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Note by the Secretary-General

The Secretary-General has the honour to transmit herewith, for consideration by the General Assembly, a statement adopted by the Administrative Committee on Coordination (ACC) at its second regular session of 1997.

Notes

 1 The statement was adopted by ACC on the recommendation of the Consultative Committee on Administrative Questions. One executive head indicated that he could not concur with the statement.

ANNEX

Statement by the Administrative Committee on Coordination on conditions of service and the application of the Noblemaire principle

The Administrative Committee on Coordination (ACC) adopted the following statement for submission to the General Assembly:

"In recent years, ACC has repeatedly called upon the General Assembly and the International Civil Service Commission (ICSC) to restore the competitiveness of United Nations common system remuneration. In a statement submitted to the General Assembly in 1996 (A/C.5/51/25 and Corr.1, annex) ACC stressed the importance of there being simultaneous movement on two fronts: the active, continuing pursuit of efficiency, enhanced performance, including managerial performance, and structural and management reform; and an equally active pursuit by ICSC of the measures required to restore competitive conditions of service through the rebuilding of the Noblemaire principle. Both of these objectives are part of the established policy of the General Assembly. They both must be pursued vigorously and in a mutually reinforcing way.

"In the same statement, ACC stressed that the grave financial situation that the system was facing remained of the utmost concern to the executive heads, and that the search for solutions to the financial crisis must be given the utmost priority by the membership. In the statement, ACC recalled that, at the level of the secretariats, no efforts were being spared towards improved management, as well as cost containment, in the face of long-standing budgetary constraints. It emphasized that two key conditions for the ultimate success of those efforts would be flexibility and innovation in staff management, and the capacity to attract, motivate and retain the best performers, so as to continue to adhere to the tenets of the Charter of the United Nations with regard to the international civil service.

"In the statement, members of ACC also reiterated their responsibility for the management of the cost structure of their organizations, as stated in the ACC submission on the subject to the General Assembly at its fiftieth session (A/C.5/50/11). In the same context, they noted that modalities and arrangements for implementation may need to vary from

organization to organization, in consultation, as necessary, with the respective governing bodies, taking into account resource constraints while fully safeguarding programme resources.

"In the past two years, the General Assembly has also reaffirmed the need to ensure the competitiveness of the United Nations system conditions of service.

"Although ACC would have preferred a broader base for pay setting, the General Assembly has also repeatedly reaffirmed the current interpretation of the Noblemaire principle as the basis for the determination of common system remuneration at the Professional and higher levels (i.e. that United Nations common system remuneration should be based on the compensation levels of the highest paying national civil service).

"Arising out of its study of the application of the Noblemaire principle, ICSC reported to the General Assembly at its fiftieth session that, on the basis of a technical evaluation conducted in accordance with the approved methodology, the total compensation levels of the German federal civil service were superior to those of the current comparator the United States federal civil service.

"United Nations remuneration is, however, still being determined against that of the United States federal civil service. Hence, the Noblemaire principle is no longer being applied.

"In its resolution 51/216 of 18 December 1996, the General Assembly decided to reconsider the question of the comparator civil service at its fifty-second session.

"Acknowledging the complexity of changing from a comparator whose remuneration and classification structures are similar to those of the United Nations and the added complications, <u>inter alia</u>, for pensions, ACC proposes that the margin be used as the mechanism by which the Noblemaire principle may be effectively applied. Thus, ICSC's technical findings would be appropriately recognized.

"Given that the gap between the remuneration levels of the German and the United States federal civil services currently is some 11 per cent, ACC requests the General Assembly to revise the margin from its current range of 110-120 to that of 120-130. It would also request the General Assembly to invite ICSC to make proposals, at the latest to its fifty-third session in 1998, as to an appropriate adjustment in order to bring the United

Nations common system remuneration within the revised margin range of 120-130."

<u>Notes</u>

 $^{\rm a}$ Official Records of the General Assembly, Fiftieth Session, Supplement No. 30, addendum (A/50/30/Add.1), para. 47 (a).
