



CONCLUSIONS OF THE MEETING OF THE HUMAN RESOURCES NETWORK

(UN, Geneva, 3-5 April 2002)

I. ADOPTION OF AGENDA AND WORK PROGRAMME AND ELECTION OF SPOKESPERSON

1. The agenda as adopted is attached in annex I; the list of participants is contained in annex II.
2. In view of the upcoming retirement of Mr. Goethel and in order to provide for a smooth transition – especially in view of the major reform initiatives being undertaken with ICSC – the meeting invited Ms. Jan Beagle to serve as convenor and spokesperson and Ms. Rachel Mayanja also to serve as a spokesperson for the Network at sessions of ICSC.
3. The Network expressed its warmest thanks to Mr. Goethel for his stewardship of both CCAQ(PER) and the HR Network in recent years. It recalled his dedicated work in the international civil service which spanned over 3 decades.

II. ISSUES UNDER CONSIDERATION BY ICSC

(a) Review of the pay and benefits system (ICSC/54/R.3 and Add.1-Add.9)

4. The HR Network had before it some 10 papers which had been issued by the ICSC secretariat towards the end of March. From the outset of the discussions, the Network was guided and encouraged by the support which HLCM had given, at its third session, to the proposals emanating from the ICSC Working Group. It reflected on the nature of the proposals as being the most major common system HR reforms to be put before the organizations since the inception of the United Nations System.

5. In the course of a full day's discussion, the HR Network repeatedly underlined the importance of developing a robust strategic position to underpin its interventions in ICSC, in particular in respect of the extent of the documentation which was to be put before the Commission almost all of which had been reviewed by the Working Group sessions. In this connection, it considered that it would be essential to seek CEB's support for the approaches taken by the Working Group. To this end, a draft CEB decision (see Annex III) was prepared which, if accepted by CEB, would be forwarded to ICSC's spring session. The Network went on to consider the reform proposals under six headings:

Timing and priorities for ongoing work

- ◆ In reporting to ICSC the concerns expressed by HLCM, while it saw the logic of advancing tier III work from 2004 to 2003, the Network noted that the ICSC secretariat foresaw that unless additional talented person-power was made available there would be difficulties in completing the work schedule earlier than currently anticipated by the Working Group.
- ◆ In view of the scale of the reform proposals and the time required for their implementation by organizations, the Network reiterated the need to maintain regular updating of the systems associated with the current pay and benefits scheme in accordance with the methodologies approved by the Commission and the General Assembly (e.g. margin management; base/floor adjustment; education grant; dependency allowances).

Tier I

– Job design and evaluation

The Network:

- ◆ endorsed the work undertaken to date on (a) the design of the new Master Standard, (b) the introduction of flexible options for professional progression (career streams) and companion broadbanded structures in different organizations and (c) the intention to incorporate performance management into the new system which would ultimately serve to link individual contribution to overall performance;
- ◆ called on ICSC to ensure close coordination with organizations during the development process, with structured input to refine the system as the working model was completed;
- ◆ looked forward to receiving before the Commission's July session, a more detailed outline of the new Master Standard, the accompanying grade level descriptors and further information on the development of career and performance management aspects of the new system.

– Senior Management Service (SMS)

The Network:

- ◆ welcomed the thrust of the proposals to develop a Senior Management Service;
- ◆ wished to see proposals carried forward - as soon after ICSC's spring session as possible - by a working group which would report to ICSC's summer session *inter alia* with proposals in respect of –
 - the definition of the nature of the jobs to be included in the SMS,
 - a core management competency framework,

- the elaboration of the dual career ladder concept,
- arrangements for the development of managerial skills (also in collaboration with the UN System Staff College) in particular in the context of enabling organizations to “grow their own leaders”,
- the creation of a coordinating body to serve as the focus for policy development and other initiatives to strengthen the SMS.

– **Application of the Noblemaire Principle**

The Network:

- ◆ endorsed the proposals put forward by the Working Group in respect of the inclusion of reference to FEPCA, and to the inclusion of additional comparators, including foreign services, in the application of the Noblemaire Principle.

Tier II

The Network:

- ◆ reaffirmed the advantage of providing organizations with an additional tool which would enable them to pay bonuses as part of the redefined pay and benefits system;
- ◆ underlined the importance of tailoring such strategic bonuses to organizations’ needs especially in the context of mobility;
- ◆ welcomed the offer by some organizations (e.g. UNDP, UNHCR, WFP) to work together as soon as possible on defining the areas where such bonus arrangements might be applicable and identifying linkages with payments under the mobility and hardship and other schemes.

Tier III

The Network:

- ◆ would inform ICSC of the HLCM’s concern for advancing work foreseen in Tier III from 2004 to 2003 (see also para. 5 above);
- ◆ noted, in this connection that work was ongoing across organizations to simplify the administration of entitlements and that this would continue.

Future implications on the structure of the salary scale and related modalities

The Network:

- ◆ took note of the checklist of issues included in document ICSC/54/R.3/Add.6 which would need to be reviewed in the context of any redesigned pay system;
- ◆ recalled that at the meeting of the Working Group in Paris, the organizations had concluded that these issues could only be dealt with after the design of the new pay and benefits system had been determined;
- ◆ would report to ICSC that consideration of the issues raised under this rubric would be premature at this stage.

Development and implementation of effective information strategies for all stakeholders

The Network concluded that the following key steps should form part of a common information strategy to be pursued urgently by organizations across the system:

➤ ***With CEB (Executive Heads)***

Taking as a basis the 2 page highlights on the main features of the current status of the reform (attached as annex 2 of the Report of HLCM's third session), HR Directors should urgently brief Executive Heads before the April CEB session:

- ◆ on the conclusions reached at the current HR Network session;
- ◆ on the importance for the Secretary-General, supported by a number of Executive Heads, to make statements before the General Assembly on the importance for their organizations of the reforms envisaged at the time of presentation of ICSC's conclusions to the General Assembly's fall session this year.

➤ ***With senior management***

Building on the presentations being made available in electronic format by the CEB secretariat, HR Directors should provide systematic and sustained briefings to senior line managers in order to seek their views and input to the reform process.

➤ ***With organizations' staff representatives***

As soon as possible after ICSC's spring sessions, HR directors should provide staff representatives with an update on progress made, respond to concerns raised and forward questions and comments of a general nature to the CEB secretariat (see below).

➤ ***Staff at large***

- ◆ on a regular basis, provide briefings to staff at large both electronically and in written form on progress made in respect of the reform of the system. These briefs should be succinct and in "lay" language (i.e. preferably prepared by non HR specialists) and be available in all necessary languages;
- ◆ to support the preparation of these briefs, the CEB secretariat would, in addition to the "powerpoint" presentations referred to above, provide:
 - a "user friendly" version of the two page HLCM annex,
 - a regular "news" bulletin along the lines of United Nations "Highlights HRM" incorporating, whenever possible, a question and answer portion. To this end, HR Directors and the FICSA and CCISUA offices would provide the CEB secretariat with examples of those questions and concerns most frequently raised by staff which needed to be addressed in such a bulletin.

Under this rubric, the ongoing commitment of the representatives of FICSA and CCISUA in support of a "common vision" of the ongoing reform process would be a crucial element in the success of any information strategy.

➤ ***With Member States***

- ◆ At each headquarters' duty station HR Directors and other senior managers should enter into a dialogue with representatives of the regional groups to explain the importance of the reform proposals for the organization(s) at that location, and the importance of maintaining momentum in the process;
- ◆ Working *inter alia* with organization's liaison offices in Washington and elsewhere, they should also provide up to date briefings to capitals on progress made;
- ◆ The support of governing bodies for the reform efforts should also be sought, preferably through a resolution or decision of the governing body itself.

6. In this context, the Network foresaw the need to prepare a note which would amplify the benefits to organizations – not solely in cost terms – which will accrue through the implementation of the proposed reforms, particularly in the area of organizational performance. The ILO agreed to take the lead on this task.

ACTION TAKEN BY ICSC

The Commission decided that it needed additional information on the recommendations of the pay and benefits working group. Therefore, it expressed the view that the analytical work should continue, including the calculation of the efficiency which the proposed measures, and bearing in mind the issues raised in the Open-Ended Working Group. The additional documentation is to be presented to its 55th (July/August 2002) session at which time it intends to again take up the report of the pay and benefits working group for further consideration in formulating its recommendations to the General Assembly. The additional information requested by the Commission are:

- (a) identification of the necessary linkages in the proposed approaches and options available in moving forward with the approaches, including the various options illustrated with special examples;
- (b) details concerning implementation and administration of a system to control costs and permit the salary-banding concept to operate within the budget of each organization;
- (c) some estimate of financial impact of the proposals;
- (d) quantitative data reflecting organizations' difficulties in recruiting and retaining staff.

The Commission also decided that the review of the application of the Noblemaire Principle should not be part of the current pay and benefits review. It would consider this issue at the time of the review of the comparison methodology.

In the documents to be presented to its 55th session, it requested that its secretariat also identify those elements of the human resources management system that would be addressed by the proposed approaches and the problems related to the existing system, the options for change with the pro's and con's for each option.

(b) **Resolutions and decisions adopted by the General Assembly and by the legislative/governing bodies of organizations of the common system (ICSC/54/R.2 and Add.1)**

7. The Network:

- noted the information contained in the document. It anticipated that as appropriate representatives of individual organizations would intervene in the debate on matters affecting their organization.

ACTION TAKEN BY ICSC

The Commission noted the information.

(c) **Conditions of service of the Professional and higher categories**

(i) **Base/floor salary scale (ICSC/54/R.5)**

8. The Network:

- noted that in the light of the movement of the federal civil service salaries in the United States, the comparator, an adjustment of 5.6 per cent in the base/floor scale would be required in 2003 to maintain the base/floor scale in line with the comparator's scale;
- endorsed the proposal to adjust, effective 1 March 2003, the base floor scale on a no-loss/no-gain basis by consolidating 5.6 per cent of post adjustment;
- considered that any proposals to change the current methodology for the determination of the base floor and the relationship of the base floor scale to the mobility and hardship matrix and the schedule of separation payments should be addressed in the context of the review of the pay and benefits system which was currently underway in the Commission.

ACTION TAKEN BY ICSC

The Commission decided for the time being to take note of the recommended adjustment of the base/floor salary scale on a no loss, no gain basis pending its review of the methodological issues underlying the scale at its 55th session when net remuneration margin details would be available.

(ii) **Review of the level of children's and secondary dependant's allowances (ICSC/54/R.6)**

9. The Network:

- took note of the proposals to maintain the children's allowance and secondary dependant's allowance at current levels;
- recalled the concerns it had expressed to the Commission in 2001 in respect of the varying Euro amounts which had become payable in countries of the Euro zone and agreed to reiterate to ICSC the need to review this matter in the context of Tier III of the pay and benefits reform schedule.

ACTION TAKEN BY ICSC

The Commission decided to recommend to the General Assembly that these allowances be maintained at their current levels.

(d) **Common Scale of Staff Assessment (ICSC/54/R.8)**

10. The Network:

- noted the proposal that the current common scale of staff assessment, which had been in effect since 1 January 1997, continue to apply and that it be reviewed at the time of the next comprehensive review of pensionable remuneration.

ACTION TAKEN BY ICSC

The Commission decided to report to the General Assembly that the current common scale of staff assessment should continue to apply and should be reviewed at the time of the next comprehensive review of pensionable remuneration in 2004.

(e) **Hazard Pay (ICSC/54/R.9)**

11. The Network:

- endorsed the proposals contained in the document for increasing the amounts of hazard pay;
- noted that the review of the criteria for the payment of hazard pay had been requested by the United Nations but considered that it was not appropriate to change these criteria at the present time because the current criteria met the needs of the majority of organizations;
- took note that UNHCR will be submitting proposals to the Inter-Agency Network on Security Management in regard to measures applicable to national staff in situations where international staff have been evacuated from a location/country. These proposals

will subsequently be considered by the HR Network during its summer session in July with a view to seek the High-Level Committee on Management's endorsement for an amendment to the Field Security Handbook. The proposals concern the contractual status of national staff in such cases, and the payment of a Special Post Allowance to national staff in circumstances when international staff are on security evacuation status.

ACTION TAKEN BY ICSC

The Commission reconfirmed that the present criteria for the granting of hazard pay should remain unchanged. It also decided to maintain the level of hazard pay for international staff, but it requested its secretariat to solicit the views of organizations with regard to the adjustment of the levels of hazard pay for locally recruited staff and submit recommendations to its 55th session.

(f) **Mission Subsistence Allowance (ICSC/54/R.10)**

12. The Network:

- expressed its concern for a number of inaccuracies contained in the document particularly in respect of the special operations approach and the computation of extended monthly evacuation allowances and invited organizations to provide written corrections and clarifications thereon to ICSC;
- recalled that the determination of mission subsistence allowances in the United Nations had been and remained the prerogative of the Secretary General and had been introduced to meet in large measure the unique needs of peacekeeping operations;
- noted that some other organizations used the MSA or had introduced approaches based on the MSA which were tailored to meet their specific organizational requirements, particularly at field locations;
- decided to inform the Commission that it did not consider it propitious to take up the issue.

ACTION TAKEN BY ICSC

The Commission requested its secretariat in cooperation with the organizations to collect additional information and consider the possibility of harmonizing the approach to this issue and present the updated information on the practices of the organizations at its 55th session.

(g) **Contractual Arrangements (ICSC/54/R.4)**

13. This element was referred to in the Framework for HR Management adopted by ICSC in 2000 as: “core, to the extent that the compensation package is common across organizations”. The first guiding principle in support of this element reads: “contractual arrangements should be flexible so as to respond to organizational needs”. Moreover, the determination and usage of contracts was legislated for within each organization’s staff rules and regulations to meet their particular requirements and in some cases headquarters or other agreements.

14. The Network:

- expressed concern for a number of short-comings in the document, particularly that in a number of cases organizations’ policies were not well reflected, and invited organizations to provide written corrections and clarifications thereon to ICSC;
- also noted the conceptual gaps in the document, for example, the impact of financial and budgetary approaches and constraints had not been reflected nor had linkages been made to the extensive body of work carried out on this subject by ICSC in the 1980’s;
- considered that such a complex issue must be reviewed within the context of organizations’ reform agenda and the 1998 policy statement of the executive heads that “reforms must uphold and strengthen the fabric of the international civil service within the framework of each organization’s particular structure and personality”;
- emphasized the important linkages with the review of pay and benefits system in so far as over-all conditions of employment were an important feature of ensuring that UN system organizations were attractive and competitive employers;
- considered that the Commission should primarily focus on providing guidance on what should be the minimum conditions of service for employing staff in keeping with the first guiding principle under the Framework that “contractual arrangements should be flexible so as to respond to organizational needs”;
- decided to inform the Commission that it would be premature to consider the conclusions as contained in the document and to urge that it deliberate in an informal setting at its upcoming session as provided for under its new working arrangements.

ACTION TAKEN BY ICSC

The Commission concluded that, while there was a need to take into account recent changes in contractual arrangements, it was important to establish a more consistent framework by reducing the number of different contracts and by standardizing their description. It therefore requested that its secretariat work in close cooperation with the organizations to:

- (a) prepare an in depth analysis of the current situation reflecting the comments of the Commission, the needs of the organizations and staff needs for clarity, and, to the extent possible, more complete and structured information for its 55th session; and
- (b) suggest a new policy on contractual arrangements, with clear justification of the recommended approach. This exercise should be carried out while bearing in mind the organizational need for flexibility.

(h) **Paternity Leave (ICSC/54/R.11)**

15. The Network:

- emphasized that initiatives to introduce paternity leave - an important feature of changing organizational cultures - must be viewed in light of organizations' reform agendas, the policies adopted by the executive heads in 1995 on Work/Life and Improving the Status of Women as well as the Beijing Platform for Action which acknowledged the shared role of both parents in the family;
- expressed concern for the very limited information on employers' practices contained in the document and supported the ILO's offer to prepare a conference room paper for the Commission with complementary information;
- noted that the "occasional series" brochure on this subject which had been issued by the CEB secretariat provided more information, especially as regards the 'business case' for introducing paternity leave;
- noted that flexibility in modalities was essential in order to be responsive to the needs of the organizations (e.g. those with a larger number of staff with split households) and the views expressed in different governing bodies;
- decided to urge the Commission in light of the need for such flexibilities to confine its role to one of providing broad policy guidance.

ACTION TAKEN BY ICSC

The Commission agreed in principle that:

- (a) paternity could be introduced in the common system;
- (b) it should be provided under a uniform policy and be of reasonable duration taking into account the needs of the organization and of the family;
- (c) once introduced, the uniform policy would supersede the existing paternity leave entitlements in those organizations which had already introduced them;
- (d) a framework for paternity leave should be developed which would also address specific situations, e.g. cases of staff serving in remote non-family duty stations.

It therefore requested its secretariat, in consultation with organizations, to prepare specific proposals for consideration at its 55th session.

(i) **Survey of best prevailing conditions of employment for the General Service and related categories in London (ICSC/54/R.7)**

16. This item was not discussed; organizations' representatives with staff at the duty station would directly intervene in the debate in the Commission.

III. MATTERS RELATED TO THE AGENDA OF HLCM

(a) Outcome of HLCM meetings

17. Following a briefing by the Secretary of HLCM on the Committee's work over the past year, the Network:

- noted that the new structure which provided for closer involvement of the most senior administrators at the inter-agency level had given greater impetus to achieving success in cross-cutting issues as evidenced by the new cost sharing arrangements for security and helped reinforce the capacity for strategic human resources management issues to be dealt with in a timely holistic manner;
- expressed appreciation for the introduction of the HLCM newsletter which was a good vehicle for knowledge sharing in a concise manner across interest groups;
- welcomed the inclusion in HLCM's agenda of an item on the changing nature of the balance between regular and voluntary funding in organizations because of the important impact it had on HR planning, contractual arrangements and the independence and impartiality of the international civil service;
- requested the CEB secretariat to ensure that the HR Network include on the agenda of its future meetings the item of what critical HR issues required greater integration with other disciplines in preparation for their development at HLCM.

(b) Simplification of procedures, processes and entitlements: Relocation Grant (CEB/2002/HLCM/7)

18. The Network:

- was informed by UNDP that –
 - the evaluation of the first year of implementation of the relocation grant pilot scheme had been positive and it would therefore be extended for another year;
 - data allowing for a more precise analysis of both the tangible and intangible benefits of the approach was not readily available; therefore, an enhanced baseline data and monitoring system would be introduced during 2002 to enable it to better track, monitor and report on each item in the package;
 - at the beginning of 2003 a new evaluation would be conducted and the final results presents to the HR Network in Spring 2003 along with final recommendations.
- commended UNDP for undertaking this pioneering initiative in view of the additional burden of work which would ultimately be a service to all organizations through its piloting experience and invited input and support from other organizations as appropriate;
- recognized that further analyses would be required so as to respond fully to the request of HLCM;
- noted that a body of research had developed in HR metrics which could serve as models for measuring the utility of both tangible and intangible benefits and therefore

requested that the CEB secretariat place this on the program of the HR Network for a future event.

IV. FOLLOW UP TO PREVIOUS DECISIONS TAKEN
AT THE INTER-AGENCY LEVEL

(a) Progress report on the work of the Task Force on HIV/AIDS
(CEB/2002/HLCM/6)

19. Further to ACC's review of the issue of UN system staff and their dependants living with HIV/AIDS and the conclusions reached thereon, the Network examined the outcomes of the Task Force.

20. Specifically, the Network:

- recognized that a milestone at the policy level was achieved with publication of the ILO Code of Practice on HIV/AIDS which was a reaffirmation of the UN System personnel policy and gave further impetus to the UN system to respond to this important occupational health issue;
- noted the tendency to place focus on the medical side of the problem at the expense of other crucial interventions (e.g. policy implementation and monitoring, awareness-raising, training and prevention)
- noted that progress had been achieved in a number of areas including *inter alia* reinforcement of the PEP Initiative, system-wide distribution of a CD-ROM, "HIV/AIDS in the UN System Workplace", enrollment by some organizations of staff members in a one-year postgraduate course in the Management of HIV/AIDS in the Work of Work given by the Medical University of South Africa, several projects which were underway to support access to care, a preliminary study on the question of health insurance coverage;
- emphasized that in a time of limited resources and shrinking budgets, inter-agency collaboration was paramount to progress and the success of interventions aimed at prevented HIV-infection among staff and providing treatment and care to those infected;
- endorsed the proposals of the Task Force to pursue through appropriate channels the following future actions:

(i) Reaffirmation of the UN system personnel policy on HIV/AIDS, specifically by

- ✓ appointment of focal points on HIV/AIDS in the UN workplace at country, regional and global levels;
- ✓ communication by each Executive Head on an annual basis, re-stating firmly their commitment to providing a supportive and caring environment to UN staff members and their families, and highlighting any actions taken to ensure full implementation of the UN Personnel Policy on HIV/AIDS;
- ✓ ensuring HIV/AIDS in the workplace is a regular item on the agenda of senior management meetings (e.g. global/regional meetings of Representatives); and

- ✓ regular monitoring and evaluation of the implementation of existing guidelines: The UN system policy itself, the Guidance Note for Resident Coordinator System: HIV/AIDS in the UN workplace and the guidelines on Confidentiality Management.
- (ii) Continuation of inter-agency collaboration and coordination to avoid duplication and create synergy, specifically by
- ✓ financing a full-time coordination post within the CEB Secretariat to ensure continuity.
- (iii) Continuation and expansion of awareness-raising and training programmes, specifically by
- ✓ earmarking resources for the development of interactive educational programmes on HIV/AIDS for staff members and managers; and
 - ✓ providing adequate financial support to UN Medical Services for the development and maintenance of an anonymous, interactive information system i.e. a Healthnet website, addressing a range of issues, including confidentiality, rights, insurance, etc.
- (iv) Development and implementation of appropriate care and support programmes, specifically by
- ✓ monitoring of local progress in each duty station with respect to availability and affordability of HIV/AIDS treatment and care to ensure provision of optimum services to UN staff;
 - ✓ ensuring the financing of the PEP project on an ongoing basis so that all staff in all duty stations have timely access;
 - ✓ establishing support groups in country offices, where required
 - ✓ supporting the review of the role of UN Medical dispensaries in prevention and care activities for staff and dependants, with a view toward setting minimum standards and documenting best practices;
 - ✓ encouraging voluntary counseling and testing; and
 - ✓ training UN physicians and nurses on HIV management.
- (v) Working towards harmonization of health insurance coverage for national staff within the UN system to reduce perception of inequity, specifically by
- ✓ emphasizing the urgency and importance of addressing this issue in a coordinated and timely fashion; and
 - ✓ urging all members to review contractual status and insurance coverage of staff members under short term contracts, Service Agreements and identify, where possible, national insurance or care systems for staff under these types of contracts.

(b) **UN Staff College**

21. The Network:

- expressed appreciation for the briefing by the Secretary of the HLCM on the progress on the establishment and work to date of -
 - the Board of Governors of the UN Staff College, and
 - its Expert Panel which would advise on the analysis, development and delivery of all Staff College programme proposals and on the alignment of the strategy of the Staff College with the CEB strategy.

(c) **Health Insurance Schemes (CEB/2002/HLCM/4)**

22. Further to CEB's (the then ACC's) request at its spring 2000 session that proposals be presented "for improving and harmonizing medical insurance coverage for national staff within the United Nations system", the Network examined a study aimed at assisting in developing an appropriate response to this request in order to provide input to HLCM for its consideration of the matter.

23. Specifically, the Network:

- recalled that this item had been raised as a result of perceived discrimination linked to variations in insurance schemes and coverage for national staff within the UN system regarding expenses of national staff members in need of medical care for the treatment of HIV/AIDS;
- noted that a number of agencies were taking steps to streamline contractual arrangements and insurance ceilings which often were the source of the perceived discrimination;
- agreed that the paper was a good starting point and set the stage for discussion of the issue, especially in view of the fact that - since the creation of the UN and its specialized agencies - the question of health insurance has been the subject of many reviews and discussions;
- considered that the establishment of a single world-wide HIS for all UN system staff was no longer a desirable or practicable objective as -
 - there were good reasons for the existence of several schemes, to accommodate different organizational needs and medical and legal environments;
 - none the less, the existence of 19 schemes in the system, with significant differences between them regarding benefits, contributions and administration, was not desirable on grounds of equity and cost-effectiveness;
 - all schemes should therefore provide staff members and their dependants with a comparable level of protection, regardless of their category, level and duty station;
- noted that the HLCM had requested the budget and finance network to undertake an analysis of all the dimensions of the problems associated with funding after-service health care;

- noted that (i) good health insurance coverage was a significant element of conditions of service in the recruitment and retention of a high quality workforce, (ii) the increased cost of health insurance coverage was a world-wide phenomenon due to demographic evolutions (i.e. aging workforce) and scientific advances, (iii) the increased costs of health care due to the impact of stress in certain workplace situations was now well documented and so to a certain extent should be viewed as a necessary cost of doing business;
- agreed that in order to reduce the perception of inequity and to achieve greater cost effectiveness, while at the same time not deteriorating the levels of benefits now available under the best schemes, it would be desirable to work towards greater commonality and improvements in the following areas:
 - funding arrangements,
 - level of contributions,
 - level of benefits,
 - reimbursement ceilings,
 - long term care,
 - availability and criteria for after service coverage,
 - arrangements upon transfer to another UN common system organization (and therefore insurer),
 - pooling resources for risk coverage (particularly for smaller organizations), and
 - pooling resources for the administration of claims.
- agreed that - in the event that HLCM decided to pursue this work - the HR Network stood ready to provide advice and assistance on the terms of reference, including its objectives and parameters.

V. DOMESTIC PARTNERS **(CEB/2002/HLCM/5)**

24. Further to previous discussions and agreements reached by the then CCAQ/PER on this issue¹, the Network:

- noted that the ILO Governing Body (282nd Session) had given its approval for the International Labour Office –
 - to extend to the domestic partners of officials, on a pilot basis, the benefit of the payment of travel costs on appointment, transfer and repatriation, on condition that the ICSC agreed to this course;
 - to consult with the ICSC and then to identify, in consultation with other organizations of the UN common system, what additional benefits or assistance might be granted on a trial basis to domestic partners (subsequently, the ICSC has placed this item on the agenda of its 55th session);
 - to consult with the Management Committee of its Staff Health Insurance Fund on the possibility, consequences and basis on which some or all health

¹ In particular, ACC/1998/PER/R.6 and ACC/1998/5.

- insurance benefits granted to other recognized dependent family members could be extended to domestic partners;
- to approach the UN Joint Staff Pension Fund with a view to having the issue of recognition of a domestic partner as a beneficiary under a UN pension plan on the agenda of the next meeting of the UNJSPB in 2002.
- noted that current trends were that (i.) employers were increasingly offering benefits to domestic partners and that two organizations of the UN family – World Bank and IMF - has already done so and (ii.) increasingly it was possible to legalize relationships between partners of the same or opposite sex under national legislation which conferred the same rights and responsibilities of marriage on such arrangements;
 - expressed appreciation for the work of the ILO in pursuing this human resources management issue which had to be viewed in light of organizations' reform agendas, work/life policies and efforts to attract and retain a high quality, mobile workforce;
 - recognized that concern was increasingly being voiced regarding the application of provisions which discriminates among staff members on the basis of their marital status or sexual preference but that there were important legal and political dimensions which must be considered;
 - decided to urge HLCM to constitute a joint task force of HR specialists and legal advisors to study the matter with a view to moving forward at the spring session of the HR Network.

VI. ON-GOING HRM STUDIES

(a) Core HR competency framework

25. The Network:

- noted that there was the need to re-visit the draft competency model which had been developed by the then CCAQ/PER in light of the considerable body of work undertaken by individual organizations in this area since 1998;
- expressed appreciation that the ILO had agreed to take the lead in completing this work and reporting back to the Network at its spring 2003 session.

(b) Comparative study on HR policies & practices

26. The Network:

- reiterated its support for a follow-up to the 1997 survey for the study "Human Resources Management Policies & Practices in the UN Family of Organizations and Agencies: A Comparative Analysis with European Government Institutions" and thanked the secretariat for taking the initiative in seeking to enlarge the comparison by bringing into the 2002 survey several member organizations of AHRMIO.

**VII. UPDATE ON THE ASSOCIATION FOR HUMAN RESOURCES MANAGEMENT
IN INTERNATIONAL ORGANIZATIONS(AHRMIO)**

27. The Network:

- noted that the membership of the Association continued to grow; it now had 48 organizational members in addition to its individual members who came from a broad spectrum of international not-for-profit organizations;
- expressed satisfaction that its training and development activities would soon be expanded to include topics such as “HR aspects of risk management” and “rewards strategies”.

VIII. MONITORING THE LEVEL OF THE EDUCATION GRANT

28. The Network:

- was reminded that organizations were required under the approved methodology to submit data on all education grant expenditures for the school year 2000-2001 (2001 for the southern hemisphere) to the CEB secretariat by 1 May 2002 in order that an analysis and recommendations in respect of adjustments to the levels of the education grant can be presented to the 55th session of the ICSC.

IX. THE COMMON SYSTEM PERSONNEL DATA BASE

29. The Network:

- Emphasizing the importance of the timely production of the annual personnel statistics, called on organizations to ensure that they met the deadline in the submission of their data each year.

X. OTHER BUSINESS

30. The representative of the ICSC secretariat informed the network that it would make available to the organizations copies of the Standards of Conduct of the International Civil Service and requested their views on the their needs (number of copies, languages and format). The network:

- requested the ICSC secretariat to send a short questionnaire to each organization in this regard.

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ANNEX I

Agenda as adopted on 3 April 2002

- I. Adoption of agenda and work programme and elections of spokesperson/s
- II. Issues under consideration by ICSC:
 - A. Resolutions and decisions of the General Assembly and the legislative/governing bodies of the other organizations of the common system (ICSC/54/R.2 and Add.1)
 - B. Framework for Human Resources Management
 - (a) Review of the pay and benefits system: Report of the Working Group to the Commission ICSC/54/R.3
 - (i) Realigning job evaluation to support organizational performance ICSC/54/R.3/Add.1
 - (ii) Planning a broad banded salary structure for the United Nations common system ICSC/54/R.3/Add.2
 - (iii) Pay for performance: developing a reward strategy for the United Nations common system ICSC/54/R.3/Add.3
 - (iv) A United Nations Executive Service ICSC/54/R.3/Add.4
 - (v) Recruitment, retention and relocation bonuses ICSC/54/R.3/Add.5
 - (vi) New approaches and the current pay and benefits system ICSC/54/R.3/Add.6
 - (vii) Relevant labour markets and the Noblemaire Principle ICSC/54/R.3/Add.7
 - (viii) Pay reform: experiences of national civil services and international organizations ICSC/54/R.3/Add.8
 - (ix) Interim report of the first working group meeting (Vienna, 3-7 December 2001) ICSC/54/R.3/Add.9
 - (b) Contractual arrangements ICSC/54/R.4
 - C. Conditions of service of the Professional and higher categories:
 - (a) Base/floor salary scale ICSC/54/R.5
 - (b) Review of the level of children's and secondary dependant's allowances ICSC/54/R.6
 - D. Common scale of staff assessment ICSC/54/R.8
 - E. Hazard pay ICSC/54/R.9
 - F. Mission subsistence allowance ICSC/54/R.10
 - G. Paternity leave ICSC/54/R.11

- H. Conditions of service of the General Service and other locally recruited staff:
 - (a) Survey of best prevailing conditions of employment for the General Service and related categories in London ICSC/54/R.7

- III. Matters related to the agenda of HLCM:
 - A. Outcome of HLCM meeting
 - B. Simplification of processes CEB/2002/HLCM/7

- IV. Follow up to previous decisions taken at the inter-agency level:
 - A. Progress report on the work of the Task Force on HIV/AIDS CEB/2002/HLCM/6
 - B. UN Staff College
 - C. Health insurance schemes (HIS) in the UN System CEB/2002/HLCM/4

- V. Domestic partners CEB/2002/HLCM/5

- VI. On-going HRM studies:
 - A. Core competency framework
 - B. Comparative study on HR policies

- VII. Update on the Association for Human Resources Management in International Organizations (AHRMIO)

- VIII. Monitoring the level of the education grant

- IX. The common system personnel data base

- X. Other business

ANNEX II

List of Participants

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ANNEX III

Reform of the Pay and Benefits System

The Executive Heads attach the utmost importance to the review currently underway in the International Civil Service Commission to reform the system which underpins pay and benefits across United Nations common system organizations. This is one of the most far-reaching HR management reform efforts contemplated since the founding of the United Nations system. The political and business cases for reforming the pay and benefits system at the current time are compelling; indeed the risks of not reforming the system now outweigh the challenges associated with ICSC's reform initiative. The Executive Heads, therefore, call on the Commission to continue its critical leadership role in moving forward this reform programme.

The approaches being pursued by ICSC will help meet the repeatedly expressed concerns for the lack of competitiveness, flexibility and responsiveness of the current pay system to meet organizations' diverse needs. They are vital for the improvement of organizational performance and represent a fundamentally new way of managing staff. Moreover the approaches, which are similar to initiatives being undertaken by civil services in all continents, are a logical complement to the implementation of other management reforms.

In this connection, it is recalled that the Governing Bodies of a large number of organizations have expressed concern for the competitiveness of United Nations conditions of employment. Most recently, for example, in resolution 55/258 the UN General Assembly endorsed the ACABQ recommendation "that a competitive package of conditions of service is a prerequisite for the successful achievement of goals of human resources management reform".