



**REPORT OF THE SEVENTY-NINTH SESSION
OF THE CONSULTATIVE COMMITTEE ON ADMINISTRATIVE QUESTIONS
(PERSONNEL AND GENERAL ADMINISTRATIVE QUESTIONS)
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INTRODUCTION

1. The Consultative Committee on Administrative Questions (Personnel and General Administrative Questions) held its seventy-ninth session from 12-16 July 1993 at the Headquarters of the United Nations Industrial Development Organization (UNIDO) in Vienna. Immediately prior to the session (10-11 July), members of the Committee attended a weekend workshop in Baden bei Wien (Austria) on the development of new approaches and strategies for enhancing competitiveness and effectiveness within the current political and financial climate.

2. Members of the Committee also attended the thirty-eighth session of the International Civil Service Commission (ICSC), which took place from 18 July -3 August 1993. At that session, the Committee provided the Commission with an informal briefing of the findings and conclusions of its pre-session workshop. In the course of its discussions, notably in connection with ICSC's report on "The relationship between job classification and other elements of human resources management", the Committee suggested that consideration be given to organizing, at its next session, a workshop/brainstorming similar to that which had taken place in Baden. Such a workshop could review, *inter alia*, performance pay and broad banding.

3. The session was attended by representatives of member organizations, the ICSC secretariat, the Federation of International Civil Servants' Associations (FICSA) and the Coordinating Committee for Independent Staff Unions and Associations (CCISUA). The list of participants is attached in [annex I](#).
4. Mr. A.T. Slater (FAO), Chairman of the Committee, presided over the meeting.
5. The agenda as adopted by the Committee is contained in [annex II](#).
6. The meeting opened with a minute of silence in memory of Mr. M. Bardoux, a former Chairman of CCAQ, Director of Personnel of ITU, and member of ICSC.

REPORT ON THE OUTCOME OF ACC'S REVIEW OF THE ROLE AND FUNCTIONING OF ACC AND ITS SUBSIDIARY MACHINERY

7. Further to the discussions at CCAQ's seventy-eighth session on ACC's review of its own role and functioning and its subsidiary machinery, the Committee had before it in ACC/1993/PER/R.10 the summary of ACC's conclusions from its first regular session of 1993 at which the consultant's final report on the functioning of ACC had been discussed. ACC had drawn up new terms of reference for the Consultative Committee on Administrative Questions which would have higher level representation and be assisted by two components representing CCAQ(PER) and CCAQ(FB). CCAQ with senior representation would meet when ACC decided that important policy issues needed to be addressed. Otherwise, its two components would continue to meet separately, with members drawn from the respective technical services of the organizations.
8. The Committee was also apprised of the Organizational Committee's follow up to the decisions taken by ACC in this regard and received information on an ad hoc inter-organizational meeting, which had taken place in Geneva on 6 July 1993, inter alia to discuss the budgets, staffing levels and common premises of the various inter-agency financed secretariats.
9. The Committee felt that coordination should not be undertaken only for its own sake, but must be viewed in terms of the effective accomplishment of the mandates of the different bodies. While the level of the budget might limit the extent to which some studies might be developed, CCAQ received good value for its money. Caution should be taken not to undermine the efficiency of its small, but highly effective, secretariat. There would be little "value added" in pursuing the matter of common secretariats and premises with other subsidiary machinery bodies, especially when there were few commonalities in the substance of their work. Depending on the nature and frequency of high-level CCAQ meetings, a need for increased secretariat support might result.
10. Every effort should be made to increase cooperation between the two components of CCAQ and in this regard it was agreed to recommend that a joint session be held as soon as possible. Moreover, the Committee believed that a greater concordance of the work of PER and FB could be achieved through the convening of PER and FB meetings

at the same time and place; this would provide the opportunity for greater interaction between the members of the two committees. The decisions taken at the Committee's seventy-eighth session regarding the use of budgetary savings and the arrangements for contributions from guests of CCAQ(PER) would have merited discussion in a joint meeting.

11. The Committee maintained in this connection that the contributions of guests should not result in a decrease in members' contributions and reaffirmed the decision of its seventy-eighth session that any budgetary savings which might accrue should be used towards additional computer support.

ISSUES TO BE DEVELOPED FOR ACC AND ICSC
(An agenda for improved effectiveness and accountability)
The application of the Noblemaire principle

12. The Committee's discussion took place against the backdrop of the outcome of the workshop which members had attended immediately prior to the session. The Committee considered documents (ACC/1993/PER/R.11 and Add.1 and 2) prepared by its secretariat in response to its request at its seventy-eighth session to focus its on-going review of the application of the Noblemaire principle on (a) an in-depth analysis of the compensation philosophy of the United Nations common system and (b) studies of international organizations outside the common system which were major competitors for personnel.

13. An ICSC secretariat document was also before the Committee (ICSC/38/R.2) on specific issues relating to the application of the Noblemaire principle, including developments pertaining to the current comparator's Federal Employees Pay Comparability Act (FEPCA) and a programme of work and modalities for reviewing a number of matters concerning the basis for determining the remuneration of the Professional and higher categories.

14. The conclusions to be drawn from the annotated history of the compensation philosophy of the League of Nations and the United Nations (ACC/1993/PER/R.11/Add.1) were that: (a) no salary comparison was perfectly adequate; (b) the consistent thread of pay policy had been the need to attract and retain staff of a high level of competence; (c) it had been relatively easy to fall back to the Noblemaire principle as an acceptable basis for pay setting as it had proven the test of use; (d) there was nothing to prevent a re-determination of the manner in which the Noblemaire principle was applied. The Noblemaire Committee (1921) had not enunciated a principle; it had been deduced from the Report of the Committee of Experts. From 1932 onwards, there had been widely divergent views as to the manner in which this so-called principle should be applied. While there was general agreement that there must be a basic yardstick against which to measure the adequacy of international salaries, there was no consensus as to what that yardstick should be.

15. Over the years, the Noblemaire principle had been criticized (a) for its anomalies, (b) for certain technical difficulties in its application and (c) because it was based on the pay levels of one civil service which by its very nature was subject to domestic policy considerations which had no validity for international service. Criticisms as to the validity of applying the Noblemaire principle to one national civil service had become ever more acute as the remuneration levels of that civil service had been subject to increasing political determination. The time had come to define more precisely the yardstick to be used in setting UN remuneration levels for the future.

16. Several alternatives to the simple civil service comparator had been previously considered. The one, however, which was increasingly merit-worthy was the inclusion of a number of international organizations in the comparison. The World Bank group, the Coordinated Organisations, and the European Communities were competitors for staff. Moreover, they were increasingly using the UN organizations as their recruiting ground. The comparative analysis of the structures and programmes of these three international organizations demonstrated striking similarities between large segments of their work and that of the UN family and therefore of the expertise required for its delivery. Increasingly, these organizations were requesting UN staff to provide the technical know-how for their projects. In some cases, they had embarked on joint programmes with UN agencies. In other cases, they relied upon programmes of the UN family of organizations for leadership. There were many instances of UN staff working alongside colleagues from these other international organizations. Yet, these non common-system organizations were paying much more - ranging from 40 per cent upwards at junior entry level - for the same expertise. This raised serious questions of equity. These organizations were governed by the same Member States or groups of Member States. They adjusted their pay *inter alia* by reference to movements of pay in Member States. At the same time, they also had recruitment problems, at least for certain occupational groups or nationalities.

17. It was noted that a full grade equivalency study had not been carried out with these other organizations. The matter was further complicated by the fact that the European Communities largely applied a rank-in-person approach and did not classify jobs *per se*; the Coordinated Organisations had two linked grades and the World Bank remunerated staff on a pay-for-performance system within bands established for each level. It was therefore clear that equivalencies had to be approached with caution. However, rough equivalencies could be drawn. Even if these grade equivalencies were found to be overstated in favour of the UN system, a significant pay differential would remain. An analysis of various documents describing the different levels, vacancy announcements and some informal job comparisons did not show an exaggeration in the equivalencies used in salary comparison. This analysis also demonstrated a large similarity in job content between these organizations and those of the common system.

18. There were certainly differences between the international civil services - including the UN - (a) in terms of their roles, e.g. the UN's peace-making function and (b) in terms of their structures, e.g. the EC's rank-in-person career structure. These differences had nevertheless to be seen in context as there was an ever-increasing convergence in their recruitment needs. While their mandates, structures and practices might differ, the nature

of the work performed and the recruitment needs were similar to those of the organizations of the common system.

19. There were a number of alternatives as to how such organizations might be included in the determination of UN common system pay levels: (a) using the three groups of international organizations on an equal basis to establish UN equivalent pay levels; (b) adding the three groups to the current comparator to make a basket of four comparators which could be treated on an equal or weighted basis, thereby retaining the current margin; (c) retaining the current comparator, but using the three groups as additional reference points in order to adjust the current margin between US and UN pay.

20. The Committee confirmed the findings of the analysis with the other international organizations and agreed that these organizations should be used at least as reference points, but preferably more directly as comparators, in the determination of appropriate UN common system pay levels.

21. Based also on the conclusions of its pre-session workshop, the Committee reaffirmed the need to take a more global approach in reviewing how to restore the UN's competitiveness. Political and financial realism had to form the basis of an overall framework for change. Differences between organizations of the common system had also to be recognized. Some organizations had been living with zero-growth for many years; others were expanding to meet new mandates. The General Assembly and many other Governing Bodies had called for streamlining and greater efficiency. As a result, some organizations were already engaged in "down-sizing" and restructuring. At the same time, the evidence gathered eloquently demonstrated that all organizations were faced with conditions of service which were becoming increasingly less competitive.

22. ACC had expressed concern at the growing uncompetitiveness of Professional salaries and had warned that the level of frustration was growing. In noting ACC's statement (A/C.5/47/25), the General Assembly had recognized the need to ensure competitiveness of the UN common system. It was felt that ACC would welcome a strategy to restore competitiveness which would engage all parties in increasing management effectiveness and accountability.

23. This strategy for change began at the organizational level through the establishment of a strategic plan, including, where it was lacking, a definition of objectives, functions and measurable targets by which programme performance at all levels could be gauged and the effectiveness of human resources measured. Where not already underway, rigorous efforts must be made (a) to determine priorities and strategies and to identify and eliminate duplication, (b) to realign programme objectives and institutional capacities and (c) to increase delegation of authority. An effective communications strategy was also an important component.

24. Distinctions could be drawn for example between core and non-core functions in each secretariat and new approaches taken to the determination of appropriate conditions of service. New types of contracts could be elaborated built on basic emoluments linked

to a set of variable benefits (housing, expatriation, occupational rates, education grant, etc.) which would better reflect inter alia the length of contractual agreements. The requisite competencies required by a manager should be clearly set out and a suitable set of employment conditions defined which would increase programme delivery and accountability. Use of contracts of shorter duration or some type of "re-certification" process for managers, improvement of recruitment, performance appraisal and staff training systems, alternatives to quasi-automatic within-grade increments, introduction of pay for performance and better termination indemnities were areas to be pursued if organizations were to become more effective. An innovative pay structure was required to improve competitiveness and respond to the organizations' needs for greater flexibility while at the same time encouraging efficiency.

25. In this endeavour, a political compact was essential to engage Member States, the organizations and the common system in a process of change which would improve organizations' effectiveness along with the conditions of service. The strategy had both political and technical ramifications. A Steering Committee comprised of representatives of all the parties (Executive Heads, ICSC, Member States and staff) would be an effective means of ensuring collaboration and support. The Steering Committee could be defined along a 3+3+3+3 formula; Member States' representatives could be chosen from among the Fifth Committee, the Geneva Group and/or the Governing Bodies of the specialized agencies. The Steering Committee could establish smaller technical groups to carry out its work on the various technical elements.

26. The Committee agreed to present such a global strategy for ACC's endorsement and to propose that ACC take the initiative in setting up a Steering Committee with a view to presenting proposals to the General Assembly in 1994.

27. In the meantime, the Committee agreed to support the programme of work of the ICSC (as presented in ICSC/38/R.2) relating to specific issues regarding the application of the Noblemaire principle, stressing the importance of pursuing its investigation into the identification of the highest paid national civil service. In the event that phase I research determined that there was sufficient evidence to indicate that the current comparator might no longer be the highest paid national civil service, phase II of the study should be undertaken before the end of 1994. The Commission should be requested to signal this intention in its report to the General Assembly.

28. CCAQ decided to apprise its Sub-Committees on Job Classification and on Staff Training of these initiatives and to request their collaboration in those aspects of the strategy which fell under their terms of reference.

The Director category

29. The Committee considered document ACC/1993/PER/R.12 prepared by its secretariat proposing alternative arrangements for the Director or D category of staff in a bid to recognize the role played by the current D.1 and D.2 levels in terms of management, supervision and policy-making. The key features of the proposal involved

de-linking the D category from the Professional grades, an overall increase in D level remuneration to bring the pay levels more in line with equivalent grades in the comparator service, the introduction of a pay-for-performance scheme and of time-limited assignments to these levels. The proposal formed part of a package of measures designed to assist organizations to improve management and could serve to test new methods such as pay for performance which might later be applied to all levels. Papers describing different pay-for-performance systems (CCAQ/(PER)/79/CRP.4), related features of the Senior Executive Service of the US Federal Civil Service (CCAQ(PER)/79/CRP.5) and a case study on reform at the Inter-American Development Bank (CCAQ(PER)/79/INF.2) were also provided for information.

30. Emphasizing the need to introduce greater flexibility and accountability to improve management and effectiveness, the overwhelming majority of members supported the proposal to de-link the D category from the Professional grades and to establish a pay-for-performance system for this category. The advantages of performance-based pay systems directly addressed the need for means to promote greater efficiency and productivity. Leadership by example was the best means of motivating staff throughout an organization. It was noted in this connection that such a structure on the UN side (Professional Category, Director Category and Ungraded Category) would be somewhat similar to that prevailing in the comparator civil service salary structure (General Schedule, Senior Executive Service and the Executive Schedule). De-linking the D category should go hand in hand with the introduction of a P.6 level for all organizations (see paras. 35 to 43). Improved performance appraisal systems and management development and training programmes were also critical to ensure that a performance-based pay system fully realized its objectives.

31. Consideration of moving away from quasi-automatic within-grade increments to a system of pay ranges as part of performance pay for this group of staff was largely supported. A reduction of the value of increments was another approach which could be considered. Although several members supported the exclusion of the D category from the margin calculation and felt that use of a reference point could replace the measurement of a margin at the D.1 and D.2 levels, a more detailed investigation should be undertaken of the various alternatives.

32. Acknowledging that top management required flexibility when building a new management team, the proposal to limit assignments at the D levels to fixed-term appointments was supported by the representatives of those organizations which were already starting to move in this direction. Concern was voiced by others that limiting the length of contracts for such assignments would result in greater politicization in selection and appointment to these levels. Moreover, such an approach could undermine the morale and motivation of managers by placing them under greater pressure than at present. The institutional knowledge of career staff in their organizations formed an important ingredient of management teams. In this connection, the recertification system made use of by the comparator service for assessing Senior Executives might prove a better alternative and should be carefully reviewed in the next stage of this study. The comparator practice of legislating the percentage of career/non-career staff in its Senior

Executive Service should also be investigated in a bid to reduce the politicization of appointments at this level. No more than 10 per cent of all Senior Executive Service positions can be filled by non-career appointees and at least 70 per cent of all employees in the Senior Executive Service at any one time must have at least five years' federal service.

33. While a "right of return" to a previous level for permanent officials might be guaranteed in some settings and in larger organizations, there was also a need to provide for more appropriate termination benefits as one alternative to re-absorption. In this regard, the composition of termination benefits at levels A1 and A2 of the European Communities was noted.

34. CCAQ decided to request ACC's endorsement of its intention to pursue the above initiatives with a view to presenting proposals as the first part of the strategy to improve management effectiveness and accountability.

The P.6 grade

35. In the framework of its on-going review of the structure of the salary scale, the Committee considered document ACC/1993/PER/R.13 prepared by its secretariat in response to the request at its seventy-eighth session to study two alternative adjustments to the introduction of the P.6 grade: (i) P.6 equal in all respects to D.1, but classified to take into account technical rather than directorial complexity and (ii) P.6 as a separate level between P.5 and D.1.

36. CCAQ had on numerous occasions expressed the view that the current grading structure was in certain cases too "compressed" to meet the human resource management needs of organizations. Organizations had moved away from the traditional pattern of the career civil service and a significant number of staff were now entering service at the P.4 or higher levels. Organizational structures and responsibilities were changing: flatter structures and the use of other categories of personnel (i.e. consultants, National officers, etc.) to perform duties once carried out by more junior staff were transforming the organizational landscape. Another important argument in support of the introduction of the P.6 grade related to the proposal to de-link the D category from the Professional category in a bid to provide for better means of distinguishing and recognizing the role of managerial jobs in planning, organizing and directing programme implementation.

37. The Master Standard already allowed for the classification of high-level, specialized jobs without managerial responsibility above P.5. WHO had introduced in 1959 a P.6 with conditions of service identical to the D.1 level in order to differentiate highly technical/scientific jobs from managerial ones.

38. If, for example, an expanded career progression for technical specialists was a requirement, the introduction of a P.6 level would mean fundamental changes in the relativities of jobs, i.e. revaluing the weight to be given to specialized non-managerial jobs. The classification (Master) standard, developed in 1978, reflected the relative value

of work across the common system at that time: Did it reflect today's values or should it be re-tooled? Within each of the two approaches, P.6 equal to D.1 and P.6 as a separate level, there were therefore two options: (i) changing relativities of jobs or (ii) maintaining current relativities.

39. Changes in the relativities of jobs to insert a separate P.6 in the salary scale had important job classification implications which would have to be recognized early on to allow for the proper allocation of resources. The Master Standard would require revision, re-testing and reapplication to jobs throughout the common system. While there would be an expansion of the potential for career progression, P.6 as a separate level would create more hierarchy (i.e. an additional level) at the time when the trend in national and other civil services was toward fewer layers (i.e. flatter structures).

40. Creation of a P.6 parallel to D.1 without any change in the relativities of jobs would not require major revision to the job classification system. Posts falling within the current D.1 points range, but without significant managerial responsibility, under the application of the standard could be distinguished from P.6 based on some common criteria (e.g. a common definition of significant managerial responsibility and/or a minimum rating under Factor V, "supervisor responsibility").

41. CCAQ agreed that the introduction of the P.6 should be pursued. Most members favoured the approach of its introduction equal in all respects to D.1, with no change in relativities, especially if the D category were de-linked and remunerated on a separate basis. De-layering was the current trend. The outcome should therefore not promote additional management levels which ran contrary to efforts to drive down accountability. The work involved in the creation of a separate level and revisions to the classification standard would take several years to implement; it would also pull already limited human resources away from other areas which would demand attention under the proposed global approach to greater managerial efficiency.

42. Other members favoured making P.6 a separate level between P.5 and D.1 to improve career possibilities for technical specialists as well as supervisory personnel. One member who had proposed an approach for revising the Master Standard so as to give greater weight to technical jobs did not consider that re-testing would be required.

43. CCAQ decided to request its Sub-Committee on Job Classification to carry out a detailed examination of all alternatives with a view to assessing their feasibility, the steps involved and the time-frame for their introduction, keeping in mind the linkages to other possible changes in conditions of service. It should also examine ITU's proposal for revision to the standard along with any others submitted by organizations. ITU had proposed to add a sub-factor to the Master Standard that would be applicable only to highly technical and/or specialized posts and which would increase the total points score of such positions. The Committee would also ask that ICSC take up the issue of the P.6 level on the basis of a document to be presented to its spring 1994 session.

REMUNERATION OF THE PROFESSIONAL AND HIGHER CATEGORIES

Evolution of the margin between the net remuneration
of the United States federal civil service and that of
the United Nations System

44. In document ICSC/38/R.3, the ICSC secretariat reported on developments concerning the net remuneration margin since the Commission's thirty-seventh session. United Nations net remuneration in New York used in the margin forecast had been recalculated using the latest available data concerning the in-area and out-of-area components of the post adjustment index for New York. As a result, multiplier 44.2 rather than 44.8 was now projected for New York effective 1 November 1993. In calculating the margin, the current and the revised cost-of-living differential methodologies had been applied. Under the revised methodology, the differential was 116.4, resulting in a margin of 114.3, and in the case of the current methodology, was 111.6 resulting in a margin of 119.2. The anticipated movement of the margin and the average margin in future years was reviewed in document ICSC/38/R.2.

45. CCAQ noted that the current margin estimate for 1993 was 114.3 after application of the revised methodology for the measurement of the New York/ Washington cost-of-living differential. The regressed and unregressed margins at the D.1 and D.2 levels continued to be virtually non-existent. For the future, the ICSC secretariat was asked to provide the unregressed data as a matter of course.

46. The Committee was apprised of the results of the consideration by a working group of a proposal from CCISUA (ICSC/38/CRP.5) for an improved formula for calculating the margin between the United Nations and United States remuneration. In CCISUA's view distortions in the measurement of the difference in remuneration *inter alia* resulted from the use of square roots, as opposed to the actual numbers of incumbents per occupation.

47. An analysis of the current methodology for margin calculation raised a number of problems which deserved further investigation, such as: (i) why certain types of weights were applied in certain instances, yet not in others, and (ii) why a square root weighted regression was applied to the staff population of the UN system. CCAQ concluded that further work should be carried out and therefore supported CCISUA's intention to pursue the matter. Organizations would assist CCISUA when appropriate. The Committee would revert to the issue at its next session.

Base/floor salary scale

48. In its note ICSC/38/R.9, the Commission secretariat reviewed the level of the base/floor salary in the light of the increase in comparator federal civil service remuneration levels of 3.7 per cent effective 1 January 1993. As a result, and noting that the gap between the UN and US base/floor salaries which had existed since 1990 had been closed as a result of the General Assembly's approval in 1992 of an increase of 6.9 per cent, an increase of 3.6 per cent in the base/floor scale effective 1 March 1994 was proposed.

49. The representative of the ICSC secretariat informed the Committee that, save for small differences due to differences in tax indexing, adjustments in the two civil services would tend in the future to move in close relationship.

50. In conformity with the position strongly held by ACC, CCAQ fully supported the proposal for the automatic adjustment in the base/floor salary scale. The importance of the regular and full updating of the base/floor scale was emphasized, including its link to the mobility and hardship scheme and the separation payments scale. The Committee recalled in this connection that the time lag (14 months) between the adjustment of the common system base/floor scale and that of the comparator further reinforced the arguments in favour of the application of the full adjustment proposed.

Post adjustment questions: Report of the Advisory Committee
on Post Adjustment Questions on the work of its seventeenth session

51. Document ICSC/38/R.5, contained the report of the seventeenth session of the Advisory Committee on Post Adjustment Questions together with the views of the ICSC secretariat regarding the treatment of staff contributions to the Pension Fund in the time-to-time updating of post adjustment indices (PAI). Under this item, the Committee also considered a document presented by WIPO (CCAQ(PER)/79/CRP.9) dealing with the monthly updating of post adjustment indices.

52. CCAQ largely endorsed ACPAQ's recommendations subject to a number of comments. The recommendations which related to adjustment of the number and specification of items for pricing in place-to-place surveys were supported on the understanding that the consultations proposed on this matter would be undertaken at the common system level as soon as possible. In cases of changes in the list of outlets, CCAQ confirmed that every effort should be made to consult organizations and staff in all cases.

53. The issues raised in the report on improving response rates were of concern because of the importance that base data had for the operation of the post adjustment system. CCAQ recognized the undeniable link between the rate of response to survey questionnaires and the confidence which staff members had in the system of which those survey questionnaires formed a part. CCAQ could not accept ACPAQ's contention that this was not the case. Reference should therefore be made to the importance of providing staff members with the fullest information prior to the distribution of questionnaires and, at the completion of the surveys, with a full and complete explanation of the results. Referring to the out-of-area expenditure survey previously postponed because of the suspension of staff participation in the sessions of ICSC, the Committee considered that the survey should be carried out forthwith irrespective of the status of staff participation in the sessions of ICSC.

54. CCAQ had no objection to the recommendation dealing with the periodicity of comprehensive place-to-place surveys. However, transparency and good communication were essential for the maintenance of the post adjustment system and crucial to ensuring

fuller participation in the survey process. CCAQ would request that provision be made for observers from the organizations and staff to participate in the survey process as they had in the last round of surveys.

55. CCAQ agreed to the proposals for the adjustment and refinement of common weights to suit specific conditions of field duty stations on the clear understanding that such adjustments would be minor in a quantitative sense. Although some adjustments had already been necessary, CCAQ did not wish to see any wholesale adjustment of common weights which conceptually moved away from the original goal of obtaining one set of common weights for the post adjustment system as a whole.

56. The importance of the recommendation to exclude Pension Fund contributions from the time-to-time updating of post adjustment indices was underlined. ACPAQ's review had revealed that deduction of staff pension contributions were, in effect, made twice; once at the time of adjusting net remuneration in respect of the movement of the CPI and again at the time of payrolling. Consequently, staff bore an effective burden of more than one third of the contribution. The ICSC secretariat proposed to implement this recommendation with effect from the next round of place-to-place surveys to be initiated in 1994. CCAQ considered that the index should be recalculated from the date of the last place-to-place survey, but with prospective implementation.

57. Turning to the method of work of the last ACPAQ session, CCAQ recalled that, in the past, it had expressed concern that ACPAQ should not be faced with questions of a political rather than a technical nature. The report illustrated the importance of maintaining a technical focus to ACPAQ's agendas. Nonetheless, at its seventeenth session, ACPAQ had been somewhat hampered in its consideration of some items for lack of time. Thus, a number of issues, such as the determination of specifications of items for pricing, had been hurriedly concluded. CCAQ decided therefore to urge that in the future more adequate time be allowed for thorough discussion of all the technical issues raised.

58. Regarding the monthly updating of post adjustment indices, CCAQ supported a proposal put forward by WIPO for conversion of the out-of-area index at the reference date (i.e. four months before the implementation date of the revised PAI) using the exchange rate prevailing at the same reference date, rather than that at the date of implementation. One organization reserved its position on the proposal since the information provided covered only one group I duty station with a strong currency and therefore the measure's effect was unknown in those duty stations where currencies were weak.

Measurement of housing within the post adjustment system

59. Document ICSC/38/R.6 provided ACPAQ's comments on two issues referred to it by the Commission: (i) simulation tests for excluding housing from post adjustment calculations in respect of small duty stations for which obtaining data was difficult and (ii) time-to-time updating of the housing component of the post adjustment index. In

conjunction with this document, the Committee also considered section III of the report of the seventeenth session of ACPAQ (ICSC/38/R.5).

60. It was recalled that, when considering document ICSC/37/R.5 at its seventy-eighth session, CCAQ had concluded that the simulation exercise had raised some very important issues. It would at that time have welcomed a technical briefing from the ICSC secretariat on the manner in which the simulation tests had been carried out. Apart from the technical questions pertaining to the simulation exercise, CCAQ had also raised concerns for: (i) the need to know the list of duty stations at which housing might be excluded; (ii) the extent to which caps on rent levels would be needed and if waivers to those caps could be contemplated; (iii) the determination of reasonableness of accommodation; (iv) the need for transitional measures in what appeared to be a potentially complex administrative system. In the latter respect, the need to ensure that any new system should be simple and easily explainable to staff had also been emphasized.

61. ACPAQ, however, had limited its comments on the matter to confirming the importance of the accuracy of the measurement of housing at the base of the system (New York). CCAQ fully concurred with this conclusion. However, the technical questions CCAQ had raised remained unanswered. Moreover, ACPAQ's report raised additional questions about when and how external data would be used in order to measure housing at the base of the system.

62. CCAQ noted that little progress had been made in the separation of housing from the post adjustment index despite the commitment of considerable resources over the previous four years. Given other priority items confronting the ICSC secretariat, CCAQ considered that further study of this issue be suspended for the time being.

63. The key question relating to the time-to-time updating of the housing component of the post adjustment index was not whether the local CPI should be used as an interim measure to update the housing index, but rather from when. CCAQ would urge that the CPI data be used from the date of the latest technically valid housing survey or the date of the most recent place-to-place survey. On a related issue, the CPI data used should exclude, if possible, any element of subsidized housing as recommended by ACPAQ.

Expatriate entitlements of staff living in the
home country and stationed elsewhere

64. The Committee considered document ICSC/38/R.7 relating to the issue of expatriate entitlements of staff living in the home country and stationed elsewhere. CCAQ, at the Commission's thirty-seventh session, had requested that the Commission defer consideration of this matter to allow for a more complete review of (a) the different staff regulations and rules of each organization and their application, (b) the historical antecedents of different organizations in respect of the determination of expatriate entitlements, (c) the rationale behind these provisions and (d) the legal implications of making changes in this area.

65. CCAQ could concur with the Commission secretariat's findings that (i) the practices followed were consistent with the staff rules and regulations as adopted by the governing bodies of the organizations concerned, (ii) the numbers of staff involved represented less than 1 per cent of common system Professional staff, (iii) harmonization of practice would require the revision of staff rules and regulations of either the specialized agencies headquartered in Geneva or of Appendix B of the UN Staff Rules and Regulations and (iv) any change would create the potential for legal challenge unless acquired rights were protected. However, members were concerned at the conceptual issue raised in the document. There were other elements of conditions of employment of the common system established and administered inter alia on the duty station concept. CCAQ therefore stressed the need for a careful study of all the consequences that a change in approach might have on other elements of the conditions of employment. Such an analysis had not been provided in the ICSC document.

Criteria and modalities for payment of
special occupational rates

66. Document ICSC/38/R.8 provided details of the further work undertaken by the ICSC secretariat on the modalities for the identification of specific occupations for which there were demonstrable recruitment/retention difficulties, the conditions that could determine the time-limited nature of special occupational rates and other modalities required for the operation of such a system. Some members noted that the information presented in the document failed to reflect fully the results of informal consultations which had been undertaken with organizations at a meeting in New York in June 1993.

67. As in the past, the majority of members remained in favour of an improvement in the conditions of service for staff members rather than the introduction of a special occupational rates scheme; this was because of (a) the difficulty of identifying occupational groups across the common system, (b) the widespread disruption and potential for serious staff morale problems which the introduction of such a scheme could bring and (c) the complexities of administering such a system.

68. Those organizations interested in such a scheme recalled the flexibility which the comparator had introduced with both occupational and agency-wide differentials. There was no reason not to apply some of the features of the comparator's system.

69. There was, however, a new dimension to this question which was that it should now be looked at in the much broader context of CCAQ's proposed strategy to improve management and efficiency. The reassessment of the organizations' programme objectives also would enable the reassessment of the extent of human resources needed for their efficient execution. The delineation of new types of contracts and revised packages of employment conditions would enable the organizations to hire and retain the best skills and talents needed to accomplish their goals. In this context, CCAQ would give consideration to the use of special occupational rates as part of the overall package.

REMUNERATION OF THE GENERAL SERVICE AND RELATED CATEGORIES

Survey of best prevailing conditions of service at Paris

70. CCAQ considered the results of the survey of best prevailing conditions of service for the General Service and related categories of staff at Paris carried out in April and May 1993 (ICSC/38/R.11).

71. As the Paris survey provided the opportunity to analyse the results of the first application of the revised salary survey methodology, it was important that all parties should be given access to the data for that survey. CCAQ would so request ICSC.

PENSIONS AND PENSION-RELATED MATTERS

Comprehensive review of pensionable remuneration and consequent pensions of staff in the General Service and related categories

72. Document ICSC/38/R.10 provided (a) the report of the forty-fifth session of the Pension Board which had been specially convened to examine unresolved issues relating to the revision of the methodology for the establishment of the pensionable remuneration of staff in the General Service and related categories and (b) an examination by the ICSC secretariat of the relationship between the non-pensionable component of salaries and the presentation of salary scales. A re-examination of the non-pensionable component had been undertaken because the Commission's decision at its thirty-seventh session, if left to stand, would have necessitated the modification of the staff rules/regulations of the organizations.

73. The Committee was informed that as a result of an informal tripartite working group a consensus had been reached at the Pension Board to (i) endorse the income replacement approach in the determination of General Service pensionable remuneration but recommend that the Commission reconsider the factor to be used for grossing-up purposes and its relationship to the number of years of contributory service, (ii) agree that a common scale of staff assessment be introduced for application in 1997, (iii) agree that the income replacement approach be introduced on the occasion of the first salary adjustment due on or after 1 April 1994, along with the modalities for the treatment of the non-pensionable component, (iv) take up, on a priority basis at its next regular session, the matter of extending to General Service staff the application of the modification of the Pension Adjustment System introduced on 1 April 1992 for Professional staff, (v) recommend that the Commission review the current methodology for use of the non-pensionable component in determining pensionable remuneration, taking into account, inter alia, the income replacement approach, national laws and practices, as appropriate, the views expressed in the Board and the Commission in 1992 and 1993 and the fact that, while General Service salaries were determined according to local conditions, the pension system had globally applicable features and (vi) request the Commission to give favourable consideration to phasing in over two/three successive salary adjustments any negative effect of the use of the income replacement grossing-up factor.

74. With regard to the Board's request that the Commission reconsider the factor to be used for grossing-up purposes, it was recalled that although ICSC had decided in 1992 that 56.25 per cent, corresponding to the accumulation rate after 30 years' service, could be used, some members at that time had favoured 66.25 per cent. This had also been supported by the representatives of the Executive Heads at the Board in 1992 and by the representatives of participants at the Board in 1993.

75. At its thirty-sixth and thirty-seventh sessions, the Commission had concluded that the interim adjustment procedure for the General Service staff should be aligned with that used for Professional staff, namely between comprehensive salary surveys pensionable remuneration would be increased on the same date and by the same percentage as the net salary, i.e. the one-to-one interim adjustment procedure. In the Board the representatives of the governing bodies and of executive heads had supported the one-to-one adjustment procedure. Participants' representatives had expressed concern about the impact in situations where tax rates did not keep pace with the evolution of the local salaries and had stated that annual revision of the staff assessment scales would keep the relativities between salaries and pensionable remuneration regularly aligned. The Board had concluded that the use of the income replacement approach should also involve linking the introduction of the one-to-one interim adjustment procedure to more frequent revisions of the staff assessment scale. It had recommended a two-year cycle for reviewing staff assessment rates.

Grossing-up factor

76. CCAQ, noting the convergence which had taken place in order to reach a consensus in the Board, fully supported 66.25 per cent as the proportion of net pensionable salary to be used as the basis for the derivation of gross pensionable salary. The administrations had consistently supported the use of 66.25 per cent on the basis that it corresponded to the maximum benefit of accumulation after thirty-five years of contributory service.

Staff assessment and taxes to be applied

77. CCAQ supported the need for frequent revisions of the staff assessment scale. It also underlined the necessity of close consultation with all parties on this issue. It was recalled that at its seventy-eighth session CCAQ had raised a series of questions regarding which tax systems were to be used and had expressed a number of serious technical reservations on the approach taken. Of concern, for example, was the analysis of the tax systems of the seven headquarters duty stations from which it was evident that the United Nations single net remuneration was some 5 per cent lower than it would have been if set by reference to an average tax basis. The starting point could have been a notional level more in keeping with the tax rates or some other alternative, such as the net remuneration at the dependant rate which better reflected the typical staff member in the system.

Transitional measures

78. The Board had agreed to request the Commission to give favourable consideration to phasing-in any negative effect of the use of the income replacement grossing-up factor over two/three successive salary adjustments. CCAQ supported transitional measures as a means of avoiding any cumulative deep freeze arising from a combination of effects, but did not consider that in most cases such phasing in would be necessary. It would work with the ICSC secretariat to develop appropriate transitional measures in the event that there were any duty stations at which the freeze of pensionable remuneration was anticipated to last for several years.

Non-pensionable component (NPC)

79. Recalling the consensus position of the representatives of administrations at the Board which was to cap the non-pensionable component within a range of ten to fifteen per cent, CCAQ agreed to recommend that the present methodology, including the present threshold, be maintained, but that the current ceiling be reduced from 25 to 10 per cent of pensionable remuneration. This would simplify the system and would also provide the necessary balance required by including more elements as pensionable; this was logical with the move away from grossing up one hundred per cent of net pensionable salary.

80. Turning to the presentation of the salary scales, CCAQ underlined the need to maintain consistent terminology in a bid to assist transparency and comprehension. It would work together with the ICSC secretariat on a suitable presentation of the scales and the texts required to introduce these scales. It noted the proposed amendment of Article 54 of the Pension Fund Regulations.

Monitoring of pensionable remuneration

81. CCAQ took note of the margin estimate for 1993 for pensionable remuneration of 113.4 after application of the revised methodology for the measurement of the New York-Washington, D.C. cost-of-living differential (ICSC/38/R.4). It also noted the income replacement ratios for the rolling three-year period 1 January 1991 to 31 December 1993 of 55 and 56 per cent for the United Nations and for the comparator civil service, respectively.

82. CCAQ recalled that it had noted that since the measurement began the UN's income replacement ratio had been lower than that of the comparator. It would request ICSC to investigate which of the parameters in the methodology used for the establishment of pensionable remuneration was causing this persistent difference.

PERSONNEL POLICY AND MANAGEMENT

Guidelines for a policy statement on the prevention of sexual harassment

83. The Committee considered document ACC/1993/PER/R.14 containing a draft policy statement on the prevention of sexual harassment which had been prepared in

response to the Committee's decision at its March 1993 session, that its secretariat develop a draft policy statement and procedures for consideration at its current session.

84. Based on comments and suggestions made in the Committee, a working group was constituted to revise the draft statement which was subsequently endorsed by the Committee for submission to ACC for approval. The text appears in [annex III](#).

Appraisal and recognition of performance

85. At its seventy-eighth session, CCAQ had provided comments on an ICSC study (ICSC/37/R.15) which had reviewed inter alia approaches to performance appraisal and recognition; the Committee had endorsed ICSC's proposals for future action in this critical area. On the basis of document ICSC/38/R.16 and Addendum 1, the Committee considered several elements designed to enhance performance management in the United Nations system: (a) principles and guidelines for performance appraisal and management and the recognition of different levels of performance and (b) a framework for reward and recognition programmes, together with a timetable for their introduction. A third element of the package, modules for training in performance appraisal and management, had been developed in close collaboration with CCAQ's Sub-Committee on Staff Training.

86. Welcoming the useful analysis of current approaches to the recognition of performance provided in the document, CCAQ particularly appreciated the manner in which consultations had been carried out with the organizations in the development of the proposals. Such an approach was consistent with the proper application of Article 14 of the Commission's Statute and allowed for the diversity of the organizations' needs across the common system to be appropriately reflected. Reviewing the proposals within the context of its overall strategy for enhancing productivity, effectiveness and accountability, the Committee recognized that rigorous performance appraisal systems must form a core element in such a strategy. A pragmatic approach, however, had to be adopted: improvements should not be delayed until such time as all the pieces were in place.

87. In confirming the XII Principles for performance appraisal and management, the Committee underlined that, while a staff member's right to appeal process as regards non-compliance with established procedures must be fully preserved, the determination of performance ratings must remain a prerogative of management.

88. Many organizations were in the process of improving the application of their performance appraisal systems, most commonly through the introduction of revised systems. CCAQ therefore concurred with the emphasis given in the document to the importance of developing a performance-related management environment: one of the biggest problems with current systems was that of attaining the level of rigour required to make performance appraisal work as it should. CCAQ supported the principle that there should be some limits on the proportion of staff with ratings at levels above full performance and could endorse the general thrust of the the model provided in the

document regarding the distribution of performance levels; it could not, however, endorse the specific percentages provided therein.

89. Turning to recognition and reward programmes, the approach put forward in the document represented a helpful first step on the path towards the new agenda for management effectiveness. Approaches and experiences of other international organizations such as the World Bank and Inter-American Development Bank should be investigated. Team awards and productivity/incentive schemes for teamwork were other areas which should be pursued.

90. Staff training was critical in the process of introducing new performance appraisal systems and in ensuring their proper functioning. In this context, CCAQ noted with satisfaction, and fully endorsed, the generic framework for training in performance appraisal (see also paragraphs 95 to 102).

91. CCAQ concurred with the general thrust of the comments in the document concerning the consequences of unsatisfactory performance and the timetable for implementation of recognition and reward programmes. Support for the approach taken was built also on the premise that in all the proposals there was an element of flexibility which respected the diversity of size and programmes of the organizations of the common system. This was clearly not an area in which one size would fit all: organizations would have to tailor systems to meet their diverse needs.

Relationship between job classification and other elements of human resources management

92. The Committee took note of document ICSC/38/R.17, presented largely as a follow-up of a Joint Inspection Unit report on "Advantages and Disadvantages of Post Classification", which had inter alia asked that the ICSC review the issue of linked grades. The document provided an analysis of the benefits of job classification and a review of the status of the application of job classification across the common system.

93. CCAQ noted the considerable effort put into the development and implementation of job classification standards which were still considered valid and reliable. It considered that the document provided a number of useful ideas which would serve as the basis for future discussion as to how the job classification system might be streamlined (such as through the use of generic job descriptions) and better articulated with other components of human resources management in the organizations. It also contained proposals for future action by CCAQ and ICSC in the areas of communication and training.

94. In general, the Committee considered the document helpful not only in that it allowed for the reaffirmation of the validity of the job classification standards so far developed, but also in the confirmation that job classification was not only compatible with, but was indeed a prerequisite for, the development of human resources planning and management. CCAQ could not subscribe to all the proposals for future work

proposed in the document since the priority at this stage had to be, first, the maintenance of the standards through a programme of regular review, second, a consistency study of Tier II standards, and third, the finalization of other Tier II standards. Thereafter, it would be possible to look into other initiatives. The ICSC secretariat should also review training programmes and materials developed by some organizations in the area of job classification and job description writing so as not to duplicate efforts. CCAQ would invite its Sub-Committee on Job Classification to look into the priorities and to work with the ICSC secretariat in developing a timetable for future action. New approaches which should be looked into included the implications for the introduction of performance pay and broad banding.

STAFF TRAINING

Report of the seventeenth session of the Sub-Committee on Staff Training

95. The Committee had before it in document ACC/1993/PER/R.15 the report of the seventeenth session of the Sub-Committee on Staff Training which had met in Vienna from 10-13 May 1993. In response to concerns expressed in the past concerning the Sub-Committee's programme of work, the Sub-Committee had concentrated on specific outputs in four substantive areas: management development, evaluation of training, inter-agency cooperation for the development of training programmes and training for performance evaluation. Two items were directly related to the work of ICSC at its current session: (a) the guidelines for the evaluation of staff training ([Annex III](#) of the report) which the Commission in ICSC/38/R.18 was requested to approve and (b) a generic framework for training in performance evaluation for managers and their staff (Annex V of the report) which the Commission would consider as part of its discussion on appraisal and recognition of performance (ICSC/38/R.16 and Addendum).

96. In the context of the Committee's discussions at its current session on improving management accountability, the Sub-Committee's attention to management development was of special importance. The Sub-Committee had undertaken a review of current management development programmes and practices in the organizations with a view to identifying current best approaches and lessons learned. In general this survey had shown that there was a low investment in management development and that management training was still not integrated with human resources development. The malfunctioning of performance appraisal systems and the lack of adequate merit recognition programmes also hampered management development efforts. The Sub-Committee had developed for CCAQ's endorsement ten principles for institutionalizing management development programmes within organizations of the common system. For its future work in this area, the Sub-Committee proposed to develop a model framework for the implementation of an integrated management development approach and to identify and test on a pilot basis generic UN manager competencies.

97. Inter-agency cooperation in programme development was an important means of providing for enhanced efficiency and optimum utilization of the limited resources available for training. General Assembly resolution 36/233 called for greater cooperation

in the area of training. Based on a needs survey, a pilot programme on staff orientation had been developed, including a leader's guide, participant hand-outs and an introductory video on the United Nations system; this had cost 80 staff days and approximately US\$ 30,000. CCAQ was requested to endorse the pilot programme for use in all organizations and to agree to finance on an inter-agency cost-sharing basis the production of a second video which would illustrate more fully the diverse mandates and activities of specific agencies. For the future, the Sub-Committee proposed to develop packages covering: (i) a training module on sexual harassment which could be integrated with programmes on multi-cultural communications, gender issues, etc., (ii) HIV/AIDS in the workplace as a module of a total training programme on staff health promotion and (iii) a training programme for emergency missions.

98. As a follow up to information provided at its last session, the Sub-Committee had also been briefed on the background and status of (i) the (Turin Centre) training programme on inter-agency management of field coordination designed largely for senior field representatives of the organizations of the UN system and (ii) the training programme on national capacity-building. These initiatives had been undertaken as a response to General Assembly resolutions 44/211 and 47/199. The Sub-Committee had generally agreed that a module covering an introduction to the UN system should be included in the national capacity-building programme; some Sub-Committee members also felt that an impact evaluation of the inter-agency management training programme should be carried out.

99. In a discussion on the role of training in introducing organizational change, based on a discussion paper by the United Nations, the Sub-Committee had underlined that for organizational change to be effective a critical mass of "change agents" had to be built up; it was also necessary to demonstrate the results of training. The Sub-Committee had also highlighted key issues which were prerequisites for the change process and proposed that a one-day workshop on the role of staff development in implementing and managing change be held at the time of its next session.

100. Opening the discussion of the report, the Sub-Committee's past and present Chairpersons, drew attention to the growing recognition of staff development and training as vital components in improving an organization's performance; training was equally crucial in any re-evaluation of conditions of employment. The importance of training had been underlined in recent discussions in the UN Security Council which had focused on training on security matters. Training for field operations was another area to which greater attention had to be given.

101. CCAQ noted the Sub-Committee's report with satisfaction; it appreciated the new direction which had been taken in the Sub-Committee's work. It fully endorsed the guidelines for the evaluation of training, the framework for training in performance evaluation and the principles for institutionalizing management development programmes. The work programme for 1993/1994 was supported, along with the proposal to hold a one-day workshop in conjunction with its next session. Noting the future work programme of the ICSC secretariat in the area of training, it requested that its Sub-

Committee take the lead in bringing together its specialists from across the common system to ensure effective collaboration with the ICSC secretariat.

102. The Committee endorsed the principle of developing inter-agency training programmes such as the one on orientation training, but emphasized that there was the need to ensure that such programmes fully reflected the common system perspective. Organizations would provide their comments to the Sub-Committee through the CCAQ secretariat on the orientation training package and video which had been screened in the course of the session. Financing for a second video would be subject to the interest expressed by a sufficient number of organizations once the first package was finalized.

Training in the context of human resources development

103. Within the framework of a general overview of ICSC's work in the area of training, document ICSC/38/R.18 brought forward the guidelines for the evaluation of training which had been developed with the CCAQ's Sub-Committee on Staff Training; it also contained proposals for ICSC's future training activities.

104. CCAQ found the review of the current state of training across the common system useful. Future work should continue in the closest collaboration with the organizations. For some years, a significant effort had been made by the organizations to improve and develop training activities. The Committee was pleased to note that ICSC would continue to develop its general information and briefing sessions on salaries and allowances, the post adjustment system, etc. and welcomed the proposals for the development of further practical human resources management tools.

105. The Committee endorsed the guidelines for the evaluation of training for the Commission's approval. CCAQ decided, however, to request the Commission to delete the glossary contained in [annex I](#) of the document as this had been rejected by the Sub-Committee.

RELATIONSHIP BETWEEN HOURS OF WORK AND REMUNERATION

106. Document ICSC/38/R.15 presented an analysis of differences in working hours of staff in the common system.

107. The study concluded that if the Commission were to treat Professional work as hourly paid work and hence subject to adjustment for differences in working hours between New York and other duty stations, detailed information was required on paid work time and paid non-work time at each duty station. Margin considerations would also have to be addressed for the difference in hours worked in the UN and in the US federal civil service. Three alternatives were proposed: (i) maintain current common system practices with regard to working hours and make no adjustment for differences among duty stations, (ii) adjust net remuneration of Professional staff for working hours differences among duty stations, or (iii) adjust working hours among duty stations to eliminate differences.

108. CCAQ recalled that in response to a request of ACC (1991/19) the question of hours of work had been discussed at its seventy-sixth session, when the Committee had concluded that there were differences of up to 12 per cent in the length of the normal working week at different headquarters duty stations. While there was some logic in the suggestion by some organizations that this disparity should in some way be reflected in remuneration, never before had working hours of Professional staff been specifically taken into account in setting pay levels. On balance, CCAQ had been unable to recommend specific action.

109. Members' reiterated their previous views on this issue, noting, however, with concern, that the ICSC document had focussed on the private sector and that it had omitted inter alia the practices of the comparator regarding the payment of overtime.

110. The view of the majority of organizations was that current common system practices with regard to working hours should be maintained and that no adjustment should be made for differences among duty stations. Others preferred the approach of adjusting net remuneration of Professional staff for working hours differences among duty stations. There was no support for the third option of adjusting working hours among duty stations to eliminate differences.

OTHER BUSINESS

Family visit travel

111. The Committee considered a note by WHO (CCAQ(PER)/79/CRP.7), submitted on behalf of several Geneva-based organizations, inviting it to consider a change in the current practice which would allow family visit travel irrespective of whether or not a child had joined the staff member at the duty station.

112. While there was no overall acceptance for a formal change in the conditions under which family visit travel might be authorized, the Committee recognized the need for flexibility in exceptional situations. As the financial and other implications of the proposal also required re-examination, and given that the staff rules/regulations of some organizations allowed for such flexibility, the Committee recognized that each organization should deal with the matter on a case-by-case basis.

Joint Inspection Unit (JIU) report on the relationship agreements between the United Nations and the specialized agencies

113. The JIU report, "Relationship Agreements between the United Nations and the Specialized Agencies: Review and Strengthening of Sections Pertaining to the Common System of Salaries, Allowances and Conditions", was presented to the Committee by Mr. A. Abraszewski, Inspector of the JIU, who had co-authored the report with Mr. R. Quijano. Inspector Abraszewski invited the comments of the Committee on the report stressing that the JIU wished to respond both to the concerns of Member States and of the organizations.

114. While he detected that some Member States felt that there was the need for a revision of the relationship agreements and for a broader approach to the strengthening of collaboration, he did not consider such a revision to be the answer to existing problems. The Inspectors, limiting their study specifically to those sections of the agreements relating to personnel matters and to a unified international civil service, did not consider there to be a need for a revision of the agreements.

115. In his view, the extent to which there could be meaningful coordination was circumscribed by the levels of resources available. The report therefore proposed consolidating existing coordinating measures without adding to the financial burden of the organizations. In the Inspectors' view, the practice of formulating agreed interpretations and understandings of relevant provisions of the agreements should be made use of more frequently. The possibility of supplementary arrangements being concluded to regularize modalities of practical cooperation could also be used more actively. Another recommendation involved strengthening ECOSOC's coordinating role through the preparation of background papers by the Council's relevant subsidiary bodies. Periodic Joint CPC-ACC meetings on system-wide coordination were also proposed.

116. While organizations had already or were in the process of submitting their formal comments on the study, members reiterated the views expressed at the Committee's seventy-eighth session that they could not identify any problems at the working level with the current relationship agreements. Coordination on the common system of salaries, allowances and conditions of service was already ensured through ICSC. The common system would be strengthened through an overall improvement of the conditions of service. The diversity of the needs and variety of conditions existing in organizations across the common system had been constantly stressed. It was anachronistic to promote the reinforcement of centralization at a time when the trend was towards decentralization in a bid to meet the need for greater flexibility, streamlining and accountability.

117. Each relationship agreement committed two parties, the United Nations and an agency: the views of both parties had to be solicited on any proposal to revise the agreement. In any such reviews, the governing bodies should also be reminded of the complications which resulted from Member States' representatives taking different positions in different fora.

118. Responding to the points raised, Inspector Abraszewski concurred that it was important that the JIU respond in its study to both the concerns of Member States and the organizations. He therefore would welcome the views of the governing bodies of the specialized agencies and other organizations. He agreed that Member States should also be reminded that unnecessary confusion could be avoided if their positions in the various governing bodies were coherent.

Time off for Staff Representation

119. The Committee considered a request from FICSA to allow for the full-time release of the Vice-President so as to ensure that its offices in Geneva and New York were

covered by a senior secretariat staff member. The Federation believed that the reinforcement of its executive staff would be in the interests of its constituents and would help to promote harmonious staff/management relations of the organizations which they served. The large number and geographic dispersion of specialised agencies and the increasing requirement for participation in consultative groups had put a strain on FICSA's resources.

120. Recognizing the importance for staff bodies to have adequate research and representational capacities for effective participation in the consultation process, CCAQ had agreed in 1979 that organizations would release two FICSA Executive Committee members, the President and General Secretary. This principle of full-time release had been established as a consequence of the creation of the ICSC.

121. The Committee felt that FICSA's request had to be viewed in a more global perspective of the inter-agency arrangements governing staff representation. Some members also pointed out that in light of the basis for past decisions on the level of resources for staff representation at the common system level, it would be inappropriate to take further action at a time when FICSA was not participating in the sessions of ICSC. CCAQ decided to revert to the matter at its next session and requested its secretariat to prepare a study providing a full background of the issue, including the history of previous decisions, the underlying principles applied and a global quantification of current levels of staff released for staff representation in common system concerns.

Post adjustment in Italy

122. The Committee considered in CCAQ(PER)/79/CRP.10 a note by FAO requesting that ICSC consider modification of the special measure it had approved at its spring session in order to provide a more substantial response to address the post adjustment situation in Italy. The new proposal, which was being presented to fulfil the mandate of FAO's Council requesting that its secretariat pursue this issue with ICSC, involved an adjustment to the formula for calculating the ad hoc measure.

123. CCAQ reaffirmed the position taken at its seventy-eighth session that the current post adjustment methodology should not be drawn into question: if special circumstances prevailed in Italy, and possibly other duty stations, these should be responded to with a degree of flexibility. CCAQ would therefore not oppose action by the Commission provided that:

- (a) the post adjustment methodology was not put into question;
- (b) such action took the form of a special ad hoc measure which would respond to the particular problems currently prevailing in Italy; and
- (c) such a measure was temporary in nature and would continue only as the particular circumstances prevailed.

The Committee also felt that should similar circumstances prevail in other duty stations they should be eligible for application of the special ad hoc measure.

¹ Because the ICSC document was not available, this matter was not discussed.

² See footnote 1.

³ The Organization may wish to insert other appropriate references from its Constitution/Statute, etc.

⁴ M. Rubenstein: Preventing and remedying sexual harassment at work: A resource manual (Industrial Relations Services, London, 2nd edition, 1992).

⁵ Ibid.

⁶ Ibid.

Annex I

LIST OF PARTICIPANTS

Chairperson: Mr. A.T. Slater
Vice-Chairperson: Mr. J.-P. Baré

Representatives of member organizations

- United Nations: Ms. C. Dodson, Acting Director of Personnel,
Office of Human Resources Management
- Ms. M. Ise, Officer-in-Charge,
Staff Administration & Training Division,
OHRM
- Mr. K. Walton, Chief,
Compensation and Classification Service,
SATD/OHRM
- UNOV: Mr. V.A. Vislykh, Director,
Division of Administrative & Common Services
- UNDP: Mr. B. Frank, Chief,
Policies, Compensation and Administration,
Division of Personnel
- UNICEF: Mr. F. Kronfol, Director,
Division of Personnel
- UNRWA: Mr. J. Acar, Director,
Administration and Human Resources
- Mr. D. Kelly, Deputy Director,
Administration and Human Resources and
Chief, Recruitment & Staff Development Div.

UNCHS Mr. N. Omer, Chief,
Personnel Recruitment and
Administration Section

UNHCR: Mr. M. Baquerot, Director,
Division of Human Resources Management

Mr. A. Henning, Chief,
Personnel Administration Section
Division of Human Resources Management

ILO: Mr. R. Smith, Chief,
Personnel Administration Branch

Ms. H. Schebesta, Head,
Salaries and Allowances Unit

FAO: Mr. A.T. Slater, Director,
Personnel Division

Mr. C.F. Juge, Chief,
Personnel Policies & Entitlements Service

Ms. A. Wolf, Personnel Officer,
Policies and Procedures

WFP: Ms. M. Moylan, Director,
Personnel and Administrative Services

UNESCO: Ms. H. Hirose, Director,
Bureau of Personnel

Mr. J. Atta Kusi, Chief,
Division of Staff Policy and Procedures

ICAO: Mr. D.J. Goossen, Chief,
Personnel Branch

UPU: Mr. C. Langheld, Head, Personnel Section

WHO: Mr. D. Sanvincenti, Director,
Division of Personnel

Ms. R. Lopez, Chief,
Employment Policy and Administration

PAHO: Ms. D. LaVertu, Chief of Personnel

ITU: Mr. J.-P. Baré, Head,
Personnel and Social Protection Department

WMO: Mr. J. Murithi, Director,
Administration Department

IMO: Mr. C. Montin, Deputy Director,
Administrative Division

WIPO: Mr. B. Machado, Director,
Personnel Division

IFAD: Mr. A. Prien, Director of Personnel

UNIDO: Mr. H. Creydt, Director,
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Ms. A. Salburg, Chief,
Personnel Administration & Social
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Mr. S. Gardelliano, Chief,
Staff Development & Training Section

IAEA: Mr. M. Latreille, Head,
Personnel Management Section

Mr. E. Obed, Head,
Staff Administration Section

GATT: Mr. R. Luther, Counsellor,
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Observers

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Mr. C. Antonio, Chair, FICSA Standing
Committee
on Human Resource Development

Mr. B. Cross, Chair, FICSA Standing Committee
on Professional Salaries and Allowances

Mr. W.P. Scherzer, Chair,
FICSA Standing Committee for
Social Security

Mr. C. Stannard, EXCOM member

CCISUA: Mr. F. Siegenthaler, President

Ms. C. Mercader-Steele,
Research Officer

Mr. L. Leonetti, Member

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IOM: Mr. A. De Dycker, Chief,
Division of Personnel

CFC: Mr. G. Slark, Administrative Officer

CCAQ secretariat

Secretary: Mr. R. Eggleston

Assistant
Secretary: Ms. M.-J. Peters

Annex II

AGENDA AS ADOPTED BY THE COMMITTEE ON 12 JULY 1993

[* Items relevant to the agenda of the thirty-eighth
session of ICSC]

<u>Item</u>	<u>Document</u>
1. <u>Adoption of the agenda</u>	ACC/1993/PER/R.9
2. <u>Report on the outcome of ACC's review of the role and functioning of ACC and its subsidiary machinery</u>	
- Paper by the CCAQ secretariat	ACC/1993/PER/R.10
3. <u>Issues to be developed for ACC and ICSC</u>	
3.1 The application of the Noblemaire principle (to be considered in conjunction with ICSC's agenda item "Specific issues regarding the application of the Noblemaire principle" ICSC/38/R.2)	
- Paper by the CCAQ secretariat	ACC/1993/PER/R.11; & Adds.1 & 2
3.2 The "Director" category	
- Paper by the CCAQ secretariat	ACC/1993/PER/R.12
- Notes by the CCAQ secretariat	CCAQ(PER)/79/CRP.4 & CRP.5
3.3 The "P.6" grade	
- Paper by the CCAQ secretariat	ACC/1993/PER/R.13

*[Items 3.2 and 3.3 will be considered also in the context of ICSC's agenda item on "the structure of the salary scale" which will be included in document ICSC/38/R.2]

4. Remuneration of the Professional and higher categories

*4.1 Evolution of the margin between the net remuneration of the United States federal civil service and that of the United Nations system

- Paper by the ICSC secretariat ICSC/38/R.3
- Note by CCISUA ICSC/38/CRP.5

*4.2 Base/floor salary scale

- Paper by the ICSC secretariat ICSC/38/R.9

*4.3 Post adjustment questions: Report of the Advisory Committee on Post Adjustment Questions on the work of its seventeenth session ICSC/38/R.5

- Note by WIPO CCAQ(PER)/79/CRP.9

*4.4 Measurement of housing within the post adjustment system

- Paper by the ICSC secretariat ICSC/38/R.6

*4.5 Expatriate entitlements of staff living in the home country and stationed elsewhere

- Paper by the ICSC secretariat ICSC/38/R.7

*4.6 Special occupational rates: criteria and modalities for payment of special occupational rates

- Paper by the ICSC secretariat ICSC/38/R.8

5. *Remuneration of the General Service and related categories

- Survey of best prevailing conditions of service at Paris:

- Paper by the ICSC secretariat ICSC/38/R.11

6. Pensions and pension-related matters

*6.1 Comprehensive review of pensionable remuneration and consequent pensions of staff in the General Service and related categories

- Paper by the ICSC secretariat ICSC/38/R.10

*6.2 Monitoring of pensionable remuneration

- Paper by the ICSC secretariat ICSC/38/R.4
- *6.3 Staff assessment and the Tax Equalization Fund¹ ICSC/38/R.14
- 7. Personnel policy and management
 - 7.1 Guidelines for a policy statement on sexual harassment
 - Paper by the CCAQ secretariat ACC/1993/PER/R.14
 - *7.2 Appraisal and recognition of performance
 - Paper by the ICSC secretariat ICSC/38/R.16 & Add.1
 - Guidelines on training for performance evaluation: Proposal by CCAQ Sub-Committee on Staff Training Annex V of ACC/1993/PER/R.15
 - *7.3 Relationship between job classification and other elements of human resources management
 - Paper by the ICSC secretariat ICSC/38/R.17
- 8. Staff Training
 - 8.1 Report of the Seventeenth session of the Sub-Committee on Staff Training
 - Paper by the CCAQ secretariat ACC/1993/PER/R.15
 - *8.2 Training in the context of human resources development
 - Paper by the ICSC secretariat ICSC/38/R.18
 - Guidelines for the evaluation of training: Proposal by CCAQ Sub-Committee on Staff Training Annex II of ACC/1993/PER/R.15
- 9. *Relationship between hours of work and remuneration
 - Paper by the ICSC secretariat ICSC/38/R.15
- 10. *National Professional Officers²
 - Usage of the category and procedures for the determination of conditions of employment
 - Paper by the ICSC secretariat ICSC/38/R.13 & Add.1
- 11. CCAQ Workshop
- 12. Other business
 - 12.1 Family visit travel CCAQ(PER)/79/CRP.7

12.2 Joint Inspection Unit (JIU) report on the relationship between the United Nations and the specialized agencies

12.3 Time off for staff representation

12.4 Post adjustment in Rome

CCAQ(PER)/79/CRP.10

¹ Because the ICSC document was not available, this matter was not discussed.

² See footnote 1.

Annex III

PREVENTION OF SEXUAL HARASSMENT

DRAFT TEXT PROPOSED FOR ACC'S APPROVAL

The Administrative Committee on Coordination endorses the attached policy statement on the prevention of sexual harassment. Organizations which have not already introduced such a policy, are invited to review and amend this statement to meet their particular needs.

In endorsing this statement, ACC recalls that the organizations of the United Nations common system have an obligation to ensure that the highest standards of conduct are met at all times. They are also responsible for making clear that behaviour which is not in keeping with these standards will not be tolerated. In this context, harassment and in particular sexual harassment within the workplace or associated with work being performed on behalf of the organizations will be subject to disciplinary action.

GUIDELINES FOR A POLICY STATEMENT ON THE PREVENTION OF SEXUAL HARASSMENT

I. THE POLICY

1. The [name of organization] subscribes to the policy that, within the concept of [Article 8 of the Charter of the United Nations and other relevant international instruments⁽³⁾] every staff member shall have the right to be treated with dignity and respect, free from abuse or harassment.

2. Within this framework, the [name of organization] will not tolerate any type of harassment, particularly sexual harassment, within the workplace or associated with the work performed on behalf of the organization. Conduct which is

determined to constitute sexual harassment will be subject to appropriate administrative or disciplinary action.

What is sexual harassment?

3. Sexual harassment is any unwelcome sexual advance, request for sexual favour, or other verbal or physical conduct of a sexual nature, when it interferes with work, is made a condition of employment, or creates an intimidating, hostile or offensive environment. In all cases it refers to conduct that is unwanted by the recipient.

4. When behaviour of this kind is engaged in by any official who is in a position to influence career or employment conditions (including hiring, assignment, contract renewal, performance evaluation or promotion) of the recipient of such attentions, it also constitutes an abuse of power.

5. Three categories of conduct are generally considered to be covered by this definition.

"Physical conduct of a sexual nature which is commonly regarded as meaning unwanted physical contact ranging from unnecessary touching, patting or pinching or brushing against another employee's body to assault and coercing sexual intercourse."⁽⁴⁾

"Verbal conduct of a sexual nature which may include unwelcome sexual advances, propositions or pressure for sexual activity; continued suggestions for social activity outside the workplace after it has been made clear that such suggestions are unwelcome; offensive flirtations; suggestive remarks, innuendoes or lewd comments."⁽⁵⁾

"Non-verbal conduct of a sexual nature which refers to the display of pornographic or sexually-suggestive pictures, objects of written materials; leering, whistling, or making sexually-suggestive gestures."⁽⁶⁾

6. Staff shall be free to refuse such conduct or advances without negative consequences or retaliatory action resulting therefrom.

7. Sexual harassment is distinguished from other forms of mutual contact by its unwelcome, unreciprocated and imposed nature. Mutually acceptable behaviour is not sexual harassment regardless of the employment relationship.

Responsibilities

8. All staff bear responsibility for the maintenance of an harmonious working environment; this implies that, in accordance with the standards of conduct of the international civil service, *[and the relevant provisions of the organization's staff rules - which may be cited]* they shall conduct themselves in a way which will ensure that the workplace is free of intimidation, hostility or offense and, in this context, of any form of sexual harassment. Managers bear added responsibility in the process (a) by

their example, (b) by clearly communicating to all their staff the policy outlined in this statement, (c) by enhancing a positive working environment in which sexual harassment does not occur and (d) by ensuring prompt attention to the adherence to the policy.

9. All employees are equally responsible, however, for complying with this policy and for helping to create a working environment in which dignity is fully respected.

The resolution of problem cases

10. Staff members who believe they are sexually harassed should immediately inform the alleged harasser of the unwelcome nature of his or her behaviour and express their expectation that it will cease. In the event that the offensive behaviour does not cease, or where the circumstances are such that it is too difficult for the staff member to approach the alleged harasser directly, the following informal and formal means of resolving the problem are available.

[The United Nations and some other organizations already have a policy on, and procedures for, dealing with sexual harassment. Organizations which have not done so to date will develop their own specific arrangements and procedures for dealing with sexual harassment; these will need to be aligned with their current complaints procedures. The goal must be to produce clear and precise procedures to deal with sexual harassment once it has occurred. The procedures should ensure that cases be resolved efficiently and effectively. Resort may be made first to an informal network - the staff counsellor, a personnel officer, a staff representative; subsequently it may be necessary to involve a formal complaints procedure which will give staff members confidence that the organization will take allegations of sexual harassment seriously and will treat complaints in a confidential manner. The formal procedures should specify to whom a staff member should bring a complaint.]

The following is one suggested approach.

A. Informal approach

11. In many cases the situation can be resolved informally by the aggrieved staff member dealing directly with the person who engaged in the unwelcome conduct. An aggrieved staff member may also wish to consult [the Staff Counsellor] who is charged with the responsibility to provide advice and help on a strictly confidential basis.

12. As a further alternative, an aggrieved staff member may seek advice and help from a designated Personnel Officer or from a senior member of the department or office of his or her duty station who is in a position to discuss the matter discreetly with the individual and with the alleged harasser with a view to achieving an informal resolution of the problem. Supervisory personnel have an obligation to assist in such informal resolutions, to handle the situations with proper regard to the wishes of the aggrieved staff member (particularly with respect to

confidentiality) and in due fairness to all those involved, and to take action to prevent the re-occurrence of sexual harassment.

B. Formal procedures

13. Where informal resolution is not appropriate or has been unsuccessful, the aggrieved staff member may request in writing that the issue in question be reviewed in accordance with review/appeal/complaints procedures set out in the Staff Regulations or relevant administrative provisions and/or may file a written complaint pursuant to the appropriate article(s) of the Staff Regulations. More detailed guidance on the use of formal procedures to deal with sexual harassment complaints is available and may be obtained from any of the people referred to under the 'informal approach' above.

14. All allegations of sexual harassment will be fully, fairly and promptly investigated and dealt with in a confidential manner. Any retaliation or threat of retaliation against individuals making formal or informal sexual harassment complaints or assisting in the investigation of complaints will be considered as a violation of standards of conduct and will result in severe disciplinary action.

C. Administrative and disciplinary actions

15. Sexual harassment may be subject to administrative action or any one of the sanctions provided for in the Staff Regulations. Sanctions such as Warnings, Reprimands, Censures, Discharge and Summary Dismissal will be applied as appropriate in accordance with the gravity of the case.

II. GUIDANCE FOR INTRODUCING THE POLICY

16. Once developed, the content of the policy should receive wide dissemination. Communicating the policy and highlighting management's commitment to it will help foster an environment in which sexual harassment will not occur. A communication strategy should determine the most appropriate means within the organization for ensuring that all staff members understand the definition of what is considered to be sexual harassment and that such behaviour will not be tolerated. It should be very clear that complainants will not be subject to retaliatory action.

17. Training is a crucial ingredient in the introduction of the policy, particularly for those expected to play an official role in any informal or formal complaints procedure. Training should cover what harassing behaviour may include, the reasons why it occurs, and how it should be dealt with.

18. Line managers should also receive training on the policy, especially with regard to their obligation to foster a climate of understanding and acceptance. This could be achieved through topic-specific workshops or as part of a more general management training programme.

19. Induction/orientation training and brochures also provide an opportunity to introduce the policy and to raise the awareness of the staff at large on how to recognize differences between friendly behaviour and subtle sexual harassment, and ways for resolving informally incidents which may arise from misunderstandings.

20. Subsequent to the introduction of the policy, monitoring and evaluation of its implementation is important. Women's groups and staff associations can provide a useful input to this process. Attitude surveys are also a means of checking the degree of understanding and acceptance of the policy by staff.