



Governing Body

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Programme, Financial and Administrative Section
Personal Segment

PFA

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TENTH ITEM ON THE AGENDA

Amendments to the Staff Regulations

Purpose of the document

To submit amendments to the Staff Regulations required in order to implement the changes decided by the General Assembly. The Governing Body is invited to approve the amendments to the Staff Regulations in the appendix (see the draft decision in paragraph 13).

Relevant strategic objective: None.

Main relevant outcome/cross-cutting policy driver: Enabling outcome C: Efficient support services and effective use of ILO resources.

Policy implications: The raising of the mandatory age of separation to 65 years for all staff appointed before 1 January 2014 will have an impact on succession planning.

Legal implications: Amendments to the Staff Regulations.

Financial implications: There are no material incremental budgetary implications from the proposed amendments to the Staff Regulations.

Follow-up action required: Amendments to the Staff Regulations.

Author unit: Human Resources Development Department (HRD).

Related documents: GB.317/PFA/INF/4; GB.319/PFA/11; GB.320/PFA/13; GB.322/PFA/10(&Corr.); GB.326/PFA/INF/6; GB.326/PFA/11.

Amendments to the Staff Regulations concerning the education grant scheme and the age of retirement following General Assembly resolution A/RES/70/244

1. The United Nations (UN) General Assembly, at its 82nd plenary meeting of its 70th session held on 23 December 2015, adopted resolution A/RES/70/244, deciding on a number of changes to the common system compensation package for the Professional and higher categories of staff, including to the education grant scheme. The Governing Body was informed of these decisions by the General Assembly and was provided with a detailed outline of the changes to the compensation package at its 326th Session in March 2016, noting the Office's intention to implement the changes to the compensation package as from 1 January 2017.¹ Further, the Governing Body at its 328th Session (November 2016)² approved the amendments to the Staff Regulations related to the changes to the compensation package, with the exception of the changes to the education grant scheme for which the Governing Body was informed that, implementation being as of the school year in progress on 1 January 2018, amendments to the Staff Regulations would be presented at the 329th Session (March 2017).
2. The General Assembly, having considered the requested report of the International Civil Service Commission (ICSC) for the year 2015, had also decided in the aforementioned resolution 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. The Governing Body was informed at its 328th Session of the foreseen changes to the mandatory age of separation.

Additional changes to the United Nations common system of benefits and entitlements regarding the education grant scheme as of the school year in progress on 1 January 2018

3. It is recalled that the current fixed reimbursement rate of 75 per cent of admissible expenses for education grant will be, as decided by the General Assembly in the aforementioned resolution, substituted by a global sliding scale consisting of seven brackets and the basis of admissible expenses will be reduced to cover tuition, and enrolment-related fees only. Boarding and scholastic travel will be restricted to primary and secondary education only, and only staff in field duty stations (A–E) will be eligible for it. Boarding-related expenses will be paid in the form of a lump sum of US\$5,000. The special education grant will be maintained as presently applied. Scholastic travel will be limited to one trip a year.
4. The implementation of the changes to the education grant scheme in respect of ILO officials of the Professional and higher categories requires the amendment of provisions contained in Chapters III, articles 3.14 and 3.14bis of the Staff Regulations, as outlined in the appendix. There are no transitional measures applicable.

¹ See [GB.326/PFA/INF/6](#) and [GB.326/PFA/11](#).

² See [GB.328/PFA/9](#).

5. The Joint Negotiating Committee has been consulted on the various elements pertaining to the implementation of the revised education grant scheme. The revised education grant scheme will be implemented Office-wide as of the school year in progress on 1 January 2018.
6. The estimated savings to the regular budget of the revised provisions relating to the education grant scheme and scholastic travel amount to some US\$1.4 million for a full biennium. The estimates provided to the Governing Body in November 2016 included these savings which have also been incorporated into the Programme and Budget proposals for 2018–19.

Age of retirement and mandatory age of separation

7. Following the approval by the Governing Body at its 319th Session in October 2013, article 11.3 of the Staff Regulations had been amended to stipulate that officials shall retire at the end of the last day of the month in which they reach age 65 for officials appointed after 31 December 2013; age 62 for officials appointed after 31 December 1989; age 60 for officials appointed before 1 January 1990. The same article specifies that in special cases the Director-General may retain an official, whose age of retirement would otherwise be 60 or 62, in service until the end of the last day of the month in which the official reaches the age of 65. The aforementioned article adds that the Joint Negotiating Committee shall be consulted before a decision is taken to retain in service an official below the grade of P5 and shall be informed of any decision to retain in service any other official. However, article 11.3 excludes from its scope staff assigned to technical cooperation projects.
8. In its resolution 69/251, the General Assembly decided to raise the mandatory age of separation to 65 years for staff recruited before 1 January 2014, taking into account the acquired rights of staff, and requested the ICSC to revert to it with an implementation date at its earliest opportunity, after consultation with all organizations of the common system.
9. Having considered the requested report of the ICSC for the year 2015 reflecting the views of the organizations and of the staff representatives, and reaffirming its role in approving conditions of service and entitlements for all staff serving in the organizations of the United Nations common system, the General Assembly decided in its resolution A/RES/70/244 dated 23 December 2015, 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.
10. An analysis of retirement data for the forthcoming four years shows that some 286 officials in all staff categories will likely be affected by the changes regarding the mandatory age of separation. However, respect for acquired rights of staff regarding their normal age of retirement may have an impact on staff retirement decisions. The normal age of retirement is the age at which a retired official can receive a full retirement benefit (subject to the length of their employment), that is to say, without the substantial reductions affecting the “early retirement benefit” provided under article 29 of the Regulations of the United Nations Joint Staff Pension Fund (UNJSPF). The normal retirement age from 1 January 2018 will remain set at age 60 for participants who entered the Fund prior to 1 January 1990, and age 62 for participants who entered or re-entered the Fund on or after 1 January 1990.
11. Although it is difficult to assess the exact financial impact of the increase in the age of retirement considering the uncertainties regarding the number of officials who intend to remain in active service beyond the ages of 60 or 62, as well as the grade level and family

allowances related to those officials, it is estimated that there are no direct significant financial implications of implementing the changes regarding the age of retirement.

12. The Joint Negotiating Committee has been consulted.

Draft decision

13. *The Governing Body approves:*

- (a) *the amendments to articles 3.14 and 3.14bis of the Staff Regulations related to the education grant contained in the appendix;*
- (b) *the amendments to article 11.3 of the Staff Regulations related to the age of retirement contained in the appendix with effect on 1 January 2018.*

Appendix

Proposed amendments to the Staff Regulations (additions appear underlined, suppressions are struck out)

Education grant

The amendments outlined below shall be made on the basis of the January 2017 version of the Staff Regulations. The below amendments shall enter into effect in April 2017.

ARTICLE 3.14

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-General 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-General 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-General may in exceptional cases prolong payment of the grant beyond this age limit.

(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. In the case of attendance at an educational institution outside the country or area of the duty station,

<u>Claim amount bracket ¹ in US\$</u>	<u>Reimbursement rate (%)</u>
<u>0–11 600</u>	<u>86</u>
<u>11 601–17 400</u>	<u>81</u>
<u>17 401–23 200</u>	<u>76</u>
<u>23 201–29 000</u>	<u>71</u>
<u>29 001–34 800</u>	<u>66</u>
<u>34 801–40 600</u>	<u>61</u>
<u>> 40 601</u>	<u>0</u>

¹ The first US\$11,600 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\$40,600.

(e) The amount of the grant shall be payable in the currency in which expenses are incurred, and on the following basis:

- (1) Where the institution provides board for the child, 75 per cent of the cost of attendance and board up to a maximum annual grant as provided in the following table.
- (2) Where the institution does not provide board, a flat rate for boarding as provided in the following table plus 75 per cent of the cost of attendance up to a maximum annual grant as provided in the following table.

(e) In the case of attendance at an educational institution in the country or area of the duty station, the amount of the grant shall be payable in the currencies in which expenses are incurred. It shall be equal to 75 per cent of the cost of attendance, up to a maximum annual grant as provided in the following table. Exceptionally, if in the opinion of the Director-General there is no suitable institution available for the official's child within commuting distance of the duty station, the cost of board may be allowed as provided in paragraph (d) above.

(f) For officials assigned outside category H duty stations, an additional lump sum of USD5,000 for boarding-related expenses shall also be payable in respect of eligible children who attend primary or secondary education outside the duty station.

(f-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 paragraphs this article, admissible expenses are (d) and (e) "cost of attendance" shall defined as include the cost of tuition and enrolment-related fees only, registration, prescribed textbooks, courses, examinations and diplomas, but shall not include boarding fees, school uniforms or optional charges. Where local conditions at duty stations justify such provision, the cost of attendance may include the cost of midday meals, where these are provided by the school, and the cost of daily group transportation.

(gh) If both parents of the child are officials of the Office, 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-General.

Table of education grant entitlements in local currency

Country (currency)	Maximum allowable educational expenses	Maximum education grant	Flat rate for boarding
Austria (euro)	18 240	13 680	3 882
Belgium/Luxembourg (euro)	16 014	12 011	3 647
Denmark (krone)	122 525	91 894	28 089
France (euro) ⁴	11 497	8 623	3 127
Germany (euro)	20 130	15 098	4 322
Ireland (euro)	17 045	12 784	3 147
Italy (euro)	21 604	16 204	3 223
Japan (yen)	2 324 131	1 743 098	609 526
Netherlands (euro)	18 037	13 528	3 993
Spain (euro)	17 153	12 865	3 198
Sweden (krone)	157 950	118 463	26 219
Switzerland (franc)	32 932	24 699	5 540
United Kingdom (pound sterling)	25 864	19 398	3 821
United States (dollar: for expenses incurred in the United States)	45 586	34 190	6 265
United States (dollar: maxima applicable to expenses incurred in US dollars outside the United States and all other currencies not listed above)	21 428	16 071	3 823

⁴ Except for the following schools where the US\$ in the United States levels will be applied: (1) American School of Paris; (2) American University of Paris; (3) British School of Paris; (4) European Management School of Lyon; (5) International School of Paris; (6) Marymount School of Paris; (7) Ecole Active Bilingue Victor Hugo (for English curriculum only); (8) Ecole Active Bilingue Jeanine Manuel (for English curriculum only).

(hi) Where boarding-related expenses are payable in accordance with paragraph (f), transport 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;
- (3) 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.

(ij) For the purposes of this article, the following definitions shall apply:

- (1) in Geneva, the area of the duty station is defined as territory within a radius of 25 kilometres from Geneva. At other duty stations the Director-General, after consulting the Joint Negotiating Committee, shall determine the limits of the area;
- (2) in Geneva, the school year is considered to fall within the period from 1 July to 30 June. At other duty stations the Director-General may fix other periods;
- (3) "home country" shall mean the country of the official's recognized home.

(jk) The grant shall be payable upon the presentation of evidence satisfactory to the Director-General that the conditions required by this article are fulfilled.

(l) Unless otherwise stipulated, the provisions of this article are applicable as of the school year in progress on 1 January 2018.

ARTICLE 3.14BIS

Special education grant

1. An official shall be entitled to receive a non-pensionable special education grant for any child for whom he provides the main and continuing support and in respect of whom the Director-General has determined, on the basis of medical evidence, that the child is unable by reason of physical or mental disability to attend a normal educational institution and therefore requires special teaching or training to prepare him for full integration into society or, while attending a normal educational institution, requires special teaching or training to assist him in overcoming the disability.

2. In order to receive a special education grant, the official must produce evidence that he has exhausted all other sources of benefits that may be available for the education and training of the child, including those available from state and local governments and from the Staff Health Insurance Fund. The amount of any benefit received from other sources shall be deducted from the educational expenses taken into account, in accordance with paragraphs 4 and 8 below, in calculating the grant.

3. The grant shall be payable from the date on which necessary special teaching or training begins up to the end of the year in which the child reaches the age of 25. In exceptional circumstances the Director-General may authorize the payment of the special education grant up to the end of the year in which the child reaches the age of 28.

4. (a) The amount of the grant shall be payable in the currency in which expenses are incurred. It shall be the equivalent of the educational expenses actually incurred up to the ~~maximum upper limit of reimbursable expenses allowable~~ provided in the table under article 3.14(d), plus the amount of the boarding assistance lump sum referred to under article 3.14(f).

(b) If an education grant is payable under article 3.14, the total amount payable under both articles shall not exceed the maximum referred to in paragraph 4(a).

5. If an official is in service for only part of the year, the grant payable shall be that proportion of the annual grant which his service calculated to the nearest month bears to the full year.

6. If both parents of the child are officials of the Office, or if the other parent is an official of another organization applying the United Nations common system, the grant shall be payable only to one parent.

7. Where the official had to place the child in an educational institution away from the duty station, transport expenses of the child shall be paid for an outward and return journey twice for each school year between the educational institution and the duty station.

8. For the purposes of this article, "educational expenses" shall mean such teaching services and equipment as are necessary to provide an educational programme designed to meet the needs set out in paragraph 1 above. Normal educational expenses shall be reimbursed in accordance with the provisions of article 3.14.

9. For the purposes of this article, "year" shall mean the school year if the child attends an educational institution; in all other cases it shall mean the calendar year.

10. The grant shall be payable upon the presentation of evidence satisfactory to the Director-General that the conditions required by this article are fulfilled.

11. In addition to the grant payable in accordance with the present article, expenses for special equipment required for the rehabilitation of a disabled child, if not otherwise covered under the Staff Health Insurance Fund, shall be reimbursed upon the presentation of a claim accompanied by evidence up to a maximum amount of \$1,000 per calendar year.

ARTICLE 14.5

Service in designated duty stations

1. ...
2. ...

3. (a) ~~Officials serving at duty stations in respect of which the Director General, after consulting the Joint Negotiating Committee, has determined that school facilities suitable for the children of non locally recruited officials are severely limited or non-existent may claim, with respect to a child at the primary or secondary school level for whom an education grant is payable under article 3.14(d)(1), subject to the conditions set out in that provision, reimbursement of 100 per cent of boarding costs, up to a maximum of the flat rate for boarding, in addition to the maximum education grant payable under article 3.14.~~

~~(b) With a view to permitting four entitlements every two years attributable either to home leave or scholastic travel, transport expenses of a child in respect of whom an education grant is payable to an official at a duty station to which subparagraph (a) above applies shall be paid for a journey additional to that provided for under article 3.14(h), subject to the conditions set out in that provision, in any calendar year in which the official is not entitled to home leave.~~

4. ...
5. ...

Age of retirement

Article 11.3

Age of retirement

~~Officials shall retire at the end of the last day of the month in which they reach age 65 for officials appointed after 31 December 2013; age 62 for officials appointed after 31 December 1989; age 60 for officials appointed before 1 January 1990. Officials shall retire no later than the last day of the month in which they reach age 65.~~

~~In special cases the Director General may retain an official, whose age of retirement would otherwise be 60 or 62, in service until the last day of the month in which the official reaches the age of 65. Exceptionally for compelling reasons the Director-General may retain an official in service for a period not exceeding 12 months after that day. The Joint Negotiating Committee shall be consulted before a decision is taken to retain in-service beyond the age of retirement an official below the grade of P.5. The Joint Negotiating Committee shall be informed of any decision to retain in service beyond the age of retirement any other official. ~~The provisions of this article shall not apply to an official appointed for a fixed term to a technical cooperation project.~~~~