

WIPO



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GENEVA

WIPO COORDINATION COMMITTEE
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STAFF MATTERS (ADDENDUM)

Memorandum of the Director General

CONTENTS

	<u>Paragraphs</u>
I. POST ADJUSTMENT IN GENEVA	1 to 8
II. WIPO STAFF PENSION COMMITTEE	9 to 12

I. POST ADJUSTMENT IN GENEVA

1. It is recalled that the post adjustment index is calculated to determine the share of the remuneration of staff in the Professional and higher categories that is needed to compensate for cost of living differences between the various duty stations in the world.
2. In December 1996, Resolution 51/216 of the General Assembly of the United Nations requested the International Civil Service Commission (ICSC) “urgently to complete its study regarding the methodology for establishing a single post adjustment index for Geneva, and to complete the study needed to implement the single post adjustment at the earliest date, and no later than 1 January 1998.” (It is to be noted that it is not clear what is meant by the word “single,” since both at the present time and in the envisaged future system, there is or will be only one index.)
3. The current post adjustment index for Geneva is based on price data collection of goods and services in Geneva and only in Geneva. The request by the General Assembly of the United Nations aims at calculating the post adjustment applicable to staff working in Geneva not only on data collected in Geneva but also on data collected in the areas of France neighboring on Geneva. The “justification” seems to be that many of the staff working in Geneva live in localities which are urbanistically suburbs of Geneva but are on French territory. Since the cost of living is lower in nearby France than in Geneva (which is in Switzerland), basing the cost of living surveys also on the prices of nearby France would lead to a lowering of the take-home pay (of which the post adjustment represents on the average one third). As far as we know, why those who live in Geneva should undergo any reduction on this account has not been stated by the General Assembly of the United Nations. As to the aimed degree of the reduction that would result, it is estimated that data collected in France and applied to the Geneva post adjustment would lower the Geneva post adjustment by some 12%.
4. Taking into account the lower cost of living in France would mean that those employees of WIPO who live in Geneva would be under pressure (by the United Nations common system!) to live elsewhere than in Geneva, the city in which the headquarters of their employer is and in which they work, and elsewhere than in Switzerland, the host country of WIPO. Or, if they do not yield to such a pressure, they would be penalized by receiving a lower pay than they should on the basis of the cost of living in Geneva only. It is believed that such a pressure and penalization would be both illegal and unequitable.
5. In 1997, the ICSC reviewed a methodology for implementing the resolution of the General Assembly of the United Nations. However, the ICSC noted that a post adjustment based on prices of goods and services collected in Geneva and in the neighboring areas of France would present “a number of difficulties of a legal, administrative and technical nature” and that “implementation of results based on this approach for Geneva is not without risks.” It decided therefore to report these issues to the General Assembly of the United Nations.
6. WIPO is in a growing phase and needs to recruit new staff members and attract candidates with the highest degree of education, experience and competency. The attention of the Coordination Committee has already been drawn on several occasions to the problem that WIPO is facing in recruiting and retaining staff members in the Professional category. These difficulties, as already mentioned in several documents presented to the Coordination

Committee, are mainly due to the continuous deterioration of the common system's conditions of service in Geneva over the last years. The decrease in purchasing power is about 30% since 1975. A further reduction of the level of remuneration would make it even more difficult to recruit and retain a good staff in the Professional category. It would also impact seriously on the moral of the staff in the Professional category by extending the overlap between the remuneration scales of the General Service category and those of the Professional category. Naturally, all this applies not only to the Professional category but also to the higher (Director, Assistant Director General, Deputy Director General) categories.

7. Finally, it is recalled that, in its Judgements Nos. 1265 and 1266, the ILO Administrative Tribunal stressed "the duty of any organization that introduces elements of the common system or any other outside system into its own rules to make sure that the texts it thereby imports are lawful." If, eventually, the General Assembly of the United Nations were to decide on the implementation of a post adjustment index for Geneva based on prices collected in *Geneva and in the neighboring areas of France*, it will be necessary for the Governing Bodies of WIPO to take a position on the lawfulness of such an index before its implementation by the International Bureau.

8. *The Coordination Committee is invited to take note of the contents of this memorandum.*

II. WIPO STAFF PENSION COMMITTEE

9. The WIPO Coordination Committee decided, at its ordinary session of 1977, that the WIPO Staff Pension Committee would consist of three members and three alternate members, one member and one alternate to be elected by the WIPO Coordination Committee. The members elected by the WIPO Coordination Committee have a four-year term of office.

10. The WIPO Coordination Committee should now elect a member of the WIPO Staff Pension Committee for the four-year term running until the ordinary session of 2001 of the WIPO Coordination Committee. The Permanent Mission of France to the Office of the United Nations in Geneva and Specialized Agencies in Switzerland has informed the Director General that it would be ready to allow Mr. Rémi Roul, Deputy Secretary General, *Institut national de la propriété industrielle*, Paris, to serve on the WIPO Staff Pension Committee as the said member, if so elected. Mr. Roul is presently an alternate member of the WIPO Staff Pension Committee and has served in that capacity since the ordinary session of 1995 of the WIPO Coordination Committee. His experience in this matter would be of great value in view of the increasing complexity in the conditions of service within the common system.

11. As a consequence of the proposal made in paragraph 10 above, and if so agreed, the Coordination Committee should also elect an alternate member of the WIPO Staff Pension Committee for the remaining part of the four-year term of the alternate member, i.e., until the ordinary session of 1999 of the WIPO Coordination Committee. The Permanent Mission of Germany to the Office of the United Nations in Geneva and other International Organizations in Switzerland has informed the Director General that it would be ready to allow

Mr. Ulrich Kalbitzer, Counsellor, of the said Mission, to serve on the WIPO Staff Pension Committee as the said alternate member, if so elected.

12. The WIPO Coordination Committee is invited to elect a member and an alternate member of the WIPO Staff Pension Committee for a term of office running until its ordinary session of 2001 and of 1999, respectively.

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