REPORT OF THE NINETY-SECOND SESSION OF THE CONSULTATIVE COMMITTEE ON ADMINISTRATIVE QUESTIONS (PERSONNEL AND GENERAL ADMINISTRATIVE QUESTIONS)

Vienna, 29th to 31st March 2000

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MATTERS FOR CONSIDERATION BY ACC

1.   ACC's attention was drawn to paragraph 19 regarding "UN staff and dependants living with HIV/AIDS".

Agenda and Participation

2.   The agenda as adopted is provided in annex I; the list of participants is contained in annex II.

 Election of Officers

3.   The Committee decided to take up this matter following the forthcoming review by ACC of "The Role and Functioning of ACC and its Machinery".

The International Civil Service

➢   **Matters for Consideration by ICSC:**
     Updating the ICSAB Report on Standards of
     Conduct in the International Civil Service

Documents: ICSC/51/R.11

4.   The Committee

   •   Took note of the report of the Working Group as contained in the document;

   •   Considered that work was progressing well;

   •   Welcomed the "working group" framework under which the subject would continue to be discussed in ICSC;

   •   Noted further that the Standards of Conduct were a cornerstone of the International Civil Service. It was of paramount importance therefore that the final product reflect the best of current thinking and the relevant language of the time so that - like the 1954 model – it would stand the test of time.

The Pay System

➢   **Simplification of entitlements**

Documents: ACC/2000/PER/R.2
                    ACC/2000/PER/R.2/Add.1
                    Note by the United Nations Secretariat
                    ACC/2000/PER/INF.3

5.   Following an examination of the secretariat's analysis of the questionnaires completed by a number of organizations about their simplification efforts and the degree to which the administration of entitlements was being devolved and decentralised, the Committee was

informed of initiatives already undertaken or being considered by other organizations of the common system. The Committee benefited in the discussion from the participation of the Chairman and Secretary of CCAQ(FB). In particular, the Committee noted that:

- This was a key area of reform given:

(a) the new – strategic – role of human resources management which requires that organizations;

  (i) direct resources to upstream activities and divest themselves of low value labour intensive processing activities,
  (ii) align their services with programme objectives,
  (iii) enhance flexibility in the services provided to clients;

(b) the increasing empowerment of managers and the de-centralisation of tasks out of the central human resources management area which require simpler systems;

(c) the need to reduce administrative costs;

(d) calls for greater transparency of entitlements from management and staff alike;

- There were a number of barriers to attaining simplification; these included:

  - the complexity and number of rules and regulations;

  - concern for absolute equity among staff;

  - the search for orthodoxy among organizations;

  - internal forces including the audit function;

  - a prevailing lack of trust underlying current rules.

- There were a number of factors to consider in working to simplify entitlements and processes:

  - appropriate systems of accountability;

  - increased use of information technology;

  - the need for all staff to be "comfortable" with WEB technology;

  - the need to ensure that any simplification did not result in an erosion in current levels of benefits;

  - better client service;

  - greater staff involvement;

  - the need for improved tools and training thereon.

- This was an area in which it was crucial for human resources specialists to work together with colleagues in the financial, audit and legal areas, within organizations and at the inter-agency level. Joint sessions of CCAQ(PER) and CCAQ(FB) would be beneficial to bring about greater synergy in moving forward on simplification or other measures to improve productivity which have been the focus of CCAQ(FB)'s ongoing attention.

6.   In light of the above, the Committee decided:

- To express its appreciation to UNDP for preparing the document which was a most useful starting point;

- Interested organizations will move ahead with pilot projects for the simplification of administration of entitlements in the areas of education grant processing, and shipping (processing and consideration of lump sum), and report back to CCAQ on implementation;

- In parallel, UN and UNDP will chair working groups on education grant and shipping respectively with a view to reforming the entitlements themselves and making recommendations to CCAQ on simplification. The working group on shipping entitlements will also resolve the seeming contradiction between net and gross weights which had impeded introduction of earlier simplification efforts (i.e. containerisation)[1];

- To convene a working group jointly with CCAQ(FB) to develop the proposals for shared service delivery services along the lines set out in document ACC/2000/PER/R.2 of the secretariat;

- To request its secretariat to develop proposals for increased collaboration in the areas of IT and HR;

- To invite organizations to use the CCAQ Web Site Bulletin Board to ensure that work in this area would remain a high priority and benefit from broad and timely input from staff across the system.

7.   As part of its deliberations, the Committee was addressed by Professor Wolfgang Mayrhofer of the Department of Management and Organizational Behaviour of the University of Vienna.

Matters for consideration by ICSC

➤ **Review of the pay and benefits system**

Documents: ICSC/51/R.10
                    ACC/2000/PER/INF.1
                    ACC/2000/PER/INF.4

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[1]   See ACC/1996/PER/R.6 and ACC/1996/14.

8.   Confirming the importance it attached to the overhaul of the pay and benefits system and the underlying job classification system as a key area in human resources management reform, the Committee:

- expressed its appreciation to the ICSC secretariat for presenting a number of issues for discussion in document ICSC/51/R.10;

- considered this to be the first stage of a broader long-term process;

- recalled that in a needs analysis, the organizations had referred to the need for a competitive pay system which would ensure:

  - That organizations can attract and retain high quality staff;
  - Greater flexibility in rewarding job assignments;
  - That teams of staff can be formed and dismantled quickly;
  - That staff are motivated by financial rewards which recognize their performance and merit, i.e. takes greater account of individual performance, skills and competencies and reduces the weight given to seniority;
  - That the best performing staff have the prospect of growth and career development

- Underlined that compensation was not an end in itself, but one very important element in the effective management of human resources in the organizations. Hence, what was sought was a dynamic, less monolithic system which strengthens the independence, effectiveness, mobility and the scope for career development of the international civil service. It must also better support the diverse mandates, structures, programmes and organizational cultures of all the organizations which comprise the common system.

- Decided to pursue actively a number of areas both through the interactive Bulletin Board on the web site and through convening a meeting devoted to this subject before ICSC's summer session; the meeting should bring together individuals with a broad background in human resources management and compensation;

- Decided to request ICSC to carry forward work on this matter in a working group of the Commission which would be given adequate time to formulate well-considered recommendations.

➢   **Base/floor salary scale**

Documents: ICSC/51/R.3

9.   The Committee:

- Supported the standard updating of the base/floor by an increase of 5.1 per cent with effect from 1 March 2001;

- Noted that a further increase of some 4.2 per cent in US federal civil service salaries was forecast for January 2001;

- Decided to recall to the Commission that, as it had stated a year ago, the increases in US federal civil service pay continued to exceed the cost of living in New York; as a

result, the margin between US and UN remuneration levels continued to go down. As the margin approached 110, it would again urge the Commission to review how to accommodate a real increase in the base floor scale and in that context to analyze how best to adjust salaries at those grade levels at which there remained an increasingly negative margin.

➢ **Establishment of grade equivalencies between the UN and the US federal civil service: Progress report**

Documents: ICSC/51/R.4
                    ACC/2000/PER/INF.1
                    ACC/2000/PER/INF.4

10.   The Committee:

* recognized the importance of the current grade equivalency study as the key component in establishing a sound basis for the correct measurement of the net remuneration margin;

* confirmed organizations' willingness to continue to assist the Commission in the classification of jobs used in the study;

* decided to draw the Commission's attention to the need carefully to examine the implications of the comparator's increased use of a rank-in-person approach in the jobs being compared;

* decided further, in the context of simplification, to invite the Commission to review the grade equivalency methodology as soon as possible after the conclusion of the current exercise so that at the time of future studies a less labour intensive approach might be available which would (a) be equally sound technically and (b) as credible to all stake-holders as the current methodology.

➢ **Report of the twenty-third session of ACPAQ**

Documents: ICSC/51/R.5
                    ICSC/ACPAQ/23/R.9

11.   The Committee:

* welcomed the report of ACPAQ's 23rd Session and in particular the initiatives that had taken place in the structuring of the meeting and the way in which the conclusions and recommendations had been summarized in the document;

* noted that a number of organizations had participated fully in the meeting of ACPAQ and had assisted in the development of the recommendations;

- supported the recommendations made by ACPAQ, especially in terms of the new index structure, the procedures for establishing expenditure weights and the maintenance of the methodology for Group II duty stations in respect of the exclusion of durable goods from price collection; and

- decided to re-confirm the organizations' willingness to support and collaborate in the next round of place-to-place surveys.

➢ **Conditions of service of the General Service and other locally recruited staff: Survey of best prevailing conditions of employment in Montreal**

Document: ICSC/51/R.7

12.   In accordance with standard practice, the Committee decided that the matter would be dealt with by the specific organization at the duty station.

➢ **Conditions of service of the General Service and other locally recruited staff: Review of the headquarters salary survey methodology – decisions of the Administrative Tribunal of the ILO regarding the phasing out of the language factor at Rome and Vienna**

13.   The Committee decided that the positions of the Rome and Vienna-based organisations should be presented by them directly before the Commission.

➢ **Rental Subsidy Scheme**

Document: ICSC/51/R.6

14.   The Committee:

- Decided to inform ICSC of its willingness to cooperate with the ICSC secretariat in any review of the rental subsidy scheme;

- Decided to report to ICSC that it had identified a number of concerns and anomalies which required attention by the organizations and that it would review these urgently;

- Underlined (a) the need for simplification in this as in other areas; and (b) the importance of the scheme both in terms of attracting newcomers at all grade levels to our organizations as well as for the rotation and mobility of staff in those organizations where this was a requirement;

- Confirmed that a more fundamental reappraisal of the scheme would be necessitated by and should be incorporated in the review of the pay and benefits system.

New Approaches to Human Resources Management

➢ **Current HR Reforms: Report by organizations
    and preparation for High Level CCAQ**

Document: ACC/2000/PER/INF.2

15.   Following a round of presentations by UN, UNDP, UNHCR, ILO and WHO on their human resources management reforms, the Committee held an illustrative exchange on reform initiatives taking place across the system. Benefiting from the presence of the Secretary of CCAQ(FB), the Committee was also given a expose on results-based budgeting.

16.   It concluded that the presentations should be posted on the CCAQ web site. Additional information about on-going reforms should also be maintained on the web site.

➢ **Core Competency framework**

Document: ACC/2000/PER/R.7

17.   The Committee:

- expressed appreciation for the work undertaken to date and its thanks to those organizations which had devoted time and talent to the project;

- endorsed the module for staff training and development specialists as the basis for further work;

- reiterated its request that organizations should forward their comments on all the draft modules to the secretariat;

- decided that a Task Force comprised of those organizations' specialists who had developed the draft modules should meet to (i) finalize the package; and (ii) make recommendations on how to move the project further, in particular the development of a validation process with the view to bringing forward the final package at the Committee's 94th Session.

➢ **Matters for Consideration by ICSC:
    Framework for Human Resources
    Management – Report of the Working Group**

 Document: ICSC/51/R.9

18.   The Committee:

- recalled its appreciation of the progress accomplished by the Working Group on the HR Framework which it deemed to be a most important project;

- noted that representatives of five organizations and the CCAQ secretariat had worked with the other members of the Working Group on this project and were grateful for the rigorous and serious manner in which this task had been accomplished;

- underlined its appreciation for the positive and collaborative spirit in which the Working Group had taken place;

- acknowledged that the Framework was a dynamic instrument which would need to be updated as issues, events and the body of knowledge relevant to the profession evolved over time. There was also a need to ensure that the text on specific issues (e.g. staff/management relations) was consistent with that of other relevant documents such as the Commission's revision of the Standards of Conduct.

UN Staff and Dependants Living with HIV/AIDS

Documents: ACC/2000/PER/R.3
                    ACC/2000/PER/R.3/Add.1
                    ACC/2000/PER/R.3/Add.2
                    ACC/2000/PER/R.3/Add.3

19.   In preparation for ACC's forthcoming consideration of this item, the Committee reviewed the Report of the CCAQ Task Force on this matter. The Committee expressed appreciation to the members of the Task Force and those associated with the development of the report to ACC. It decided to confirm to ACC that it:

- Endorsed all the recommendations put forward by the Task Force;

- Noted also a number of additional initiatives being taken by organizations to support staff and their dependants living with HIV/AIDS including:

    - the categorization by WHO of countries/locations according to the degree of blood safety and guidelines to the UN Joint Medical Services thereon,

    - workshops to train UN Dispensary staff to take advantage of community-based health care,

    - the development of regular discussion sessions or retreats for all staff in field locations using the in-country theme groups.

- Underlined the importance of taking a proactive approach to this issue within the framework of organizations' work/life policies and in this context of:

    - providing clear, up to date information on prevention together with access to prophylactics, including condoms,
    - ensuring that minimum standards of care and access to treatment and counselling were available.

- Supported actions to harmonize practices both in respect of health insurance schemes and the coverage of staff under all types of contractual arrangements under those insurance schemes.

- Recommended that the Guidance Note for UN Resident Coordinators also formally be despatched to the heads of organizations who participate in the Resident Coordinator Team and in this context that CCPOQ collect and maintain examples of best practices in field offices.

- Requested its secretariat, in pursuing the feasibility study on the development of a UN web health site, to ensure that all existing web-based resources were incorporated in order to avoid duplication and in particular to continue to liaise with the World Bank in respect of the contacts that they had established with medical counselling groups.

Other Administrative and Procedural Matters

➢ **Medical standards**

Document: ACC/2000/PER/R.4

20.   The Committee took note of information provided by WHO in the document which provided an overview of the study on medical standards and a synopsis of the pre-final study on the impact of revised medical standards on financing staff benefits plans. It was informed that organizations' responses to the request in 1998 to provide data on morbidity patterns and costs were too fragmentary to be meaningfully incorporated into the study; consequently, to date the study had focussed on WHO's medical insurance plan. In the next stage, the collaboration of an organization with a significant field presence would be important in order to examine the relevance of the scenarios set out in the study.

21.   The Committee was also informed that a forthcoming meeting of the UN medical advisers would inter alia discuss the cost effectiveness of undertaking medical examinations prior to recruitment on the current across-the-board basis. The medical advisers would be taking account of the impact of legislation regarding non-discrimination in relation to the disabled.

22.   In view of this and of the upcoming ACC discussion on HIV/AIDS which was expected to focus also on the issue of the need to harmonize health insurance schemes, the Committee decided to:

- Await the outcome of the medical advisers' meeting so as to consider all dimensions of the issue;

- Include health related issues on the agenda of it 93rd session.

Progress Report on the PAMS Project

Document: ACC/2000/PER/R.5

23.   The Committee:

- Took note of the information provided by its secretariat that PAMS had officially been launched;

- Expressed its appreciation to the ISCC and CCAQ secretariats for carrying forward the project;

- Noted that its secretariat would send to the HR contacts in each organization a stock of a Joint Newsletter of the CCAQ/PER & ISCC Secretariats on PAMS for distribution to all staff;

- Noted that the ISCC Secretary had also informed the ISCC focal points in each organization that the system was operational and – as appropriate – could create a direct link to the PAMS site from each organisation's INTRANET;

- Agreed that each organization should monitor the system's usage for the purpose of determining the requirements for Phase II of the project.

➤ **Progress Report on the CCAQ Web Site**

Document: ACC/2000/PER/R.6

24.   The Committee:

- Noted with appreciation that in response to its request at its July 1999 session a Bulletin Board had been established on the CCAQ web site;

- Agreed that the Bulletin Board which was interactive would be an excellent tool for the exchange of news and views about HR policies and practices with colleagues in all organisations across the UN system;

- Expressed its thanks to the ISCC secretariat which had lent its technical know-how to the project.

➤ **Matters for Consideration by ICSC:**
   Resolutions and Decisions of the General Assembly and   the
   Legislative/Governing Bodies of
   Other Organizations of the Common System

Document: ICSC/51/R.2
                  ICSC/51/R.2/Add.1

25.   The Committee:

- Took note of the information provided in the documents and invited representatives of the organizations to intervene in ICSC in relation to matters raised by the governing bodies of their respective organizations.

Other Business

➢ **Report on the CCAQ/AIIC Negotiation**

26.   The Committee:

- Took note of the status of negotiations with the AIIC on a new CCAQ/AIIC Agreement.

➢ **Education Grant**

27.   The Committee

- Recalled that the levels of the education grant would be reviewed at ICSC's summer 2000 session and underlined the importance of timely and complete submissions of data by all organisations.

Annex I

AGENDA AS ADOPTED ON 29th March 2000

Document symbol

1.   **Election of Officers**

2.   **Adoption of the agenda**   ACC/2000/PER/R.1

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3.   The International Civil Service

3.1   Matters for consideration by ICSC:

Updating the ICSAB Report on Standards
of Conduct in the International Civil Service

Report of the Working Group   ICSC/51/R.10

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4.   The pay system

4.1   Simplification of entitlements
Note by the CCAQ secretariat   ACC/2000/PER/R.2

4.2   *Matters for consideration by ICSC:*

4.2.1 *Review of the pay and benefits system*
     Note by the ICSC Secretariat   *ICSC/51/R.9*

4.2.2 *Base/floor salary scale*
     Note by the ICSC secretariat   *ICSC/51/R.3*
4.2.3 *Establishment of grade equivalences between the UN and the US federal*
        civil service: Progress report.
     Note by the ICSC Secretariat   *ICSC/51/R.4*
4.2.4 *Report of the twenty third session of ACPAQ*
     Note by the ICSC secretariat   *ICSC/51/R.5*
Conditions of service of the General Service and other locally recruited staff:
4.2.5 *Survey of the best prevailing conditions of employment in Montreal.*
     Note by the ICSC Secretariat   *ICSC/51/R.6*

4.2.6 *Review of the headquarters salary survey methodology: decisions of the*
        Administrative Tribunal of the International Labour Organization
        regarding the phasing out of the language factor at Rome and Vienna.
     Note by the ICSC secretariat   *ICSC/51/R.7*

5. **New approaches to Human Resources Management**

5.1 Current HRM Reform:
Reports by organizations and preparation for High Level CCAQ

5.2 Other initiatives being taken in HRM reform
Oral Report by the secretariat

5.3 Core competency framework
Note by the CCAQ Secretariat   ACC/2000/PER/R.7

5.4 *Matters for consideration by ICSC:*
   Framework for Human Resources Management:
Report of the Working Group   *ICSC/51/R.8*
(For ICSC's review of pay and benefits system – see above under item 4.2.1)

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6. **UN Staff and dependants living with HIV/AIDS**

6.1 Report of the Task Force   ACC/2000/PER/R.3 and Add. 1

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7. **Other administrative and procedural matters**

7.1 Medical Standards
Note by WHO   ACC/2000/PER/R.4

7.2 Progress report on the PAMS project   ACC/2000/PER/R.5

7.3 Progress report on the CCAQ web site   ACC/2000/PER/R.6

7.4 *Matters for consideration by ICSC*

Resolutions and decisions of the General Assembly and the Legislative/ governing bodies of the other organizations of the common system.
 Note by the ICSC Secretariat   *ICSC/51/R.2 and Add.1*

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8. **Other business**

8.1 Report on the CCAQ/AIIC Negotiation
8.2 Review of the level of the Education Grant

Annex II

LIST OF PARTICIPANTS

Chairperson: Mr Dieter Goethel
Vice-Chairpersons: Ms Jan Beagle

Representatives of member organizations	
United Nations	**Ms. Jan Beagle, Director, Specialist Services Division** **Mr. Julio Camarena-Villaseñor, Chief, Common System & Inter-Agency Policy Unit**
UNDP	**Ms. Deborah Landey, Director, Office of Human Resources** **Ms. Khurshid Bhimani, Chief, Central Operations, Office of Human Resources**
UNICEF	**Ms. Marta Helena Lopez, Human Resources Officer, Policy Unit**
UNHCR	**Mr. Duncan Barclay, Chief, Policy and Planning Section** **Ms. Anne Gunning, Senior Policy Coordination Officer**
UNFPA	**Mr. Ian Howie, Chief, Office of Personnel and Training**
UNOPS	**Mr. Peter Van Laere, Chief, Human Resources Management Section**
WFP	**Ms. Dyane Dufresne-Klaus, Director of Human Resources & Administration Services**
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PAHO	**Dr. Diana Serrano. LaVertu, Chief of Personnel**
UPU	**Mr. Christian Langheld, Chief of Personnel**
ITU	**Mr. D.J. Goosen, Chief, Personnel & Social Protection Department**
WMO	**Mrs Kathleen J. Charles, Director, Resource Management Department** **Ms. Katia M.Chestopalov, HR Officer**

IMO	Mr. Leif Gunnestedt, Head, Personnel Section
WIPO	Mr. Herman Ntchatcho, Director, Human Resources Management Division Mr. Sven Arneberg, Deputy Director, HRMD
UNIDO	Mr. Charles Juge, Special Adviser to the Director-General on Personnel Matters
IFAD	Ms. Margaret Simon, Director of Personnel
IAEA	Mr. Dieter Goethel, Director of Personnel Mr Ernest Obed, Head, Staff Administration Section Dr. John Doherty, Chief Medical Officer Ms Angela Jackson, Head, In-Service Administration Unit
WTO	Mr. Paul Rolian, Director, Personnel Division

CCAQ(FB)	Mr. A. Espino (IAEA), Chairman Mr. Peter Leslie, Secretary

UN Staff College Project	Mr. Sergio Gardelliano, Head, Management and Organizational Learning Group

International organisations applying UN common system of salaries and allowances	
OPCW	Ms. Cynthia Valenzuela, Head, Human Resource Services

Other International Organisations	
OSCE	Ms. Daniela Kabiljo, Chief, Personnel Unit

Observers	
ICSC Secretariat	Mr. Kingston Rhodes, Executive Secretary Mr. Michel Latreille, Chief Salaries and Allowances Ms. Linda Saputelli, Chief Policies and Procedures

FICSA	Mr. Bernard Grandjean, President Mr. André.J.Heitz, General Secretary

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Speaker	Professor Wolfgang Mayrhofer, Department of Management and Organizational Behaviour, University of Vienna

CCAQ Secretariat	
Secretary	Mr. Roger Eggleston
Assistant Secretary	Ms. Mary Jane Peters