

# Board of the Centre

86th Session, October 2022

CC 86/5

FOR DECISION

## FIFTH ITEM ON THE AGENDA

### Human Resources questions

#### I. Recommendations of the International Civil Service Commission

1. This section of the document provides information on the recommendations contained in the report of the International Civil Service Commission (ICSC) for the year 2022 which, if approved by the United Nations General Assembly (hereafter referred to as the General Assembly), will have implications for the Centre as from 1 January 2023.
2. The General Assembly will not have reached any final decision concerning the recommendations at paragraph 20 below when the Board holds its 86th Session (October 2022). Since these measures, if approved, will come into effect for all organizations within the United Nations (UN) System and have financial implications for the Centre as from 1 January 2023, these recommendations are being submitted for approval by the Board at its current session.

#### Conditions of service of staff in the Professional and higher categories

##### A. Base salary scale

3. The base/floor salary scale for staff in the professional and higher categories is set by reference to the base General Schedule salary scale of the Federal Civil Service of the United States, which has been the comparator civil service since the creation of the UN. Periodic adjustments are made on the basis of a comparison of net salaries of UN officials at the midpoint of the scale with the corresponding salaries of their counterparts in the comparator civil service. The adjustments are implemented by means of the standard no-loss-no-gain method of consolidating post-adjustment points into the base/floor salary scale while commensurately reducing post-adjustment levels.
4. As a result of an increase in the reference comparator pay level in net terms, the ICSC has recommended to the General Assembly for approval with effect from 1 January 2023 a revised base/floor salary scale for professional and higher categories of staff with a 2.28 per cent adjustment implemented through the standard no-loss-no-gain consolidation method described in paragraph 3 above.<sup>1</sup> The proposed increase in the salary should also be applied to the pay protection points for staff whose salaries were higher than those at the maximum level of their grade on conversion to the unified

<sup>1</sup> ICSC/94/R.8

salary scale. This adjustment also implies a proportional increase in end-of-service payments. The proposed amendments to the salary scales in the Staff Regulations are contained in the Appendix.

## B. Changes to the education grant sliding scales and boarding lump sum

5. In December 2021, the General Assembly decided to adjust the sliding reimbursement scale for the education grant upward by 14 per cent and to increase the boarding lump sum to the amount of US\$5,300 for implementation as from the academic year in progress on 1 January 2022. Since such a recommendation was not reflected in the 2021 Annual Report of the ICSC or otherwise available before the 85th Session of the Board in October 2021, no decision was taken by the Board on this matter at that session. However, in October 2019, the Board of the Centre had already authorized a review of the education grant, but with different ceilings.<sup>2</sup> The Board is now requested to approve the sliding scales and the boarding lump sum, as revised and approved by the General Assembly in December 2021.
6. Subject to the Board's approval, the Centre will implement the revised amounts of the global sliding scale and of the boarding lump sum through amendments to the relevant provisions of the Staff Regulations, as set out in the Appendix.
7. The revised education grant global sliding scale and boarding lump sum amounts will be applied as of 1 January 2023.

## C. Changes to the child and secondary dependant allowances for the P and higher categories of staff

8. Under the established methodology, the dependent child allowance is calculated as a global flat rate amount in United States dollar terms, reflecting the levels of child-related tax abatements and social legislation payments at the eight major headquarters duty stations (including Rome) at the reference income level of P-4, step VI (including the spouse allowance). To update the level of the child allowance under the current methodology, new developments in tax and social legislations since the last review at the eight headquarters locations are taken into account. For the present review, the secretariat, in accordance with established practice, consulted the organizations at the eight headquarters duty stations on relevant tax abatements and social legislation payments in respect of dependent children. The organizations reviewed the data and the related calculations, and their suggested amendments were taken into account as appropriate.
9. The ICSC has recommended to the General Assembly the review of the child and secondary dependant allowances, as of 1 January 2023, as follows:
  - a) Option 1:
    - i. The child allowance should be set at USD 4,998 per annum;
    - ii. The secondary dependant's allowance be set at USD 1,749 per annum;
    - iii. The disabled child allowance be set at USD 9,996 per annum; or
  - b) Option 2:
    - i. The child allowance should be set at USD 3,322 per annum;
    - ii. The secondary dependant's allowance be set at USD 1,163 per annum;
    - iii. The disabled child allowance be set at USD 6,645 per annum.

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<sup>2</sup> CC 82/5, para. 11(b) and GB.337/INS/11, para. 102.

10. The above dependency allowances should be reduced by any amount of any direct payments received by staff members from a government in respect of dependents.
11. The proposed amendments to the Staff Regulations based on both options are contained in the Appendix.

## II. Further alignment of the Centre's human resources policies and procedures with those of the ILO

12. The need for further and close alignment of ITC-ILO administrative rules and practices with those of the ILO is a long-standing issue. The ITC-ILO organizational structure is evolving to ensure optimal allocation of its human resources, with a view to better implementing the ILO Centenary Declaration and promoting the Future of Work Transitions.
13. In line with the new Centre's Operational Model<sup>3</sup> and Article V(5) of the Centre's Statute which provides that the terms and conditions of service of the staff "shall be established on the basis of those of International Labour Office officials and of the particular requirements of the Centre", the Centre is exploring opportunities for improvement through further aligning the Centre's human resources policies and procedures with those of the ILO. After having formally consulted the Staff Union, priority will be given, in the first instance, to the performance management system (PMS) and the conflict resolution mechanism. There is a need for a more targeted performance management with emphasis on an up-front system with agreed clear objectives that better serve the purposes of the Centre's mandate, as approved by the Board<sup>4</sup>. The Centre will explore the space for cascading the performance metrics guiding the results-based management framework of the organization by assigning performance targets derived from outcome indicators to the staff.
14. The Centre's conflict resolution mechanism also needs to be aligned with that of the ILO to permit the Centre's staff and management to benefit from fair, transparent, efficient and effective informal and formal procedures for the prompt resolution of employment disputes. In particular, an official could appeal a decision of the Human Resources Services to the ILO's Joint Advisory Appeals Board (JAAB), a peer review body, which would review the case and make recommendations for the consideration of the Centre's Director when taking the final decision.
15. The JAAB is a body of peers, composed of at least three Chairpersons appointed by the ILO Director-General on the recommendation of the ILO Joint Negotiating Committee; and two groups of members, who must be serving officials, appointed by the International Labour Office and the ILO Staff Union Committee respectively, acting on a voluntary basis.<sup>5</sup> This composition fulfils the need for a review of grievances by a separate, independent body administered outside the management structure of the Centre. The JAAB provides an annual report which may contain suggestions on measures to be taken concerning employment relations which might contribute to reducing the number of appeals lodged with the Board.<sup>6</sup>
16. The Centre is currently in the process of discussing with the Office the practical and financial arrangements for the Centre's use of the services of the JAAB, its secretariat and the ILO's informal conflict resolution mechanisms.

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<sup>3</sup> CC 84/1, para. 43.

<sup>4</sup> Ref. [Interim Implementation Report 2020](#), page 36.

<sup>5</sup> See [Article 10.5 of the ILO Staff Regulations](#) and the [webpage](#) of the Joint Advisory Appeals Board.

<sup>6</sup> [Working methods \(revised\) of the Joint Advisory Appeals Board \(JAAB\)](#), at 5.

- 17.** The application of the proposed changes would be subject to the consultation and agreement of the ILO's Joint Negotiating Committee and any required amendments to the ILO rules as far as the use of the ILO's JAAB and informal conflict resolution mechanisms is concerned and the finalization of the arrangements with the Office. These proposed amendments to the Staff Regulations will be submitted to the Board of the Centre as soon as the Office confirms its agreement.

### III. Rendering the Staff Regulations linguistically gender neutral

- 18.** In light of the importance of language in promoting gender equality<sup>7</sup>, it is proposed that the Board authorize the Director to review the Staff Regulations with a view to rendering them linguistically gender neutral. Such revisions are not substantive but merely linguistic.

### IV. Exceptions to the Staff Regulations

- 19.** Under Article 0.8 of the Staff Regulations, any exception made by the Director to Staff Regulations entailing additional expenditure shall be notified to the Board. Since the 83rd Session (October 2020) of the Board, the Director has approved carryover of annual leave entitlements in excess of the maximum amount provided for under Article 6.4(d) of the Staff Regulations.

**20. The Board is requested to:**

- a) accept the recommendations of the ICSC, subject to their approval by the United Nations General Assembly, all with effect as from 1 January 2023, concerning:
  - (i) an increase of 2.28 per cent in the base/floor salary scales for the Professional and higher category of staff on a no-loss-no-gain basis;
  - (ii) the consequential increases in separation payments;
  - (iii) the new sliding scales and other amendments to the Education Grant Scheme
  - (iv) review of the child and secondary dependent allowances for the professional and higher categories;
- b) approve the amendments to the Staff Regulations concerning the PMS contained in the Appendix;
- c) take note of the exceptions to the Staff Regulations approved by the Director (paragraph 19 above);
- d) authorize the Director to review the ITCILO Staff Regulations with a view to rendering them linguistically gender neutral, as appropriate.

**Point for decision:** Paragraph 20.

September 2022

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<sup>7</sup> [Resolution concerning gender equality and the use of language in legal texts of the ILO](#), 100th Session (2011) of the International Labour Conference.

**APPENDIX**  
**Proposed amendments to the Staff  
Regulations**

**INTRODUCTION**  
**ARTICLE 0.2**  
***Definition of Terms***

....  
(e) Terms referring to persons in the masculine gender, when used in these Regulations, shall apply also to women, except where the context makes it clear that a particular sex only is intended.

**CHAPTER II**  
**PROBATION**

**ARTICLE 2.1**  
**Period of probation**

- (a) An official appointed to ~~the Centre~~ a job other than of a temporary nature shall be on probation for the first two years following his appointment. After the first nine months of service, ~~the official's performance and conduct shall be evaluated by the responsible chief in accordance with the procedure established in Article 7.4, at 12 and 21 months of service, with a mid-term review taking place after six and 18 months of service. This shall be done in accordance with the procedure established in Article 2.4. Furthermore, during the probationary period, the responsible chief shall request and consider the input of a number of jointly designated colleagues who are familiar with the official's work, or staff who report to the official.~~
- (b) An official on probation shall be transferred in ~~his~~ the same grade or promoted to a higher grade only in exceptional circumstances.
- (c) If an official is absent on special leave, ~~or~~ sick leave ~~or~~ parental leave in accordance with Articles 6.6, ~~or~~ 9.6 ~~or~~ 9.7 for ~~a consecutive periods of~~ one month or more, the period of probation will be extended accordingly. Otherwise the period of probation shall not be extended.

**ARTICLE 2.2**  
**Extension of probation**

~~The period of probation may be extended by the Reports Committee for a period not exceeding 12 months if the official's performance or conduct is deemed by the responsible chief not to be fully satisfactory or not to fully meet the requirements of the job. Prior to the end of the period of extension, a performance appraisal shall be established in accordance with Article 2.4.~~

**ARTICLE 2.23**  
**Credit toward probation**

Any period of temporary employment or former service with the Centre or with the United Nations or a Specialized Agency may, on the recommendation of the official's responsible chief endorsed by the Selection Committee or on recommendation of the Reports Committee, be considered in whole or in part as a period of probation.

**ARTICLE 2.34****Probationary performance appraisal**

- (a) After ~~the first nine~~ 21 months of probationary service a performance appraisal shall be established in accordance with the provisions of Article 7.4(a) and 7.4(b) for an official to whom Article 2.1(a) applies; the appraisal shall cover ~~official~~ the official's conduct in addition to performance and shall recommend that the official's appointment be (1) extended or (2) not extended. The completed appraisal shall be transmitted to the Reports Committee, which shall recommend to the Director one of the two courses of action indicated above.
- (b) The performance appraisal in paragraph (a) will be considered as the second appraisal for the purpose of Article 7.4.

**ARTICLE 5.10****Family Allowance in the Professional Category and Above**

Officials in the Professional category and above are entitled to annual non-pensionable family allowances in accordance with the following provisions:

- (a) A spouse allowance in the amount of six per cent of net base salary plus post adjustment shall be paid in respect of a spouse whose gross annual occupational earnings are less than step 1 of the gross salary attaching to grade G.1 of the General Service category at Geneva (dependent spouse).
- (b) An allowance in the amount of ~~2,929~~ 4,998 / 3,322<sup>8</sup> US dollars shall be paid in respect of each unmarried child under 18 years of age for whom the official provides the main and continuing support, or who is under 21 years of age and in full-time attendance at a school or university or similar educational institution or of any age if the child is physically or mentally incapacitated for work (dependent child). The allowance shall not be paid in respect of the first dependent child if the official receives a single parent allowance under this Article. When an official's spouse is an official of an organization applying the United Nations common system, a child allowance shall be paid in respect of a child only to the official having the higher grade. The Director shall decide in each case whether the allowance shall be paid in respect of adopted children or step children. The allowance shall be reduced by the amount of any allowance received from a source outside the Centre by the official or the official's spouse in respect of the child. Even if the allowance payable under this paragraph is extinguished by such a reduction it shall nevertheless be deemed to be payable for the purposes of all other Articles of these Regulations.
- (c) A single parent allowance in the amount of six per cent of net base salary plus post adjustment shall be paid in respect of the first dependent child to an official who has no spouse. An official who receives a single parent allowance in respect of the first dependent child shall not be eligible for payment of a child allowance for that child. The allowance shall be reduced by the amount of any allowance or other financial support received from a source outside the Centre by the official in respect of the child.
- (d) ~~4,025~~ 1,749 / 1,163 US dollars in respect of one of the following persons: a father, a mother, a brother or a sister, provided that no spouse allowance or single parent allowance is paid under this Article. An allowance under this paragraph shall be paid only upon presentation of evidence satisfactory to the Director that the official contributes an amount equal to at least one half of the total support of the parent, brother or sister, and, in any case at least 2,050 US dollars a year. The allowance shall be paid in respect only of an unmarried brother or unmarried sister who is under 18 years of age or who is in full attendance at school or university or similar educational institution and is under 21 years of age, or is physically or mentally incapacitated for work.
- (e) When a child recognized as dependent under (b) above has been determined by the Director, on the basis of medical evidence, to be physically or mentally disabled either permanently or for a period expected to be of long duration, one additional allowance ~~in the amount specified under (b) above of 9,996 / 6,645 US dollars~~ shall be paid in respect of that child.

<sup>8</sup> The final text to be included in the Staff Regulations will contain only the option selected and decided upon by the General Assembly.

**ARTICLE 5.13**  
**Education Grant**

- (a) An official, other than a locally recruited official, whose duty station is not in the country of his home shall receive a non-pensionable education grant for each child for whom the official provides the main and continuing support and who is in full-time attendance at a school, university or similar educational institution. An official who, following expatriate duty, is transferred to a duty station in the country of his home shall retain all entitlements under this Article for the remainder of the school year during which the transfer took place.
- (b) The grant shall not be payable in respect of:
  - (1) attendance at a kindergarten or nursery school at pre-primary level;
  - (2) attendance in the country or area of the duty station at a free school or one charging only nominal fees;
  - (3) correspondence courses, except when in the opinion of the Director such courses are the best available substitute for full-time attendance at a school of a type not available at the duty station;
  - (4) private tuition, except in circumstances and under conditions defined by the Director to take account of linguistic and other special needs and problems which result from expatriation or a change of duty station;
  - (5) vocational training or apprenticeships which either do not involve full-time schooling or in which the child receives any payment for services rendered.
- (c) The grant shall be payable up to the end of the fourth year of post-secondary studies or until the award of the first post-secondary degree, whichever is earlier, but not beyond the end of the school year in which the child reaches the age of 25, provided that the Director may in exceptional cases prolong payment of the grant beyond this agelimit.
- (d) Admissible expenses actually incurred shall be reimbursed based on a global sliding scale consisting of seven brackets subject to a maximum grant, with declining reimbursement levels as provided in the following table.

Claim amount bracket in US\$*	Reimbursement rate (percentage)
<u>0-13 224</u>	<u>86</u>
<u>13 225-19 836</u>	<u>81</u>
<u>19 837-26 448</u>	<u>76</u>
<u>26 449-33 060</u>	<u>71</u>
<u>33 061-39 672</u>	<u>66</u>
<u>39 673-46 284</u>	<u>61</u>
<u>&gt; 46 285</u>	<u>0</u>

\*The first US\$ 13,224 of an eligible claim will be reimbursed at a rate of 86 per cent, and each further amount of US\$ 6,612 will be reimbursed at the rate of 81/76/71/66/61 per cent, respectively, up to an amount of US\$ 46,284.

Claim amount bracket 1 in US\$	Reimbursement rate (%)
<u>0-13 300</u>	<u>86</u>
<u>13 301-20 000</u>	<u>84</u>
<u>20 001-26 700</u>	<u>76</u>
<u>26 701-33 400</u>	<u>74</u>
<u>33 401-40 000</u>	<u>66</u>
<u>40 001-46 700</u>	<u>64</u>
<u>&gt; 46 701</u>	<u>0</u>

~~1 The first US\$13,300 of an eligible claim will be reimbursed at a rate of 86 per cent, and each further amount of US\$5,799 will be reimbursed at the rate of 81/76/71/66/61 per cent, respectively, up to an amount of US\$46,701.~~

- (e) The amount of the grant shall be payable in the currency in which expenses are incurred.
- (f) For officials assigned outside category H duty stations, an additional lump sum of USD 5,300 for boarding-related expenses shall also be payable in respect of eligible children who attend primary or secondary education outside the duty station.
- (g) The grant payable shall be that proportion of the annual grant which the period of attendance calculated to the nearest month bears to the full school year. For the purpose of this Article, admissible expenses are defined as the cost of tuition and enrolment-related fees only.
- (h) If both parents of the child are officials of the Centre, or if the other parent is an official of another organization applying the United Nations common system, the grant shall only be payable to one parent. In such cases if the home countries of the parents are not the same, the parents shall jointly certify which of the respective home countries shall be regarded as the home country for the purposes of this Article. A certification made in conformity with this paragraph can subsequently be changed only in exceptional circumstances and with the consent of the Director.
- (i) Where boarding-related expenses are payable in accordance with paragraph (f), expenses of the child attending school at the primary or secondary level shall be paid for an outward and return journey once for each school year between the educational institution and the duty station, provided that:
  - (1) where attendance is for less than two-thirds of the school year, transport costs may be refused;
  - (2) transport expenses shall not be paid if the requested journey is unjustified, either because of its timing in relation to other authorized travel of the official or his dependants or because of the brevity of the visit in relation to the expense involved; in particular transport expenses shall not normally be paid when the official's appointment will expire within six months of the child's arrival at the duty station.
- (j) Where the educational institution is in a country other than the official's home country, the amount paid in respect of transport expenses shall not exceed the cost of a journey between the official's home and the duty station. For the purposes of this Article, the following definitions shall apply:
  - (1) in Turin, the school year is considered to fall within the period from 1 August to 31 July. At other duty stations the Director may fix other periods;
  - (2) "home country" shall mean the country of the official's recognized home.
- (k) The grant shall be payable upon the presentation of evidence satisfactory to the Director that the conditions required by this Article are fulfilled.

(l) deleted.

## CHAPTER VII

### ARTICLE 7.4 Performance appraisals

- (a) The performance and conduct of each official shall be appraised on a form prescribed by the Director after consulting the Joint Negotiating Committee. The appraisal shall be carried out by the official's responsible chief who may obtain the views of a subordinate the official's supervisor or where appropriate, any other official under whose supervision the official has worked during the period under review. In the case of responsible chiefs and supervisors, the views of the officials reporting to them will be considered, as appropriate.

- (b) The appraisal shall be communicated to the official, who shall initial and return it within eight days of its receipt, attaching to it any observations ~~he~~the official may wish to make. These observations shall be filed with the appraisal unless the Director decides otherwise. The appraisal, together with any observations which may have been made by the official, shall then be transmitted to the official to whom the responsible chief reports, who may add ~~his~~ observations to it, in which case it shall be returned to the responsible chief and to the official for initialling. It shall then be transmitted to the secretary of the Reports Committee ~~for~~ appropriate action.
- (c) ~~A performance appraisal shall be established on the completion of an official's first nine months of service and every year thereafter until the completion of five years of service. Subsequently, performance appraisals will be assessed every two years. For an official whose performance is appraised every two years, an ad hoc performance appraisal shall be established one year before the next appraisal would normally be due if it is proposed to apply the provisions of Articles 7.5, 7.7 or 7.8 during the second year following the previous appraisal, or as may be necessary for the implementation of any other provisions of the Staff Regulations. The period under review shall be the period of service prior to an official's first biennial appraisal, or the period of service between two appraisals.~~  
~~After the probationary period as defined in Articles 2.1 and 2.4 including any extension thereof as provided for under Article 2.2, an official shall be appraised on an annual cycle which is aligned with the calendar year, with a mid-term review. Any intervening period of six months or more between the end of the final probationary appraisal period and the start of the calendar year, shall be subject to an appraisal covering the period to the end of the current calendar year. Any intervening period of less than six months shall be covered by the subsequent appraisal cycle.~~
- (d) Proposals to apply to an official the provisions of Article 7.5 shall be included in the performance appraisal, as applicable, and submitted to the secretary of the Reports Committee for further review by the Reports Committee. The Reports Committee may recommend, as necessary, the establishment of ad hoc performance assessments as a follow-up measure.

## Annex A

### Salary scale for the Professional and higher categories showing annual gross salaries and net equivalents after application of staff assessment (effective 1 January 2023)\*

#### A. Salary scale and pay protection points (effective 1 January 2023)

(United States dollars)

Level		Steps												
		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII
USG	Gross													
	Net													
ASG	Gross													
	Net													
D-2	Gross	154,212	157,747	161,820	164,820	168,359	171,895	175,429	178,968	182,503	186,038			
	Net	117,280	119,613	121,946	124,281	126,617	128,951	131,283	133,619	135,952	138,285			
D-1	Gross	137,890	140,817	143,750	146,680	149,599	152,683	155,789	158,889	161,998	165,102	168,206	171,308	174,415
	Net	106,023	108,072	110,125	112,176	114,219	116,271	118,321	120,367	122,419	124,467	126,516	128,563	130,614
P-5	Gross	118,901	121,393	123,886	126,373	128,866	131,353	133,847	136,336	138,827	141,316	143,809	146,294	148,790
	Net	92,731	94,475	96,220	97,961	99,706	101,447	103,193	104,935	106,679	108,421	110,166	111,906	113,653
P-4	Gross	97,139	99,353	101,701	104,104	106,507	108,910	111,317	113,720	116,123	118,523	120,931	123,329	125,733
	Net	77,326	79,008	80,691	82,373	84,055	85,737	87,422	89,104	90,786	92,466	94,152	95,830	97,513
P-3	Gross	79,764	81,813	83,863	85,909	87,961	90,008	92,057	94,108	96,155	98,203	100,279	102,501	104,727
	Net	64,121	65,678	67,236	68,791	70,350	71,906	73,463	75,022	76,578	78,134	79,695	81,251	82,809
P-2	Gross	61,680	63,512	65,343	67,175	69,011	70,845	72,680	74,507	76,341	78,172	80,005	81,842	83,672
	Net	50,377	51,769	53,161	54,553	55,948	57,342	58,737	60,125	61,519	62,911	64,304	65,700	67,091
P-1	Gross	47,471	48,896	50,349	51,905	53,459	55,017	56,570	58,128	59,682	61,239	62,793	64,347	65,904
	Net	39,401	40,584	41,765	42,948	44,129	45,313	46,493	47,677	48,858	50,042	51,223	52,404	53,587

Note: The normal qualifying period for in-grade movement between consecutive steps is one year. The shaded steps in each grade require two years of qualifying service at the preceding step.

Abbreviations: ASG, Assistant Secretary-General; USG, Under-Secretary-General.

**Pay protection points for staff whose salaries are higher than the maximum salaries on the unified salary scale (effective 1 January 2023)**

**B. Pay protection points for staff whose salaries are higher than the maximum salaries on the unified salary scale**

(United States dollars)

<i>Level</i>		<i>Pay protection point 1</i>	<i>Pay protection point 2</i>
P-4	Gross	128,140	130,544
	Net	99,198	100,881
P-3	Gross	106,950	109,173
	Net	84,365	85,921
P-2	Gross	85,504	—
	Net	68,483	—
P-1	Gross	67,458	—
	Net	54,768	—