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Proposed programme budget for 2023

Human resources management

United Nations common system

**Administrative and budgetary aspects of the financing of the
United Nations peacekeeping operations**

Programme budget implications arising from recommendations and decisions contained in the report of the International Civil Service Commission for 2022

**Statement submitted by the Secretary-General in accordance with
rule 153 of the rules of procedure of the General Assembly**

Summary

The present statement, submitted pursuant to rule 153 of the rules of procedure of the General Assembly, contains the programme budget implications for the United Nations arising from the recommendations of the International Civil Service Commission for the common system that call for decisions by the Assembly, in particular for the proposed programme budget for 2023. In the interest of providing comprehensive information, the statement also includes the implications arising from decisions made by the Commission as well as the implications for the budgets of peacekeeping operations for the 2022/23 and 2023/24 peacekeeping financial periods.

Should the General Assembly approve the recommendations of the Commission, the budgetary implications for the proposed programme budget for 2023, along with the budgetary implications of the decisions of the Commission, are estimated at \$4,071,800 and would be included in the context of the revised estimates arising from the effect of changes in rates of exchange and inflation for the period. The budgetary implications for peacekeeping operations are estimated at \$1,744,200 for the financial period 2022/23, and at \$3,488,400 for the financial period 2023/24, and would be taken into account, as necessary, in the context of the performance reports for the period from 1 July 2022 to 30 June 2023 and the upcoming proposed budgets for the period from 1 July 2023 to 30 June 2024.



I. Introduction

1. The annual report of the International Civil Service Commission for 2022 (A/77/30) contains recommendations that call for decisions by the General Assembly giving rise to budgetary implications for the proposed programme budget of the United Nations starting with the year 2023, and for the budgets of peacekeeping operations starting with the financial period 2022/23, in relation to the following matters:

- (a) Review of the framework for contractual arrangements;
- (b) Base/floor salary scale;
- (c) Children's and secondary dependants' allowances.

2. The report also contains two decisions made by the Commission giving rise to budgetary implications for the proposed programme budget starting with the year 2023, and for the budgets of peacekeeping operations starting with the financial period 2022/23, in relation to the following matters:

- (a) Hardship allowance;
- (b) Mobility incentive.

3. The Commission also decided to replace the current maternity, paternity and adoption leave provisions with a parental leave provision of 16 weeks for all parents and to provide an additional period of 10 weeks to birth mothers, for which it has estimated financial implications of \$5.9 million per annum, system-wide, for the temporary replacement of staff on parental leave. With regard to the regular budget of the Secretariat, the extent to which staff on parental leave in the Secretariat will be replaced is difficult to ascertain and, accordingly, the budgetary implications for the proposed programme budget for 2023 of the decision of the Commission are not known at this stage. Any such implications will be reported in the financial performance report on the programme budget for 2023. The decision may lead to additional requirements for temporary assistance being proposed in the context of future programme budgets.

II. Review of the framework for contractual arrangements

4. The Commission recommends to the General Assembly that the provisions for annual leave for temporary appointments across the common system organizations be harmonized at 2.5 days of leave per month.

5. On the basis of the data on the commutation of unused annual leave in those organizations that currently provide 1.5 days of annual leave to staff on temporary appointments, the estimated budgetary implications of the recommendation to harmonize the accrual of annual leave across the common system for staff on temporary appointments are estimated by the Commission at \$4.1 million per annum, system-wide. Accordingly, the budgetary implications for the proposed programme budget for 2023 are estimated at \$936,000 for payment of unused accrued leave days. The budgetary implications for peacekeeping operations are estimated at \$387,000 for the financial period from 1 July 2022 to 30 June 2023 and \$774,000 for the financial period from 1 July 2023 to 30 June 2024.

III. Base/floor salary scale

6. The Commission recommends that an increase in the base/floor salary scale of 2.28 per cent be implemented as from 1 January 2023 to reflect the combined effect of the movement of gross salaries under the General Schedule scale of the comparator civil service and the tax changes in the United States of America, to be implemented by increasing the base/floor salary scale and commensurately decreasing post adjustment multiplier points, resulting in no-loss/no-gain in net take-home pay.

7. The adjustment to the base/floor salary scale, while generally cost-neutral in terms of net remuneration, would have implications with regard to separation payments. The budgetary implications associated with the Commission's recommendation of an increase in the base/floor salary scale are estimated by the Commission at \$1.2 million per annum, system-wide. Consequently, the budgetary implications are estimated at \$199,900 for the proposed programme budget for 2023. The budgetary implications for peacekeeping operations are estimated at \$48,400 for the financial period from 1 July 2022 to 30 June 2023 and \$96,800 for the financial period from 1 July 2023 to 30 June 2024.

IV. Children's and secondary dependants' allowances

8. The Commission recommends that, as from 1 January 2023:

(a) The child allowance be set at \$3,322 per annum (compared to \$3,222 currently);

(b) The disabled child allowance be set at \$6,645 per annum (compared to \$6,444 currently);

(c) The secondary dependant's allowance be set at \$1,163 per annum (compared to \$1,128 currently).

9. The budgetary implications associated with the revised amounts for the children's and secondary dependants' allowances are estimated at \$15 million per annum, system-wide. In this regard, the budgetary implications are estimated at \$2,144,000 for the proposed programme budget for 2023. The budgetary implications for peacekeeping operations are estimated at \$519,300 for the financial period from 1 July 2022 to 30 June 2023 and \$1,038,500 for the financial period from 1 July 2023 to 30 June 2024.

V. Hardship allowance

10. The Commission decided to grant a 3.1 per cent increase to the hardship allowance, effective 1 January 2023. The budgetary implications resulting from the Commission's decision to increase the hardship allowance are estimated at \$5 million per annum, system-wide. In this regard, the budgetary implications are estimated at \$634,600 for the proposed programme budget for 2023. The budgetary implications for peacekeeping operations are estimated at \$632,700 for the financial period from 1 July 2022 to 30 June 2023 and \$1,265,400 for the financial period from 1 July 2023 to 30 June 2024.

VI. Mobility incentive

11. In accordance with the adjustment methodology approved by the Commission, which uses the weighted average monthly net base salary of staff in the Professional

and higher categories in the year of the review, and on the basis of the applicable net base salaries effective 1 January 2022, the Commission decided to revise the amounts of the mobility incentive as reflected in table 4 of its report, effective 1 January 2023.

12. The budgetary implications of the adjustments to the mobility incentive are estimated by the Commission at \$2.5 million per annum, system-wide. The budgetary implications for the proposed programme budget for 2023 are estimated at \$157,300. The budgetary implications for peacekeeping operations are estimated at \$156,800 for the financial period from 1 July 2022 to 30 June 2023 and \$313,700 for the financial period from 1 July 2023 to 30 June 2024.

VII. Conclusions and recommendations

13. **The budgetary implications arising from the recommendations and decisions of the International Civil Service Commission are summarized as follows:**

(a) **The budgetary implications for the proposed programme budget of the United Nations are estimated at \$4,071,800 for 2023;**

(b) **The budgetary implications for the budgets of peacekeeping operations for the financial period 2022/23 are estimated at \$1,744,200 and for the financial period 2023/24 are estimated at \$3,488,400.**

14. **Along with the decisions of the Commission, should the General Assembly approve the recommendations of the Commission:**

(a) **Additional requirements for 2023 would be included in the context of the revised estimates arising from the effect of changes in rates of exchange and inflation for the period;**

(b) **Additional requirements for the budgets for peacekeeping operations would be addressed, as necessary, in the context of the performance reports for the period from 1 July 2022 to 30 June 2023 and the upcoming proposed budgets for the period from 1 July 2023 to 30 June 2024.**
