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ITU COUNCIL

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>> CHAIR: Let's check the interpretation languages.

(Interpretation check).

Dear colleagues, will you please take your seats.

We're about to resume our session. I declare the session open.

The first item on our afternoon Agenda is consideration of document C16/44. The internal auditor's report.

I give the floor to you for your report.

You have the floor.

>> Thank you, Mr. Chairman.

Ladies and gentlemen, Distinguished Delegates, it is my pleasure to introduce on behalf of the Secretary‑General document C16/44 which represents the report of the internal auditor of internal audit activities covering the period from March, 2015 to February, 2016. The document contains elements of the internal audit activities and an overview of the assurance engagements that were conducted in the time period reported on the internal audit plan for 2015 had been approved by the Secretary‑General in January, 2015 and communicated to the external auditor in an effort to promote efficiency and coordination.

The orientation of the audit work was to assurance engagements. All accept two audits planned were taken forward with the issuance of the final internal audit reports including the comments of the managers concerned. Copies of the final audit reports were also systematically forwarded to the IMAC and external auditor.

Based on various assurance engagement performed, the internal audit concluded that overall the lack of guidance in policies and communication thereof would be the most frequently occurring shortcoming. To a lesser extent there were shortcomings found in the risk assessment at various levels to allow the unions officials to manage risks adequately. For transactions, internal controls were reasonably active.

Recommendations are being actioned with the support of the Secretary‑General and this will further strengthen ITU to fulfill its mandate.

Internal audits performed on a regular basis a follow‑up of the implementation of outstanding recommendations and has noted further progress in the course of 2015 and the beginning of 2016. That can be seen in paragraphs 27 and 28 of the report presented to you. Further to recommendation 4 of the IMAC in 2013 internal audit has undergone an external validation of its self‑assessment. Such review took place in January, 2015. Though the external validation team expressed the overall opinion that ITU internal audit generally conforms to the standards and code of ethics of the Institute of Internal auditors it noted partial only formality when one of the 14 attribute standards and five of the 26 performance standards.

In the meantime, however, internal audit worked on the 15 Recommendations that were made and only two are remaining to be completed. This report is transmitted to ADM for its consideration.

Thank you for your attention. I'm available for questions if there are any.

>> CHAIR: Thank you. Now those who wish to take the floor on this document, please do so.

I see no requests for the floor, the ‑‑ sorry. The Russian Federation has the floor.

>> RUSSIA: Thank you, Mr. Chairman.

The Delegation of The Russian Federation takes note with satisfaction of the fact that the Recommendations issued with regard to strengthening the internal audit function are being fulfilled with clear progress in that area and we highly appreciate the report just presented for our consideration.

We're clearly going to support its adoption.

Thank you.

>> CHAIR: I thank the Russian Federation.

Therefore ‑‑ no. Spain, you have the floor.

>> SPAIN: Thank you very much, Mr. Chairman.

I would like to thank the Secretariat for this report as the Russian Federation said, we're very satisfied with the work undertaken and we're very satisfied with the work with which has been presented to the Council where it details the reports which are being undertaken which gives us an approximate idea of the Recommendations being undertaken. We think we have greatly improved with ‑‑ over the last few years and we're very satisfied with how the internal audit is producing more reports. We have also had the possibility to see that the system for requesting reports works and it is easy, accessible for Member States that request these. We have also had the opportunity to read a very important report and to look close hand at the quality of the reports, and also the validity of the Recommendations. Thank you for this work.

I would like to thank the Secretariat for making the work of the internal audit an easy one in order to apply the Recommendations and to take these Recommendations and to allow for an it opportune way forward for the timing of these Recommendations.

I thank you.

>> CHAIR: Thank you, Spain.

There's a suggestion to forward document 44 to the Council for its consideration. It is so done.

The next item on the Agenda is draft revision of Resolution 1333 on the working groups, management and determination. We have had a small Working Group studying this matter.

I'll ask you to report on the outcome of that group's meeting.

>> Thank you, Mr. Chairman.

Good afternoon, colleagues. I'm going to introduce a very brief presentation on the outcome work consultations. During these consultations we considered possible notifications to Annex 2 towards the revised draft of Resolution 1333 because it is exactly that Annex where additional comments had been provided. You will find in DT/7 based modifications have been highlighted in yellow. In particular in indent2 we're taking in account the proposal to take into account the experience of no longer participation of the meetings and the intergovernmental organizations.

What we have found pointed out in the Russian text but not the English text, at the bottom of the indent, this text, for some reason, it has not been highlighted in yellow.

An additional paragraph, the planning of continuity, and in the introduction we added the word also in the first line. This would conclude my presentation and I'm recommending this document for your consideration.

Thank you very much.

>> CHAIR: Thank you.

I'm opening the floor on this document.

Any requests? No requests.

The Russian Federation, would you like to take the floor? No? No.

Thank you, Mr. Chairman.

>> RUSSIA: I fully support what I have heard from Alex outside of the scope of this text.

Otherwise I would like to draw your attention and offer for your consideration the fact that certain provisions did not relay to the council Working Group on languages because this is a geographical distribution, not a language distribution and if there is a need to constrain the mandate of this group's Chair through four years I would say that with the exception of the Council Working Group on languages because just as we had ‑‑ we elected editorial, drafting Committee, the Council Work on online, it is a different matter. I'm speaking in my capacity as co‑chair of that Committee.

>> CHAIR: Thank you.

Canada, you have the floor.

>> CANADA: Thank you. Good afternoon to you and to all colleagues.

Al I would like to thank the Secretariat for the presentation of this document and in particular thank you for all of the efforts to make sure that we ensure the consensus as we did on the revised text of 1333.

Just from a matter of procedure, Mr. Chairman, the document that we have still is in track changes. We would anticipate that the final version of the document will be published in the due course.

Am I correct?

>> CHAIR: Thank you, Canada.

It the Russian Federation.

>> RUSSIA: Thank you, Chairman.

Since what we're dealing with here is one modifying and existing Resolution we have to retain and track the changes. At the end of the day this is up to the Secretariat in what form to present this to the plenary.

Thank you.

>> CHAIR: Thank you, Russian Federation.

>> SECRETARIAT: Thank you very much, Mr. Chairman.

Secretary would also like to thank Mr. Vasiliav for the coordination work that's been undertaken in order to produce this document.

Indeed this Resolution 1333 with the tracked changes will be attached to the report of the ADM the which will be presented to the plenary for its approval by the Council.

We present this document DT/7 with track changes to the report of the Chair of the ADM Committee for the plenary which is scheduled for Thursday.

Thank you.

>> CHAIR: Thank you, Mr. Ba.

Given the Secretariat's clarifications as well as the clarifications drawn out by the Russian Federation I think we are in a position to endorse this document it and to forward it to the Flannery as explained by Mr. Ba, it will be this forwarded to the plenary with revision marks and the plenary will be able to look at this in a final form. The admin Committee has thereby adopted this and forward with ad it to the plenary.

The next item for our consideration is C16/70, secretaries general report on an organizational resilience management system, document 72, ‑‑ organizational report on resilience management system. It is on security modernization project.

I give you the floor to present this document.

>> SECRETARIAT: Thank you very much, Mr. Chairman.

On behalf of the Secretary‑General I'm pleased to introduce C16/70 titled organizational resilience management system or ORMS.

In 2014 the U.N. chief executive board endorsed U.N. policy on organizational resilience management system recognizing the need to clarify, articulate roles, responsibility and relationships of the actors involved in handling emergencies, preparedness and response connected to business continuity, disaster recovery and crisis management. The ORMS was approved in June, 2016 by the General Assembly on Resolution 67/254 as an emergency framework for the organization. The ORMS aims to assist U.N. entities to build resilience by aligning and harmonizing preparedness efforts and enhancing the organization's ability to it continuously deliver its mandates. The proposed policy signed by the U.N. Secretary‑General has five components and 27KPIs for which organizational compliance is monitored by the U.N. high level Committee on management on behalf of the chief executive board. All U.N. agencies are reporting annually on implementation.

The council is invited to review the report and to approve the Recommendations proposed in section 5 of this document. Turning to the second document, document C16/72 titled update on ITU security modernization project, the security modernization project was initiated in 2014 to upgrade and enhance the existing safety equipment and systems on the ITU premises. The project follows the U.N. strategy of global identity management which will link both physical and ICT security that applies the same standards equally to physical buildings and IT assets. This strategy will assist our organization in achieving more effective security. A concept document was presented to council, 2015 which welcomed and endorsed the project. A budget of 1.2 billion was allocated to the project. The return on investment is estimated to be 550,000 Swiss franc a year due to savings in security posts in the IS department.

This return on investment does not take into account any other efficiency gains that could be realized in other departments. The project is progressing well and is on track financially and on schedule and will be completed by the end of 2016.

The council is requested to take note of the progress of the security modernization project.

Thank you, Mr. Chairman.

>> CHAIR: Thank you.

The Secretary‑General would also like to say a few words with regard to this document. Mr. Malcom Johnson, you have the floor.

>> Secretary‑General: Good afternoon, everybody. Thank you.

I would like to add that in addition to the two documents that have been introduced that's on the update of the building access and the proposal to develop an organizational resilience management system for business continuity and disaster recovery management is also considering what else needs to be done to improve the level of security in ITU for staff, for Delegates, for the buildings that's both at headquarters and the regions in response to the higher level ever threat that we now have.

We know the U.N. has been identified as a target by terrorists, and we know from the recent attacks in Europe that terrorists choose soft targets. The secretary is currently considering what level of security is necessary to meet the assessed risk and will report to Council 2017.

I would like you to note that it is likely to require an additional cost element in the draft budget to be presented to Council 2017. We'll be assisted in making the risk assessment through the consultation with the U.N. department for Safety and Security, also ITU is participating in the security Management Team meeting which the Director General of the U.N. office in Geneva was here this morning and has called to review the security situation and to address the increased risk of Delegates and buildings in Geneva.

Thank you, Mr. Chairman.

>> CHAIR: Thank you, Mr. Johnson.

I invite any requests for the floor, those that wish to speak to these two documents.

I see no requests.

That's why I suggest that the Admin Committee adopt document 70 and takes note of document 72.

70 is adopted and 72 is noted.

Since we have gone on the a fair play brisk pace, thank you very much to the support of all of you.

I suggest we move on to tomorrow's Agenda.

Item 20, we'll now consider a number of documents, the first of which is going to be document 54. Changes in the conditions of service under the U.N. common system.

I would ask you to introduce this document.

>> SECRETARIAT: Thank you very much, Chairman.

Ladies and gentlemen, Distinguished Delegates, on behalf of the Secretary‑General I have the pleasure in presenting document C16/54, changes in the conditions of service under the U.N. common system. This document is submitted annually in order to inform you ‑‑ to inform Council of the decisions regarding the conditions of employment of staff members in the professional and general service categories.

The modifications which have been approved by the General Assembly last year at the Seventieth Session looked at the professional categories, these changes, looked at an increase of 1.01% of the base floor salary scale for staff. No loss, no gain basis. This was met with a decrease as well. There was a non‑increase of the base salary normal scale with the exception of if people are leaving ITU, which are based on the base conditions of service the General Assembly took the decision to lift the freezing of. allowances put in place by the U.N. which was adopted in principle and the comprehensive review, the compensation systems for the professional and higher categories.

As you know, in another document you can see the outcomes of this review and following the approval of the proposals by the SSFB the General Assembly has therefore lifted the freeze and these allowances for staff is under review with an effective date effective as of 2017 with regard to general service categories. No modification was introduced since October, 2011. However, this is not in the document, but I'll give it to you for information.

We have looked at duty stations, including Geneva which has led to a revision of the parameters for the general service categories and a reduction of 1.8% lower than the current scales and this, the effective date of this, it would be the first of June, 2016, so from tomorrow. This revision would be effective for people created from this date and those in place from today will continue to be remunerated on the current scales.

With regards to the elected roles and pursuant top 46, the remuneration received by an elected official is fixed in relation to the maximum salary paid to appoint a staff and in particular on the maximum salary paid to the appointed staff and in accordance with the increase for elected officials must be revised and can be seen in draft Resolution which can be added to document 54. This draft Resolution is sent to you for approval and the rest of the document is submitted to you for your information and to take note of this document.

Thank you very much, Chair.

>> CHAIR: Thank you.

I now am opening the floor on this document.

No requests.

I suggest that the Admin Committee take ‑‑ Spain, you have the floor.

>> SPAIN: Thank you very much, Chair.

Sorry for taking the floor once again.

It is a question on these changes, if I understood correctly, the new standard of conditions for salaries in principle will be applied only to those contracted from 2014 and to those that are contracted before 2014, they'll maintain the former system? I just wanted to know if that's right, did I understand that correctly? If that's the case, is there a transition period or will the ITU always keep in place this double system for a period of time? I would also like to know if that's the case, that perhaps the new staff may think that perhaps the treatment that they are given is not quite fair because there is a difference between the effective date of the organization when they entered the organization.

Thank you.

>> CHAIR: Thank you, Spain.

Would you please address this question?

>> SECRETARIAT: Thank you, Mr. Chairman.

I would like to point out that the modifications contained in the document concern on one hand the scale of professional staff salaries, this is made once a year. As I said, there is a basic scale increase whip is related to professional categories of staff.

The modifications I spoke about concerns the general staff salary scale who from the first of July, 2016 will go down begin 1.8%, which is applicable to the staff who are going to be recruited as of that day, the date as of 1st, July, 2016 and as to all of the rest, they'll have the existing scale applied until the scale which is to be applied as from tomorrow catches up with the other category to reflect the compliance in the cost of living here in Geneva.

In order to answer your question with regard to the concerns on the part of some potential new recruits who will receive lower salaries than those of existing staff, all that is a recognized principle because of the conditions of the remuneration, it is set with regards to the date ‑‑ with the effective date for such scales of salaries. This is quite a regular practice over the past few years where we have had scales which are adjusted by the management and whenever there is a reduction it is conducted in favor of those who are in active service today. It is a well‑established principle in the common system.

Thank you, Mr. Chairman.

>> CHAIR: Thank you.

Anymore requests for the floor with regard to this document? I see no further requests.

I suggest given the comments provided by the Secretariat to take note of this document and to propose to the Council to endorse the salary scale applied to elected officials. We have taken note of this item.

The next item, I suggest that we take three documents at once, document 64 pertaining to changes in the U.N. compensation package for staff, U.N. staff, and document 65, on mandatory age of separation and finally document 43, which relates to financial implications of the changes in the compensation package for the professional and higher categories as well as an increase in the mandatory age of retirement through 65.

I'm going to ask you to present this document.

>> SECRETARIAT: Thank you, Mr. Chairman.

This is going to be a tall task. I will plunge right into it. I had the honor to present to you on behalf of the Secretary‑General these three documents, 64, 65 and 43, which ‑‑ 64 and 65 relate to the decisions taken in Resolution 70/244 adopted on the 23rd of December, 2015, the role of these documents, in this case, 64, conditions of the compensation package for staff in professional categories. In document 65, the separation, I will provide further explanations submitted later.

With regards to 64 it relates to changes which are related to changes which were introduced three years ago with regard to professional categories of the U.N. compensation package. These modifications have been approved to be applied by the common system in a mandatory manner if I may say for the United Nations and for the programs affiliated with the United Nations and maybe recommended to specialized agencies that do not belong to that regulatory environment which explains why the documents are presented to you, because the Council has the mandate to make its opinions known about such changes, even though they were adopted by UNGA.

Under 63 to 68 of the ITU Convention, the Council is invited to examine in particular the modifications that will be introduced with regards to designated staff in order to take into account the new compensation package for professionals and those belonging to high strategies.

The documents, the description of the modifications as adopted by the U.N. General Assembly and you have the description of the transitional measures that are being proposed by the General Assembly on the basis as Recommendations and Annex C in particular you will find a draft decision which pertains to approving the modifications to the staff status to be applied, to apply this provision. There are three mandates foreseen with regard to this modification, the revisions pertaining to the mobility rates and 2017, for the basic scale and the compensation packages for the basic scale and then more precisely the year to cover, school year, to cover education costs.

I would also like to point out that a discussion is now underway at the United Nations with regard to these facts and it is envisaged as of today and I'm referring to information which is only a few hours late, they intend to modify this data coming in effect because the programs of the United Nations are not in a position to upgrade their management systems in time, in particular the IP systems in order to ensure the effective applications as foreseen by the U.N. General Assembly and that discuss, it is still underway. We still don't know if that's going to be the case. The council, the ITU would be free to decide on the dates coming in effect itself with regard to this data initially proposed.

In respect of 65, it is the separation or retirement, as I said, the two concepts, they may relate to confusion, the age of separation, it is fixed in the status and regulations of each organization, as to the retirement age, it is set by the common system retirement fund, pension fund. So far these dates may have been different in different organizations and agencies and common system and so the retirement age may be different from the separation age. One of the objectives of the proposed modification adopted is to harmonize the two concepts and to no longer have in regulatory text two different phases. In both cases it will be 65 years of age.

This is what is proposed to you with regard to staff recruited before the first of January, 2014 you would see that during the Council session in 2013 a decision was already taken to bring the retirement age to 65 with regard to staff recruited after the first of January of 2014, that provision is already applied to staff recruited after that date. Staff recruited before that date could retire at 60 or 62. To the decision of UNGA proposes to bring the applicable retirement age to 65 to all serving staff and the effective date of that measure is proposed the 1st of January, 2018.

The U.N. General Assembly pointed out at the same time that this implementation needs to retain the principle of acquired rights with regards to the staff retiring before that or will retire at age 60, 62 in practical terms this will be as follows, the staff will ‑‑ may early retire at 60 or at 60, 62, or any date between 60 and 65 while retaining the pensions calculated at the age of their initial pensionable age, the 60, 62, 65 and the staff will retire at 65 and so with regard to the initial age was 60 to 62, it is not going to be an early retirement or considered as an early retirement associated with a reduction in the compensation package, but their rights to the pension will remain unchanged with regard to the initial retirement age of 60, 62. Whatever the case may be.

It is necessary now, the implications, the various terms of the management of the terms, management of assets because the situation, it is set forth in the documents that may lead to the situation where those that are 63, 64 today would choose to leave the organization. Perhaps the majority of the staff would be given the choice to stay until the age of 65 which evidently would have implications for replacement rates for the existing personnel who retire and principles of geographical distribution and gender balance needs to be observed because these measures, to be considered by the Council needs to be considered in light of balancing these needs and the facts that ‑‑ so that the fact is not pushed to retire in the light of the changed conditions.

The financial implications are explained in document 43. We're inviting you to consider that document in parallel with a certain financial impact to begin with. I think Mr. Ba would like to explain that more directly.

I give you the floor.

>> CHAIR: Thank you. I give the floor to Mr. Ba.

>> SECRETARIAT: Thank you.

On behalf of the Secretary‑General I have the honor to present to you document C16/43 which contains a description of financial impact. With regard to changes to the compensation package to professional high categories and the increase in the mandatory retirement to 65.

In respect of the modifications and compensation package which don't have significant financial impact for the ITU because there would be a compensation foreseen, a balancing, so you would not need to adjust the 2015/2016 budget which has been already approved. The rise of 65 in the mandatory retirement age will have certain implications in the development of the next budget for 2017/2018. As you are aware, the financial plan for 2018/2019 foresees to make savings due to the early retirement of certain staff that will not be replaced. 18 staff members will retire and not be replaced out of 53 that are foreseen to retire only 35 new staff positions will be renewed.

For the 2018/2019 budget economies to the tune of 8.380 million is foreseen due to the measures agreed in Busan, 53 members of staff will stay in active service until 2018/2019 to the real costs are 8.38 ‑‑ 8,000,380,000, that's the real difference.

You can see the differences for 18 and 19 and the voluntary assignments, the early retirements will take place with the maximum amount of 3.5 million as if of the funds that are authorized by the extraordinary session of the council in Busan under a decision which is annexed to this document, 582.

20 positions will be freed from 2018 and that will reduce the cost by 7.2 million for the budget of 2018/2019 through the none replacement of staff through the reorganization of the staff structure. This is just to complement what you have heard from any colleague.

The Council is invited to take note of this present document.

Thank you.

>> CHAIR: Thank you, Mr. Ba.

Any requests for the floor with regard to the documents just introduced?

The United States of America.

>> UNITED STATES OF AMERICA: Thank you, Mr. Chairman.

The United States appreciates the information provided in this document and is pleased that the compensation packages overall impact is minimum to the 2016/2017 budget and actually incurs savings in the 2018/'19. With respect to the mandatory age of retirement, we note that increasing the retirement age has implications for ITU's long‑term liabilities like pensions and after‑service health insurance. In general, an increase in the age of retirement should reduce those liabilities.

The U.S. would like to request additional information from the Secretariat regarding the costs presented herein with discussions and calculations not only about salary costs, but also about the expected savings for ITU's long‑term liabilities both in the 2018/'19 biennium and beyond.

Thank you.

>> CHAIR: Thank you.

Germany, you have the floor.

>> GERMANY: Thank you, Chairman.

We're discussing, I guess, three documents at the same time, document 64 to implement the compensation package and stash regulations, we do agree.

Document 65, to implement the mandatory age of the separation, staff regulations, we do agree.

Document 43, the attached decision is about an early retirement program, we need more it clarification for this justification which we do not really understand. The issue is that first we don't know ‑‑ ITU I suppose does not know how many of the 53 staff concerned in the period of 2018/2019 are choosing to work longer.

On the other hand according to the principle of acquired rights those persons who can retire at 60 or 62 in this period, they can still do so without any penalty. We do not understand how the earlier retirement program can free 20 posts because we do not believe that even with the premium in the present situation of the labor department to convince relatively young people to leave the ITUs where has those that can retire in this period, 2018/2019, they can do anyway without getting paid the premium. I think this is not very consistent, the justification for the early retirement program, but probably we did not really understand the matter and it should be better explained by the Secretariat, for the time being, after discussing at Capitol this issue with competent authorities we're not really convinced that this proposed measure, has the caps tip to compensate for the potential problems with the budget of 2018/'19.

Thank you very much, Chairman.

>> CHAIR: Thank you, Germany.

Switzerland, you have the floor.

>> SWITZERLAND: Thank you, Mr. Chairman.

My intervention goes to the increase in mandatory retirement age to 65. First of all, we would like to thank you for all the facts that were described, everything was described directly without what's behind this document that's been presented to the Council. In the other hand, the Council in its capacity of the governing body of the union between the plenipotentiary is to organize the management of this system and the uncertainty, there is an underlined uncertainty that may be detrimental to the motivation of the ITU staff, whereas we do need motivated staff.

With regards to the fact that document 65 is entitled mandatory age of separation why is it titled that? At the same time we'll not be using a age as separation because document 65 speaks about raising the age of retirement to 65 which is precisely been suggested that we no longer use that expression age of separation. I think it is a very complicated document and we'll need time in order to get a handle on all of the possible repercussions. I'm not sure ‑‑ well we're ‑‑ we're proposing the draft decision in Annex to 65 on condition that the general ‑‑ to instruct the Secretary‑General to implement this draft decision taken into account the acquired rights of the staff and the report of the Council, that added sentence of the staff, we would like to have at least some reassurances for our staff that they may still retire at 62 without any penalties.

Finally, with regards to document 43, we're in the same situation as Germany. We have certain difficulties in trying to make head or tail of what's been expected from the current council session in terms of the increase of the mandatory retirement age of 65.

Thank you, Mr. Chairman.

>> CHAIR: Thank you, Switzerland.

Spain, you have the floor.

>> SPAIN: Thank you very much, Chairman.

I would like to thank the Secretariat for the presentation of the three documents and would like to know whether we can have a presentation or make comments while taking in account the three documents which were on discussion.

In 64, we would like to ask the Secretariat to take into account the information that's come to light that it implement these compensation packages as soon as possible without postponing the date.

and turning to the date of retirement, I think it took us a bit of time to really understand the implications of this mandatory age of separation it is important to be aware what was approved in New York and what we're approving here, that the staff, contracted before 2014, to give them the right to retire without any penalty before 635, extending the retirement age for 65 for all staff but the theory of the acquired rights is for the staff who joined before 2014 it is a right and not an obligation, this has important implications ‑‑ budgetary implications for the organization, for work, for the staff, for the provision of the staff in the coming years.

In Spain, for example, when we change the retirement age we also had a transitory stage, it wasn't an option of the standard required when working but everyone was treated in the same fashion.

With regards to this, is there something that we could do as a Council to ask the staff to communicate the decision to retire at 62 or 65 years old to let that known as soon as possible to help prepare the Secretariat to address the consequences that this may have and to improve the planning of the work ahead and with regards to document 43 as Switzerland and Germany said if we're going to use anticipated retirement plans we would like the Secretariat to give us more information and to guarantee if we do what is compatible, if these people have this incentivized retirement age, if we don't incentivize the age that they wait a bit to see if there is a possibility to benefit from an early retirement, which is an incentive, these are two important elements which must be born in mind and to which I thank you very much.

>> CHAIR: Thank you, Spain.

The United Arab Emirates, you have the floor.

>> UNITED ARAB EMIRATES: Thank you very much, Chairman. We have a general comment, Chairman, with regards to the question, but not directly related to the Recommendation on the joint inspection unit. Good recommendations must be put in place on control and monitoring to allow for a good geographical distribution for everything regarding salaries for 2017. This subject was presented and will be presented comprehensively to the next Council.

We think that the other zones and regions, we think that there must be a geographical representation which looks at all the zones and all of the regions as we recruit staff from all had regions within the ITU.

Thank you.

>> CHAIR: Thank you.

Nigeria, you have the floor.

>> NIGERIA: Thank you, Mr. Chairman. Good afternoon to colleagues. Mr. Chairman, regarding the mandatory age which was already approved by the united General Assembly of which our respective governments participated and expressed agreement, Mr. Chairman, Nigeria quite agrees with this position.

On the compensation, we also agree and we trust the management and agree to early retirement program. We have competent management in place and we trust that they have carefully evaluated this position and we believe that they will not do anything that would jeopardize this particular union.

Mr. Chairman, we agree to the three proposals.

Thank you.

>> CHAIR: Thank you, Nigeria.

I'm going to ask you to provide clarifications with regards to the questions asked.

You have the floor.

>> SECRETARIAT: Thank you very much, Chairman.

I'm going to reply in a different order to the questions that were asked.

To reply to the Delegate from Switzerland, we don't have an objection to add to the paragraph, to the Resolution which is found in document 65, to add in the text to instruct the Secretary‑General to take into account Rights of staff. This is the same formula which can be found in the considering part and the text of the resolution of the United Nations. I would like to clarify to give extra assurance to the Swiss Delegation the conditions in which the pension beneficiaries are determined by the staff who use option to leave, whatever their age 60, 62, 65, whatever age, this ‑‑ the organization, it has no authority to modify the statute of the U.N. common pension fund to indicate that the retirement age for staff is 65 years old, but the common pension fund has confirmed that this staff currently who are leaving at 60, 62, will maintain, it regardless of the decision undertaken by the organizations on the date of separation to the date in which the staff member can leave the service of the organization and whatever age, whatever the decision taken by the organization, the conditions, the methodology to calculate the pension benefits will be determined at the age of retirement which is applicable to the staff member as it was fixed in the letter of appointment when they were recruited. That's 60, 62 years old or 65 years old for those recruited after the first of January of 2014. There means that this principle of acquired rights is guaranteed by the common pension fund and does not depend on the engagement to which the organizations decide to apply or not to apply. It is an additional protection which exists for staff. Nevertheless, we only have one objection to add, we don't have any objection to add this in the draft decision of Annex one of document 65.

A coming to the remark ‑‑ comments from Spain regarding the separation of the staff, on the application modalities which we'll put in place, if the decision is taken to move this age to 65, first of January of 2015, we would hope to ask the staff members to be able to plan and forecast management and structures and which would also have a financial implication to therefore ask the staff to tell the organization of their expected retirement age as soon as possible from the statute provisions that is to tell us between three months who are in permanent contract or in two months for those who have a contract of more than two years and one month for staff members who have contracted for less than two years. We expect ‑‑ this is a discussion that we will have through all of the organizations of the common pension fund to move this through 6 months for the deadline when a staff member can choose to exercise its right to leave between 60 and 62 and 65 years old and to inform the organization so that we can have this planning possibility in order to manage their separation and can make the necessary adjustments of the workforce and to consider the financial implications of this.

Regarding the voluntary age of separation, which is seen in Annex 1 of document 43 and coming back to the document from the German Delegate, I would just like to remind you this is a decision which will ‑‑ it is not a draft decision, this decision which was adopted by the Council which follows the PP14 conference in Busan, it is an existing decision, the way in which this can be applied, the goal of this, would be to incentivize the people who would like to leave at 60, 62 or through the application of this new provision can leave at 65 years old and to do this under certain reservations where if the benefits for which they may receive would not be higher than they would have received if they had left ‑‑ if they're separated 60, 62 years old. It is not allowing a staff member who would like to leave at 62 to push back the age of separation. This is not logical for the organization to generate expenditures where savings may be made from the original retirement age so there will be a feeling of the indemnities which will be given to the staff members regarding their original retirement age. On the other hand, Mr. Ba can add if he would like to, the funding of this, using a reserve fund, the aim of this, it is to make savings on the budget whip should be set up and approved by the 2018/2009, I think perhaps Mr. Ba could complement something further to my reply.

Thank you.

>> CHAIR: Thank you for your comments.

I now give the floor to Mr. Ba for additional comments.

>> SECRETARIAT: Thank you very much, Chairman.

Thank you, Eric, for having given us additional information. I'm going to try to reply to the question posed by the United States of America on document 43 we presented the staff cast but we didn't present the expected savings linked to ASHI.

It is very difficult for the moment to only concentrate on staff spending knowing that no decision has yet to be taken. Once a decision will be taken to implement the age of retirement, the first of January, 2018 you can come back to the level of ‑‑ to carry out an actuarial study for 2018 which will give a projection on potential savings expected with the implementation of the age of retirement to 65 years old. An immediate impact would be a reduction of the health insurance because these people would no longer participate at 65 or 62 years old, they would continue to contribute to health assurance of 50% of the sum. If they retired, the budget of the ITU would be two‑thirds of the fees and 50% of the current staff's because these people will stay until 65, the contribution of the budget of the union to health insurance fund for retirement people will be reduced as a result.

Germany asked about the 53 people. I'm not going to come back to be what has been said about this. We have a quite ‑‑ there are 53 people that are eligible to stay to 65 that will exercise their right that they'll stay until their 65 years old. These conditions, taken into account the hypothesis while of the drafting the financial plan of 2016/2019 so that a third of retirees will not participate who should participate and who should retire or not be replaced so there we have posts that have been identified. These are not budgeted in the financial plan, 2016/2019.

If these people decide to stay goes to 8.31 million francs, we think that the 53 people will exercise their right to retire at 65 and we'll base our estimated costs in document 43 to produce the numbers that you can see here. I would also like to come back to the point by the Honorable Delegate of Switzerland on what we can expect from the document 43. We're hoping for a decision from the Council to validate the age of separation to 65 years old which will be implemented from the first of January, 2018. If that's the case, these are the financial consequences on the financial plan for 2016/2019 there will be a gap of 8.3 million Swiss francs and you're invited to take into consideration the risk of having a budget overrun from the budget that was accepted at the PP14 conference.

This can be found in document 43 regarding it the mandatory age of retirement. I think I have ‑‑ any colleague has already responded to the question from the Delegate from Spain on this point.

Thank you very much, Mr. Chairman.

>> CHAIR: Thank you, Mr. Ba.

I can see that you want to add a few additional comments?

>> SECRETARIAT: Thank you very much, Chairman.

I think I only replied partly to the question by the Delegate from Germany.

We made an analysis of the population to determine the individual situation and to evaluate the potential of a retirement of 65 taking into account the years of service and their contribution from today or from the first of January, 2018 or through the common pension fund and take into account other elements and criteria to have more precise ideas on the potential of the staff to have ‑‑ the potential age of retirement.

Many of these staff members who are in the general service category, they have already had very lengthy service and already have a number of years which have made pension contributions at 60 or 62 years old or 65 with pension contributions complete. Reasonably we expect these staff members to be maintained.

On the other hand, in the professional category, because in general the age of joining this organization is quite late, the potential to maintain the service of 60, 62 years old is higher, but beyond this, on the basis of mechanical criteria, by analyzing situations, this decision is an individual decision which belongs to the staff members to make this decision under the conditions which I have mentioned, the request of the notification to retire is given as soon as possible in order to determine when they would like to retire.

Thank you.

>> CHAIR: Thank you.

Taking in account the Secretariat's observations, I propose to the Admin Committee document ‑‑ no.

I see Germany wants the floor.

Germany.

>> GERMANY: Thank you, Secretariat, for the benefit of the explanation.

Now we have a problem I guess.

I understand this early retirement program is dedicated in principle, at large to staff that has at least the right to retire, but may choose to stay longer and we do not believe that this is justified. This was my intervention previously. We do have some difficulties to agree to this draft decision which is contained in document 43.

Thank you very much, Mr. Chairman.

>> CHAIR: Thank you, Germany.

Spain, you have the floor.

>> SPAIN: Thank you very much, Chairman.

I would like to thank the Secretariat for their responses before deciding whether we're going to approve document 43 I'm not sure whether it would be convenient to know whether if we approve this document if we may be able to before we definitely approve this plan to incentivize, the retirement, what the staff like to say if they decide to retire early or to extend the retirement, we think that this is a fundamental aspect before we decide on whether we approve this program or to incentivize people to retire early. We think this is important to consider this issue.

Thank you.

>> CHAIR: Thank you, Spain.

Mr. Ba, you have the floor.

>> SECRETARIAT: Thank you very much, Chairman.

I would like to thank the Honorable Delegate of Spain. It is very difficult to get information on the retirement age at this stage as a decision has not been taken to the age of retirement of 65 years old. The Secretariat would not be in a position to be able to discuss the future mandatory age of separation and the compensation measures which might be implemented.

Likewise, it would be very difficult to look at the budget of 2018/2019 if a decision has not been taken on this Council because we have to work on the hypothesis of the draft budget of 2018/2019, if no decision is taken it means we would not be in a position to put together the budget of 2016/2018. It is important that there is a decision and a clear indication from the Member States on the direction of ITU on the implementation of this Recommendation of the United Nations.

I will leave my colleague to add to this.

Thank you.

>> CHAIR: Thank you.

You have the floor.

>> Thank you very much.

Once this measure was discussed within the organizations the modalities of the implementation to ask today or quite shortly before the date of implementation, to ask the staff, to exercise their right and their choice whether they'll retire at 65 or to maintain their age of separation of 60, 62 and to standby that choice. The conclusions which ‑‑ through the discussions with the different legal councils of the organizations that such a measure would be extremely complex and dangerous to implement as it would restrict or define restrictive conditions of this principle of acquired rights is to go to 65 or to leave at 60 or 62, whatever age under the conditions which will be ‑‑ it is not possible at this stage to oblige the staff to make a definitive choice which is an irreversible one from now to keep their retirement age of 60, 62 or to choose to retire at 65 years old and to say now or before the entry of force, 1st of January, the choice would be difficult for them to make, the staff members, even if they joined recently or before the 1st of January of 2014 and to ask them to make a choice to stay until 60, 62 or to extend the age of separation to 65 years old.

Thank you.

>> CHAIR: Australia.

>> AUSTRALIA: Thank you, Chair.

We would like to thank the Secretariat for these documents.

We would note that the package, it was agreed in the fifth Committee by U.N. Member States in December in New York. Those negotiations were long and comprehensive and have involved years of preparatory work, including a detailed examination of cost implementations for the U.N. and specialized agencies. Geneva‑based agencies were consulted and agreed on acceptable implementation timelines.

Australia would have serious concerns about unpicking the Delegate agreement that was reached in New York. We understand that there will be short‑term costs associated with the implementation of the ICSC package, but in the long‑term we believe that there are significant savings to be achieved for the ITU and for the U.N. family. Australia supports the implementation of the complete ICSC package across all agencies, including at the ITU in the timeframe already agreed in New York.

Thank you, Chair.

>> CHAIR: Thank you, Australia.

Philippines, please.

>> PHILIPPINES: Mr. Chair, I have been listening to the discussions on the floor, and I must thank the Delegate from Australia for explaining the historical backdrop in support of this document.

Do we have enough action list, as I was listening on the floor, particularly the reasoning behind the statement of the Delegate from Germany, I can't really understand the reasoning behind this document, the dynamics and the financial implications of extending the retirement age of people to 65 with costs on the organization and at the same time encouraging people who are young to retire in the view of retiring and replacing them well junior officials who will have savings to pay for the retirement. I think this is the reason why there's a lot of discussions ongoing now. Unless we truly and fully explain the facts and the reason behind ‑‑ the reasoning be behind this and the dynamics behind this retirement, the early retirement of younger people, there will be a lot of questions on the floor.

If we can simply simplify the reasonings that we have on the floor, it would be much appreciated.

Thank you.

>> CHAIR: Thank you, Philippines.

I can see that there is a whole list of requests for the floor. Strictly speaking, the time for this PM session, it is over. This sure what I'm going to suggest. Perhaps a group of countries comprising Germany, Spain, Switzerland, perhaps somebody else would like to join, would sit together with the Secretariat, take the draft of document 65, perhaps the sum of it, following which they'll try a presentation or amend the document on the basis of which we might be able to adopt all three documents. If there are objections to the approach I have just outlined, please make them known.

Belgium, are you asking for the floor? Right.

I can see that ‑‑ since there were no requests, no objections, I will put this matter aside and I'm going to ask you, all the interested parties, this afternoon, during the break, et cetera, to work with the Secretariat to improve the documents.

With that, I declare this session adjourned. Please don't go very far. In 10 minutes we'll call the plenary. Right now we'll have a coffee break and this session of the Admin Committee is adjourned.

(Break).