INTERNATIONAL LABOUR OFFICE



Governing Body

GB.280/PFA/14/1 280th Session

Geneva, March 2001

Programme, Financial and Administrative Committee

PFA

FOURTEENTH ITEM ON THE AGENDA

Other personnel questions

Exceptional measures concerning agreed terminations (article 11.16 of the Staff Regulations)

1. Article 11.16 of the Staff Regulations reads as follows:

The Director-General may terminate the appointment of an official if such action would be in the interest of the efficiency of the work of the Office, provided that the official concerned consents to the action. The Director-General may pay to an established official terminated under this article an indemnity not more than 50 per cent higher than that payable under article 11.6 (Indemnity upon reduction of staff), and to a fixed-term official so terminated, an indemnity not more than 50 per cent higher than that payable under paragraph 3 of article 11.4 (Fixed-term appointments).

- **2.** Article 14.6 of the Staff Regulations, inter alia, requires that any exception to the Staff Regulations involving additional expenditure shall be notified to the Governing Body.
- **3.** During the present period of major change in the structure, operations and activities of the Office, a number of long-serving officials have expressed interest in an early termination of their contract of employment under article 11.16 of the Staff Regulations. The Director-General therefore decided in the second half of last year that, where the interests of an official and the Office coincide, and subject to a number of specific criteria being met, a certain number of agreed terminations would be possible during a limited period.
- **4.** The Director-General took his decision subject to the following considerations:
 - (a) such a termination is subject to an agreement between the official concerned and the Office;
 - (b) an agreed termination will be offered by the Office only when the Director-General determines that it would be in the Office's interests; in particular, the indemnity to be offered should not be regarded as an entitlement or a benefit, but as a solution which must be justified in terms of safeguarding or improving the efficiency of the work of the Office;

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- (c) the Director-General decides on the amount of the indemnity to be paid to an official, subject to the maxima specified in article 11.16.
- **5.** As regards the criteria for eligibility, the Director-General considered recommendations in the following cases:
 - (a) the suppression of a post or reduction of jobs;
 - (b) serious humanitarian cases where agreed termination would be both in the interest of the official and of the Office:
 - (c) a departure would solve another staffing issue;
 - (d) a departure would yield substantial savings for the Office;
 - (e) where a staff member is at least 53 years of age and has at least 20 continuous years of service in an organization or organizations of the United Nations common system.
- **6.** Fifty-eight officials have applied for agreed terminations pursuant to this exercise. In accordance with established procedures, termination indemnities are charged to the Terminal Benefits Fund. As has been the case in the past, the more favourable conditions which apply to indemnities for staff in the General Service category (i.e. inclusion of the cost-of-living component of salary) have been applied to officials in the Professional and higher categories. This approach constitutes an exception to the Staff Regulations and, taking into account the varying termination dates of the officials involved, the additional expenditure is estimated to amount to \$400,000.

Geneva, 28 February 2001.

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