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## Industrial Development Board

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Item 7 of the provisional agenda

### Personnel matters

## Personnel matters

### Report by the Director-General

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

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## **I. Developments on personnel-related matters**

1. The Organization continued to strengthen its field presence by increasing the number of Professional staff (international and local) in the field. As of 1 September 2008 there were 56 Professional staff in the field (39 international and 17 national), which constitutes a 43 per cent increase since the field mobility policy was launched in April 2006.

2. The modalities of implementation of the Young Professionals Programme (YPP) were finalized and a policy document was issued containing provisions for the recruitment and career management of those to be recruited under this programme. The programme aims at facilitating succession planning, knowledge retention and rejuvenating the workforce through the recruitment, on a competitive basis, of young talent into the Organization. The programme targets individuals under the age of 30 who will be recruited for a three-year fixed term appointment at the P-1 level. Once recruited they will follow a managed development programme, including the possibility of a field assignment. The YPP includes ten positions in the Programme Development and Technical Cooperation (PTC) and the Programme Coordination and Field Operations (PCF) Divisions.

3. A revised learning policy has been presented for staff/management consultations to the Joint Advisory Committee (JAC). The policy recognizes the fact that UNIDO's most important resource is its staff and the knowledge and technical expertise embodied in them. It takes into consideration the challenging and dynamic business environment, in which UNIDO is operating as well as the need for the Organization to be a learning organization. The policy also introduces some measures to encourage continuous flow of knowledge and ideas between the Organization and the external environment through partnerships and exchanges with educational and research institutions as well as other organizations.

4. Following the success of the leadership development programme that was implemented in 2007 for managers, the Organization has introduced a management development programme for all Professional staff at the P-1 to P-4 levels as well as National Programme Officers. The programme is made up of three specific modules and seeks to enhance staff members' management skills and competencies in achieving results through working with other people and leading their subordinates. The programme will continue over two years.

5. In addition to its regular training programmes, the Organization also introduced a number of training events to familiarize and update staff with its various administrative rules and processes. Programmes were run on the Financial Performance Control System (FPCS) and project management. A mandatory procurement training programme was introduced to ensure that staff members involved in procurement activities have sufficient knowledge of the related rules. Participants in the first phase of this programme do a self study of the Procurement Manual following which they undertake an intranet-based test. Upon successful completion of the test, they receive a certificate. Advanced training on procurement will also be provided covering issues such as preparing technical specifications and terms of reference, evaluating offers, procurement ethics and fiduciary oversight.

6. Staff in duty stations away from Headquarters were also invited for a one week training programme organized in Vienna. The training included staff assigned to

Investment and Technology Promotion Offices and other offices. The training focused on supporting staff in these offices to increase the offices' level of efficiency and effectiveness.

7. Good employee relations remained a high priority for management and various actions were implemented to ensure staff engagement. The year was marked by an intensification of staff/management consultations, especially within the framework of the Joint Advisory Committee (JAC). During the relevant period, meetings were held regularly (at least once a month), during which staff and management representatives discussed various issues related to staff welfare, conditions of work, reviewed existing policies and consulted on new ones. The discussions included such subjects as the UNIDO Young Professionals Programme, the UNIDO policy on protection against retaliation for reporting misconduct and for cooperating with duly authorized audits and investigations, the UNIDO policy on learning and performance appraisal. JAC discussions will also include the UNIDO Code of Conduct and the financial disclosure programme.

8. The Director-General continued to meet directly with randomly selected staff members in the context of his initiative "Dialogue with the Director-General". Two such meetings were held in 2008 and they continued to be a valuable forum for generating proposals, inputs and feedback on organizational issues.

9. A similar initiative has been introduced by the Managing Director of the Programme Development and Technical Cooperation Division (PTC). In addition to meeting with the Professional staff as part of the performance appraisal process, he also met with his General Service staff. The views generated from such meetings will serve as valuable inputs for management decision-making.

## II. Common system developments

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

10. **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.

11. By resolution 62/227 of 21 December 2007, the General Assembly approved, with effect from 1 January 2008, a revised base scale for staff in the Professional and higher categories. The scale reflects the consolidation, on a no loss/no gain basis, of 1.97 multiplier points of post adjustment into the base salary scale.

12. The increase of the base/floor salary scale by 1.97 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 due after 1 January 2008 have been

effected on the basis of the movement of the newly consolidated post adjustment indices.

13. The revised base salary scale for staff in the Professional and higher categories, effective 1 January 2008, is set out in annex I to this document.

14. The financial implications of the consolidation of 1.97 per cent of post adjustment into base salaries on a no gain/no loss basis normally had an impact on two groups of staff entitlements, namely the hardship/mobility allowance and the repatriation grant. Following changes in the hardship and mobility scheme effective 1 January 2007 (see below), this allowance is no longer linked to the salary scale and is no longer relevant in connection with the consolidation process. As for the repatriation grant, the consolidation resulted in a similar increase in the payments of this entitlement to eligible staff. The programme and budgets, 2008-2009, as approved by Member States, contains provisions to absorb the related cost increases.

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

#### **Pensionable remuneration for staff in the Professional and higher categories**

15. **Appendix C to the staff rules.** In accordance with Article 54 (b) of the regulations of the United Nations Joint Staff Pension Fund, the scale of pensionable remuneration for the Professional and higher categories must be adjusted on the same date and by the same percentage as the net remuneration of United Nations officials serving in New York. In accordance with this provision, ICSC promulgated revised scales of pensionable remuneration effective 1 September 2007 and 1 August 2008. These were promulgated in appendix C to the staff rules and are contained in annexes II and III to the present document.

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

16. **Appendix A to the staff rules.** In accordance with the Flemming principle, General Service 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 methodology followed by ICSC for the conduct of local salary surveys. Based upon the Flemming principle, staff regulation 6.5 (a) provides that "The Director-General shall fix the salary scales for staff in the General Service and related categories, normally on the basis of the best prevailing conditions of employment in the locality, taking into account the recommendations of the International Civil Service Commission." According to the approved ICSC methodology, which takes account of changes in the consumer price and wages indices over a period of 12 months, and in consultation with the other Vienna-based organizations, the Director-General implemented effective 1 April 2007 an interim adjustment of the salary scales for General Service staff of 1.96 per cent. The revised scale is contained in annex IV to the present document.

#### **Assignment grant and mobility/hardship allowance**

17. **Appendix N to the Staff Rules** has been amended to reflect changes to the mobility and hardship scheme effective 1 January 2007, as approved by the General Assembly in its resolution 61/239 of 22 December 2006 on the recommendation of the International Civil Service Commission. Following extensive consultations on the modalities of implementation of the revised scheme among the United Nations Common System Organizations, the scheme was implemented with appropriate transitional measures. The new Appendix N containing the revised conditions is shown in annex V to the present document with deletions shown in square brackets and amendments being underlined.

#### **Staff rule 103.12 on Appointment and Promotion Board**

18. **Staff rule 103.12 (a) (i)** has been amended to indicate that posts in the General Service category in field duty stations are exempt from submission to the General Service Selection Panel of the Appointment and Promotion Board. The revised staff rule 103.12 (a) (i) is contained in annex VI to the present document with amendments being underlined. The amendment was introduced in the interest of efficiency while the competitive process was maintained and is implemented locally.

#### **Financial implications**

19. The financial implications of the above changes have been anticipated in the programme and budgets for the biennium 2008-2009.

### **IV. Social Security Agreement**

20. Negotiations between UNIDO and the Republic of Austria regarding a new social security agreement as a supplementary agreement to the Headquarters Agreement of 1995 (decision GC.6/Dec.21 refers) have been concluded. The agreement will be presented to the Board at its thirty-sixth session for approval and may be provisionally applied pending its approval by the Industrial Development Board and the General Conference and its entry into force.

### **V. Action required by the Board**

21. 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.35/13;

“(b) Notes the amendments made in pursuance to staff regulation 13.3 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 62/227;

“(c) Also notes the amendment to appendices A, C and N to the staff rules and to the staff rule 103.12 (a) (i).”

## Annex I

## Schedule I

## Salary scales for the Professional and higher categories showing annual gross salaries and the net equivalents after application of staff assessment (in United States dollars)

Effective 1 January

LEVEL	S T E P S														
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII	XIV	XV
Director															
D-2	Gross	141 524	144 528	147 534	150 566	153 709	156 854								
	Net D	104 736	106 779	108 823	110 868	112 911	114 955								
	Net S	96 219	97 944	99 663	101 375	103 084	104 784								
Principal Officer															
D-1	Gross	129 304	131 944	134 579	137 219	139 859	142 496	145 135	147 775	150 431					
	Net D	96 427	98 222	100 014	101 809	103 604	105 397	107 192	108 987	110 780					
	Net S	89 129	90 689	92 245	93 797	95 346	96 892	98 432	99 971	101 505					
Senior Officer															
P-5	Gross	106 907	109 153	111 399	113 641	115 888	118 131	120 378	122 622	124 868	127 112	129 356	131 601	133 847	
	Net D	81 197	82 724	84 251	85 776	87 304	88 829	90 357	91 883	93 410	94 936	96 462	97 989	99 516	
	Net S	75 432	76 789	78 141	79 493	80 842	82 187	83 532	84 873	86 213	87 550	88 885	90 216	91 547	
First Officer															
P-4	Gross	87 790	89 836	91 882	93 926	95 974	98 019	100 071	102 235	104 403	106 566	108 734	110 899	113 066	117 400
	Net D	67 709	69 182	70 655	72 127	73 601	75 074	76 548	78 020	79 494	80 965	82 439	83 911	85 385	88 332
	Net S	63 052	64 394	65 734	67 071	68 408	69 744	71 079	72 411	73 742	75 073	76 401	77 729	79 056	81 705
Second Officer															
P-3	Gross	71 729	73 622	75 518	77 410	79 306	81 197	83 090	84 986	86 881	88 774	90 669	92 560	94 457	98 242
	Net D	56 145	57 508	58 873	60 235	61 600	62 962	64 325	65 690	67 054	68 417	69 782	71 143	72 509	75 234
	Net S	52 408	53 662	54 918	56 171	57 427	58 679	59 932	61 188	62 440	63 694	64 944	66 195	67 443	69 943
Associate Officer															
P-2	Gross	58 401	60 097	61 790	63 485	65 179	66 871	68 567	70 257	71 953	73 649	75 340	77 038		
	Net D	46 549	47 770	48 989	50 209	51 429	52 647	53 868	55 085	56 306	57 527	58 745	59 967		
	Net S	43 662	44 769	45 872	46 978	48 082	49 188	50 312	51 432	52 557	53 679	54 799	55 924		
Assistant Officer															
P-1	Gross	45 493	46 942	48 386	49 836	51 440	53 068	54 699	56 326	57 951	59 581				
	Net D	36 849	38 023	39 193	40 367	41 537	42 709	43 883	45 055	46 225	47 398				
	Net S	34 760	35 840	36 921	38 001	39 080	40 159	41 240	42 307	43 369	44 431				

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

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

## Annex II

## Appendix C

Scale of pensionable remuneration for the Professional and higher categories  
(For purposes of pension benefits and pension contributions) (in United States dollars)

Effective 1 September 2007

LEVEL	S T E P S														
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII	XIV	XV
D-2	207 643	212 364	217 082	221 796	226 514	231 231									
D-1	188 733	192 604	196 474	200 336	204 207	208 269	212 417	216 563	220 703						
P-5	157 048	160 340	163 629	166 924	170 215	173 506	176 795	180 091	183 380	186 672	189 965	193 264	196 792		
P-4	128 194	131 367	134 532	137 700	140 875	144 040	147 209	150 382	153 549	156 715	159 882	163 062	166 226	169 395	172 567
P-3	105 360	108 052	110 740	113 425	116 119	118 807	121 495	124 188	127 003	129 945	132 884	135 822	138 764	141 703	144 643
P-2	86 437	88 848	91 249	93 655	96 061	98 465	100 870	103 272	105 681	108 086	110 489	112 896			
P-1	67 308	69 625	71 935	74 245	76 558	78 867	81 183	83 491	85 804	88 114					

## Annex III

## Appendix C

**Scale of pensionable remuneration for the Professional and higher categories  
(For purposes of pension benefits and pension contributions) (in United States dollars)**

**Effective 1 August 2008**

LEVEL	S T E P S															
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII	XIV	XV	
D-2	221 246	226 277	231 304	236 327	241 354	246 380										
D-1	201 097	205 222	209 346	213 461	217 585	221 913	226 333	230 751	235 162							
P-5	167 337	170 844	174 349	177 860	181 366	184 873	188 377	191 889	195 394	198 901	202 410	205 925	209 684			
P-4	136 592	139 973	143 346	146 721	150 104	153 476	156 853	160 234	163 608	166 982	170 356	173 745	177 116	180 493	183 872	
P-3	112 262	115 131	117 995	120 856	123 726	126 590	129 455	132 324	135 323	138 458	141 590	144 720	147 855	150 986	154 119	
P-2	92 100	94 669	97 227	99 791	102 354	104 916	107 478	110 038	112 604	115 167	117 727	120 292				
P-1	71 718	74 186	76 648	79 109	81 574	84 034	86 502	88 961	91 425	93 887						



## Annex IV

## Appendix A

## Salary scales for staff in the General Service category showing annual gross, gross pensionable and net salary after application of staff assessment (in Euros)

Effective 1 April 2007

LEVEL	STEPS												
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XI*	
G-1	Gross	26 087	26 947	27 806	28 666	29 526	30 386	31 245	32 109	33 004	33 899	34 793	35 688
	Gross pens.	25 587	26 407	27 225	28 043	28 861	29 681	30 498	31 316	32 134	32 952	33 770	34 589
	Net	20 727	21 389	22 051	22 713	23 375	24 037	24 699	25 361	26 023	26 685	27 347	28 009
G-2	Gross	30 313	31 308	32 315	33 350	34 385	35 420	36 455	37 491	38 526	39 561	40 596	41 631
	Gross pens.	29 605	30 553	31 499	32 447	33 394	34 340	35 287	36 272	37 270	38 266	39 263	40 258
	Net	23 981	24 747	25 513	26 279	27 045	27 811	28 577	29 343	30 109	30 875	31 641	32 407
G-3	Gross	35 330	36 530	37 730	38 930	40 130	41 330	42 530	43 730	44 930	46 130	47 330	48 568
	Gross pens.	34 253	35 349	36 494	37 648	38 799	39 954	41 107	42 261	43 414	44 568	45 721	46 874
	Net	27 744	28 632	29 520	30 408	31 296	32 184	33 072	33 960	34 848	35 736	36 624	37 512
G-4	Gross	41 218	42 607	43 996	45 385	46 774	48 175	49 665	51 155	52 645	54 135	55 625	57 114
	Gross pens.	39 846	41 180	42 516	43 849	45 185	46 518	47 854	49 188	50 522	51 857	53 192	54 525
	Net	32 101	33 129	34 157	35 185	36 213	37 241	38 269	39 297	40 325	41 353	42 381	43 409
G-5	Gross	48 030	49 752	51 474	53 196	54 917	56 639	58 361	60 083	61 804	63 526	65 248	66 970
	Gross pens.	46 390	47 933	49 476	51 019	52 562	54 105	55 648	57 190	58 734	60 279	61 820	63 364
	Net	37 141	38 329	39 517	40 705	41 893	43 081	44 269	45 457	46 645	47 833	49 021	50 209
G-6	Gross	56 481	58 472	60 464	62 455	64 446	66 438	68 429	70 420	72 412	74 403	76 394	78 386
	Gross pens.	53 963	55 748	57 534	59 319	61 106	62 892	64 675	66 462	68 248	70 033	71 853	73 711
	Net	42 972	44 346	45 720	47 094	48 468	49 842	51 216	52 590	53 964	55 338	56 712	58 086
G-7	Gross	66 258	68 565	70 872	73 180	75 487	77 794	80 101	82 409	84 716	87 023	89 330	91 638
	Gross pens.	62 726	64 792	66 859	68 927	70 993	73 143	75 293	77 444	79 596	81 745	83 897	86 048
	Net	49 718	51 310	52 902	54 494	56 086	57 678	59 270	60 862	62 454	64 046	65 638	67 230

\* Long-service step

## Annex V

### Appendix N

#### Assignment grant and mobility/hardship allowance

2. Assignment grant

- (a) No change.
- (b) No change.
- (c) No change.
- (d) No change.

(e) The lump sum portion of the grant shall normally be payable only to staff members for whom no entitlement to removal exists. It shall be paid to them according to the following rates:

(i) At H duty stations: for staff in the Professional and higher categories and project personnel, one month's net base salary plus post adjustment applicable to the duty station at the staff member's grade, step and rate; for internationally recruited General Service staff, one month's net base salary, plus any language allowance and dependency allowance in respect of a dependent spouse or first dependent child, whichever is applicable, at the staff member's grade and step;

(ii) At all other duty stations: for staff in the Professional and higher categories and project personnel for assignments expected to be of three years or more, two months' net base salary plus post adjustment applicable to the duty station at the staff member's grade, step and rate; for internationally recruited General Service staff, two months' net base salary, plus any language allowance and dependency allowance in respect of a dependent spouse or first dependent child, applicable to the duty station at the staff member's grade, step and rate. If the staff member did not remain for at least three years, recovery of a one-month lump sum shall be effected. If, however, the staff member's appointment or expected duration of assignment to the duty station is for two years or less, only one month's net base salary (plus appropriate additional elements) is payable; the second month's net base salary (plus appropriate additional elements) is payable at the start of the third year at the duty station if the staff member's appointment or assignment is extended to a total period of three years or more.

- (f) No change.
- (g) No change.
- (h) No change.
- (i) No change.
- (j) No change.

### 3. Mobility/hardship allowance

(a) Staff members in the Professional and higher categories, including project personnel and internationally recruited General Service staff members, who are appointed or assigned to a duty station for one year or more shall be eligible for the payment of a mobility/hardship allowance. The allowance shall be paid according to the staff member's entitlements with respect to the following components of the allowance:

(i) The mobility element, as an incentive [to staff of organizations participating in the United Nations common system to accept reassignments to different duty stations] for the geographic mobility of staff;

(ii) The hardship element, [as an incentive to staff to serve at field duty stations with varying degrees of hardship] as compensation for the varying degrees of hardship at different duty stations;

(iii) The non removal element, as compensation for the non removal of personal effects and household goods.

(b) [The staff member's entitlement to the allowance are reckoned in terms of percentage points of a base salary rate, as defined in paragraph (d) below. With respect to each of the three elements, the percentage points may be accrued as follows:] Lump sum payments of the mobility/hardship allowances are made in the form of flat amounts set by the International Civil Service Commission. The amount of the allowances payable to each eligible staff member may vary as follows:

(i) Mobility [element:] allowance:

a. At H duty stations, nil for the first three assignments. Mobility allowance is paid upon [4 percentage points for] the fourth assignment (provided that at least two of the previous assignments were at A-E [field] duty stations). [and 6 percentage points for the fifth and subsequent assignments;] For payment purposes, the number of assignments are grouped as four to six assignments and seven or more assignments;

b. At [all other] A-E duty stations, nil for the first assignment[;], Mobility allowance is paid upon [10 percentage points for] the second assignment[;]-[and 2 additional percentage points for each subsequent assignment up to and including the fifth assignment;] For payment purposes, the number of assignments are grouped as two to three assignments, four to six assignments and seven or more assignments;

(ii) Hardship [element] allowance: nil for H and A duty stations. [and 8, 15, 20 and 25 percentage points] Payments begin with first assignment to [for] B, C, D and E duty stations [respectively];

(iii) Non removal [element] allowance: [3 percentage points at H duty stations and 5 percentage points at all other duty stations.] Flat amounts are paid for duty stations H to E.

(c) The matrix below shows the various combinations of percentage points that may be accrued cumulatively on account of the three elements of the allowance.

Mobility/hardship allowance matrix

Category of duty station	Assignment				
	First	Second	Third	Fourth	Fifth or more
	Percentage points				
H <sup>a</sup>	0	0	0	4 <sup>b</sup>	6 <sup>b</sup>
A <sup>c</sup>	5	15	17	19	21
B <sup>c</sup>	13	23	25	27	29
C <sup>c</sup>	20	30	32	34	36
D <sup>c</sup>	25	35	37	39	41
E <sup>c</sup>	30	40	42	44	46

<sup>a</sup> Plus 3 per cent if the staff member is not entitled to the removal of household goods.

<sup>b</sup> Provided that the staff member has previously served on two or more assignments in A E duty stations, otherwise no entitlement is payable.

<sup>c</sup> Minus 5 per cent if the staff member receives full household removal.]

[(d)] (c) [The actual amount of the allowance is determined by applying the percentage points to a base salary rate, which is equivalent to the net base salary of staff at the mid point of the Professional salary scale, i.e. P 4, step VI, at the dependency rate. This base salary rate is applicable to staff at levels P 4 and P 5. It is increased by 13 per cent for staff at levels D1 and above and reduced by 13 per cent for staff at levels P 1 to P 3 and internationally recruited General Service staff. For staff who have no dependent spouse or child, the allowance is calculated at 75 per cent of the base salary rate appropriate to their grade.] The mobility/hardship allowances are flat amounts. Payments are differentiated by the following grade groupings: P-1 to P-3 and internationally recruited General Service staff, P-4 and P-5 and D-1 and above. Single staff shall receive 75 per cent of the flat amount paid to staff with dependants of the corresponding grade range.

[(e)] (d) The mobility/hardship allowance is payable to all eligible staff [including those serving in their own country] and is non pensionable. [The allowance is normally paid in a lump sum at the beginning of each 12 month period that the staff member is expected to remain at the duty station or pro rata as appropriate.]

[(f)] (e) The allowance shall be payable at the dependency rate to a staff member with recognized dependants, irrespective of where the dependants actually reside. When both husband and wife are staff members entitled to the allowance, it shall be paid to each of them in an amount calculated on the basis of his or her own salary level.

[(g)] (f) Staff members who are assigned to a particular duty station and are then placed in travel or mission status while in receipt of a daily subsistence allowance (DSA) shall be eligible for the mobility/hardship allowance in respect of the duty station to which they were originally assigned and not in respect of the duty station at which they are in travel or mission status.

Mobility element

[(h)] (g) Entitlement to the mobility element is subject to the requirement that the staff member concerned should have had five or more consecutive years of service in an organization participating in the United Nations common system. This requirement may be considered as met if the staff member has accumulated five

years of service within a period of six consecutive years. Continuity of service is not considered as broken by periods of special leave without pay, but full months of any such period are not to be credited as service for the purpose of this allowance.

[(i)] (h) In counting the number of assignments for the application of the mobility element, the following guidelines will be taken into account:

(A) An assignment will not be counted as such unless it involves the installation of the staff member at the duty station (i.e. payment by the Organization of travel expenses and the assignment grant) except in the case of an initial appointment for one year or more where no travel expenses and assignment grant have been paid;

(B) Any period of service on travel or mission status while in receipt of DSA will not be counted as an assignment. However, if such status is extended beyond one year at the same duty station, that period will be so counted;

(C) If a staff member is posted to a duty station for an initial period of less than one year and the period is subsequently extended so that service at the duty station equals or exceeds one year, such service will be counted as an assignment;

(D) In the case of consecutive assignments of less than one year at different duty stations during which the staff member is paid post adjustment under staff rule 106.04(c)(i) or 206.12(d), the combined periods of such assignments may be counted as one assignment;

(E) If a staff member is assigned to a duty station for a period of one year or more and the period is subsequently reduced on the initiative of the Organization to less than a year's duration, such service should normally be counted as an assignment.

[(j)] (i) Transfers, secondments and loans to other organizations participating in the United Nations common system are treated in the same way as movement within the Organization for the purpose of the mobility element, i.e. in order to be counted as an assignment, such transfers, secondments and loans should be for a period of one year or more and involve a change of duty station.

[(k)] (j) The mobility allowance is paid in monthly instalments. Payment ceases after [After] five years of service at the same duty station. [, the mobility element is reduced by 10 percentage points on the matrix; and if the duty station is one of the H duty stations, the mobility element will be reduced to nil. This limited period of five years may exceptionally be extended by the Organization up to one more year, if the staff member: (a) remains at the duty station on the initiative of the Organization; or (b) is expected to be reassigned before the end of the sixth year.]

#### Hardship element

[(l)] (k) The hardship element is payable from the initial appointment or the first assignment of a staff member to any of the duty stations classified in the B, C, D or E category, provided that the staff member meets the general conditions of eligibility for the allowance. Payments are made in monthly instalments. It remains applicable for the entire duration of the staff member's service at the duty station and for as long as that duty station remains classified in the category concerned.

Upon a change in the classified category, an appropriate adjustment of [the percentage points for] the hardship element and the resulting amount of payment will be made.

Non-removal element

[(m)] (l) The element for non removal is applicable for a maximum period of five years at one duty station, provided the staff member is not entitled to a removal of household goods, irrespective of the length of his or her total consecutive service with an organization participating in the United Nations common system or at the duty station. Payments will be made in a lump-sum at the beginning of the assignment, up to a maximum of five years. [This period may, exceptionally, be extended for up to two more years at the discretion of the Director-General.]

## Annex VI

### Staff Rule 103.12

#### Appointment and Promotion Board

(a) (i) An Appointment and Promotion Board shall be established by the Director-General to give advice on the appointment and promotion of staff in the Professional and General Service categories, and at the D-2 and D-1 levels, except for staff in the Office of the Director-General, heads of the Bureaux reporting to the Director-General, entry grades G-1/G-2 in the General Service category and staff in the General Service category serving at field duty stations;

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