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UNITED NATIONS COMMON SYSTEM

Note by the Secretary-General

The Secretary-General has the honour to transmit herewith, for consideration by the General Assembly, a statement adopted by the Administrative Committee on Coordination at its second regular session of 1996.

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ANNEX

Statement by the Administrative Committee on Coordination

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

"The basic tenets of the Charter of the United Nations on the international civil service are unambiguous: 'The paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence, and integrity' (Art. 101, para. 3).

"The far-reaching transformations taking place in the world and the unprecedented demands being placed on the United Nations system have greatly widened the missions of the United Nations organizations and have led to an unparalleled expansion of the responsibilities of their staff. New, often very complex tasks in insecure living/working environments, especially for staff employed by humanitarian agencies, and mobility in both function and location are the main features of the current work of the international civil service.

"Now more than ever, in order to meet the increasing demands of the international community on the United Nations system, it is essential to have a reinvigorated international civil service of the highest calibre. ACC has repeatedly stressed the critical need, to this end, to restore competitive conditions of service that would enable the organizations of the system, in their diversity, to attract and retain staff of such calibre.

"Most organizations are operating at present under conditions of serious financial constraints and uncertainty. Many are undergoing major

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reforms and restructuring processes. Restoring competitiveness in conditions of service must be viewed as an integral part of this necessary process of reform, and a key requirement in the search for enhanced productivity and greater cost-effectiveness.

"In its statement addressed to the General Assembly last year in connection with its examination of the report of the International Civil Service Commission (ICSC), ACC stressed that current uncertainties, in respect of both predictable financing and conditions of service, risked undermining meaningful reform and the effective delivery of programmes and services to Member States. ACC urged the General Assembly to adopt the recommendations of ICSC to bring the current margin of remuneration level to the mid-point of its range, and to restructure the salary scale to correct existing imbalances. At the same time, as part of a longer-term strategy to restore competitiveness, ACC members sought action to update the application of the Noblemaire Principle in order to reflect the current realities of the global labour market, and to introduce innovations that would help to motivate staff, reward quality of performance and better reflect the dynamics of organizational change.

"While regretting the decision of the General Assembly to postpone action on these recommendations, ACC understands the circumstances surrounding this decision and welcomes the intention to revert to them at the resumed session. ICSC has now completed the re-examination of its 1995 recommendations, as requested by the General Assembly. It has reconfirmed its technical recommendations related to the measurement of the margin and with regard to the national civil service comparator. The Executive Heads of the member organizations of ACC fully endorse these conclusions. They also strongly support the Commission's decision, as a consequence, to go forward with its recommendation to restore the margin of United Nations to United States net remuneration to its desirable mid-point in 1996. Under the methodology approved by ICSC, this is the second year in succession that net remuneration remains below the lower limit of the range of 110 to 120 established by the General Assembly in its resolution 40/244 of 18 December 1985.

"In the period ahead, it appears increasingly important that there should be simultaneous movements on two fronts: the active, continuing pursuit of efficiency, enhanced performance, including managerial performance, and structural and management reform; and an equally active pursuit by ICSC of the measures required to restore competitive conditions of service through the rebuilding of the Noblemaire Principle. Both of

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these objectives are part of the established policy of the General Assembly. They both must be pursued vigorously and in a mutually reinforcing way.

"The grave financial situation which the system is undergoing remains of the utmost concern to the Executive Heads. The search for solutions to the financial crisis must be given the utmost priority by the membership. Meanwhile, at the level of the secretariats, no efforts are being spared towards improved management, as well as cost containment, in the face of long-standing budgetary constraints. The system's record in this regard is well established. These efforts will continue in the period ahead. Key conditions for their ultimate success will be flexibility and innovation in staff management and the capacity to attract, motivate and retain the best performers, so as to continue to adhere to the tenets of the Charter with regard to the international civil service. ACC is confident that the membership, as represented in the General Assembly, will demonstrate renewed commitment and support for these essential efforts.

"In urging that action on the ICSC recommendations be taken at the current session, members of ACC reiterate their responsibility for the management of the cost structure of their organizations, as stated in the ACC submission on the subject to the fiftieth session of the General Assembly. Also, as indicated in that statement, modalities and arrangements for implementation may need to vary from organization to organization, in consultation, as necessary, with the respective governing bodies, taking into account resource constraints while fully safeguarding programme resources.

"By acting on the immediate measures recommended by ICSC and giving clear direction towards the longer-term requirement of restoring the competitive edge of United Nations system remuneration, the General Assembly would give a clear signal of encouragement and support for ongoing efforts, within the framework provided by the common system, to retain staff of the highest calibre and enhance the motivation and performance of staff, as well as for the broader processes under way aimed at managerial reform and maximizing efficiency, productivity and cost-effectiveness, to which all Executive Heads are strongly committed.

"Another requirement for progress on these fronts is the full participation of all partners in the ICSC consultative process. In a period of budgetary cutbacks and other measures affecting job security and conditions of service, and at a time of deepening reforms, when Executive Heads are endeavouring to introduce significant organizational change, it

is particularly important that the concerns of staff be articulated at all levels, including that of ICSC. The absence of a dialogue with the Coordinating Committee for Independent Staff Unions and Associations of the United Nations System and the Federation of International Civil Servants Associations in ICSC constitutes an important gap in this regard and a serious obstacle to improving governance and management of change in the common system.

"ACC would also wish to take this opportunity to reiterate its previous recommendations concerning other aspects of the functioning of ICSC."

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