



THIS CIRCULAR LETTER REQUIRES YOU TO VOTE

IHB File N° S1/0415 & S1/0410

CIRCULAR LETTER 43/2010
26 July 2010

REPORT OF THE STAFF REGULATIONS WORKING GROUP

Dear Hydrographer,

1 Decision No 18 of the XVIIth International Hydrographic Conference (IHC) established the Staff Regulations Working Group (SRWG), with Terms of Reference to conduct a holistic review of the existing Staff Regulations and provide a report on its work by Circular Letter (CL) to Member States in 2009. The IHC appointed Germany and UK to become Chair and Vice-Chair of the WG respectively. Mrs Ingelore Hering and Mrs Ellen Davis were designated by Germany and UK as Chair and Vice-Chair of the WG. The Bureau received the report of the SRWG on Friday 9 July 2010 and it has been posted on the IHO web site under Committees & WG/ Staff Regulations WG together with the draft annotated and draft consolidated versions of the proposed amended Staff Regulations.

2 The SRWG report contains the details of the work of the SRWG. The Finance Committee Officers (FCO) established under Article 14 of the IHO General Regulations held an extraordinary meeting at the Bureau on Friday 9 July 2010, in order to examine any possible financial implications of the changes proposed by the SRWG. The Category B and C staff have submitted comments on the proposed changes. These are attached as Annex A to this CL.

3 The clause under paragraph III.3 of the report of the SRWG indicates that the proposed changes will only apply to the current Category B (except BT) and C staff, if they wish to agree to them within a certain time frame. This condition does not, however, apply to the proposed changes concerning "Official Holidays", which are, in effect, a clarification by the SRWG on the implementation of an existing staff regulation which already applies equally to all staff and the Directing Committee.

4 The SRWG report recommends a large number of individual changes to the Staff Regulations. For Member States' convenience the Directing Committee has grouped the proposed changes under a number of broad subject areas. These subject areas then form the basis for Member States to consider and subsequently vote on the proposals using the voting form at Annex D.

5 The Directing Committee would like to bring to the attention of Member States the following points, in relation to the SRWG Report and its recommendations:

Alignment of the Staff Regulations with UN and Monaco Systems (see Voting Form Q8)

The WG agreed that the entitlement of Directors and Category A Staff should be brought strictly in line with the UN system as “internationally recruited” personnel, while the system applicable in Monaco should be used as the basis for Category B and C Staff entitlements. Changes to the relevant topics in the current Staff Regulations have been proposed in order to include and better reflect current UN wording and practices for these topics. The changes proposed do not have any financial implications to the budget of the Organization, because the current Staff Regulations are based in general on the UN and Monaco practices already.

Social benefits (see Voting Form Q1)

The SRWG proposes to make significant changes to the existing procedures and requirement for Directors and staff members’ entitlements to retirement medical benefits. Annex B summarizes the current and proposed procedures for the entitlement of retirement medical benefits. The FCO during its meeting on 9th July examined the proposed changes and came to the opinion that any decision on this subject should be deferred pending further examination by the FCO. This is because of the need to examine the consequences of the proposals in greater detail before a decision is taken. From its initial assessment, the FCO has identified the following points of concern:

- a. There may be unknown financial implications to the budget;
- b. It is unclear who will be considered as the responsible authority at national level to make an attestation as to whether a Director or staff member is covered by a national medical scheme or how this can be verified;
- c. It is unclear how cases of partial national medical coverage will be treated;
- d. Mechanisms will be required to monitor and verify the relevant national medical schemes and justification for medical treatments and the costs involved;
- e. There will be a need to re-evaluate the current private insurance premiums that the Bureau pays against high risks, particularly because it would need to be extended to cover worldwide medical risks.

Salaries (see Voting Form Q2)

A proposed consolidated salary and advancement table and its method of application for the progression of Category B and C staff is contained in paragraph V.12 of the amended Staff Regulations. While the initial thinking of the SRWG was that the existing four tables for the progression of Category B and C staff could be consolidated into a single table, for reasons contained in its Report, the SRWG proposes a new fifth table, to be used for Category B (except BT) and C staff employed after 1st January 2011.

The following additional points may be relevant when Member States consider this matter:

- a. It would be easier for the IHB to administer one table for the eight staff members of Category B and C staff rather than five tables;
- b. The progression of the staff is already based on a combination of time served and on performance, in accordance with the procedures set out in paragraphs V.11 (d) and (e) of the current Staff Regulations;

c. Given the rate of turnover of staff and expected retirements, the new salary and progression table proposed by the SRWG would not be fully effective until after 2021 it is unlikely to affect any staff until 2015, the time of the next scheduled retirement.

Official Holidays (see Voting Form Q3)

The official holidays of the IHB has always been based on the list published by the Government of Monaco. This list can easily be included in the Staff Regulations. The issue that has been raised by the Staff concerns the treatment of the period 24th December to 1st

January, not to follow the list of holidays published by the Government of Monaco. Until now, the Staff have not been required to take leave during those days when the Bureau is closed. This practice has been followed at the Bureau since 1928, but it has not been formally acknowledged by Member States or been reflected in the Staff Regulations.

Education Grant (see Voting Form Q4)

The proposed changes to entitlements to the Education Grant are in line with the international character of Directors and category A staff.

Duties, obligations and privileges (see Voting Form Q5)

The following additional points may be relevant when Member States consider this matter:

- a. While the SRWG in its report acknowledges that "The IHO/IHB do not currently get involved in procurements or any other sensitive financial activities"; the inclusion of paragraphs covering the matter may imply the opposite.
- b. Paragraph III.1 (b) of the Staff Regulations may be considered as already covering the scope and purpose of the three paragraphs proposed by the SRWG.
- c. The IMO operates a multi million pound budget, whereas the IHO budget is considerably smaller with very limited discretionary spending opportunities. The IMO Staff Regulations were updated in October 2009 but did not include clauses similar to that proposed in paragraph III.1 (b) of the IHO's Staff Regulations. The IMO Staff Regulations contains only the first paragraph with various explanations on what constitutes "financial interest".

Applicability of revised Staff Regulations to existing Staff (see Voting Form Q6)

Upon adoption of the proposed amended Staff Regulations, the employment terms of members of Staff will be affected in different ways, as follows:

- a. Any renewal of an appointment for Category A Staff in accordance with paragraph V. 10.1 (b) and (C) of the Staff Regulations, will then require "a new letter of appointment detailing the general conditions of the new Staff Regulations". This means that upon re-appointment, any existing Category A staff will be obliged to accept the new Staff Regulations even if the conditions are inferior to their current conditions, for example in relation to retirement medial benefits. Comments from Category A Staff on this issue are contained in Annex C.
- b. Category B and C Staff recruited on or after 1st January 2011 will be subject to any new arrangements contained in the revised Staff Regulations. However, those Staff employed prior to 1st January 2011 will have an option to retain their existing terms and

conditions of service or to transition to the new arrangements by declaration in writing to the Directing Committee by 1st June 2011.

Reflection of new organizational structure of IHO (see Voting Form Q7)

Paragraph III.2 of the report of the SRWG contains the changes to the various parts of the Staff Regulations that need to be implemented when the Protocol of Amendments to the Convention of the IHO will be approved by Member States. These changes will be further reviewed by the Directing Committee before their introduction in the Staff Regulations.

Editorial changes (see Voting Form Q8)

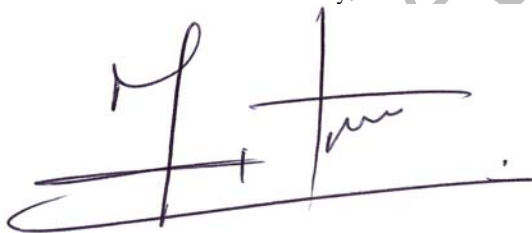
The draft annotated Staff Regulations contain various changes to make the text clearer. These changes have no significant impact on the operation of the Staff Regulations.

6 Annotated and clean copies of the Staff Regulations containing all the changes proposed by the SRWG are posted on the IHO web site under Committees & WGs/SRWG. Member States are requested to complete the attached voting form in Annex D and return it to the Bureau no later than 30th September 2010.

7 In accordance with Article V (f) & (g) of the IHO Convention, this Report must be approved by two-thirds of the IHO Member States.

On behalf of the Directing Committee

Yours sincerely,



Vice Admiral Alexandros MARATOS
President

Annex A: CAT B/C Comments
Annex B: Social benefits table
Annex C: CAT A Comments
Annex D: Voting Form

COMMENTS BY CAT. B/C STAFF MEMBERS ON THE STAFF REGULATIONS WORKING GROUP REPORT

The Category B / C Staff Members have carefully read the SRWG Report and considered all the changes which the Group proposes to make to the current edition of the Staff Regulations (7th Edition, June 2004, M-7). The Cat. B/C Staff Members note that the SRWG has not taken into account the comments and proposals submitted by the Staff and wish to state that the proposed modifications would clearly result in a deterioration of the conditions of service currently in place at the IHB. The Cat. B/C Staff Members see no justification for a deterioration of their present conditions and therefore reject all proposed changes and opt to continue to be governed by the 7th Edition of the Staff Regulations and to benefit from all the conditions contained therein, in accordance with their contracts of employment signed at the time of recruitment.

Explanatory Notes:

A. Social Benefits

The IHB was granted a special dispensation in 1945 by the Government of Monaco which allowed the Bureau to run its own independent social scheme by exempting the IHB from any obligation to be affiliated to the national scheme, the *Caisse de Compensation des Services Sociaux* (CCSS). This special dispensation was granted on the condition that the IHB would provide benefits to its employees which were at least the equivalent of those provided under the national scheme (CCSS) [cf. Staff Regulations VII.1 and VII.2]. To date this condition has been perfectly respected in that the IHB scheme provides better coverage than that provided under the CCSS. The Category B/C Staff Members, as locally recruited, therefore wish to assert their fundamental right to adequate medical cover (as provided by the IHB) and do not wish to see this basic right endangered by the SRWG's proposal to "open up" the possibility of medical cover to retired Directors or Staff Members "without reference to the country of residence", which could result in a significant financial burden on the IHB's budget. The provision whereby such social benefits are only provided by the IHB in the case where the Director or Staff Member is not entitled to receive such benefits from another source ("national or military schemes...") would be extremely difficult to implement at the IHB, who would not be in a position to verify whether the person concerned was covered by another scheme or not, apart from the added complication of having to process medical or dental claims coming from a foreign country.

B. Salary Tables

The idea of deleting the B1 and B2 salary tables to revert to one single Cat. B salary table had initially been brought up at a Joint Staff Consultative Committee meeting by the Cat. B Staff Representatives and the matter was discussed in some detail in 2005. It is considered unnecessary to keep so many salary tables for so few members of staff: there are now 4 salary tables for 8 Cat. B/C members of staff [Table III - Cat.B Personnel, B1 (indices 383 to 649); Table III - Cat. B Personnel, B2 (indices 305 to 532); Table III (bis) - Cat. B Personnel (indices 344 to 649); Table IV - Cat. C Personnel (indices 226 to 358)]. The SRWG did not see fit to adopt the table proposed by the IHB to cover the 8 staff members concerned (7 Cat. B and 1 Cat. C) and has proposed another salary table, the structure and mode of functioning of which are very different from those currently in force. Furthermore, the Cat. B/C Staff find it illogical that the lowest paid IHB staff members would have to show proof of an "exceptional performance" in order to progress up the scale, whereas the professional members of staff at the IHB are not subjected to

such stringent requirements. It should be noted that the salary system in place at the IHB is not solely based on "time served" as a system of annual assessments for all IHB staff exists in the current Staff Regulations (cf. V.11 (d) to (h), Staff Regulations, 7th Edition, June 2004).

C. Official Holidays and closure of the IHB offices

1. The IHB bases its list of public holidays on the list published annually by the Government of Monaco and the list is published each year by means of a Staff Memorandum (cf. III.6, Staff Regulations, 7th Edition, June 2004).

2. The practice of closing the IHB offices from 24 December to 1 January has been in place since 1928 in accordance with a Directing Committee decision at that time. To date the IHB has always been closed for this period and this has been indicated in the past in Annual Reports. The Cat. B/C Staff Members see no justification for cancelling this practice which they consider an integral part of their conditions of service as well as an acquired right (cf. I.3 Staff Regulations). [The staff notes that the proposal to discontinue the practice of having "the period between 24 December and 1st January in effect treated as holidays" appears to be based on a matter of principle rather than on the usefulness of keeping the IHB open during this period "the Staff must take leave days or accumulated overtime to compensate for any lost working days". Member States should bear in mind that Directors and Professional Assistants may be contacted at all times by mobile phone or by email.]

3. For the reasons outlined above, the Cat. B/C staff members are totally opposed to the cancellation of this long-standing practice and consider that this measure would significantly deteriorate their present working conditions.

SOCIAL BENEFITS – Current and Proposed procedures

Current Scheme	Proposed Scheme
<ol style="list-style-type: none"> 1. 10 Years at the IHB 2. Receive benefits at retirement age, in accordance with Staff Regulations 3. Reside in Monaco or France (only) 	<ol style="list-style-type: none"> 1. 9 Years at the IHB 2. Retirement to follow immediately at retirement age 3. Retirement in the recognized home country (any country not only Monaco or France) 4. Social benefits are only paid by IHB if Directors or Staff Members are not entitled to receive any such benefits from other sources (including i.a national or military insurance schemes). 5. When PAs sign new contracts the new system is applicable.

**COMMENTS BY CAT A STAFF MEMBERS ON THE
STAFF REGULATIONS WORKING GROUP REPORT**

A. Renewal of Cat A Fix-term Contracts

1. Although the existing Staff Regulations are ambiguous about the total duration of fix-term appointments, it is understood by the Cat A Staff Members that the appointment period is expected to be **nine years**, in line with Decision 52 of the 1997 IHC which stated:

“Appointments will be for an initial period of two years, followed by a second contract of two years, followed by one contract of five years, assuming fully satisfactory performance ...”

However, the text in the SRWG report (Section III.3, 3rd paragraph, 2nd sentence), i.e. *“Any renewal of an appointment in accordance with V.10.1 (b) and (c) will be based on a decision of the Directing Committee and will require a new letter of appointment detailing the general conditions of the new Staff Regulations.”* may suggest that an appointment period could be shorter than nine years, and that the new Staff Regulations could be imposed at the beginning of the first or second continuation period.

The Cat A Staff Members’ position is that the conditions of employment, as laid down in the Staff Regulations in force when the initial contract was signed, should not change DURING ANY NINE YEARS APPOINTMENT PERIOD, i.e. after two or four years.

2. According to same text in the SRWG report (Section III.3, 3rd paragraph, 2nd sentence), a Cat A Staff Member having completed a nine years appointment period, with conditions of employment as laid down in the Staff Regulations in force when the initial contract was signed, and being renewed after external competition, would automatically fall under the new Staff Regulations, i.e. with significantly different conditions of employment, including medical care.

The Cat A Staff Members consider this is unfair and that the Cat A Staff Member in such situation should be given the CHOICE BETWEEN THE EXISTING OR NEW STAFF REGULATIONS.

B. Closure of the IHB Offices

The Cat A Staff Members support the views expressed by the Cat B/C Staff Members in their comments relating to the practice of closing the IHB offices from 24 December to 1 January (Sections C.2 and C.3 of their comments).

**SRWG REPORT
VOTING FORM**

(to be returned to the IHB by 30 September 2010)

E-mail : info@ihb.mc - Fax : +377 93 10 81 40)

Member State:

Contact:.....**E-mail:**

1. Do you agree with the proposal of the SRWG for the revised entitlements to retirement medical benefits?

YES NO

If NO do you agree with the proposal of the FCO to defer a decision on this issue, until the FCO has examined it further and considered the way forward?

YES NO

2. Do you agree with the introduction of a new salary and advancement table proposed by the SRWG?

YES NO

3. Do you agree with the proposal of the SRWG regarding official holidays and the way the period between Christmas and New Year will be treated?

YES NO

4. Do you agree with the proposal of the SRWG for changes in entitlements to the Educational Grant?

YES NO

5. Do you agree with the three paragraphs proposed by the SRWG referring to "Duties, obligations and privileges" of Directors and Staff members?

YES NO

6. Do you agree with the way that the SRWG is proposing the application of the amended Staff Regulations for:

- Category A Staff:

YES NO

- Category B and C Staff:

YES NO

7. Do you agree with the proposed amendments to the Staff Regulations included in paragraph III.2 of the report of the SRWG, referring to the new structure of the organization?

YES NO

8. Do you agree with the other changes proposed by the SRWG?

YES NO

COMMENTS:

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Signature:

WITHDRAWN