

INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUNDS

Agenda item: 7	IOPC/OCT14/7/1	
Original: ENGLISH	29 September 2014	
1992 Fund Assembly	92A19	●
1992 Fund Executive Committee	92EC62	●
Supplementary Fund Assembly	SA10	●
1971 Fund Administrative Council	71AC33	●

SECRETARIAT MATTERS

Note by the Secretariat

Summary:	<p>Information is given on the changes in the Secretariat since the October 2013 sessions of the governing bodies.</p> <p>The Director is proposing an amendment to Staff Regulation 20 (Separation) in respect of the retirement age of staff members.</p> <p>Amendment to the Staff Rules issued by the Director are reported in respect of Annex C of the 1992 Fund's Staff Rules which contain the salary scales for staff members in the General Service category with effect from 1 October 2013 as well as to Staff Rules V.2 (Special leave) and VIII.5 (Provident Fund).</p> <p>Information is also provided on awards given by the Director under the Conscious Rewarding Scheme for staff members in 2013.</p>
Action to be taken:	<p><u>1992 Fund Assembly</u>^{<1>}</p> <ul style="list-style-type: none">(a) Approve an amendment to Staff Regulation 20 (Separation) in respect of the retirement age of staff members as contained in Annex II;(b) Note an amendment to Annex C of the 1992 Fund's Staff Rules as contained in Annex III;(c) Note an amendment to Staff Rule V.2 (Special Leave) relating to adoption leave as contained in Annex IV; and(d) Note the Director's proposal to introduce an additional Provident Fund scheme that would not rely on cash alone. <p><u>Supplementary Fund Assembly and 1971 Fund Administrative Council</u></p> <p>Information to be noted.</p>

1 Introduction/background information

- 1.1 The Secretariat of the 1992 Fund is divided into three departments, namely the Claims Department, the Finance and Administration Department and the External Relations and Conference Department. The Director's Office, which is outside the departmental structure, comprises the Director, the Legal Counsel, the Administrative Officer and the Administrative/Claims Assistant.

<1> The 1992 Fund Assembly decided, at its first session held in October 1996, that the 1992 Fund Secretariat would also administer the 1971 Fund, as requested by the 1971 Fund Assembly. The 1992 Fund Assembly also decided, at its ninth extraordinary session held in March 2005, to authorise the Secretariat of the 1992 Fund to administer, in addition to the 1971 Fund, also the Supplementary Fund, as requested by the Supplementary Fund Assembly.

1.2 At its October 1998 session, the 1992 Fund Assembly authorised the Director to determine the grades of individual posts in the General Service category and in the Professional category up to grade P5 and to decide on promotions for these categories, provided that the increased costs resulting therefrom could be covered within the total budget appropriation for Personnel adopted by the Assembly. It was also decided at that session that decisions relating to grades above the P5 level (ie grades D1 and D2) would be taken by the 1992 Fund Assembly on the basis of proposals by the Director (document [92FUND/A.3/27](#), paragraph 23.6 and document [71FUND/EXC.59/17/A.21/24](#), paragraph 22.3).

1.3 At their October 2002 sessions, the governing bodies confirmed that the Director had the authority to change job descriptions of staff and make any adjustments necessary to make the most effective use of the available resources in light of the changing needs of the Organisations (document [92FUND/A.7/29](#), paragraph 18.3 and [71FUND/AC.9/20](#), paragraph 14.3).

2 Developments since the October 2013 sessions of the governing bodies

2.1 Head, Claims Department

Mrs Liliana Monsalve joined the Secretariat as Head of the Claims Department in March 2014 after the separation of the previous incumbent in November 2013.

2.2 Human Resource Manager

Ms Miriam Blugh resigned from her post of Human Resources Manager, effective 30 June 2014. Recruitment to this post is on-going and an appointment will be made shortly.

2.3 External Relations Officer

Ms Katrin Park resigned from her post of External Relations Officer, effective 31 July 2014. The tasks under this post have been reassigned to other posts within the Secretariat on a trial basis and the post is not included in the 2015 budget.

2.4 Translation Administrator (French)

Ms Melina Jeannotat was appointed to the position of Translation Administrator (French) in February 2014.

2.5 Finance Assistant

Mrs Marina Ogonyan was appointed to the position of Finance Assistant in July 2014.

2.6 External Relations Administrator

Mrs Christine Galvin resigned from her post of External Relations Administrator, effective 3 October 2014. The tasks under this post have been reassigned on a temporary basis until a decision is made on the recruitment to this post.

2.7 Administrative Assistant

Ms Ellen Leishman resigned from her post of Administrative Assistant, effective 29 October 2014.

2.8 Established posts of the Secretariat

2.8.1 The number of established posts within the Secretariat stands at 34 with 17 in the Professional and higher categories and 17 in the General Service category. Two posts in the General Service category are occupied part-time (one at 2/5 and one at 3/5). The established posts of the Secretariat are set out in the following table. An organisation chart showing the incumbents within the structure is at Annex I.

Posts	Posts approved by governing bodies
Professional Staff Category	
<i>Director's Office</i>	
Director	1
Deputy Director <2>	-
Legal Counsel	1
Administrative Officer	1
<i>Claims Department</i>	
Head, Claims Department	1
Claims Manager (one vacant)	3
<i>Finance and Administration Department</i>	
Deputy Director/Head, Finance and Administration Department	1<2>
IT Manager	1
Finance Manager	1
Human Resources Manager (vacant)	1
Office Manager	1
<i>External Relations and Conference Department</i>	
Head, External Relations and Conference Department	1
Translator (French) (vacant)	1
Translator (Spanish) (vacant)	1
External Relations Officer (vacant)	1
Information Officer	1
<i>Sub-total</i>	<i>17</i>
General Service Staff Category	
<i>Director's Office</i>	
Administrative/Claims Assistant	1
<i>Claims Department</i>	
Claims Administrators	2
Claims Assistant (vacant)	1
<i>Finance and Administration Department</i>	
IT Administrator	1
Finance Assistants	3<3>
Administrative Assistant	1
Administrative Assistant (vacant)	1
<i>External Relations and Conference Department</i>	
Translation Coordinator	1
Translation Administrators	3
External Relations and Conference Coordinator	1
External Relations Administrator (vacant)	1<4><5>
Administrative Assistant (vacant)	1<6>
<i>Sub-total</i>	<i>17</i>
Established posts	34
Posts vacant	9

2.8.2 There are five vacancies in the Professional Category: the posts of Claims Manager, Human Resources Manager, External Relations Officer and the two in-house Translators (French and Spanish) which have not been used since May 2003 and October 2000 respectively. The Director

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- <2> Appointed Deputy Director – role combined with Head of Finance and Administration Department
 <3> One incumbent part-time (2/5)
 <4> Incumbent part-time (3/5)
 <5> Vacant effective 3 October 2014
 <6> Vacant effective 29 October 2014

does not intend to fill the two Translator posts (see document [IOPC/OCT09/7/1/1](#)). The Director remains of the view that filling the posts would not speed up translation significantly in the busiest parts of the year and would lead to significantly higher costs for the Organisation. The costs of the two posts of in-house Translators have not been included in the Secretariat's budget since 2005, but at its 13th session, held in October 2008, the 1992 Fund Assembly decided to retain the two in-house Translator posts (French and Spanish) within the structure of the Secretariat (documents [92FUND/A.13/25](#), paragraph 16.6, [SUPPFUND/A.4/21](#), paragraph 16.6 and [71FUND/AC.23/18](#), paragraph 13.6).

- 2.8.3 By the end of October 2014 there will be four vacant posts in the General Services category, one in the Claims Department, one in the Finance and Administration Department and two in the External Relations and Conference Department.

3 Amendments to Staff Regulations and Staff Rules

3.1 Introduction

- 3.1.1 Under Staff Regulation 17, the 1992 Fund's staff members' salaries, allowances and grants, and the conditions of entitlement thereto, shall, except as may otherwise be provided in the Staff Regulations, conform whenever appropriate with the United Nations common system, as applied by the International Maritime Organization (IMO). Changes to the IMO Staff Regulations and Staff Rules therefore will normally be reflected, *mutatis mutandis*, in the 1992 Fund's Staff Regulations and Rules as amended.
- 3.1.2 Under Staff Regulation 31, the Director shall issue amendments to the 1992 Fund's Staff Rules necessary to implement the Staff Regulations and report such amendments to the 1992 Fund Assembly.
- 3.1.3 Since the 11th session of the 1992 Fund Administrative Council, held in October 2013, changes made to the IMO Staff Regulations and Staff Rules of relevance to the 1992 Fund were reported by the Secretary-General of IMO in two IMO documents as set out in section 3.2 to 3.4 below (see IMO documents C/ES/27/4(a)/Add.1 and C 112/4(a)).

3.2 Separation – Staff Regulation 20

- 3.2.1 In 2013, IMO amended its Staff Rules to raise the mandatory age of separation to age 65 only for new staff members if appointed on or after 1 January 2014.
- 3.2.2 The Director, after consideration and in accordance with the IMO Staff Rules, has decided to recommend the corresponding change to the age of separation for new staff members of the 1992 Fund if appointed on or after 1 January 2014. This recommendation would require a change to Staff Regulation 20 (Separation).
- 3.2.3 The proposed amended text for consideration by the 1992 Fund Assembly is at Annex II.
- 3.2.4 For information, at its 27th extraordinary session, the IMO Council was informed that the International Civil Service Commission (ICSC) was recommending to the United Nations General Assembly to raise the mandatory age of separation to 65 for all staff members with pre-existing contracts on 1 January 2016, while preserving the acquired rights of current staff members to retire at the normal age of retirement they were subject to, at their entry on duty.
- 3.2.5 The United Nations General Assembly decided to defer its decision on the above recommendation and requested the ICSC to undertake further analysis on a number of matters including the compulsory age of retirement.

3.3 General Service salary scale – Annex C to Staff Rules

- 3.3.1 The General Service salary scale is subject to interim adjustments in accordance with recommendations of the ICSC. These adjustments are based on an average of the movement of the United Kingdom Retail Price Index (RPI) and the United Kingdom Average Earnings Index (AEI). Increases are implemented as of the first day of the month following that in which the average of the increases of the RPI and AEI has reached or overtaken a level of 5% above its level at the previous adjustment. If this increase has not reached 5% or more within one year, the interim adjustment is made on an annual basis. The increase in net salaries corresponds to 90% of the movement of the average index.
- 3.3.2 Based on the recommendations of the ICSC, following the London salary survey, an increase was implemented within IMO with effect from 1 October 2013, whereby the net salaries in the revised scales were 1.9% higher than those in the existing scales. Corresponding adjustments have been made to the gross salaries.
- 3.3.3 The Director introduced the corresponding new salary scale for 1992 Fund staff in the General Service category from 1 October 2013. The new salary scale is contained in Annex III to this document.

3.4 Pensionable remuneration for staff in the Professional and higher categories

The annual increase of the pensionable remuneration for staff in the Professional and higher categories was due on 1 February 2014. In accordance with the provisions of Article 54(b) of the Regulations of the United Nations Joint Staff Pension Fund (UNJSPF), the scale of pensionable remuneration for the above-mentioned categories must be adjusted in line with the net remuneration increase in New York. Since the United Nations General Assembly had agreed at its 68th session not to increase the post adjustment multiplier for New York, there was no increase in pensionable remuneration.

3.5 Adoption leave – Staff Rule V.2

- 3.5.1 Under Staff Rule V.2 (Special leave), the Director has included special leave with full pay up to a total of 20 days per child, in the case of a legally recognised adoption. This leave provision is in accordance with adoption leave under IMO Staff Rules.
- 3.5.2 The revised text of Staff Rule V.2 is reproduced in Annex IV.

3.6 Provident Fund – Staff Rule VIII.5

- 3.6.1 In accordance with Staff Regulation 26 (b) the 1992 Fund operates a Staff Provident Fund in lieu of a pension scheme. The Staff Provident Fund is a defined contribution scheme ^{<T>}and not a final salary pension scheme as used by organisations in the UNJSPF. All staff members holding a contract of six months or more participate in the Staff Provident Fund. The adequacy of staff members' pension arrangements provided by the IOPC Funds therefore depends wholly on the amounts added to the Provident Fund of the staff member and the interest earned thereon.
- 3.6.2 The staff member makes a contribution of 7.9% of the pensionable remuneration and the organisation makes a contribution of 15.8% of the pensionable remuneration. The pensionable remuneration for staff members in the Professional and Higher categories is expressed in United States Dollars and for staff members in the General Service category in Pounds sterling.

^{<T>} In a 'defined contribution scheme', fixed contributions are paid into an individual account by the employer and the employee. The contributions are then invested and the returns on the investment are credited to the individual's account. Upon retirement or resignation, the total amount in the employee's individual account is paid to the employee.

Investment of the Provident Fund

- 3.6.3 As stated above, the Provident Fund is a defined contribution scheme. Contributions made into an individual Provident Fund therefore have a direct impact upon the size of the fund when the individual retires or leaves the service of the IOPC Funds.
- 3.6.4 The Provident Fund is invested together with the 1992 Fund's assets. The basis of calculation of the interest on the Provident Fund is that laid down by the 1971 Fund Executive Committee in 1980 (see document [FUND/EXC.2/6](#), section 6). Interest is calculated and fixed monthly by the Director according to investments held during that month.
- 3.6.5 The Director requested the joint Investment Advisory Body (IAB) to review how best the Staff Provident Fund should be invested given the current climate of low interest rates. The IAB reviewed the options available given that the aim of the Provident Fund is to make a provision for staff members' retirement. The IAB is of the view that, given the current and foreseeable climate of low interest rates, an additional scheme that would not rely on cash alone might be considered. The investment mandate of the scheme should be conservative, with an appropriate diversification of assets to fulfil that conservative mandate and safeguard the interests of the participants.
- 3.6.6 The Director is in favour of introducing an additional scheme and that any such scheme would be totally voluntary for staff members to participate in and any fees payable for managing the additional scheme would be paid by those participating in the scheme. An Administrative Instruction would be issued to ensure the smooth operation of this scheme.
- 3.6.7 The Director is of the view that there is no requirement to amend Staff Rule VIII.5 to include the additional scheme. It should be noted that, in accordance with the 1992 Fund's Financial Regulations, the Staff Provident Fund is audited by the External Auditor.

4 Conscious Rewarding Scheme

- 4.1 Staff performance is reviewed annually and it is clear in some instances that a staff member has exceeded expectations and has performed over and above what is set out in his/her job description. A Conscious Rewarding Scheme was established in 2011 to reward staff members for outstanding performance in their current role. The Director has continued with the scheme and has reported on the total amount awarded under the scheme to the regular sessions of the 1992 Fund Assembly.
- 4.2 The total budget for any one year is limited to 1% of the total annual budget for salaries in the year the Conscious Reward is awarded. In 2014 two staff members, one in the Professional category and one in the General Service category, received the award for a total of £5 151 for performance in 2013.
- 4.3 The 1992 Fund draft 2015 Administrative Budget (IOPC/OCT14/9/2/1, Annex I) includes a separate budget item under Chapter I, Personnel, for the Conscious Rewarding Scheme.

5 Review of job descriptions

- 5.1 The last Secretariat-wide review of all the job descriptions was undertaken in 2003. Changes to some job descriptions have been made over the years with staff departures/recruitment and it was felt that it was timely to undertake a cross-organisational review and to align job descriptions with current principles applied within the UN system, consistent across the organisation and written in a standard format for all staff members.
- 5.2 The Director therefore engaged a consultant with extensive experience of classification of posts for both large and small organisations within the UN system (including IMO) to review the job descriptions of all staff within the Secretariat. The consultant has interviewed all staff members and reviewed the job descriptions with the respective managers.

- 5.3 The consultant's findings and recommendations will be considered by the Director and the other members of the Management Team. It is envisaged that the consultant's report will be available before the end of 2014.

6 Action to be taken

6.1 1992 Fund Assembly

The 1992 Fund Assembly is invited:

- (a) to approve an amendment to Staff Regulation 20 (Separation) in respect of the retirement age as contained in Annex II;
- (b) to note an amendment to Annex C to the 1992 Fund's Staff Rules as contained in Annex III;
- (c) to note an amendment to Staff Rule V.2 (Special Leave) relating to adoption leave as contained in Annex IV; and
- (d) to note the Director's proposal to introduce an additional Provident Fund scheme that would not rely on cash alone.

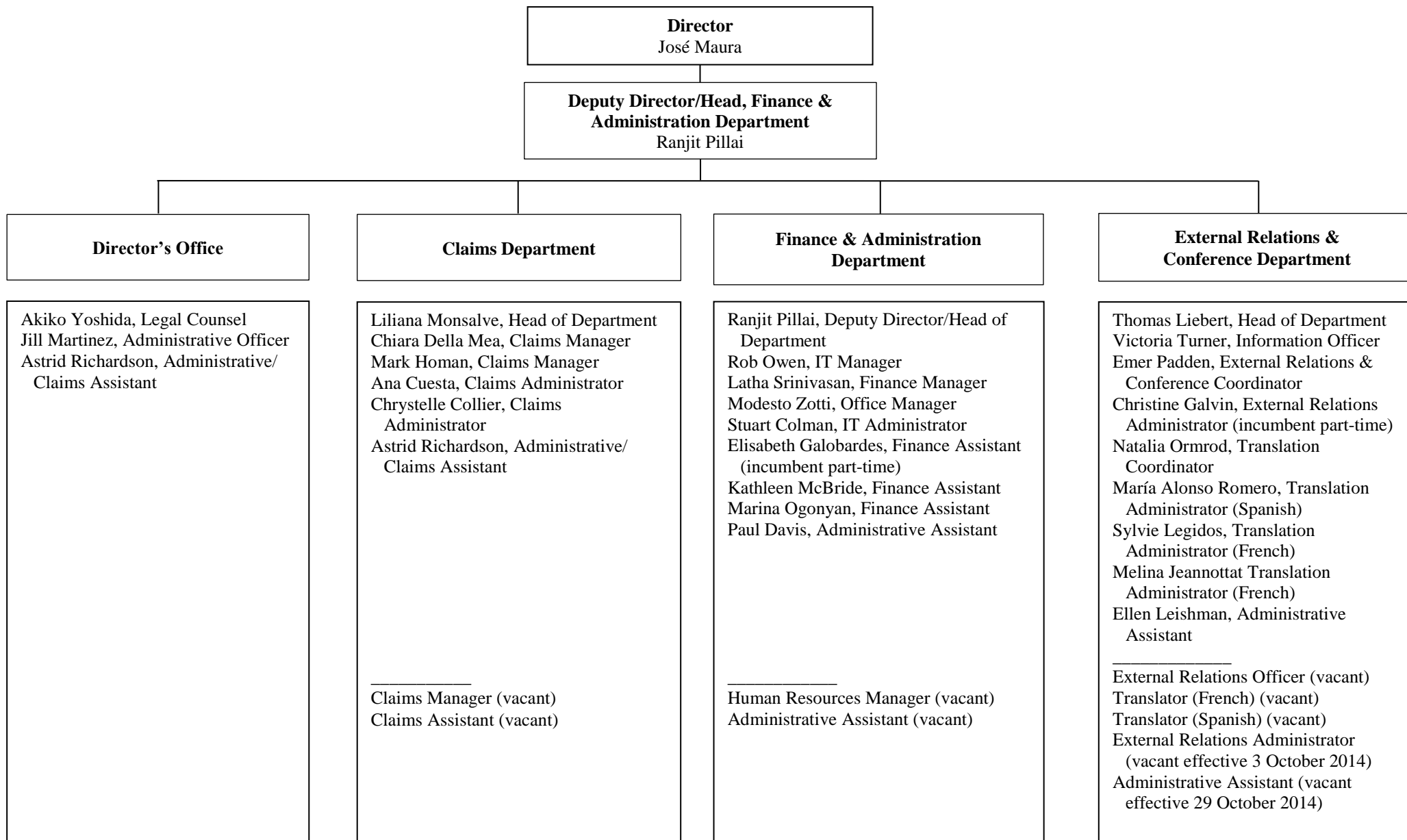
6.2 Supplementary Fund Assembly and 1971 Fund Administrative Council

The Supplementary Fund Assembly and the 1971 Fund Administrative Council are invited to take note of the information contained in this document.

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ANNEX I

CURRENT STRUCTURE OF THE IOPC FUNDS' SECRETARIAT



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ANNEX II

PROPOSED AMENDMENT TO STAFF REGULATION 20

Separation

(Proposed new text in italics)

<u>EXISTING TEXT</u>	<u>PROPOSED TEXT</u>
<p>The normal age of retirement for members of the Secretariat shall be 62 years. This age limit may be extended in the interest of the Funds in exceptional cases.</p>	<p>The normal age of retirement for members of the Secretariat shall be 62 years. This age limit may be extended in the interest of the Funds in exceptional cases. <i>If appointed on or after 1 January 2014, the age of retirement for members of the Secretariat shall be 65 years.</i></p>

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ANNEX III

General Service category
Table showing annual gross and net salaries after application of staff assessment
(in pounds sterling)
Effective 1 October 2013
Duty Station – LONDON

Grade		I	II	III	IV	V	VI	VII	VIII	IX	X	XI
G.1	Gross	£20 963	£21 835	£22 704	£23 572	£24 443	£25 314	£26 218	£27 122	£28 024	£28 931	£29 835
	Gross Pensionable	£20 594	£21 462	£22 332	£23 205	£24 073	£24 942	£25 811	£26 680	£27 551	£28 421	£29 291
	Total Net/Net Pensionable	£16 649	£17 320	£17 989	£18 658	£19 328	£19 999	£20 669	£21 338	£22 006	£22 677	£23 346
G.2	Gross	£23 562	£24 531	£25 507	£26 514	£27 522	£28 531	£29 536	£30 546	£31 553	£32 562	£33 572
	Gross Pensionable	£23 191	£24 160	£25 130	£26 098	£27 067	£28 037	£29 006	£29 973	£30 943	£31 911	£32 880
	Total Net/Net Pensionable	£18 650	£19 396	£20 143	£20 888	£21 634	£22 381	£23 125	£23 872	£24 617	£25 364	£26 111
G.3	Gross	£26 511	£27 641	£28 769	£29 895	£31 022	£32 150	£33 278	£34 403	£35 528	£36 658	£37 785
	Gross Pensionable	£26 097	£27 181	£28 263	£29 346	£30 430	£31 514	£32 596	£33 679	£34 763	£35 847	£36 931
	Total Net/Net Pensionable	£20 886	£21 722	£22 557	£23 390	£24 224	£25 059	£25 894	£26 726	£27 559	£28 395	£29 229
G.4	Gross	£29 897	£31 159	£32 419	£33 678	£34 941	£36 201	£37 462	£38 774	£40 125	£41 480	£42 830
	Gross Pensionable	£29 348	£30 561	£31 773	£32 985	£34 197	£35 408	£36 622	£37 831	£39 043	£40 280	£41 541
	Total Net/Net Pensionable	£23 392	£24 326	£25 258	£26 190	£27 124	£28 057	£28 990	£29 924	£30 856	£31 791	£32 723
G.5	Gross	£33 688	£35 105	£36 522	£37 936	£39 446	£40 965	£42 484	£44 000	£45 519	£47 036	£48 555
	Gross Pensionable	£32 994	£34 355	£35 715	£37 075	£38 436	£39 801	£41 218	£42 633	£44 048	£45 464	£46 879
	Total Net/Net Pensionable	£26 197	£27 246	£28 294	£29 341	£30 388	£31 436	£32 484	£33 530	£34 578	£35 625	£36 673
G.6	Gross	£37 943	£39 636	£41 339	£43 042	£44 741	£46 442	£48 145	£49 843	£51 545	£53 249	£54 948
	Gross Pensionable	£37 082	£38 607	£40 152	£41 739	£43 324	£44 909	£46 496	£48 083	£49 669	£51 255	£52 842
	Total Net/Net Pensionable	£29 346	£30 519	£31 694	£32 869	£34 041	£35 215	£36 390	£37 562	£38 736	£39 912	£41 084
G.7	Gross	£43 042	£44 942	£46 848	£48 751	£50 657	£52 557	£54 462	£56 364	£58 268	£60 170	£62 072
	Gross Pensionable	£41 739	£43 510	£45 288	£47 061	£48 837	£50 611	£52 385	£54 159	£55 934	£57 710	£59 484
	Total Net/Net Pensionable	£32 869	£34 180	£35 495	£36 808	£38 123	£39 434	£40 749	£42 061	£43 375	£44 687	£46 000

The difference between steps I-X within grades indicate annual increments awarded on the basis of satisfactory service. Step XI at all grades is only awarded to staff with over 20 years of service within the United Nations system, who have been at step X for five years and demonstrated an entirely satisfactory service record.

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ANNEX IV

AMENDMENT TO STAFF RULE V.2

Special leave

(New text is in italics)

<u>EXISTING TEXT</u>	<u>REVISED TEXT</u>
<p>(a) Special leave, with full or partial pay or without pay, may be granted in cases of extended illness, or for other important reasons for such periods as the Director may prescribe.</p> <p>(b) A staff member who has completed one year of service and who is called upon to serve in the armed forces of the State of which he/she is a national, whether for training or active duty, may be granted special leave without pay for the duration of such military service.</p> <p>(c) Staff members shall not accrue service credits towards sick, annual and home leave, salary increments, termination indemnity and repatriation grant during full months of special leave with partial or without pay. Periods of less than one calendar month of such leave shall not affect the ordinary rates of accrual; nor shall continuity of service be considered broken by periods of special leave.</p>	<p>(a) Special leave, with full or partial pay or without pay, may be granted in cases of extended illness, or for other important reasons for such periods as the Director may prescribe.</p> <p>(b) A staff member who has completed one year of service and who is called upon to serve in the armed forces of the State of which he/she is a national, whether for training or active duty, may be granted special leave without pay for the duration of such military service.</p> <p>(c) <i>The Director may grant, subject to conditions, special leave with full pay up to a total of 20 days per child, in the case of a legally recognised adoption.</i></p> <p>(d) Staff members shall not accrue service credits towards sick, annual and home leave, salary increments, termination indemnity and repatriation grant during full months of special leave with partial or without pay. Periods of less than one calendar month of such leave shall not affect the ordinary rates of accrual; nor shall continuity of service be considered broken by periods of special leave.</p>