission secretariat reviewed the level of the allowance by analyzing the level of the after-60-day daily subsistence allowance rates for 12 safe-haven locations. Effective January 2020, the average of those rates amounts to \$190. The average of \$190 is very close to the current global security evacuation allowance of \$200. Considering that those amounts were considered not to be significantly different to the prevailing security evacuation allowance amount of \$200, it was suggested that the Commission may wish to maintain the allowance at its current level.

Decision of the Commission on agenda item 8 (b)

The Commission agreed to maintain the security evacuation allowance at its current level.

Joint UNISERV / FICSA intervention on agenda item 8 (b) (delivered by UNISERV)

UNISERV and FICSA take note of ICSC/90/R.11 and thanks the secretariat for its report and presentation on this issue and also support the comments of CCISUA. Although minor, UNISERV and FICSA would like to suggest that the Commission consider raising the rate in accordance with Para.5 of R.11. This is especially important in the current global economically volatile climate and the next review only taking place in 2023.

ANNEX

Opening Statement

Mr. Chairman, Members of the Commission and Distinguished Colleagues,

FICSA looks forward to working with all members of the Commission over the coming days. I am happy to see that all of you that travelled to Geneva are safe and well and I am pleased to note that you and our colleagues joining us virtually have made it through this most challenging period of time.

The world is facing an extraordinary crisis. FICSA joins all of you in mourning those who have fallen victim to the scourge of COVID-19. We wish to express a profound sense of solidarity with all countries and communities affected as the pandemic continues to take its toll the world over.

In that context, FICSA pays tribute to all International Civil Servants for their unflagging commitment to the mission and principles of their respective Organizations in these unprecedented times. We particularly acknowledge the sacrifices made by our colleagues who have continued to undertake critical missions, even to high-risk areas. Many have gone far above and beyond the call of duty.

There is no time like the present crisis to reiterate the important role of International Civil Servants. FICSA would therefore like to take this opportunity to congratulate our colleagues from the World Food Program on being awarded the Nobel Peace Prize. The fact that the invaluable work of staff in yet another UN organization has been honored at this critical time by one of the world's most venerable institutions bears testimony to the firm belief and trust in the role of the UN Organizations and its Specialized Agencies.

On a personal note, I am honored to join you all for the first time and hope to continue to build on the good working relationship enjoyed by my distinguished predecessors. This year has not been anything like I thought it would be when I left our FICSA Council in February. It has been frustrating not to have been personally able to participate until now on behalf of our members in the important work of the Commission to set our terms and conditions of employment. During this year, it has been apparent to us in FICSA and all other stakeholders that it is imperative that we have a fully functioning ICSC, irrespective of the circumstances in which we find ourselves. As such, it is incumbent on all of us to ensure that the work of the Commission on behalf of our staff is uninterrupted, despite the current Global situation and likely medium-to-long-term future. Going forward, FICSA calls on the Commission to adapt ways of working that accommodate our new reality based on demonstrated best practice including formal and informal virtual meetings to facilitate the work of the Commission, both during and between sessions.

As we take up the review of the implementation of the Contractual Framework and the impact it will have on organizations and our staff, we hope that that you will agree that now, more than ever, staff need to focus fully on their jobs without having to spend time on quests for subsequent assignments or worrying about their future. The net result would be, in our opinion, increased productivity and greater efficiency to the benefit of the people we serve. We would also like to underline that FICSA strongly believes that all of us participating in this meeting, are responsible for ensuring that the international civil service remains neutral and independent. We are also responsible for ensuring that the conditions of service allow for the recruitment and retention of staff with the highest standards of competence, efficiency and integrity. We call on all stakeholders to keep those principles in mind during deliberations.

FICSA continues to be very concerned about the conditions of employment and compensation of staff in both field and headquarter duty stations and hopes that the long outstanding review of the post-adjustment methodology and operational rules could be finalized so as to have a transparent, accurate, stable, predictable and unified compensation system.

FICSA calls for urgent attention by the Commission, as the agreed, independent technical body of the Common System, to facilitate a solution to the issues that led to the implementation of different post adjustment multipliers in common system organizations within the same duty station. FICSA is seriously concerned about the negative implications this situation may have on the entire UN Common System. If not resolved, at the very least organizations may lose their ability to attract and retain the best staff due to competition amongst common system organizations in the same duty station.

Mr Chairman, as we are all aware, the conditions of employment and compensation for our locally recruited colleagues are interrelated with the conditions applicable in the local labor market. Around the globe, workers from all walks of life have been affected by this pandemic, not only in terms of health and well-being, but also in terms of the continuing hugely negative financial impact on the world economy. With this in mind, we fear that any salary data collected in the context of GS salary surveys during this period would be distorted and would have negative consequences in times when the cost of living is rapidly increasing and there are often extreme and unpredictable fluctuations in exchange rates and inflation. Therefore, FICSA urges the Commission and UNOHRM to continue with the current arrangements which suspend all outstanding salary surveys and implement special measures or mechanisms to adjust salaries until the review of the methodology has been finalized and the economic conditions have “normalized” before going ahead with salary surveys in those duty stations.

As a member of the Implementation Board for the UN System-wide Strategy on Mental Health and Wellbeing, it would be remiss of me not to highlight that the UN System is marking Mental Health Month during the month of October. FICSA is delighted to note the recent vocal support from yourself, Mr. Chairman, to the work within the common system that supports staff mental health and wellbeing. We have been an active member of this group since the inception of the MHSWG which is also supported by the HLCM and by our sister Federations. I call upon the members of the Commission to please indulge my optimistic nature which allows me to hope, despite the difficulties 2020 has brought to many of us, that we will see the spirit of the verbal support for the mental health and wellbeing of our 100,000+ staff worldwide concretely reflected as we collectively consider the impact of final recommendations and decisions of this Commission.

Finally, I would like to note that while obviously each Federation has its own perspective on each of the issues up for discussion, we would like to highlight that FICSA has been working closely with our sister Federations in preparation for this session and, in principle, our statements and comments during the coming days should be seen as complementary to each other.

Thank you for your attention
