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**STATEMENT**

by Representative of the Russian Federation Andrey V.Kovalenko to the Fifth  
Committee of the UN General Assembly on agenda item 131  
“United Nations Common System”

October 21, 2005

Mr. Chairman,

We thank Mr. Mohsen Bel Hadj Amor, Chairman of the International Civil Service Commission, together with representatives of the ACABQ and the Secretariat for their reports submitted on the current agenda item.

First of all, we would like to take note of the significant progress made by the Commission that within its regular agenda continued to discuss issues directly linked to the reform of human resources management, and, in particular, of existing remuneration system in UN system organizations.

As to the pilot study on the new model of remuneration being conducted by the Commission in a number of UN system organizations we would like to note the following. Already at this stage of the pilot project, it is clear that there are some weak points as regards the possible introduction of this new remuneration system, specifically, the lack of appropriate staff appraisal systems in the secretariats of international organizations, as well as serious risks of escalation of expenditures required to maintain such a pay scheme. We would like to reaffirm our position that prior to the decision by the General Assembly on introducing the new remuneration system, the Commission should clearly prove and demonstrate that the new system actually contributes to higher labor productivity in the secretariats and that it is more effective and efficient, as compared to the existing remuneration system. We also assume that the reform of the remuneration system can be effective only if a large share of flexibility is introduced into organizations’ contractual arrangements (so far the UN system organizations have demonstrated the reverse trend by strengthening

job security) and broader powers are given to managers, including those of hiring and firing of staff.

Among the evident achievements of the Commission is the completion of development of a new mobility and hardship allowance scheme including its de-linking from the base/floor salary scale and conversion of benefits into lump sums to be adjusted according to inflation rates and changes in the salary scale. We welcome the fact that in the new scheme emphasis is placed on the hardship component compared to mobility and non-removal of personal effects elements. At the same time, from the financial point of view, the introduction of a new scheme stays neutral.

However, we have serious doubts regarding the recommendation by the Commission that the new scheme be introduced starting July 2006. In practice, it means that as of January 1, 2006, the allowances will be indexed according to the old matrix taking account of the new adjusted base/floor salary scale. Apart from financial implications it can cause a number of difficulties associated with the need to review downward in July 2006 accrued allowances in effect as of January 1, 2006: this time according to the new scheme developed by the Commission (developed on the basis of the current level of entitlements under the mobility and hardship matrix). In our view, in addition to legal problems related to the so-called “acquired rights” of staff, there is a certain threat that the system be put out of tune since some organizations of the system can take different individual decisions regarding the transition from the old to the new scheme. We are ready to constructively consider this issue during informal consultations. On our part, we would like to suggest to look at various options of synchronizing the adjustment of the base/floor salary scale and the introduction of a new mobility and hardship scheme.

We would also like to note that, in our view, the mobility element preserved in the scheme will be hardly justified in case the General Assembly accepts the proposal of the Secretariat to introduce mandatory mobility of staff

starting from 2007 that will de-facto become a contractual condition of service and in this case will not require additional financial incentives. We will come back to this issue in the context of the UN GA discussion on the introduction of mandatory mobility.

As to the adjustment of the base/floor salary scale itself, in accordance with the “no gain-no loss” principle and the ACABQ comments regarding the fact that the Committee “has doubts regarding neutrality of expenses after the consolidation date”, we would like to ask the Committee to clarify what was exactly meant by that.

In our opinion, it is very important that the Commission confirmed and the administrations of organizations recognized the appropriateness of preserving two modes of entitlements of internationally recruited staff serving in non-family duty stations: for the UN, on one hand, and for UN funds and programs, on the other. In our view, this closes to a great extent the issue of a transition to a more generous remuneration package (provided by UN funds and programs) for police and military personnel as well as for UN civilian staff assigned to special peacekeeping missions. However, we would like to request the Commission to maintain the control over the issue of remuneration of field personnel of UN funds and programs drawing Member States’ attention to cases of eventual unjustified growth of the remuneration package of staff.

We take note of the intention of the Commission to continue its work on other important issues regarding the pay and benefit system and conditions of service, among which the review of the education grant, as well as the review of job evaluation standards for general service staff and etc.

We would also like to request the Commission to keep an eye on the developments around the so-called “senior management network”, drawing timely attention of Member States to this project in case it goes beyond the tasks set out in para 6 of document A/60/209. Incidentally, we would like to note that we have retained certain skepticism with respect to this project. It is not clear to

us what the “senior management network” means and why it should be “established” at all. Does this mean that non-managerial staff can also assemble into “networks”? In our view, the tasks set out in para. 6 of document A/60/209 are quite attainable without creating any “network” or a formal membership in a “network”. In any case, we have serious concerns about the fact that this project might absorb the major share of limited resources allocated for “training” in UN system organizations.

In conclusion, we would like to note that we stand for strengthening of the Commission as a central system-wide body coordinating and regulating conditions of service of UN system personnel. When discussing in the Fifth Committee the recommendations by the Panel on Strengthening of the International Civil Service we will draw on the tasks of strengthening the Commission rather than weakening it, and reaffirming the critical role of Member States in the process of appointing the Commission members, and maintaining the tripartite consultative process within its existing framework and scope.

Thank you for your time.