



"Since 1952, we mean Staff"

**STATEMENT BY
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OF THE FEDERATION OF INTERNATIONAL CIVIL SERVANTS' ASSOCIATIONS (FICSA)
AT THE 68th UN GENERAL ASSEMBLY - FIFTH COMMITTEE**

**AGENDA ITEM 141: UNITED NATIONS COMMON SYSTEM
New York, 13 November 2013**

Thank you Mr. Chairman.

Mr. Chairman,

On behalf of FICSA I wish to congratulate you and the other members of the Bureau of the Fifth Committee on your election. We wish also to thank Ms. Sharon Van Buerle and colleagues from the Secretariat of the Committee for Coordination for our intervention. We wish to thank Mr. Kingston Rhodes, Chairman of the International Civil Service Commission, for the introduction of the ICSC annual report.

Distinguished Members of the 5th Committee,

Again this year I have the honour of speaking on behalf of the members of the Federation of International Civil Servants' Associations, FICSA. Our membership is diversified, composed primarily of specialized agencies, institutes, treaties and conventions directly linked to the UN, intergovernmental organizations and international financial institutions, many of which apply the United Nations common system of salaries, allowances and other conditions of service. Consequently, we look at the International Civil Service Commission as the principal body entrusted with the vital responsibility of keeping together the complex canvas of the common system.

Particularly over recent years, under the pressure of the global economic crisis, organizations of the common system have been addressing the need for cutting costs and implement efficiency savings in different ways, depending on a number of factors: institutional mandates, budget cycles, and organizational approach to funding. Whilst the solutions including, for example, ad hoc changes in travel policies or making larger use of lump-sum payments to reduce overhead costs, have alleviated in the immediate term the pressure on budgets, it has become apparent that very often they have not moved the system towards a coherent approach to the management of conditions of employment.

Already in 2010 a detailed study by the High-Level Committee on Management indicated that differences in contractual, recruitment and career development arrangements constituted a barrier to inter-agency mobility and to the concrete existence of a single, unified common system. The situation has certainly not improved since then.

This year's report of the International Civil Service Commission contains a few recommendations that, if approved, would contain this trend and move towards an increased coherence of the system.

In the following part of my intervention today I would like to address in particular four issues: mandatory age of separation, the comprehensive review of the compensation package, the evolution of the UN/US net remuneration margin and staff/management relations.

The recommendation to align the mandatory age of separation to 65 years for current staff as from January 2016 is coherent with the need to implement a common approach to separation for all staff serving under the flag of the United Nations.

The recommendation is sound from many perspectives: (i) from a demographic point of view, it adjusts the mandatory age of separation in line with most recent estimates of life expectancy adopted by the Pension Fund. In fact, life expectancy is growing in most countries and the experience based on the UN population called for an upward adjustment two years ago in the Fund's demographic assumptions. Hence, the ICSC recommendation is sound from an actuarial point of view; (ii) from a welfare perspective, FICSA has taken note of the ongoing debate in most organizations concerning the After-Service Health Insurance (ASHI) and underlines how this measure would immediately alleviate the liabilities of the scheme, not to mention the saving deriving from lesser recourse to hiring retirees; (iii) finally, from an HR management perspective, the application of a single mandatory age of separation would definitely enhance the equity, cohesion and the mobility among UN agencies, providing to all staff, irrespective of their recruitment date, the possibility of retiring at the same age, to no detriment of their acquired rights at the time of recruitment.

FICSA is of the opinion that with proper human resources management, extending the mandatory age of retirement to 65 for serving staff would not hamper the "rejuvenation" of the UN workforce nor would it stand in the way of attaining gender balance or equitable geographical distribution.

In essence, the recommendation contained in paragraph 76 of document A/68/30 is rooted in solid demographic, actuarial and HR management principles and we sincerely hope it will receive the support of this Committee.

Distinguished members of the Fifth Committee,

FICSA welcomes the opportunity to interact with the representatives of the Member States, as such an exchange provides us with a unique opportunity to understand the driving factors of the debate in the General Assembly.

We would like also to stress that several years ago, showing a tangible forward-looking approach, and in order to prevent unpredictable fluctuations in salaries, the General Assembly approved a margin-management mechanism that is showing its fully fledged application today. Following a freeze in salaries and remuneration of the comparator, the margin is reaching its upper limit, exercising the containment function it was intended for.

At the same time, following up on a recommendation emanating from this Committee, the ICSC is approaching a comprehensive review of the compensation package that is raising expectations and concerns from Member States, organizations and staff.

FICSA believes that it would be a sound approach not to alter the parameters governing the current compensation mechanisms until the ICSC comprehensive review has produced its results.

In this respect, we would like to further stress our opinion that the review should not be driven by the need to respond to short-term needs dictated by time-bound emergencies. We believe that a sound methodology, able to anchor the UN remuneration package to the reality of the market would be safe enough to ensure that the recruitment and retention of staff be guided by the principles enshrined in Articles 100 and 101 of the UN Charter.

Since the founding of the UN, its role has been evolving with the needs of the global community: we have seen the increase of peacekeeping operations, a greater demand for support to starving populations and refugees. In most dangerous areas, the UN is now requested to stay and continue operating, calling for a radical change in safety and security strategies. Compensation in these circumstances has to adapt to a much wider range of needs, for staff and their families; nevertheless, the cohesion of the common system remains fundamental if we wish to see the vision of the UN Charter and the international civil service to prevail.

The UN compensation system has shown a high degree of flexibility in adapting to changes, so we should not consider that every single component needs to be re-built from scratch. There are very good principles, Flemming and Noblemaire, that have stood the test of time and mechanisms that have allowed the possibility of deploying competent and motivated staff where the action of the UN was needed the most. Some of them may need refinement and adjustment, but this should still happen within the framework of the solid structure developed so far.

Hence, our plea to this distinguished Committee is to let the ICSC compensation review take place and support full participation by all stakeholders.

Finally, allow me to express the Federation's concern regarding the status of staff/management relations in many organizations of the common system. We had hoped to discuss the second volume of the JIU Report on staff/management relations in UN specialized agencies and common system (JIU/REP/2012/10) at this session, as an opportunity to clarify several misunderstandings about the interpretation of collective bargaining in the framework of the UN system. The report is not on your Programme of Work this year. Nonetheless, in view of the Committee's reaction to the JIU Report at its 67th Session, and the importance accorded to effective staff/management relations to a positive and productive work environment, we believe this item merits further discussion with you informally.

We wish you a successful completion of this session.