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STAFF MATTERS

Memorandum of the Director General

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I. AMENDMENTS TO THE STAFF REGULATIONS

A. AMENDMENTS TO THE STAFF REGULATIONS PROVISIONALLY DECREED AND APPLIED UNDER STAFF REGULATION 12.1

Salaries for the General Service Category – Regulation 3.1

1. The methodology approved by the International Civil Service Commission (ICSC) provides for periodic adjustments, between salary surveys, to the salary scale for staff in the General Service category, depending, as concerns salaries of General Service staff in Geneva, on changes in the consumer price index for Geneva. The latest adjustment took effect on June 1, 1997, and resulted in an increase over the existing scale in effect since October 1, 1995, of 0.43 per cent in net salaries.
2. It is recalled that following the results of the last survey conducted in 1995 by the ICSC, the new scale of salaries for the General Service category in Geneva recommended by the ICSC was found to be 7.4 per cent lower than the salary scale applicable to staff in that category as from January 1, 1994. The new scale was therefore applied to General Service staff members who were appointed on or after October 1, 1995. The scale, adjusted for cost of living movement as indicated in paragraph 1, above, is still lower than the scale applicable as from January 1, 1994. The new adjusted scale will thus apply to staff members who were appointed on or after October 1, 1995, whereas the scale applicable on January 1, 1994, will continue to apply to staff members in service on or before September 30, 1995, until it is overtaken by the revised scale as a result of future adjustments to that scale.
3. The corresponding amendments to Staff Regulation 3.1 (salary scale for the General Service category) are reproduced in Annex I.

Internal Taxation for the General Service Category – Regulation 3.16bis

4. With effect from the first adjustment of the General Service salary scale, the General Assembly of the United Nations approved (resolution 51/216 of December 18, 1996) a revised scale of tax rates used for internal taxation and for the purposes of pensionable remuneration for staff members in the General Service category. The revised scale is used, with effect from June 1, 1997, to derive gross salaries and gross pensionable salaries for staff members in the said category.
5. The corresponding amendments to Staff Regulation 3.16bis (Internal Taxation) are reproduced in Annex II.

Gross Salaries and Gross Pensionable Salaries for the General Service Category – Regulation 3.1

6. As a consequence of the adjustment in the net salaries referred to in paragraph 1, above, and of the revised scale of tax rates used for internal taxation and for the purposes of pensionable remuneration referred to in paragraph 4, above, new scales of gross salaries and gross pensionable salaries for staff in the General Service category came into effect on June 1, 1997.

7. The new scale of gross pensionable salaries was found to be between one to two per cent lower than the gross pensionable salary scale applicable to staff in the General Service category who were appointed on or after October 1, 1995. Transitional measures for staff members who were appointed between October 1, 1995, and June 1, 1997, were approved. For these staff members, the gross pensionable salary scale which was introduced on October 1, 1995, will continue to apply until it is overtaken by the revised scale as a result of future adjustments to that scale.

8. For staff members in service on or before September 30, 1995, the transitional measures approved by the ICSC will continue to apply. For these staff members, the gross salary scale, which was the base for the determination of the pensionable remuneration, applicable on January 1, 1994, will continue to apply until it is overtaken by the revised scale as a result of future adjustments to that scale.

9. The corresponding amendments to Staff Regulation 3.1 (salary scale for the General Service category) are reproduced in Annex I.

B. AMENDMENT TO THE STAFF REGULATIONS UNDER STAFF REGULATION 12.1

Advancement Within Grade – Regulation 3.4 and Language Allowance – Regulation 3.7

10. For staff in the General Service category, a pensionable language allowance may be paid if the staff member demonstrates proficiency in one or two of the following languages: Arabic, English, French, Russian and Spanish. The allowance shall not be payable for the staff member's mother tongue.

11. In the case of staff in the Professional and Special categories, the interval for advancement within grade shall be reduced under Staff Regulation 3.4(b), if the staff member has an adequate and confirmed knowledge of two of the following languages: Arabic, Chinese, English, French, Russian and Spanish.

12. It is proposed to align the list of recognized languages in the text of Staff Regulation 3.7 to that of Staff Regulation 3.4 by adding the Chinese language to the list of languages for which staff in the General Service category may be paid a language allowance.

13. In view of the increasing number of applications originating from Germany and Japan in the Patent Cooperation Treaty (PCT) Sector and of the related necessary contacts with patent agents and industrial firms in these countries, it is also proposed that the German and Japanese languages be added to the above-mentioned lists. It is underlined that in the case of staff in the General Service category, the number of language allowances payable is limited to two and that in the case of staff in the Professional and Special categories, the knowledge of two languages on the list is required for granting the accelerated step increase provided for in Staff Regulation 3.4. In both cases, additional language knowledge does not give rise to any other entitlements.

14. In line with the decision of the Coordination Committee at its 30th session, concerning ascertaining a staff member's language skill level within the current language incentive scheme of the International Bureau for staff in the Professional and Special categories, it is proposed that the Director General establish a three-member Examination Board, presided by an outside specialist in the language concerned, to assess the language ability of eligible staff members in these additional languages.

15. The corresponding proposed amendments to Staff Regulation 3.4 (Advancement Within Grade) and to Staff Regulation 3.7 (Language Allowance) are reproduced in Annexes III and IV.

16. The WIPO Coordination Committee is invited to approve the amendments to the Staff Regulations provisionally decreed and applied by the Director General (paragraphs 1 to 9, above) and to approve the amendments to Staff Regulations 3.4 and 3.7 reported in paragraphs 10 to 15, above.

II. STUDY GROUP ON STAFF MATTERS

17. On several occasions since 1992, the International Bureau has drawn the attention of the Coordination Committee to the low level of remuneration in the common system and to difficulties encountered in the recruitment of staff with the high degree of competency and the necessary specific skills required to face the growing activities of the Organization (see documents WO/CC/XXX/4, WO/CC/XXXI/3, WO/CC/XXXIII/5 and WO/CC/XXXVI/3). These activities are primarily related to the private sector. The present compensation package of the United Nations common system, based on the United States Federal Civil Service—which is now recognized by the International Civil Service Commission (ICSC) as being not the best civil service for this purpose—is not competitive any more with that of the private sectors of industrialized countries. Even when compared with other national civil services, the ICSC found that “the German civil service is 10.9 percent ahead of the United States Federal Civil Service on a total compensation basis” (see document ICSC/46/R.3, paragraph 26). The General Assembly of the United Nations has, since 1989 (see resolution 44/198), itself reaffirmed the need to continue ensuring the competitiveness of common system conditions of employment and, in particular, has requested the ICSC to study all aspects of the application of the Noblemaire principle.

18. In 1991, the General Assembly of the United Nations approved the methodology for the comparison of national civil services (see resolution 46/191); in 1992, the General Assembly reiterated its request to the ICSC “to complete phase I of its study leading to the identification of the highest-paying civil service” (see resolution 47/216); in 1993, the General Assembly took note “of the programme of work ... relating to specific issues regarding the application of the Noblemaire principle” (see resolution 48/224); in 1994, the General Assembly noted “with regret that the [ICSC] has not yet completed the studies” and requested the ICSC “to proceed with all urgency with its study of all aspects of the application of the Noblemaire principle” (see resolution 49/223); in 1995, the General Assembly reaffirmed “the need to continue to

ensure the competitiveness of the United Nations common system conditions of service” and took note “of the recruitment and retention problems faced by some organizations” (see resolution 50/208); in 1996, the General Assembly reconfirmed “the continued application of the Noblemaire principle” and reaffirmed “the need to continue to ensure the competitiveness of the conditions of service of the United Nations common system” (see resolution 51/216). Now, the conclusions of the study prepared by the ICSC show that the German civil service is, in 1997, almost 11 per cent higher on a total compensation basis than the United States’ civil service. However, the ICSC fails to make any proposal to the General Assembly of the United Nations to remedy this abnormal situation.

19. The Advisory Committee on Coordination (ACC) has also expressed concern about the lack of competitiveness of the United Nations common system of conditions of service. It underlined the importance of a greater management flexibility and innovation in terms of motivating staff and rewarding quality performance. It is also important in a rapidly changing world to have prompt reaction from the International Bureau to its specific needs. This prompt reaction cannot be found in the decision-making of the United Nations common system nor in the lengthy studies prepared by the ICSC.

20. In addition to the necessary prompt reaction underlined above, the International Bureau’s activities warrant a continuing growth of its staff. This trend is unique in the United Nations common system and contrasts with the general trend of other organizations of the United Nations common system which have to face staff cuts. Also, there are great differences between the situations of a large organization with staff located around the world and a technical organization with staff only in Geneva. The common system should be able to face the various different situations of the United Nations’ agencies. It should thus provide their managers with common managerial tools offering greater flexibility and adaptation to the characteristics of each organization.

21. Pursuant to the intention of the Director General “to review all the elements of the total compensation of staff in the Professional and Special categories” (see document WO/CC/XXXVI/3, paragraph 17) and in order to study all staff matters related to compensation packages, within the framework of the common system but with the necessary flexibility to face the specificities of the International Bureau, it is proposed to create a Study Group on Staff Matters with the following composition:

- (a) three members designated by the Coordination Committee;
- (b) three members designated by the Director General;
- (c) three members designated by the Staff Council;
- (d) an observer designated by the International Civil Service Commission.

22. The Study Group on Staff Matters would make recommendations to the Director General. Proposals would then be submitted by the Director General to the Coordination Committee.

23. *The WIPO Coordination Committee is invited to approve the establishment of a Study Group on Staff Matters and to designate three of its members for a term ending with the 1999 regular session of the Coordination Committee.*

III. INTERNATIONAL CIVIL SERVICE COMMISSION

24. Under Article 17 of its statute, the International Civil Service Commission (ICSC) is required to submit an annual report to the General Assembly of the United Nations. The executive heads of the other organizations of the United Nations system of organizations are required to transmit the said report to the governing organs of the organizations. The annual report was submitted by the ICSC to the 51st (1996) session of the General Assembly of the United Nations (document A/51/30). Since that report was included in the documentation of the said session of the General Assembly of the United Nations, it is not reproduced here; nevertheless, copies are available for any delegation which so wishes.

25. *The WIPO Coordination Committee is invited to note the information contained in the preceding paragraph.*

IV. UNITED NATIONS JOINT STAFF PENSION BOARD

26. Under Article 14(a) of the Regulations of the United Nations Joint Staff Pension Fund, the United Nations Joint Staff Pension Board is required to present a report annually to the General Assembly of the United Nations and to the organizations members of the said Fund. The 1996 report was presented by the Board of the said Fund to the General Assembly of the United Nations at its 51st session (document A/51/9). Since that report was included in the documentation of the said session of the General Assembly of the United Nations, it is not reproduced here; nevertheless, copies are available for any delegation which so wishes.

27. *The WIPO Coordination Committee is invited to note the information contained in the preceding paragraph.*

[The annexes follow]

LIST OF ANNEXES

Annex I – Salary Scale for the General Service Category

Annex II – Internal Taxation

Annex III – Advancement Within Grade

Annex IV – Language Allowance

[Annex I follows]

ANNEXE I

AMENDEMENT DU STATUT DU PERSONNEL

Barème des traitements applicable à la catégorie des services généraux (article 3.1)

STATUT ET REGLEMENT DU PERSONNEL / STAFF REGULATIONS AND STAFF RULES

Traitements bruts et nets applicables aux fonctionnaires nommés à partir du 1er octobre 1995 / Gross and net salaries applicable to staff members appointed on or after October 1, 1995

Catégorie des services généraux / General Service category
Traitements bruts et nets en vigueur à partir du 1er juin 1997 /
Gross and net salaries in force as from June 1, 1997

(montants annuels en francs suisses /
annual amounts in Swiss francs)

Tableau B / Table B

Grade	Augmentation annuelle Annual increment	ECH. 1	ECH. 2	ECH. 3	ECH. 4	ECH. 5	ECH. 6	ECH. 7	ECH. 8	ECH. 9	ECH. 10	ECH. 11
		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11
G1	1507	1) 58342 2) 57366 3) 45693	60378 59323 47200	62415 61280 48707	64451 63237 50214	66488 65194 51721	68524 67151 53228	70561 69108 54735	72597 71066 56242	74634 73023 57749	76748 74980 59256	78932 76972 60763
G2	1644	1) 63891 2) 62698 3) 49799	66112 64833 51443	68334 66968 53087	70555 69103 54731	72777 71238 56375	74999 73373 58019	77338 75508 59663	79720 77707 61307	82103 79929 62951	84486 82150 64595	86868 84372 66239
G3	1791	1) 69926 2) 68498 3) 54265	72346 70824 56056	74766 73150 57847	77301 75476 59638	79897 77872 61429	82493 80292 63220	85088 82712 65011	87684 85133 66802	90280 87553 68593	92875 89973 70384	95471 92394 72175
G4	1953	1) 76667 2) 74907 3) 59200	79497 77499 61153	82328 80138 63106	85158 82777 65059	87988 85417 67012	90819 88056 68965	93649 90695 70918	96480 93334 72871	99310 95973 74824	102141 98612 76777	104971 101252 78730
G5	2137	1) 84751 2) 82398 3) 64778	87848 85285 66915	90945 88173 69052	94042 91061 71189	97139 93949 73326	100236 96837 75463	103333 99725 77600	106430 102612 79737	109528 105500 81874	112625 108388 84011	115722 111276 86148
G6	2341	1) 93683 2) 90726 3) 70941	97075 93889 73282	100468 97053 75623	103861 100217 77964	107254 103380 80305	110646 106544 82646	114039 109707 84987	117432 112871 87328	120825 116173 89669	124217 119566 92010	127610 122959 94351
G7	2563	1) 103451 2) 99834 3) 77681	107165 103298 80244	110880 106761 82807	114594 110225 85370	118309 113688 87933	122023 117372 90496	125738 121086 93059	129452 124801 95622	133167 128515 98185	136881 132230 100748	140596 135944 103311

- 1) Traitements bruts servant de base au calcul de l'imposition interne ("Traitements bruts") / Gross salaries used as the basis for internal taxation ("Gross salaries")
- 2) Traitements bruts servant de base au calcul des cotisations et des prestations de la Caisse de retraite ("Traitements bruts considérés aux fins de la pension") / Gross salaries used as the basis for the calculation of contributions to and benefits from the Pension Fund ("Gross pensionable salaries")
- 3) Traitements nets / Net salaries

ANNEX II

AMENDMENT TO THE STAFF REGULATIONS

Internal Taxation

(Regulation 3.16bis)

FORMER TEXT

PRESENT TEXT

- (a) [No change]
 (b) For staff members in the General Service category:

<u>Gross salary</u> (in US dollars)	<u>Tax rates</u> (per cent)
first \$2,000 per year . . .	15
next \$2,000 per year . . .	18
next \$2,000 per year . . .	20
next \$2,000 per year . . .	21
next \$4,000 per year . . .	22
next \$4,000 per year . . .	23
next \$4,000 per year . . .	24
next \$6,000 per year . . .	25
next \$6,000 per year . . .	25.5
next \$6,000 per year . . .	26
next \$8,000 per year . . .	26.5
next \$8,000 per year . . .	27
next \$8,000 per year . . .	27.5
next \$8,000 per year . . .	28
remaining assessable payments	29

The amounts to which the tax rates apply shall be the equivalent in Swiss francs of the above-mentioned dollar amounts at the time the salary scales come into effect.

- (a) [No change]
 (b) For staff members in the General Service category:

<u>Rates for pensionable remuneration and gross salaries purposes</u>	
<u>Assessable amounts</u> (in US dollars)	<u>Assessment</u> (per cent)
up to \$20,000 per year	19.0
\$20,001 to \$40,000 per year	23.0
\$40,001 to \$60,000 per year	26.0
\$60,001 and above per year	31.0

The amounts to which the percentage rates apply shall be the equivalent in Swiss francs of the above-mentioned US dollar amounts at the time the salary scales come into effect.

FORMER TEXT

(c) Notwithstanding paragraph (b) above, the gross salaries of staff members in the General Service category whose appointment took effect prior to February 1, 1992, shall be maintained in accordance with the scale of gross salaries in force on December 31, 1991, to the extent that the tax rates in the table set forth in paragraph (b), when applied to the scale of net salaries, produce lower gross salaries than those in force on December 31, 1991, and until such time as the latter gross salaries are overtaken as a result of a revision in the relevant salary scale.

PRESENT TEXT

(c) Deleted

ANNEX III

AMENDMENT TO THE STAFF REGULATIONS

Advancement Within Grade

(Regulation 3.4)

PRESENT TEXT

(a) Subject to satisfactory service, staff members shall receive annual salary increases according to the steps provided in Regulation 3.1. However, for staff members of grade D.2 the interval shall be two years, for staff members of grade D.1 it shall be two years from step 4 onwards, for staff members of grade P.5 it shall be two years from step 10 onwards, for staff members of grade P.4 it shall be two years from step 12 onwards, for staff members of grade P.3 it shall be two years from step 13 onwards and for staff members of grade P.2 it shall be two years from step 11.

(b) The interval shall be reduced to ten months instead of one year, or 20 months instead of two years, in the case of staff members in the Professional and Special categories, except staff members in language posts, who have an adequate and confirmed knowledge of two of the following languages: Arabic, Chinese, English, French, Russian and Spanish.

PROPOSED TEXT

(a) [No change]

(b) The interval shall be reduced to 10 months instead of one year, or 20 months instead of two years, in the case of staff members in the Professional and Special categories, except staff members in language posts, who have an adequate and confirmed knowledge of two of the following languages: Arabic, Chinese, English, French, German, Japanese, Russian and Spanish.

[Annex IV follows]

ANNEX IV

AMENDMENT TO THE STAFF REGULATIONS

Language Allowance

(Regulation 3.7)

PRESENT TEXT

(a) A pensionable language allowance may be paid to staff members in the General Service category who pass an examination organized for the purpose by the Director General and who demonstrate proficiency in one or two of the following languages: Arabic, English, French, Russian and Spanish. The allowance shall not be payable for the staff member's mother tongue nor for any language in which the Director General considers that the staff member is required to be fully proficient by the terms of his appointment.

(b) The allowance is 4,212 Swiss francs per annum for proficiency in any two of the languages mentioned in paragraph (a) above, and 2,808 Swiss francs per annum for proficiency in any one of them, subject to the proviso contained in the said paragraph.

PROPOSED TEXT

(a) A pensionable language allowance may be paid to staff members in the General Service category who pass an examination organized for the purpose by the Director General and who demonstrate proficiency in one or two of the following languages: Arabic, Chinese, English, French, German, Japanese, Russian and Spanish. The allowance shall not be payable for the staff member's mother tongue nor for any language in which the Director General considers that the staff member is required to be fully proficient by the terms of his appointment.

(b) [No change]

[End of Annex IV and of document]