Staff Council

Statement of the Chairperson UNDP/UNFPA/UNOPS/UN Women Staff Council to the Executive Board, 9 September 2016

Mr. President, Members of the Board, colleagues and guests,

As a major stakeholder of UNDP, UNFPA and UNOPS it is a pleasure and a privilege to address the UNDP/UNFPA/UNOPS Executive Board on behalf of the personnel. We would like to express our appreciation to the Executive Heads of UNDP, UNFPA and UNOPS and their senior managers for their willingness to engage in discussions on conditions of service, often on very short notice. We are pleased to acknowledge that we have a very constructive relationship with the new UNDP HR director who has joined UNDP last year.

The Executive Board is the principal oversight organ of UNDP, UNFPA and UNOPS and an important pillar of the organizations’ accountability frameworks. In this context, we would like to raise important matters that require your attention and follow-up. As suggested by the President of the Board we focus on strategic issues common to UNDP, UNFPA, and UNOPS. We also consulted with our staff on what is important and which issues should be brought to the attention of the Board.

Under the Charter of the United Nations, the General Assembly provides Staff Regulations which set out the broad principles of human resources policy for the staffing and administration of the Secretariat and the separately administered funds and programmes. The Secretary-General is required by the Staff Regulations to provide and enforce such Staff Rules, consistent with these principles, as he considers necessary (ST/SGB/2016/1, signed by BAN Ki-Moon, Secretary General)
Staff Council

All personnel appointed by the Secretary General or through a delegation of authority are international civil servants with associated privileges and immunities.

As we pointed out in last year’s statement all three organizations rely on a shadow workforce of so called “non staff” appointed outside the provisions of the Secretary General and General Assembly. The “non-staff” consist of of ICAs in UNOPS and Service Contracts and UN Volunteers in UNDP and UNFPA. In our organizations, ratios of united nations staff to overall workforce vary dramatically ranging from 14% in UNOPS to 42% in UNDP to 73% in UNFPA. While we realize that the operational models of the three organizations vary considerably, we would like to acknowledge the efforts of UNFPA to structure and harmonize its portfolio of contracts. We are very pleased to see that UNFPA has converted a significant amount of "non-staff" contracts into United Nations contracts. While UNOPS relies heavily on “non staff” we would like to acknowledge that UNOPS has made tremendous efforts to treat its non-staff, including compensation, as much as possible similarly to regular staff. In addition, UNOPS, policies of bonus payments for all categories of staff have been considered examples of positive innovation within the UN system. We also would like to thank UNOPS HR department for access and willingness to engage with the Staff council on the the conditions of service of staff. Nevertheless, the use and particularly the excessive use of non-staff is problematic for several reasons.

Transparency

Our organizations’ donors and the supervisory bodies, including the Executive Board, should be aware of the true staff size required for fulfilling the mandate. For example, in the CEB statistics and most other official statistics, our organizations report only staff contracts, thus underreporting their workforce between 27 and 86 percentage points. It should be noted that in many instances, the use of non-staff in government office is legitimate while the use of non-staff for operation managers, HR assistants or programme managers is questionable, because the same function is also performed by regular staff. In such cases, “non staff” are given certifying or approval authority with access to
confidential computer systems. In this context we would like to note that the contract modalities introduced in 2009, do not distinguish between source of funding (core vs non-core). The use of “non-staff” should be restricted to areas, where the General Assembly has authorized outsourcing.

Adherence to principles

As a champion of governance, UNDP requires that contracting partners ensure labor representation in their organization seeking an award of a contract. The ILO issues labor standards requiring staff representation. The non-staff in the UN is without formal representation and little legal protection contrary to the principles mentioned above.

Human Rights

Article 23 of the Universal declaration of Human Rights stipulates that everyone without any discrimination, has the right to equal pay for equal work. In a significant number of cases “non-staff” are performing the same functions as regular staff but with fewer benefits, less pay, obligation to pay taxes and no access to the United Nations System of Justice and Pension Fund. Again, we would like to express our appreciation to UNFPA where such cases/injustices have been corrected.

Audit Reports and Legality

According to the United Nations staff regulations and rules, that are applicable to UNDP, UNFPA and UNOPS, staff shall refer to all the staff members within the meaning of Article 97 of the Charter of the United Nations, whose employment and contractual relationship are defined by a letter of appointment subject to regulations promulgated by the General Assembly pursuant to Article 101, paragraph 1, of the Charter. The use of non-staff is de-facto a creation of a complementary workforce without approval of the General Assembly.

The legal problems of the non-discriminatory use of “non-staff” is evidenced by observations of the Board of Auditors in their annual reports. In its reports for the financial year ended 31
December 2015 (A/71/5/Add.8), the Board of Auditors recommended to UNFPA to carry out a human resources needs assessment and review the existing service contracts so as to reduce their use for UNFPA core functions; and to monitor the recruitment process of service contract holders to ensure that they are recruited for non-core functions that are mandated by the UNDP service contract handbook adopted by UNFPA.

In regard to UNDP, the Auditors note in A/71/5/Add.1 that the previous recommendation to UNDP to adhere to the service contract user guide on the proper use of service contracts by ensuring that holders of service contracts are recruited only for those functions and duties as stipulated in the user guide and to amend the terms of service contracts to define clearly the support functions and duties of those contract is not yet implemented.

In regard to UNOPS, the Auditors remark in A/71/5/Add.11 that several recommendations in regard to non-staff have not yet been implemented. In particular the outstanding recommendation to develop clear business-led criteria for assessing requests from personnel to change engagement terms from staff to an individual contractor agreement and to monitor the impact of this policy on the workforce suggests that workforce policies of UNOPS continue to be unstructured and discretionary.

“Non staff” are serving in the same duty station as regular staff. They are subjected to the same hazardous conditions as regular staff, yet they do not have the same legal protection nor do they have the same insurance and compensation workplace related injuries. In the absence of a General Assembly guidance on the use of “non-staff” we propose that the Executive Board requests the three organizations submit to the Executive Board operational models for the use of non-staff.

In this context, we would like to express our appreciation that our organizations are considering to provide interns with a small stipend. This is a very welcome initiative and will bring best practices, adopted in the private sector to the United Nations.

**Retirement age**
In resolution 70/244, a, the General Assembly decided that “the mandatory age of separation for staff recruited before 1 January 2014 should be raised by the organizations of the United Nations common system to 65 years, at the latest by 1 January 2018 taking into account the rights of staff. The phrase “at the latest by 1 January 2018” came about from some organizations lobbying to delay the implementation as much as possible. When recommending to the General Assembly to increase the retirement age for existing staff to 65 as of 1 January 2016, The ICSC “was not convinced that leaving the mandatory age of separation for current staff unchanged would speed up organizational restructuring in the areas of human resources management. It considered that human resources issues such as performance management, rejuvenation of the workforce and gender balance should be addressed through the appropriate avenues. The Commission noted that the average age of recruitment had stood for many years at 40 plus years of age and that many staff members were rehired after their mandatory age of separation. Furthermore, if for example a P-5 post became vacant, it was unlikely that it would be filled by a young person. The Commission observed that the attainment of gender parity had eluded most United Nations organizations for many years and that it was unlikely that this would be resolved by way of the mandatory age of separation. Gender balance had to be addressed by recruiting more women and instituting appropriate policies for retaining them. Performance issues had to be dealt with over time. It was not practical for managers to wait until the staff member had reached his/her separation age before addressing incidences of non-performance or underperformance” (A/68/30) In the absence of any substantive reason against the increase of the retirement age, we call on the Executive Board to instruct UNDP,UNFPA and UNOPS to implement the increase in retirement age for existing staff immediately and without delay.

**Delay in Pension payments**

In February 2016, the staff representatives of all United Nations wrote to the Secretary General to draw his attention to the now well-known and worrying situation facing thousands of new retirees of the United Nations common system, former staff members of the organizations
participating in the United Nations Joint Staff Pension Fund. Many retiring staff live outside their home countries and have diverse and important financial obligations (mortgages, education fees for their children), contracted on the basis of a reasonable expectation of retirement benefits. We are sure you will agree that the situation facing our former colleagues and constituents cannot be accepted. For many months, they have been deprived of the legitimate income constituted by their own contributions complemented by the contributions of the organizations, for no other reason than managerial inability to process their legitimate claims. That the United Nations common system cannot honour its obligations towards its former staff in a timely manner weighs heavily on the image of our system and sends the wrong signal to those who have dedicated their lives to the defense of the values, and the achievement of the goals of the United Nations.” Seven months later the situation has only slightly improved. Some retiring staff who served UNDP, UNOPS or UNFPA with distinctions in hardship duty stations are facing bankruptcy and loss of property because it may take over one year until the first pension payment is processed. The current best case scenario, a minimum processing time of three months, after leaving the organisation, appears to be archaic in today’s time. We call on your influence to ensure that retiring UNDP, UNFPA and UNOPS staff receive their pension, they have paid for, without delay.

Performance and Career Development

Mr. President, many staff have requested to bring the lack of career development to your attention. Before further elaborating on this issue, I would like to acknowledge the significant efforts of UNDP and UNFPA to provide career opportunities for general service and national professional staff. However, as laudable these efforts are, they are unstructured and discretionary. Requests of the General Assembly, Joint Inspection Unit and other oversight bodies to develop a transparent mechanism for succession planning remain rudimentary at best. Numerous requests from the staff representatives to develop a skills inventory have been ignored. It may come as a surprise and shock to you, when I state bluntly that there is no system of promotion in our organizations. Let me
explain. Since the introduction of rank in post, staff members, who have performed exceptionally well, need to apply for a vacant position in order to advance to a position with a higher responsibility and pay. They therefore have to compete with internal and external candidates. There will be one successful candidates and many disappointed staff. Sadly, I have to report that there is no system of merit rewarding exceptional performance. Staff inquiring for career opportunities are told to network. Years of dedicated performance count less than self-promotion in a competency based interview. As a result competition for vacant position, i.e. the “promotion system” of our organizations leaves many staff disappointed and de facto provides an incentive not to excel in performing the duties. Mr. President, our remarks should not be understood as questioning the principle of competition, however, the United Nations simply cannot afford not to reward well performing staff. A structured process of merit to reward performance, would have a significant impact on productivity and efficiency of our organization. We cannot afford not to act.

Report of the Ombudsman

The Ombudsman for the Funds and Programme just issued its Annual Report. Currently there is no mechanism to bring the findings of the Ombudsman to the Executive Board. We suggest that the findings of the Ombudsman should be discussed together with the report of the Ethics Officer.

Compensation Package

As you may know, the General Assembly has recently approved a new compensation package for international staff. While the remuneration of staff serving in headquarters remains to a large extent unchanged some entitlements of staff serving in hardship duty stations have been reduced. According to Article 101 of the UN Charter the paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence, and integrity. The reduction in entitlements, coupled
with a more restrictive education grant will make it more difficult to retain professional excellence and a gender balance in non-headquarters duty stations.

There is a need to review the methodology for the implementation of the Flemming principle, i.e. to determine their salaries through periodic surveys of appropriate comparators. It has become more and more difficult to adopt the methodology and in some cases the results have been questionable at best. Moreover, local salaries are affected by macroeconomic developments and in quite a few cases the existing adjustment mechanisms are inappropriate, thus leaving local staff exposed to significant unintended salary reductions.

We also call on the Funds and Programmes to harmonize their arrangements with the United Nations Credit Union offices. In some duty stations, our staff have less favorable banking conditions that staff from other organizations.

**International Civil Service**

Mr. President in closing I would like to recall the role of the International civil service. According to our Standards of Conduct, “[T]he United Nations and the specialized agencies embody the highest aspirations of the peoples of the world. Their aim is to save succeeding generations from the scourge of war and to enable every man, woman and child to live in dignity and freedom. The international civil service bears responsibility for translating these ideals into reality. It relies on the great traditions of public administration that have grown up in member States: competence, integrity, impartiality, independence and discretion. But over and above this, international civil servants have a special calling: to serve the ideals of peace, respect for fundamental rights, economic and social progress, and international cooperation. It is therefore incumbent on international civil servants to adhere to the highest standards of conduct; for, ultimately, it is the international civil service that will enable the United Nations system to bring about a just and peaceful world.” While we appreciate that Human Resource Departments look into the private sector to modernize our operations, we nevertheless feel that we need to refocus on the special calling to serve the ideals of peace, respect
for fundamental rights, economic and social progress, and international cooperation. Without such a commitment and loyalty, we will have a technically skilled workforce without moral compass to fulfill our mandate. In this context we would like to call on the Board to strengthen our HR departments so that they can fulfill their mandate. Currently, our organizations are decentralized and fragmented, leaving the offices of Human Resources in a very difficult position to enforce values as required by the Charter and equally important, ensuring a consistent application of Human Resource Policies throughout our organizations. We, therefore request, that the Human Resource department are endowed with additional financial and human resources.

In concluding, we would like to express our appreciation for the decision of UNDP to spearhead the implementation of the continued contract as decided by the General Assembly in 2009.

Mr. President I thank you.