

# United Nations Industrial Development Organization

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# **Personnel matters**

## **Report by the Director-General**

Provides information on personnel-related matters in the Secretariat, amendments to schedule I of the staff regulations, the staff rules, and appendices thereto.

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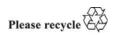
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### I. Developments on personnel-related matters

1. Since the issuance of the last report (IDB.36/19 of 4 May 2009) and during the remainder of 2009, 19 new appointments in the Professional and higher categories have been made, including for ten positions under the Young Professionals Programme and for four field positions (2 internationals and 2 nationals). The total number of appointments in 2009 in the Professional and higher categories was 35. Of these, 10 appointments were from non- or underrepresented countries; of the Young Professionals appointed seven were from non- or underrepresented countries. Furthermore, 46 per cent of all new recruits in 2009 at the Professional level (including seven out of ten Young Professionals) were female compared with 36 and 25 per cent, respectively, in 2007 and 2008. The overall gender distribution of Professional staff in the Secretariat by the end of 2009 stood therefore at 71 per cent male and 29 per cent female as against 76 per cent male and 24 per cent female in 2008. Appendix K of the Annual Report 2009 contains additional personnel-related information concerning the composition of staff.

2. Due to the mandatory retirements and other separations in the second half of 2009, the total number of Professional staff in the field fell slightly by the end of 2009 — to 60, compared with 61 staff members at the end of April 2009. Furthermore, the Organization's field mobility policy has been the subject of evaluation by the UNIDO Evaluation Group, which confirmed the overall positive impact of the field mobility policy on reducing the vacancy ratio in the field duty stations from 47.8 per cent in 2005 to 7.3 per cent in 2009, on enhancing career development opportunities for staff and on increasing staff experience and versatility. The evaluation also highlighted areas for improvement, which the Secretariat will pursue consistent with its overall policy to enhance its field representation.

3. Since the last report, the Secretariat finalized its new Code of Ethical Conduct and its new policy on protection against retaliation for reporting misconduct or cooperating with audits or investigations. The new Code of Ethical Conduct which is based on the Standards of Conduct for the International Civil Service, promulgated by the International Civil Service Commission, defines and upholds the guiding principles and values of the Organization as well as standards of conduct for various categories of personnel, including staff members, consultants, experts and interns; the new policy on protection against retaliation puts in place procedures for the protection of UNIDO staff members who report alleged misconduct, provide information in good faith on alleged wrongdoing or cooperate with an audit or investigation. At the time of writing the present report, both policies were ready for promulgation and will be implemented by a newly created Focal Point for Ethics and Accountability.

4. In addition to the new Code of Ethical Conduct and the new policy on protection against retaliation, the Secretariat has also been intensively working on its programme for financial disclosure and declaration of interests, which will put in place the procedures to assist the Organization and its personnel in identifying, managing and resolving actual, perceived or potential conflicts of interest. As in the case with the new Code of Ethical Conduct and the new policy on protection against retaliation, the programme for financial disclosure and declaration of interests will also be managed by the newly created Focal Point for Ethics and Accountability. All

three policies referred to above were developed in close cooperation with representatives of the staff within the framework of the Joint Advisory Committee.

5. Efforts also continued to upgrade the technical and general competencies of staff using both internal and external facilities as well as to facilitate integration into the Organization of the newly recruited staff. Special attention in this regard was given to reaching out to staff in the field, to the development of e-learning tools and training staff in the International Public Sector Accounting Standards, procurement and technical cooperation procedures and electronic workflows.

6. Institutional arrangements for the implementation of the Programme for Change and Organizational Renewal (PCOR) had been launched at the time of writing the present report. Following key dimensions identified during the management retreat held in January 2010 and in order to ensure the best possible governance for the PCOR, four bodies responsible for its implementation were established. A committee as the main decision-making body (Committee for Change and Organizational Renewal, CCOR), two cross-organizational task forces (Task Force on Operational Efficiency and Effectiveness, and Task Force on Management and Working Culture, and the Office for Change and Organizational Renewal (OCOR) that will coordinate and manage all tasks related to the PCOR were established. The task forces consist of staff performing different functions at different levels. The Staff Council is also duly represented.

7. The importance of the people/staff dimension in any change process cannot be overemphasized; thus one of the task forces established will review management and working culture issues identified as playing a key role in the process of change and beyond. The Task Force on Management and Working Culture will work on such matters as performance management, utilizing the progress achieved in the second half of 2009 on a new performance management system, communication strategy and methodology, and rewards for successful teamwork. In doing so, developments concerning performance management at the level of the United Nations common system will be taken into account as appropriate in the context of UNIDO. Information technology tools are a prerequisite for the implementation of a new performance management system that will include feedback mechanisms and a comprehensive competency framework.

8. In addition to the above, recognizing the challenges and opportunities that change entails for staff at large, the Director-General has launched regular meetings with staff as well as consecutive meetings with all organizational units to communicate with staff, listen to their views and invite their feedback.

## **II.** Common system developments

#### Salary scale for staff in the Professional and higher categories

9. Schedule I to the staff regulations. The concept of the base/floor salary scale was introduced by the United Nations General Assembly in resolution 44/198, section I.H., of 21 December 1989. The scale is set by reference to the salary scale of the comparator civil service (the federal civil service of the United States of America) in Washington, D.C. Periodic adjustments are made on the basis of a

comparison of net base salaries of United Nations officials with the corresponding salaries of their counterparts in the United States federal civil service.

10. By resolution 64/231 of 22 December 2009, the General Assembly approved, with effect from 1 January 2010, a revised base/floor salary scale for staff in the Professional and higher categories. The scale reflects the consolidation, on a no-loss/no-gain basis, of the 3.04 multiplier points of post adjustment into the base salary scale.

11. The increase of the base/floor salary scale by 3.04 per cent does not affect the level of remuneration of staff, as the post adjustment portion has been reduced by the amount consolidated into the base salary. Upon implementation of the revised base salary scale, revised post adjustment indices and multipliers have been established by the International Civil Service Commission (ICSC) for all duty stations. Changes in post adjustment multipliers after 1 January 2010 have been effected on the basis of the movement of the newly consolidated post adjustment indices.

12. The revised base salary scale for staff in the Professional and higher categories, effective 1 January 2010, is set out in annex I to this document.

13. The consolidation of 3.04 per cent of post adjustment into base salaries on a no-loss/no-gain basis had resulted in some gains under different elements of the separation benefits for eligible staff. These gains can, however, be absorbed under the existing budgetary provisions.

## **III.** Matters related to the staff rules

#### Salary scale for staff in the General Service category

14. Appendix A to the staff rules. In accordance with the Flemming principle, General Service (GS) staff shall have pay and other conditions of employment that match the best on offer at the duty station. The principle was first stated in 1949 by a body of experts on pay established by the United Nations General Assembly. It is the cornerstone of the existing ICSC methodology for the local salary surveys, which are conducted by the ICSC at all headquarters and field duty stations on a periodic basis. During the periods between the salary surveys, the GS salary scale is subject to interim adjustments, which should be made on the basis of movements of an appropriate wage or price index or a combination of indices.

15. According to the ICSC methodology, the interim adjustment to the GS salary scale in Vienna is based on the movement of the combined indices, namely the local consumer price index and the local wage index for office workers. The previous interim adjustment to the Vienna GS salary scale has been effected in November 2008. Based on the officially published movements of the local consumer price index and of the local wage index for office workers in the period November 2008 to October 2009, the VIC-based organizations (VBOs) agreed that the GS salary scale in Vienna was due for the next interim adjustment on 1 November 2009 and that the revised salary scale should reflect an increase of 1.52 per cent.

16. The revised GS salary scale, which has been implemented effective 1 November 2009, is set out in annex II to this document.

#### Language allowances for GS staff serving in Vienna

17. Appendix A to the staff rules. In accordance with the approved ICSC procedure, the language allowance for GS staff members is established at 5 per cent of the net salary of a G-4 step I Secretary and should be adjusted each time there is at least a 15 per cent increase in that net salary since the last time the language allowance was established.

18. As the result of the November 2009 interim adjustment to the GS salary scale in Vienna, the net salary of a G-4 step I Secretary has increased by 16.42 per cent over its level in April 2001 when the language allowance was previously established. Accordingly, based on the ICSC methodology, the VBOs agreed to increase the language allowance for eligible GS staff members serving in Vienna from  $\notin 1,418$  to  $\notin 1,651$  per annum for the first additional language and from  $\notin 709$  to  $\notin 825$  for the second additional language.

19. The financial implications related to the implementation of the revised GS salary scale and the revised amounts of the language allowances amounted to  $\in$  33,400 under the regular budget and  $\in$ 7,300 under the operational budget for the remainder of 2009 and approximately  $\in$  250,000 for 2010. These additional costs are covered by the existing budgetary provisions.

#### IV. Action required by the Board

20. The Board may wish to consider the adoption of the following draft decision:

"The Industrial Development Board:

"(a) Takes note of the information contained in document IDB.37/8;

"(b) Notes the amendments made to Schedule I of the staff regulations in order to bring them into conformity with the decision of the General Assembly set out in resolution 64/231;

"(c) Further notes the amendment to appendix A to the staff rules."

#### Annex I

## Schedule I to the staff regulations

Salary scale for the Professional and higher categories showing annual gross salaries and the

net equivalents after application of staff assessment

(United States dollars)

Effective 1 January 2010

							5	STEPS								
LEVEL	r	Ι	II	III	IV	V	VI	VII	VIII	IX	Х	XI	XII	XIII	XIV	XV
Director																
D-2	Gross	149 903	153 214	156 529	159 846	163 160	166 475									
	Net D	110 434	112 589	114 744	116 900	119 054	121 209									
	Net S	101 454	103 273	105 085	106 891	108 693	110 485									
Principa	l Officer															
D-1	Gross	137 021	139 804	142 581	145 365	148 149	150 972	153 885	156 794	159 703						
	Net D	101 674	103 567	105 455	107 348	109 241	111 132	113 025	114 916	116 807						
	Net S	93 979	95 623	97 264	98 900	100 534	102 164	103 787	105 410	107 028						
Senior C	Officer															
P-5	Gross	113 404	115 771	118 140	120 504	122 874	125 238	127 607	129 974	132 341	134 707	137 075	139 441	141 810		
	Net D	85 615	87 224	88 835	90 443	92 054	93 662	95 273	96 882	98 492	100 101	101 711	103 320	104 931		
	Net S	79 537	80 967	82 393	83 818	85 241	86 659	88 077	89 491	90 904	92 314	93 721	95 124	96 528		
First Off	ficer															
P-4	Gross	92 907	95 064	97 221	99 378	101 626	103 909	106 196	108 478	110 763	113 044	115 331	117 612	119 897	122 182	124 468
	Net D	71 393	72 946	74 499	76 052	77 606	79 158	80 713	82 265	83 819	85 370	86 925	88 476	90 030	91 584	93 138
	Net S	66 482	67 897	69 311	70 720	72 130	73 539	74 946	76 351	77 754	79 157	80 558	81 958	83 357	84 755	86 151
Second	Officer															
P-3	Gross	75 972	77 968	79 967	81 961	83 960	85 956	87 951	89 951	91 947	93 943	95 943	97 936	99 936	102 044	104 157
	Net D	59 200	60 637	62 076	63 512	64 951	66 388	67 825	69 265	70 702	72 139	73 579	75 014	76 454	77 890	79 327
	Net S	55 259	56 581	57 906	59 227	60 551	61 871	63 192	64 517	65 837	67 159	68 477	69 796	71 112	72 431	73 749
Associat	te Officer															
P-2	Gross	61 919	63 707	65 492	67 279	69 065	70 850	72 638	74 419	76 208	77 996	79 779	81 568			
	Net D	49 082	50 369	51 654	52 941	54 227	55 512	56 799	58 082	59 370	60 657	61 941	63 229			
	Net S	46 037	47 205	48 368	49 534	50 698	51 864	53 049	54 230	55 417	56 600	57 781	58 967			
Assistan	t Officer															
P-1	Gross	47 968	49 496	51 146	52 867	54 579	56 296	58 014	59 732	61 444	63 161					
	Net D	38 854	40 092	41 325	42 564	43 797	45 033	46 270	47 507	48 740	49 976					
	Net S	36 651	37 790	38 930	40 068	41 207	42 344	43 484	44 609	45 728	46 848					

D = Rate applicable to staff members with a dependent spouse or child.

S = Rate applicable to staff members with no dependent spouse or child.

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# Annex II

## Appendix A to the staff rules

Salary scale for staff in the General Service category showing annual gross, gross pensionable and net salary after application of staff assessment

TF	
(Euros)	

Effective 1 November 2009

STEPS													
LEVEL		Ι	II	III	IV	V	VI	VII	VIII	IX	Х	XI	XII*
G-1	Gross	26 946	27 830	28 716	29 636	30 557	31 477	32 397	33 318	34 238	35 158	36 078	36 999
	Gross Pens.	26 509	27 393	28 278	29 163	30 047	30 932	31 816	32 702	33 586	34 471	35 355	36 240
	Net	21 322	22 003	22 684	23 365	24 046	24 727	25 408	26 089	26 770	27 451	28 132	28 813
G-2	Gross	31 399	32 464	33 528	34 593	35 658	36 723	37 788	38 853	39 918	40 982	42 047	43 119
	Gross Pens.	30 858	31 881	32 905	33 927	34 950	35 974	36 997	38 020	39 043	40 066	41 089	42 113
	Net	24 669	25 457	26 245	27 033	27 821	28 609	29 397	30 185	30 973	31 761	32 549	33 337
G-3	Gross	36 627	37 862	39 097	40 332	41 568	42 803	44 112	45 436	46 761	48 086	49 410	50 735
	Gross Pens.	35 882	37 069	38 256	39 443	40 629	41 816	43 002	44 189	45 375	46 606	47 840	49 076
	Net	28 538	29 452	30 366	31 280	32 194	33 108	34 022	34 936	35 850	36 764	37 678	38 592
G-4	Gross	42 684	44 193	45 726	47 259	48 793	50 326	51 859	53 393	54 926	56 459	57 993	59 526
	Gross Pens.	41 702	43 076	44 450	45 837	47 267	48 697	50 127	51 556	52 985	54 415	55 844	57 274
	Net	33 020	34 078	35 136	36 194	37 252	38 310	39 368	40 426	41 484	42 542	43 600	44 658
G-5	Gross	50 178	51 949	53 720	55 491	57 262	59 033	60 804	62 575	64 346	66 117	67 888	69 659
	Gross Pens.	48 557	50 209	51 860	53 512	55 164	56 816	58 467	60 119	61 771	63 423	65 074	66 726
	Net	38 208	39 430	40 652	41 874	43 096	44 318	45 540	46 762	47 984	49 206	50 428	51 650
G-6	Gross	58 874	60 922	62 970	65 017	67 065	69 113	71 161	73 209	75 257	77 304	79 352	81 400
	Gross Pens.	56 666	58 576	60 486	62 395	64 305	66 214	68 124	70 165	72 213	74 261	76 310	78 357
	Net	44 208	45 621	47 034	48 447	49 860	51 273	52 686	54 099	55 512	56 925	58 338	59 751
G-7	Gross	68 925	71 299	73 672	76 046	78 420	80 794	83 168	85 542	87 916	90 290	92 664	95 038
	Gross Pens.	66 043	68 258	70 632	73 005	75 378	77 751	80 125	82 497	84 871	87 244	89 617	91 990
	Net	51 143	52 781	54 419	56 057	57 695	59 333	60 971	62 609	64 247	65 885	67 523	69 161

\* Long-service step.

The qualifying criteria for in-grade increase from step XI to step XII are as follows:

(a) The staff member should have had at least 20 years of service within the United Nations common system and five years of service at step XI of the current grade;

(b) The staff member's service should have been satisfactory.

<u>Language allowance</u>: for the first additional language, 1,651 euros per year net, for the second additional language, 825 euros (to be included in pensionable remuneration).

<u>Increment</u>: Salary increments within the levels shall be awarded annually, on the basis of satisfactory service.

<u>Non-resident's allowance</u>: 1,889 euros per year net (to be included in pensionable remuneration) for eligible staff appointed prior to 1 September 1983 and nil thereafter for staff serving in Vienna.