

WORLD TRADE ORGANIZATION

RESTRICTED
WT/GC/W/102
7 October 1998

(98-3907)

General Council
14 October 1998

CONDITIONS OF SERVICE APPLICABLE TO THE STAFF OF THE WTO SECRETARIAT

Draft Decision

**CONDITIONS OF SERVICE APPLICABLE TO THE
STAFF OF THE WTO SECRETARIAT**

Draft Decision

The WTO General Council and ICITO Executive Committee,

Recalling their Decision adopted on 24 April 1998 (WT/L/269), and in particular,

Noting that a WTO Secretariat shall be established pursuant to Article VI of the Agreement Establishing the WTO,

Considering the Marrakech Ministerial Decision on Organizational and Financial Consequences Flowing from Implementation of the Agreement Establishing the WTO,

Recalling that the WTO is a *sui generis* organization established outside the United Nations system,

Recalling also the Decision of the WTO General Council on 7 February 1997 establishing the Working Group on Conditions of Service Applicable to the Staff of the WTO Secretariat and defining its terms of reference (WT/GC/M/18),

Take note of the report of the Chairman of the Working Group and of the detailed proposal submitted by the Working Group for an independent WTO compensation and personnel plan, including the compensation philosophy, the rationale and justification for each new element of the plan, and the procedures for control of the plan by WTO members,

Take note also of the certification provided by the panel of independent actuaries that the plan will be personnel-cost neutral and that the proposed Pension Plan will be viable according to the terms of reference specified in the annex to the Decision of 24 April 1998,

Take note further that, subject to the amount of assets to be recovered from the United Nations Joint Staff Pension Fund, one or more of the plan adjustments specified in **Annex 1** of the present Decision may be required in order to ensure cost neutrality over the period 1999 - 2005, without prejudice to the long-term viability of the proposed Pension Plan,

Decide to endorse the compensation philosophy and adopt the Staff Regulations and Staff Rules and the Regulations and Administrative Rules of the WTO Pension Plan, as contained in **Annex 2** of the present Decision, subject to such adjustment specified in Annex 1 as may be required in order to ensure cost neutrality over the period 1999 – 2005,

Decide also to authorize the Director-General to inform the United Nations Joint Staff Pension Fund that ICITO wishes to apply for termination of its membership in the Fund on 31 December 1998, subject to the conclusion of satisfactory transfer arrangements with the Fund,

Decide further that, again subject to such satisfactory transfer arrangements with the Fund and to acceptance of the proposed Plan by the staff, the WTO Secretariat shall be established on 1 January 1999,

Instruct the Secretariat to enable the General Council to review this Decision if necessary, in the light of any significant developments relating to the transition to the new compensation

and personnel plan, including a transfer amount below the cost-neutral threshold in Annex 1, and

Instruct the Secretariat, in the absence of a further decision by the General Council being required, to inform the General Council of the amount transferred from the United Nations Joint Staff Pension Fund and any adjustments made in accordance with Annex 1 to the present Decision.

Draft Decision

ANNEX 1

**Adjustments to the proposed Pension Plan to achieve cost neutrality in
light of the actual UNJSPF transfer amount**

The following table shows the specific benefit adjustments which would be necessary to ensure cost neutrality, i.e. maintenance of a contribution rate of 22.5%, depending on the amount recovered from the UNJSPF. This table allows for the possibility that the amount recovered would be less than the amount of SF 173 million included in the actuarial certification.

| Transfer amount ranges assumed for the cost comparison | Contribution requirement | Benefit adjustment |
|---|---------------------------------|---|
| SF 158 million or more | 22.5% | None |
| SF 149 million or more | 22.5% | 65% grossing-up factor (instead of 70%) (Article 20 of the Plan Regulations) |
| SF 137 million or more | 22.5% | As above, plus 50% surviving spouse benefit (instead of 60%) (Article 30 of the Plan Regulations) |
| COST NEUTRAL THRESHOLD | | |

Draft Decision

ANNEX 2

WGCS(98)1/Rev.6 (draft Staff Regulations)

WGCS(98)2/Rev.9 (draft Pension Plan Regulations)

WGCS(98)3/Rev.3 (draft Staff Rules)

WGCS(98)10/Rev.1 (draft Administrative Rules of the Pension Plan)

WGCS(98)14/Rev.1 (Compensation Philosophy)

WORKING GROUP ON CONDITIONS OF SERVICE
APPLICABLE TO THE STAFF OF THE WTO SECRETARIAT

DRAFT STAFF REGULATIONS

DRAFT STAFF REGULATIONS

PURPOSE AND SCOPE

Pursuant to Article VI of the Marrakech Agreement Establishing the World Trade Organization (the WTO Agreement), the *Staff Regulations* adopted by the Ministerial Conference of the World Trade Organization (WTO) embody the basic conditions of service in the WTO and the rights, duties and obligations of the WTO and of the staff of the Secretariat of the WTO (hereafter called "staff members"). The paramount objective in the determination of conditions of service shall be to secure staff members of the highest standards of competence, integrity and efficiency and to meet the requirements of the WTO taking into account the needs and aspirations of the staff members. The *Staff Regulations* set forth principles for the guidance of the Director-General in the staffing and administration of the WTO Secretariat (hereafter called "Secretariat"). The Director-General shall establish and administer *Staff Rules* consistent with these principles and shall submit these Rules together with the *Staff Regulations* to the General Council for approval at the time of the establishment of the Secretariat. The *Staff Regulations* govern the conditions of service and the personnel practices of the Secretariat, and the *Staff Rules* provide the means for implementing the provisions of the *Staff Regulations*. The Director-General may issue *Staff Administrative Memoranda* in elaboration of the *Staff Rules*.

The *Staff Regulations*, *Staff Rules* and *Staff Administrative Memoranda* apply to all staff members of the Secretariat holding contracts of twelve months' duration or more. Staff members holding contracts of less than twelve months' duration shall be subject to separate conditions of service which shall be established by the Director-General and based, as appropriate, on the present *Staff Regulations* and *Staff Rules*, and *Staff Administrative Memoranda*.

DUTIES, OBLIGATIONS AND PRIVILEGES:

- THE WTO AND ITS MEMBERS -

Regulation 1.1: The WTO shall at all times act with fairness and impartiality, and in full respect of these *Staff Regulations* and the applicable jurisprudence of the Administrative Tribunal of the International Labour Organization in its relations with staff members. Its practices shall clearly reflect the principles of equal opportunity and non-discrimination. The WTO management shall establish close surveillance to prevent flaws in those practices.

Regulation 1.2: The WTO shall make all reasonable efforts to provide appropriate protection and safety for staff members in the performance of their duties and shall in particular ensure their immunity from legal process in respect of words spoken or written and all acts performed by them in their official capacity.

Regulation 1.3: The WTO shall establish and maintain appropriate safeguards to respect the personal privacy of staff members and protect the confidentiality of personal information about them.

- STAFF MEMBERS -

Regulation 1.4: Staff members shall discharge their duties solely with the interest and objectives of the WTO in view and, in so doing, shall be subject to the authority of, and responsible to, the Director-General. Pursuant to Article VI:4 of the WTO Agreement, staff members shall neither seek nor accept any instruction relating to the performance of their duties from any government or other entity or person external to the WTO, and shall at all times respect the exclusively international

character of their positions and maintain their independence. Annex B sets forth in greater detail the standards of conduct required of WTO staff members.

Regulation 1.5: Staff members shall conduct themselves at all times in an appropriate manner and shall avoid any action which may adversely reflect on their status as international civil servants, or on the integrity, independence and impartiality which are required by that status.

Regulation 1.6: Staff members shall enjoy, in the interest of the WTO, the privileges, immunities, and facilities referred to in Article VIII of the WTO Agreement and set out in the Headquarters Agreement. In cases where problems relating to privileges and immunities arise, staff members shall immediately report these to the Director-General. Such privileges, immunities, and facilities shall not excuse staff members from the performance of their private obligations or from the due observance of the law. As provided for in the Headquarters Agreement, the Director-General may decide whether, in the interest of the WTO, an immunity shall be waived.

Regulation 1.7: Staff members shall exercise the utmost discretion in regard to all matters of official business. They shall not communicate to any person any information known to them by reason of their official position which has not been made public, except where so authorized by the Director-General. They shall not at any time use such information to private advantage. These obligations do not cease upon separation from the WTO.

Regulation 1.8: Prior to appointment or reassignment, a staff member shall disclose information concerning an interest in any matter within the purview of the Organization which may affect the appropriateness of assigning certain functions to that staff member, *inter alia* with respect to dispute settlement. In particular, when requested to assist in the dispute settlement mechanism staff members shall respect the continuous disclosure obligations detailed in Annex B.

Regulation 1.9: Staff members shall not accept any remuneration, honour, decoration or favour, or gift other than of token value, from any source external to the WTO, unless authorized to do so by the Director-General.

Regulation 1.10: Staff members may exercise the right to vote but shall not engage in any political or other activity or occupation or hold any office which is inconsistent with, or might reflect adversely upon, the independence and impartiality required by their status as international civil servants.

Regulation 1.11: All rights in any work done by staff members as part of their official duties shall be the property of the WTO.

Regulation 1.12: Staff members, on taking up their duties, shall make and sign the following declaration:

"I solemnly undertake to exercise in all loyalty, discretion and conscience the functions entrusted to me as an international civil servant of the World Trade Organization, to discharge these functions and regulate my conduct with the interests of the WTO only in view, and not to seek or accept instructions in regard to the performance of my duties from any government or other authority external to the organization, or to accept remuneration therefrom with respect to my service with the WTO either prior to, during or after such service."

STAFF ASSOCIATION, REPRESENTATION AND CONSULTATION WITH MANAGEMENT

Regulation 2.1: Staff members shall enjoy freedom of association. The interests of the staff shall be represented before the Director-General by a Staff Council, elected by the staff.

Regulation 2.2: The Staff Council shall be composed in such a way as to afford equitable representation to all staff members, by means of elections to be held under rules drawn up by the staff associations and approved by the Director-General.

Regulation 2.3: The Director-General shall set up appropriate mechanisms for the establishment of the joint advisory bodies provided for under these Regulations in order to ensure an equal number of representatives of the Director-General and the staff.

Regulation 2.4: The Director-General shall establish and maintain regular contact and communication with the Staff Council in order to ensure the effective participation of the staff in identifying, examining and resolving issues relating to the establishment of and changes in personnel policies, conditions of work and general staff welfare, as well as the establishment or amendment of *Staff Regulations, Staff Rules* and *Staff Administrative Memoranda*.

Regulation 2.5: A Joint Advisory Committee shall be established to advise the Director-General on the matters referred to in *Staff Regulation 2.4*.

RECRUITMENT POLICY

Regulation 3.1: The recruitment policy of the WTO shall be to seek to attract and retain staff members offering the highest standards of efficiency, competence and integrity. It shall be based on the principle of equal opportunity for all, regardless of gender, nationality, race or religion with the objective of ensuring the broadest possible diversification of the Secretariat.

Regulation 3.2: Pursuant to Article VI:3 of the WTO Agreement, the Director-General shall appoint the staff members of the WTO and shall determine their duties and conditions of service in accordance with the *Staff Regulations* and *Staff Rules*. The Director-General may assign staff members to any of the activities of the WTO which are compatible with their qualifications.

Regulation 3.3: Recruitment shall be on a competitive basis, except where not practicable.

Regulation 3.4: Without prejudice to external recruitment, the fullest regard shall be given, in filling vacancies, to the merit, qualifications and experience of serving staff members, particularly those occupying posts at a grade higher than the classified grade of the post.

Regulation 3.5: The Director-General shall establish medical standards which staff members shall be required to meet before appointment.

CONTRACT POLICY

Regulation 4.1: The basic objective of the contract policy of the WTO shall be to offer staff members the prospect of employment consistent with the requirements of the Organization, including the need to ensure the appropriate balance between continuity and renewal, and taking into consideration the needs and aspirations of the staff. The Organization may grant staff members fixed-term or regular contracts. Continued employment in the Organization is subject to the continued need for the staff member's post, to continued fulfilment of duties and obligations as a staff member and to continuous satisfactory performance, as documented in the performance evaluations.

Regulation 4.2: A fixed-term contract is for a fixed duration. Fixed-term contracts may be extended one or more times. The total length of service under fixed-term contracts shall not normally exceed five years. All initial contracts shall be for a probationary fixed term of at least one year.

Regulation 4.3: For functions of limited duration, the total length of service may not normally exceed five years; this will be specified in the contract of employment.

Regulation 4.4: A fixed-term contract may lead to a regular contract. A regular contract carries no expiration date but is subject to regular review in the light of the conditions stipulated in Regulation 4.1 above. A staff member not carrying out functions referred to in Regulation 4.3 above shall normally be considered for a regular contract upon completion of five years of service under fixed-term conditions.

Regulation 4.5: The Director-General may terminate a fixed-term or regular contract in cases where the function is no longer needed by the Organization, where the duties and obligations of a staff member are no longer fulfilled, or where performance proves to be unsatisfactory, as documented in annual evaluation reports.

PERFORMANCE EVALUATION

Regulation 5.1: The performance of a staff member shall be subject to annual evaluation.

Regulation 5.2: The Director-General shall establish objective and transparent procedures both for the evaluation of staff members' performance by reference to the tasks assigned to the staff member, to the professional conduct of the staff member and to the fulfilment of the goals and objectives established for the year in question, and for the assessment of staff members' potential to assume other responsibilities.

Regulation 5.3: The staff member shall have the right to see and comment on the evaluation, which, along with any such comments, shall form part of the staff member's permanent record.

SALARIES, BENEFITS AND POST CLASSIFICATION

Regulation 6.1: The compensation policy of the WTO shall be to secure, within its budget, staff members of the highest standards of efficiency, competence and integrity and shall be consistent with the principle of equal pay for work of equal value.

Regulation 6.2: The WTO shall establish a salary scale which shall be adjusted annually according to the method described in Annex A and subject to the constraint that the annual adjustment shall not exceed, on a cumulative basis, the movement of the Swiss consumer price index. The salary scale and the method of adjustment shall be subject to review every five years.

Regulation 6.3: The salaries payable to staff members shall be the net amounts after internal taxation. They shall be payable in Swiss francs.

Regulation 6.4: The WTO shall institute and maintain programmes to classify posts according to their purpose, function, and scope and level of responsibility so as to provide a sound and equitable basis for the remuneration of staff members.

Regulation 6.5: The WTO shall institute and maintain programmes to recognize staff members' contributions and to reward staff members according to their performance and achievements as documented in the annual evaluation reports. Performance-related awards shall constitute on aggregate no more than 2 per cent of the total net salary budget, subject to review by the General Council in light of a proposal by the Director-General.

Regulation 6.6: Staff members shall be entitled to a dependency allowance in respect of a primary or secondary dependant.

Regulation 6.7: The Director-General shall establish a normal working week.

Regulation 6.8: Staff members shall be entitled to annual leave.

Regulation 6.9: Subject to conditions and definitions laid down in the Staff Rules, internationally recruited staff members serving outside the country of their recognized home shall be entitled to an education grant, home leave, family visit and separation grant.

Regulation 6.10: Special leave may be granted by the Director-General in exceptional cases.

CAREER DEVELOPMENT

Regulation 7.1: The WTO shall establish policies designed to provide career development opportunities to all staff members regardless of gender, nationality, race, religion or age whilst at the same time ensuring the most effective allocation of human resources. These policies shall include training, reassignment, promotion, and secondment and loan to other international or national organizations. The policies shall take account of the size and nature of the organization and, as appropriate, of the contract policy.

SOCIAL SECURITY

Regulation 8.1: A WTO Pension Plan shall be established to provide disability, retirement, death and related benefits for the staff members of the WTO and their survivors.

Regulation 8.2: The Director-General shall establish a scheme providing for the coverage of medical expenses incurred by staff members and their families as a result of sickness or accident and reasonable compensation to staff members in the event of service-incurred illness, accident or death. Coverage shall also be provided for sick leave, maternity leave or parental leave.

TRAVEL AND REMOVAL EXPENSES

Regulation 9.1: Subject to conditions and definitions laid down in the Staff Rules, the WTO shall pay the travel expenses of staff members, their spouses and dependent children.

Regulation 9.2: Subject to conditions and definitions laid down in the Staff Rules, the WTO shall pay removal costs for staff members.

SEPARATION FROM SERVICE

Regulation 10.1: Separation from service may occur as a result of :

- (a) resignation, with due notice;
- (b) expiration of a contract in accordance with its terms;
- (c) termination of a contract by the Director-General;
- (d) retirement;
- (e) summary dismissal for serious misconduct;
- (f) abandonment of post;
- (g) death.

Regulation 10.2: Staff members shall normally not be retained in service beyond the age of sixty-two years.

Regulation 10.3: The following cases shall constitute grounds for termination of contract by the Director-General:

- (a) reduction of the staff, or if the necessities of the service require abolition of the post occupied by the staff member concerned and redeployment is not possible;
- (b) if the staff member is incapacitated for further service for reasons of health;
- (c) if such action is desirable in view of the needs of the WTO, on terms mutually agreed with the staff member;
- (d) if the performance of the staff member concerned falls short of the minimum standards required, as documented in the annual evaluation reports;
- (e) if the conduct of the staff member does not meet the highest standards of integrity required by these regulations including the respect of obligations detailed in Annex B;
- (f) if facts anterior to the appointment of the staff member come to light which, had they been known, would have precluded appointment.

Regulation 10.4: In cases provided for under Staff Regulation 10.1(b), a staff member shall be given notice. The expiration of a fixed-term contract in accordance with its terms shall not give rise to the payment of an indemnity.

Regulation 10.5: A staff member whose contract is terminated under Staff Regulation 10.1(c) shall be given notice or, exceptionally, payment in lieu of notice.

Regulation 10.6: Termination under Staff Regulation 10.3 (a), (b), or (c) shall give rise to an indemnity which may be increased in exceptional cases by up to 50 per cent in case of termination under Staff Regulation 10.3(c) above. Termination under Staff Regulation 10.3(d) may, in cases of exceptional hardship, give rise to an indemnity not exceeding one half of the indemnity provided under Staff Regulation 10.3(a) or (b).

Regulation 10.7: A separation grant shall be payable in cases of separation under Staff Regulation 10.1(a), 10.1(b), 10.1(c) (provided the termination occurs pursuant to Staff Regulation 10.3(a), (b) or (c)), 10.1(d) or 10.1(g)).

- (a) to internationally recruited staff members who provide proof of relocation outside Switzerland after separation from service;
- (b) to other staff members who separate from the WTO upon completion of a minimum of 10 years of service. The amount of the grant payable in such cases shall correspond to 50% of the grant payable under (a) above.

Regulation 10.8: (Deleted)

Regulation 10.9: Without prejudice to the provisions of Staff Regulations 12.2 to 12.5, no termination under Staff Regulation 10.3(a), (b), (d) or (e) shall take place until the matter has been considered and reported on by a joint advisory body.

DISCIPLINARY MEASURES

Regulation 11.1: The Director-General may apply disciplinary measures to a staff member whose conduct is unsatisfactory.

Regulation 11.2: Disciplinary measures shall be proportionate and may consist of one or more of the following: written censure, loss of one or more salary increments, deferment of a salary increment for a specified period, suspension without pay, fine, demotion, termination of contract with or without notice or compensation in lieu thereof, or summary dismissal for serious misconduct.

Regulation 11.3: The Director-General shall seek advice of a joint advisory body when proposing disciplinary measures, with the exception of summary dismissal for serious misconduct.

Regulation 11.4: A staff member shall be notified in writing of the grounds for the disciplinary measure proposed under Staff Regulation 11.1 and shall be afforded the opportunity to make observations on the proposal.

Regulation 11.5: A disciplinary measure is an administrative decision notified to the staff member in writing and open to appeal by the staff member.

GRIEVANCES AND APPEALS

Regulation 12.1: The WTO shall provide for a conciliation procedure in order to endeavour to resolve grievances submitted by staff members relating to their conditions of employment.

Regulation 12.2: In disputes relating to their conditions of service, staff members have the right to due process, as set out in the Staff Rules.

Regulation 12.3: Administrative decisions are open to appeal to the Director-General by a staff member on the grounds of non-observance, in substance or in form, of the terms of the contract and of such provisions of the *Staff Regulations* and *Staff Rules* as are applicable to the case.

Regulation 12.4: The Director-General shall establish a joint appeals board to provide advice in the event of an appeal by a staff member.

Regulation 12.5: The Administrative Tribunal of the International Labour Organization shall, under the conditions prescribed in its statute, hear and pass judgement upon a complaint from a staff member alleging non-observance, in substance or in form, of the terms of the contract and of such provisions of the *Staff Regulations* and *Staff Rules* as are applicable to the case.

AMENDMENTS

Regulation 13.1: The *Staff Regulations* may be amended by the General Council. Such amendments shall be without prejudice to staff members' rights acquired under the WTO Staff Regulations.

Regulation 13.2: The *Staff Rules* may be amended by the Director-General in accordance with the *Staff Regulations* and without prejudice to the acquired rights of staff members under those *Regulations and Rules*. The General Council shall be informed of amendments to the Staff Rules. Amendments carrying financial implications or creating new rights for staff members shall be approved by the General Council before their entry into force, except where they are the result of approved automatic mechanisms.

TRANSITIONAL PROVISIONS

Regulation 14.1: Prior service under an ICITO/GATT contract will be counted for all purposes as service under a WTO contract.

ANNEX A

WTO SALARY SCALE - METHOD OF ANNUAL ADJUSTMENT

Pursuant to Staff Regulation 6.2, the WTO salary scale shall be adjusted annually on 1 January according to the following method:

Step 1

The movement of the Swiss consumer price index shall be measured over the 12-month period ending on 30 June of the preceding year on the basis of the statistical data provided by the "Office cantonal de la statistique" in Geneva.

Step 2

The real movement of civil service salaries in France, Germany, Japan, the United Kingdom and the United States of America shall be measured over a corresponding 12-month period on the basis of the following data:

| Country | Data source |
|---------------------------------|--|
| France, Germany, United Kingdom | Indices of real net national civil service remuneration published by the Inter-Organisations Study Section on Salaries and Prices, Organization for Economic Cooperation and Development, for the period July - June immediately preceding the effective date of the salary adjustment. |
| Japan | Movement of national civil service salaries on a fiscal year basis (April - March) as established by official government source in December of the year but one preceding the effective date of the salary adjustment, deflated by the consumer price index movement for Japan for the corresponding period, as published in IMF International Financial Statistics. |
| United States of America | Movement of United States Federal Civil Service General Schedule pay for the period January - December of the year but one immediately preceding the effective date of the adjustment, deflated by the United States consumer price index for the corresponding period, as published in IMF International Financial Statistics. |

1. Step 3

The adjustment to be taken into consideration for application to the WTO salary scale shall then be determined by means of the following formula:

$$X = I * \frac{\sum_{i=1}^n S_i}{n}$$

where

| | | |
|---|---|--|
| X | = | adjustment to be taken into consideration |
| I | = | movement of Swiss consumer price index over the reference period |
| S | = | real movement of civil service salaries index |
| i | = | countries |

Step 4

The adjustment to be applied to the WTO salary scale is subject to the constraint that the annual adjustment shall not exceed, on a cumulative basis, the movement of the Swiss consumer price index. The operation of this constraint is illustrated below:

| | Year 0 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 |
|--|--------|--------|--------|--------|--------|--------|--------|
| Movement of Swiss consumer price index INDEX | 100 | 102 | 105 | 107 | 112 | 115 | 120 |
| % MOVEMENT | | 2.0% | 2.9% | 1.9% | 4.7% | 2.7% | 4.3% |
| Movement of WTO salaries INDEX | 100 | 102 | 105 | 107 | 111.75 | 114.75 | 120 |
| % MOVEMENT | | 2.0% | 2.9% | 1.9% | 4.4% | 2.7% | 4.6% |
| <u>Calculations:</u> | | | | | | | |
| Variable 1 (Swiss CPI movement) | | 2 | 3 | 2 | 5 | 3 | 5 |
| Variable 2 (average movement of national civil service salaries, as a % of cost-of-living movement) | | 100 | 120 | 100 | 75 | 100 | 105 |
| Annual deficit | | 0 | 0 | 0 | 25 | 0 | 0 |
| Annual reserve | | 0 | 20 | 0 | 0 | 0 | 5 |
| Annual recovery | | 0 | 0 | 0 | 20 | 0 | 5 |
| Annual cumulative total | | 0 | 20 | 20 | -5 | -5 | 0 |
| RESULT (WTO salary adjustment as percentage of Swiss CPI movement) | | 100 | 100 | 100 | 95 | 100 | 105 |

ANNEX B

STANDARDS OF CONDUCT IN THE WORLD TRADE ORGANIZATION¹

DRAFT STANDARDS OF CONDUCT

Introduction

1. The general duties and obligations of the staff of the WTO Secretariat are set forth in Article VI of the Agreement Establishing the World Trade Organization and are further elaborated in the Staff Regulations and Rules. The present annex is intended to underline certain basic principles and promote a clearer understanding of the standards of conduct required of the staff of the WTO Secretariat.

Basic considerations

2. One of the fundamental standards of conduct derives from the requirement of integrity. Integrity implies not only honesty, truthfulness and freedom from corrupting influences but also integrity as an international public official. Staff members must regulate their conduct with the interests of the WTO in view and avoid placing themselves in a position where their private interests would actually or potentially conflict with the interests of the WTO.

3. A second requirement is the need to develop and maintain an international outlook, based on loyalty to the WTO. The acceptance of the oath of office by the staff member implies a willingness to seek to understand and to be tolerant of different points of view, different cultural patterns and different work habits. Staff members are expected to work without prejudice or bias with colleagues of all nationalities, religions and cultures and to exercise judgement and restraint in all expressions of view. At the same time, they are not expected to give up their own personal or political views, nor their national characteristics.

4. A third requirement closely related to loyalty is that of independence. Staff members are under an obligation neither to seek nor to accept instructions in regard to the performance of their duties from any government or external authority.

5. Lastly, staff members are required scrupulously to observe impartiality in the exercise of their duties. They retain their personal views and convictions, but they do not enjoy the freedom of a private person to take sides or to express their opinions on controversial matters where this may reflect adversely on the WTO or on their status as international civil servants.

Conduct within the WTO Secretariat

6. The first opportunity, and obligation, for staff members to demonstrate and enhance their international outlook is in their working relationships with their colleagues. In this way, they will also increase the effectiveness of the Secretariat.

¹ Adapted in part from the ICSAB Report on Standards of Conduct in the International Civil Service 1954.

7. Supervisors must set the tone by personal example and accept their responsibility for the guidance and training of their staff. Impartiality, tolerance and understanding should underpin their general attitude to their staff. Supervisors must take care to strike the right balance between the need for discipline and the need for understanding and fair treatment of their staff. It is their task to ensure scrupulously that the views of subordinates are heard and due recognition given to individual merits. Supervisors shall not indulge in intimidation or favouritism, nor shall they solicit or accept gifts from their staff. The particular issue of harassment is dealt with separately below.

8. Subordinate staff members must recognize the importance of intellectual discipline and accept the obligation to place before their supervisors all relevant facts and considerations. While staff members have the protected right to record their views in the official file, it is their duty to accept, carry out and defend properly made decisions once they have been taken, whether or not they accord with their own opinions.

9. Where staff members have serious doubt as to the soundness of a supervisor's instruction, it is the duty of staff members to place their point of view clearly before the supervisor and, if not accepted, ask for written instructions. Once these instructions have been received, staff members must either carry them out or immediately refer the matter to a higher authority.

10. Staff members must not use their official position to influence or attempt to influence decisions regarding the appointment of staff. Staff members may, however, be requested by a responsible official to provide information or views to permit the latter to make an informed decision thereon. Staff members must not use their official position in any way for private gain, either monetary or otherwise.

11. No unauthorized staff member may intervene in the award of contracts to commercial firms.

Harassment

12. Every staff member has the right to be treated with dignity and respect, free from abuse or harassment. Within this framework, the WTO will not tolerate any type of harassment, and particularly sexual harassment, within the workplace or associated with work performed on behalf of the organization. Conduct which is determined to constitute harassment will be subject to appropriate administrative or disciplinary action or dismissal.

13. Sexual harassment is any unwelcome sexual advance, request for sexual favour, or other verbal or physical conduct of a sexual nature, when it interferes with work, is made a condition of employment, or creates an intimidating, hostile or offensive environment. In all cases it refers to conduct that is clearly unwanted by the recipient. When behaviour of this kind is engaged in by any official who is in a position to influence career or employment conditions (including hiring, assignment, contract renewal, performance evaluation or promotion) of the recipient of such attentions, it also constitutes an abuse of power.

14. Three categories of conduct are generally considered to be covered by this definition:

- physical conduct of a sexual nature such as unwanted physical contact of varying degrees of intimacy;
- verbal conduct of a sexual nature such as unwelcome sexual advances, persistent yet unwelcome suggestions for social activity outside the workplace, and offensive flirtations or comments;
- non-verbal conduct of a sexual nature such as the display of pornographic or sexually suggestive material, or making sexually suggestive gestures.

15. Staff shall be free to refuse such conduct or advances without fear of negative consequences or retaliatory action.

16. Sexual harassment is distinguished from other forms of contact by its unwelcome, unreciprocated and imposed nature. Mutually acceptable behaviour is not sexual harassment regardless of the employment relationship.

17. All staff bear responsibility for the maintenance of a harmonious working environment; this implies that, in accordance with the standards of conduct of the international civil service and the staff rules, they shall conduct themselves in a way which will ensure that the workplace is free of intimidation, hostility or offence and, in this context, of any form of harassment, and in particular sexual harassment. Managers should make this clear: (a) by their example; (b) by clearly communicating this policy to all their staff; (c) by enhancing a positive working environment in which harassment, and particularly sexual harassment, does not occur; and (d) by ensuring prompt attention to the adherence to the policy.

18. All staff are equally responsible, however, for complying with this policy and for helping to create a working environment in which dignity is fully respected.

19. Staff members who believe they are being harassed, and particularly sexually harassed, should immediately inform the alleged harasser of the unwelcome nature of his or her behaviour and express their expectation that it will cease. In the event that the offensive behaviour does not cease, or where the circumstances are such that it is too difficult for the staff member to approach the alleged harasser directly, resort may be had to both informal and formal means of resolving the problem. Staff members who believe they are being harassed should not hesitate to contact the Personnel Division. In all cases allegations of harassment, and particularly sexual harassment, will be fully, fairly and promptly investigated and dealt with in a confidential manner. Any retaliation or threat of retaliation against individuals making formal or informal complaints of harassment, and particularly sexual harassment, or assisting in the investigation of complaints will be considered as a violation of these standards of conduct and will result in severe disciplinary action or dismissal.

Relations with governments and with representative bodies of the WTO

20. The vital independence of the Secretariat is put to its most crucial test in the relations of staff members with governments and with representative bodies of the WTO. The basic guide for staff members is the oath of office by which they undertake not to seek or accept instructions in regard to the performance of their duties from any government or authority external to the WTO. All staff members are international officials, and not representatives of a national government or national policy. The Members of the WTO have committed themselves to respect this status through their acceptance of the Agreement Establishing the WTO, and notably Articles VI and VIII thereof.

21. Notwithstanding the independence of its Secretariat, it is the Members represented by governments that make up the WTO. Conduct which nurtures good relations with Members and fosters trust and confidence in the Secretariat, strengthens the WTO and promotes its interests.

22. Staff members must avoid any action which would, by impairing good relations with a government, criticising its actions or undermining or discrediting its authority, reflect adversely on the WTO or the status of a WTO staff member as an international civil servant.

23. In any conflict of national and international loyalties, the conduct of the staff member must reflect his obligations to the WTO. Any appearance of disloyalty to the WTO would be incompatible with the status of a WTO staff member.

24. WTO staff members may not consider themselves as liaison agents between their governments and the WTO. The Director-General may, however, request a staff member to serve in a liaison capacity, in which case it is the duty of the staff member to act on behalf of the Director-General with respect to the national authorities concerned and not vice-versa. Staff members should be able to report accurately on their governments' policies, without attempting to further them.

25. Two fundamental principles underlie the correct relations between the Secretariat and the representative bodies of the WTO. First, the WTO is composed of its Members, and the Secretariat is there to provide services to the WTO, not to determine its policies. Second, the unity of the Secretariat and the primary responsibility of the Director-General as the head of that Secretariat must be understood and accepted.

26. Staff members submit proposals to the representative bodies in the name, and in accordance with the views and recommendations, of the Director-General. Where the position of the Director-General is not yet known, the staff member should either ascertain that position before expressing a view or make it clear that the view expressed is tentative and subject to referral to the Director-General.

27. Other than in response to requests through official channels, staff members should not prepare for the use of government or other official representatives any material on political or other controversial questions which are under discussion in a representative body, nor should they plead for any position at variance with that of the Director-General.

28. Staff members may not lobby government representatives to secure support for improvements in their personal situation or that of another staff member, or for blocking or reversing unfavourable decisions. The necessary arrangements exist within the Secretariat for staff members to secure fair treatment in respect of their administrative status.

29. Staff Regulation 2.4 provides for the establishment of regular channels of communication between the Director-General and the staff representatives before the Director-General decides on the proposals to be made to the WTO bodies regarding personnel policies, conditions of work and staff welfare. Where, despite consultations, the staff representatives maintain a point of view which is not accepted by the Director-General, arrangements shall be made to permit the staff representatives to bring their views, orally or in writing, to the attention of the appropriate representative body. Individual efforts by staff members to influence delegations to support the views of the staff representatives are not appropriate.

30. National officials on secondment to the WTO shall adjust their conduct in accordance with their international status.

31. Staff members shall not accept remuneration from any government or other authority external to the WTO with respect to their service with the WTO either prior to, during or after such service.

32. Appointment to the WTO does not relieve staff members of their legal and civil obligations on matters unrelated to the WTO. Except where the Director-General determines that compliance with a particular request or order is not compatible with the interest of the WTO, obligations must be observed. In cases of doubt, the staff member should seek prior guidance from the Director-General.

Staff on leave without pay from the WTO

33. Staff who are granted leave without pay by the WTO remain WTO staff members and under the obligation to observe these standards of conduct. In particular, staff members authorized to accept employment during such leave must ensure that they conduct themselves in such a way as to avoid actual and potential conflicts of interest.

Participation of staff members in the WTO dispute settlement process¹

34. When paragraph V:4(c) of the Rules of Conduct for the Understanding Governing Rules and Procedures for the Settlement of Disputes (hereafter called the "Rules of Conduct" and contained in WT/DSB/RC/1) is applicable (i.e. when a staff member is considered to assist in a dispute), staff members shall disclose to the Director-General the information required to be disclosed by paragraph VI:2 of the Rules of Conduct including their participation in earlier formal consideration of the specific measure at issue in a dispute under any provisions of the WTO Agreement, including through formal legal advice under Article 27.2 of the DSU, as well as any involvement with the dispute, as an official of a WTO Member government or otherwise professionally, before having joined the Secretariat. The Director-General shall consider any such disclosures in deciding on the assignment of members of the Secretariat to assist in a dispute. When the Director-General, in the light of that consideration, including of available Secretariat resources, decides that a potential conflict of interest is not sufficiently material to warrant non-assignment of a particular member of the Secretariat to assist in a dispute, the Director-General shall inform the panel of that decision and of the relevant supporting information.

35. If a staff member becomes the object of a complaint regarding material violation of the Rules of Conduct, pursuant to Article VIII:11, the Director-General shall provide any evidence submitted in respect thereof to the staff member who is the subject of such evidence. The Director-General shall consult with the person who is the subject of the evidence and the panel and shall, if necessary, take appropriate disciplinary action in accordance with Staff Regulation 11.1.

Political activities

36. Staff members should refrain from political activities which could reflect adversely on their independence and impartiality.

37. The following are some examples of activities which could be regarded as being inconsistent with, or reflecting adversely upon, the independence and impartiality required of WTO staff members by their status as international civil servants.

- candidate for public or political office and hence the holding of such office;
- public support for a political party by speeches, statements to the press or written articles;
- initiation or signature of petitions involving issues directly or indirectly related to the activities of the WTO;
- acceptance or solicitation of financial contributions for political purposes;
- membership or support for any group which imposes on the staff member an obligation to act incompatibly with the staff member's international status, even where such action may appear to be in support of resolutions and decisions of the WTO.

38. Again, in cases of doubt, the staff member should seek prior guidance from the Director-General.

¹ This text corresponds to the text resulting from the negotiation of the Rules of Conduct for the Understanding on Rules and Procedures Governing the Settlement of Disputes (WT/DSB/RC/1).

Relations with the public

39. In their contacts with the public and private individuals, staff members have an important role to play in fostering understanding and support for the activities and objectives of the WTO. Tact, restraint and tolerance must be the watchwords in those contacts. Staff members must also be aware of the importance of acquiring sufficient knowledge of the work of the WTO to permit them to provide accurate information and respond effectively to criticism.

40. Staff members must also understand and respect the culture and customs of the country of the duty station. They must abstain from conduct which would reflect adversely on the WTO and avoid giving cause for resentment. Public airing of personal grievances and destructive criticism of the WTO are inadmissible. At the same time, staff members are entitled to expect the WTO to respond to unjustified public criticism levelled against them.

41. In their contacts with the press, staff members should make statements only where authorized. As a general rule, all information to the press should be channelled through the Information and Media Relations Division. When a staff member is called upon to communicate with the press, the staff member must understand that the information is being provided in the name of the WTO and avoid personal references and views. Using the press to further personal interests, air grievances or seek to influence policy decisions will be regarded as improper conduct.

42. As stipulated in Staff Regulation 1.9, staff members shall not accept any honour, decoration or favour, or gift or remuneration other than of nominal value, from any source external to the WTO. Members of the WTO will, it is hoped, also respect this principle and avoid placing staff members in the embarrassing position of refusing such offers. Staff members handling business with commercial firms must apply the same rules and be particularly circumspect concerning gifts and offers of hospitality.

43. Again, in cases of doubt, the staff member should seek guidance from the Director-General.

Outside activities

44. No outside activity will be permitted which may interfere with the work or is incompatible with the status of a WTO staff member. There can be no participation in activities which may impair the capacity of staff members to perform their duties, or which would reflect adversely on the dignity or standing of the WTO. Outside contractual obligations which are principally for financial gain or which would interfere with the staff member's availability for official work are not permitted.

The private life of the staff member

45. As a matter of principle, the WTO will not intrude upon the private life of staff members. At the same time, in order not to bring the WTO into disrepute, staff members must set themselves a high standard of personal conduct. Their conduct must not infringe upon any demonstrable interests of the WTO, nor offend the community in which they live. Care and discretion should be exercised not only by staff members but also by members of their family. Scrupulous compliance with laws of the host country and honouring of financial obligations are but two examples of the conduct required.

46. Violations of law can range from serious criminal activities to trivial offences. Guidelines are best developed in the light of the nature and circumstances of individual cases. Generally speaking, convictions by a national court and acts which are generally recognized as offences by national criminal laws will be considered as inadmissible conduct. However, the WTO shall not take into account convictions for trivial offences or for offences not generally considered to reflect on integrity. Similarly, convictions made without observance of the generally recognized principles of due process will be disregarded.

Conclusion

47. The standards set forth above may be high and exacting but can and should be achieved by WTO staff members. Special restraints in public and private life must be accepted so that the staff member can make a positive contribution to the work and ideals of the WTO. Integrity, loyalty, independence and impartiality, are absolute requirements. The WTO must be able to project an image which convinces all those with whom it has contact that its staff fully accept the high responsibilities their status demands.

WORKING GROUP ON CONDITIONS OF SERVICE
APPLICABLE TO THE STAFF OF THE WTO SECRETARIAT

DRAFT REGULATIONS OF THE WTO PENSION PLAN

**PENSION PLAN
REGULATIONS OF THE PENSION PLAN OF THE WTO**

**SECTION I
GENERAL PROVISIONS**

**Article 1
Scope and purpose of the Plan**

The Pension Plan of the World Trade Organization, hereinafter called "the Plan", shall provide retirement, death, disability and related benefits for the staff of the World Trade Organization (WTO).

**Article 2
Definitions**

In these Regulations:

(a) "*Actuarial equivalent*" and "*equivalent actuarial value*" shall mean the equivalent determined according to the actuarial tables adopted by the Management Board under Article 8.

(b) "*Administrative Rules*" shall mean the rules adopted by the Management Board under Article 5.

(c) "*Beneficiary*" shall mean a person entitled to receive, or in receipt of, a benefit under these Regulations.

(d) "*Benefit*" shall include a withdrawal settlement under Article 27, and a residual settlement under Article 34.

(e) "*Child*" shall mean a child existing on the date of separation or death in service of a participant and shall include the step-child or adopted child of a participant, and a child *in utero* upon its birth; in the event of uncertainty as to whether adoption has taken place, the matter shall be decided by the Management Board.

(f) "*Commute*" shall mean cause to be converted and paid in a lump sum part or the whole of a benefit otherwise payable at periodic intervals, according to the actuarial tables of the Fund.

(g) "*Dependent*" shall mean dependent according to the criteria set forth in Staff Rule 106.13.

(h) "*External auditors*" shall mean the External Auditors of the WTO.

(i) "*Final average remuneration*" shall mean the average annual pensionable remuneration of a participant during:

- (i) The thirty-six completed calendar months of highest pensionable remuneration within the last five years of the participant's contributory service; or
- (ii) If the participant's contributory service was less than five years, the thirty-six completed calendar months of highest pensionable remuneration within the actual period of such service; or

- (iii) If the participant's contributory service contained less than thirty-six completed calendar months, the actual number of such months within his contributory service; or
 - (iv) If the participant's contributory service contained no completed calendar month, the actual period of such service.
- (j) "*Interest*" shall mean interest compounded annually at the rates specified in Article 8.
- (k) "*Management Board*" shall mean the Management Board specified in Article 4.
- (l) "*Normal retirement age*" shall mean age 62, except that it shall mean age 60 for a participant whose participation commenced before 1 January 1990.
- (m) "*Own contributions*" shall mean the contributions, not exceeding the percentage of the participant's pensionable remuneration specified in Article 21(b), made to the Plan by or on behalf of a participant in respect of contributory service under Article 17, with interest.
- (n) "*Participant*" shall mean a member of the WTO staff who is participating in the Plan in accordance with the terms of Article 16.
- (o) "*Part-time*" shall mean employment under conditions requiring work during at least half the normal weekly working hours prescribed under Staff Rule 106.1(a).
- (p) "*Pensionable remuneration*" shall mean the remuneration defined in Article 20.
- (q) "*Plan*" shall mean the Pension Plan of the World Trade Organization.
- (r) "*Restoration*" shall mean the inclusion in contributory service of the prior contributory service of a former participant who again becomes a participant.
- (s) "*Secondary dependant*" shall mean the mother or father, or an unmarried brother or sister under the age of twenty-one, who was dependent on the participant at the date of the participant's death if the participant died in service, or from the date of the participant's separation to the date of death if the participant died after separation.
- (t) "*Director-General*" shall mean the Director-General of the World Trade Organization.
- (u) "*Separation*" shall mean ceasing to be in the service of the WTO.
- (v) "*Service*" shall mean employment as a full-time or part-time member of the staff of the WTO.
- (w) "*Validation*" shall mean the inclusion in contributory service of a period of non-contributory service which occurred prior to the commencement of participation.

Article 3

Interpretation

The Management Board shall, to the extent required to give effect thereto, interpret these Regulations.

SECTION 2 ADMINISTRATION

Article 4 Management Board

(a) The Management Board shall consist of a chairman elected by the General Council, four members and four alternates elected by the General Council, and four members and four alternates appointed by the Director-General, of whom two members and two alternates shall be selected by the Director-General from a list drawn up by the participants. In addition, the beneficiaries may designate an observer.

(b) The Chairman and the elected and appointed members and alternates shall hold office for a term of three years or until the election or appointment of their successors and they shall be eligible for re-election or re-appointment. In the event that the Chairman or a member or alternate ceases, during their term, to hold office, another member or alternate may be elected or appointed to hold office during the remainder of the term.

(c) Decisions of the Management Board shall normally be taken by consensus and otherwise by simple majority.

Article 5 Administration of the Plan

(a) The Management Board shall be responsible for the management and administration of the Plan, with particular regard to its actuarial balance.

(b) The management and administration of the Plan shall be in accordance with these Regulations and with Administrative Rules consistent therewith, which shall be adopted by the Management Board and approved by the General Council.

(c) The duties and authority of the Management Board as well as rules for the auditing of accounts shall be laid down in rules of procedure which shall be approved by the General Council.

(d) The Management Board shall present a report each year to the General Council and to the participants, giving in particular:

- (i) an account of the financial transactions during the year,
- (ii) the balance sheet of the Plan,
- (iii) a summary of changes in Plan membership and of benefits awarded during the year,
- (iv) a statement of the investment principles being followed by the Management Board,
- (v) a summary of the investment performance of the Plan during the year, and a description of the assets held at the end of the year,
- (vi) any other decisions taken in connection with the administration of the Plan.

(e) An audit of the accounts of the Plan shall be made annually by the External Auditors, in a manner agreed between the External Auditors and the Management Board; a copy of the audit report shall be included in the report under (d) above.

(f) All expenses incurred in administering the plan, investing plan assets, employing the services of professional advisers and those incurred by the WTO in providing facilities for and in support of the Management Board shall be borne by the Plan. Each element shall be separately identified in the annual report.

Article 6

Secretariat

The Director-General shall appoint a Secretary upon a recommendation from the Management Board. The appointment of the Secretary shall be subject to regular review by the Management Board. The Secretary, acting under the authority of the Management Board, shall be qualified to apply these Regulations, carry out the decisions of the Management Board and deal with current business in accordance with the directives of the Management Board. The Secretary, or the officer empowered to act in the absence of the Secretary, shall certify for payment all benefits properly payable under these Regulations.

Article 7

Consulting actuary and other advisers

A consulting actuary to the Management Board shall be appointed by the Director-General upon the recommendation of the Board for the purpose of providing actuarial services to the Plan. Such other advisers as the Management Board considers appropriate and necessary shall be appointed by the Director-General upon the recommendation of the Board.

Article 8

Adoption of actuarial bases

- (a) The Management Board shall, on the advice of the consulting actuary, adopt, and revise when appropriate, service, mortality and other tables and shall decide upon the rates of interest to be used in the periodic actuarial valuation of the Plan and for other actuarial calculations.
- (b) At least once in every three years the Management Board shall have an actuarial investigation made into the service, mortality and benefit experience of the participants and beneficiaries of the Plan and shall determine whether the actuarial bases of the Plan should be modified.
- (c) Without prejudice to Article 8(a) above, the rate of interest to be used in all calculations required in connection with these Regulations shall be []*

*To be confirmed by the Management Board in the light of actual advice.

Article 9

Actuarial valuation of the Plan

- (a) The Management Board shall have an actuarial valuation made of the Plan at least once every three years by the consulting actuary.
- (b) The report on the actuarial valuation shall explain the assumptions on which the calculations are based, describe the method of valuation used, and state the results and conclusions.
- (c) The Management Board shall, in the light of the report of the consulting actuary, recommend such action as it deems desirable to the General Council through the Committee on Budget, Finance and Administration, which shall both be provided with copies of the report. In making its recommendations, the Management Board shall provide a best estimate of the possible implications

for the funding of benefits of maintaining contributions at the existing level, and for the funding of contributions of maintaining benefits at the existing level.

(d) In the particular case of an actuarial deficit or surplus, the Management Board shall recommend to the General Council any necessary corrective action. Such action may include an adjustment to contributions and/or benefits or any other measure which the Management Board deems appropriate to restore an actuarial balance.

Article 10 **Transfer of pension rights**

The Management Board may, subject to the concurrence of the General Council, approve agreements with member Governments and with intergovernmental organizations, with a view to securing continuity of pension rights for participants in the Plan.

SECTION 3 **ASSETS AND INVESTMENT**

Article 11 **Assets of the Plan**

The assets of the Plan shall be derived from:

- (a) the contributions of the participants,
- (b) the contributions of the WTO,
- (c) the yield from the investments of the Plan, and
- (d) receipts from any other source.

Article 12 **Property in the assets**

(a) The assets shall be the property of the Plan and shall be acquired, deposited and held, separately from the assets of the WTO, on behalf of the participants and beneficiaries of the Plan. The assets shall be used totally and exclusively for the purposes of these Regulations.

(b) All monies forming part of the Plan which are not immediately required to be expended for the purposes of the Plan shall be invested by the Management Board in the name of the Plan. Monies shall be invested in:

- (i) stocks, shares, debentures, annuities or other policies of assurance or any other generally recognized investments, including any interests in property;
- (ii) any instrument intended to remove or reduce the adverse effect upon Plan investments of fluctuations in the relative values of the Swiss franc and other currencies in which such investments are held;
- (iii) any instrument intended to remove or reduce the adverse effect upon Plan investments of fluctuations in the relative values of these investments and some other class of investment.

Article 13

Investment of the assets

- (a) The Management Board shall determine the investment policy after taking professional advice and shall appoint investment managers to implement that policy.
- (b) The Management Board shall arrange for the maintenance at all times of detailed accounts of all investments held, contributions received, benefits paid, income received on investments and all other transactions of the Plan. The accounts must be sufficient to meet all the requirements of Article 5.

Article 14 - DELETED

Article 15

Currency

- (a) Contributions, sums payable for restoration and validation, and benefits under these Regulations shall be calculated in Swiss francs. The accounts shall be kept in that currency.
- (b) Benefits may, however, be paid in any currency selected by the beneficiary at the rate of exchange for the Swiss franc applicable for the purposes of the Plan on the date of payment, except that the beneficiary may not amend the choice of currency more than once every six months.

SECTION 4

PARTICIPATION, CONTRIBUTORY SERVICE AND CONTRIBUTIONS

Article 16

Participation

- (a) Every member of the staff of the WTO shall become a participant in the Plan:
 - (i) upon taking up a contract for six months or longer, or
 - (ii) upon completing six months of service without an interruption of more than 30 days,

whichever is the earlier, provided that participation is not expressly excluded by the terms of the contract.

- (b) Participation shall cease when a benefit becomes payable in respect of a participant, except that participation shall not be deemed to have ceased where a participant resumes contributory service within 12 months after separation without a benefit having been paid to that participant.

Article 17

Contributory Service

- (a) Contributory service shall accrue to a participant from the date of commencement to the date of cessation of participation.
- (b) Contributory service may accrue in respect of special leave without pay if contributions are received by the Plan in accordance with Article 21(c).
- (c) Additional contributory service may accrue to a participant if prior service is validated or restored in accordance with Article 18 or 19.

Article 18

Validation of non-contributory service

(a) Participants may elect, within one year of the commencement of their participation, to validate prior service during which they were not eligible under these Regulations for participation in the Plan, provided that:

- (i) such prior service was with the WTO,
- (ii) participation succeeded the ending of such service within two years,
- (iii) the service was the most recent prior to their participation and had not been interrupted by a break of more than one year,
- (iv) participation had not, during such service, been expressly excluded by the terms of the contract, and
- (v) the totality of the period open to validation is elected.

(b) A beneficiary of the participant under these Regulations, other than the recipient of a residual settlement, may, if the participant has died before the expiry of the period within which election may be made, make the election on behalf of the participant within such period.

(c) Validation shall be subject to receipt by the Plan of contributions in accordance with Article 21(f).

Article 19

Restoration of prior contributory service

(a) A former participant to whom a benefit under these Regulations, other than a disability benefit, has been or is being paid and who again becomes a participant, may, within one year of the recommencement of participation, elect to restore the prior contributory service. The election may apply only to the totality of such service.

(b) The prior contributory service of a former participant to whom a benefit under these Regulations is due but has not been paid, or to whom a disability benefit has been or is being paid, and who again becomes a participant, shall be restored.

(c) A beneficiary of a participant under these Regulations, other than the recipient of a residual settlement may, if the participant has died before the expiry of the period within which the election may be made, make the election on behalf of the participant within such period.

(d) Restoration shall be subject to receipt by the Plan of contributions in accordance with Article 21(g).

Article 20

Pensionable remuneration

The pensionable remuneration shall be as set out in Annex 1 of the Staff Rules which is reproduced in Annex 1 of the present Regulations.

Article 21

Contributions

- (a) Each participant shall pay a contribution deducted from the monthly salary and transferred directly to the Plan. The contribution of the participant and of the WTO shall correspond to 7.5 per cent and 15 per cent of pensionable remuneration, respectively.
- (b) The contributions prescribed in paragraph (a) above shall be paid concurrently with the accrual of contributory service under Article 17.
- (c) Contributions for the purpose of Article 17(b), in respect of special leave without pay, shall be payable concurrently with such leave, by the participant in full, or, in exceptional cases, by the WTO in full, or in part by the participant and in part by the WTO.
- (d) Contributions for the purpose of validation under Article 18 shall be payable, with interest, by the participant and by the WTO in the amounts which would have been payable respectively by each, had service during the period been contributory.
- (e) Contributions for the purpose of restoration under Article 19 shall consist of the benefit, other than the disability benefit, received by the participant in respect of the participant's previous participation, together with interest from the date of payment of the benefit.
- (f) In any case in which a period of contributory service accrues, or is deemed to accrue, to a participant otherwise than in accordance with Article 17, contributions shall be payable to the Plan, with interest, by the participant in the amount which would have been payable had service during such period been contributory, and by the WTO in an amount sufficient to meet any additional obligations to be borne by the Plan resulting therefrom.

Article 22

Guarantee of benefits

In the event of dissolution of the WTO, the General Council shall take the necessary steps to guarantee the benefits acquired under these Regulations by participants and beneficiaries at the date of dissolution.

SECTION 5

BENEFITS

Article 23

Entitlement to benefits

- (a) A participant who is not eligible for a retirement benefit under Article 24 or a disability benefit under Article 29 may elect on separation to receive either an early retirement benefit, or a deferred retirement benefit or a withdrawal settlement if the participant satisfies the conditions of Article 25, 26 or 27, respectively.
- (b) Retirement, early retirement and deferred retirement benefits shall be payable at periodic intervals for life.

Article 24

Retirement benefit

- (a) A retirement benefit shall be payable to a participant whose age on separation is the normal retirement age or more and whose contributory service was five years or longer.

(b) The benefit shall, subject to paragraph (c) below, be payable at the standard annual rate of 2 per cent of final average remuneration (FAR) per year of service up to a maximum of 70 per cent of FAR.

(c) The benefit may be commuted by the participant into a lump sum not exceeding 1/3 of the actuarial equivalent of the benefit or the amount of the participant's own contributions, whichever is the larger.

Article 25

Early retirement benefit

(a) An early retirement benefit shall be payable to a participant whose contributory service was five years or longer, provided that the period remaining between the effective date of retirement and the date corresponding to the participant's normal retirement age shall not exceed five years.

(b) The benefit shall be payable at the standard annual rate for a retirement benefit, reduced by 3 per cent of such benefit for each year between the date the benefit becomes effective and the date corresponding to the participant's normal retirement age, except that, if the contributory service of the participant was 30 years or longer, the benefit shall be reduced by 1 per cent per year.

(c) The benefit may be commuted by the participant into a lump sum on the conditions specified in Article 24.

Article 26

Deferred retirement benefit

(a) A deferred retirement benefit shall be payable to a participant whose age on separation is less than the normal retirement age and whose contributory service was five years or longer.

(b) The benefit shall be payable at the standard annual rate for a retirement benefit and shall commence at the normal retirement age, or, if the participant so elects, at any age not less than 55, provided that in such event it shall be reduced in the same manner and under the same conditions as specified in Article 25.

(c) The benefit may be commuted by the participant into a lump sum equivalent to the participant's own contributions.

Article 27

Withdrawal settlement

(a) A withdrawal settlement shall be payable to a participant whose age on separation is less than the normal retirement age, or if the participant is at the normal retirement age or more on separation but is not entitled to a retirement benefit.

(b) The settlement shall consist of 10 per cent of final average remuneration for each of the first 20 years of service.

Article 28

Deferment of payment or choice of benefit

(a) The payment to a participant of a withdrawal settlement, or the exercise by a participant of a choice between one benefit and another, or between a form of benefit involving payment in a lump sum and another form, may be deferred at the participant's request at the time of separation for a period of 12 months.

(b) A participant who has deferred a choice under paragraph (a) above shall, if the choice is not made within the period, be deemed to have chosen a deferred retirement benefit if the participant's age on separation was less than the normal retirement age, and in any event a form of benefit payable otherwise than in a lump sum.

Article 29

Disability benefits

(a) A total disability benefit shall, subject to Article 35, be payable to a participant who is found by the Management Board to be fully incapacitated for further service reasonably compatible with the participant's abilities, due to injury or illness constituting an impairment to health which is likely to be permanent or of long duration.

(b) The total disability benefit shall commence on separation or, if earlier, on the expiration of the paid leave due to the participant and shall continue for as long as the participant remains fully incapacitated, provided that after age 55 incapacity shall be deemed to be permanent.

(c) The total disability benefit shall, if the age of the participant on entitlement is the normal retirement age or more, be payable at the standard annual rate for a retirement benefit. If the age of the participant is less than the normal retirement age, the benefit shall be payable at the rate of the retirement benefit which would have been payable had the participant remained in service until the normal retirement age and had the participant's final average remuneration remained unchanged.

(d) A partial disability benefit shall, subject to Article 35, be payable to a participant who is found by the Management Board to be partially incapacitated due to injury or illness constituting an impairment to health and who, as a consequence of that incapacity, is assigned to other duties at a lower grade.

(e) The partial disability benefit shall be payable at the rate of the retirement benefit which would be payable if the participant remains in service until the normal retirement age and if the participant's final average remuneration is equal to the difference between the participant's final average remuneration before and after the assignment to duties at a lower grade.

(f) A benefit which is discontinued shall, if a participant who has been separated does not upon such discontinuance again become a participant, be converted to a deferred retirement benefit if the participant would have been so eligible at the date of separation. Otherwise, a single payment shall be made of the balance between the value of the withdrawal settlement under Article 27 and the value of payments received under this Article.

(g) The Management Board shall prescribe the extent to which and the circumstances in which a disability benefit shall be reduced or when it shall be terminated as the beneficiary's degree of incapacity changes, when the beneficiary is in paid employment or in such other circumstances as the Management Board deems appropriate.

Article 30

Surviving spouses's benefit

(a) A benefit shall, subject to Article 37 and paragraph (b) below, be payable to the surviving spouse of a participant who died in service or who was entitled to a retirement, early retirement, deferred retirement or disability benefit at the date of death, if the spouse was married to the participant at the date of death in service or, if the staff member were separated prior to death, the spouse was married to the participant at the date of separation and remained married to the participant until death.

(b) DELETED

(c) The benefit shall, if the participant died in service or during entitlement to a retirement, early retirement or disability benefit, be payable at the standard annual rate of 60 per cent of the retirement or disability benefit which would have been payable to the participant at the date of death, or of 60 per cent of the retirement, early retirement or disability benefit including such part thereof as may have been commuted, as the case may be.

(d) The benefit shall, if the participant died after the commencement of a deferred retirement benefit, be payable at the rate of 60 per cent of the annual rate of such benefit and, if the participant died before its commencement, at the rate of 60 per cent of the actuarial equivalent at the date of death of the annual rate of the benefit at the normal retirement age.

(e) The benefit shall be payable at periodic intervals for life or until remarriage, provided that a benefit payable at an annual rate of less than []* Swiss francs may be commuted by the surviving spouse into a lump sum which is the actuarial equivalent of the benefit at the standard annual rate under paragraph (d) above, as the case may be.

*To be confirmed by the Management Board in the light of actuarial value.

(f) The benefit shall, where there is more than one surviving spouse, be divided equally between the spouses, and upon the death or remarriage of each such spouse shall be equally divided among the remainder.

(g) A lump sum in the amount of twice the annual rate of the benefit shall, unless paragraph (f) applies, be payable to a surviving spouse upon remarriage.

Article 31

Child's benefit

(a) A child's benefit shall, subject to paragraphs (b) and (c) below, be payable to each child of a participant who is entitled to a retirement, early retirement or disability benefit or who has died in service, while the child remains unmarried and under the age of 21.

(b) A benefit shall be payable to a child who is over the age of 21 if the child is found by the Management Board to have been incapacitated by illness or injury for substantial gainful employment:

- (i) on reaching the age of 21, if immediately prior thereto a child's benefit was payable, or
- (ii) at the time of death in service or entitlement to a benefit of the participant.

A benefit payable as above shall continue for as long as the child remains incapacitated.

(c) A benefit shall, notwithstanding paragraphs (a) and (b) above, not become payable, if the participant has chosen an early retirement benefit, until the participant dies or reaches the normal retirement age, except to a child under the age of 21, found by the Management Board to be disabled.

(d) Subject to paragraphs (e) and (f) below, the benefit shall be payable during the continuance of any periodic benefit resulting from retirement, early retirement or disability, or, in the event of death of the participant, at the annual rate of one third of the benefit which was or would have been payable to the participant, subject to a minimum of []* and a maximum of []* Swiss francs per annum.

*To be confirmed by the Management Board in the light of actuarial value.

(e) If no other periodic benefit is payable and there is no surviving parent able, in the opinion of the Management Board, to support the child or if the other periodic benefit payable is to a surviving spouse who is not a natural or adoptive parent and does not have custody of the child, and subject to paragraph (f) below, the benefit shall be payable at the rate in paragraph (d) above increased by:

- (i) 25 per cent of the retirement, early retirement or disability benefit from which it is derived, if one child's benefit is payable, and
- (ii) []* per cent of the retirement, early retirement or disability benefit from which it is derived, and divided by the number of eligible children, if more than one such benefit is payable.

*To be confirmed by the Management Board in the light of actuarial value.

(f) The total benefits payable under paragraphs (d) and (e) above, added to any retirement, early retirement, disability or surviving spouse's benefit shall not exceed the final average remuneration of the participant at the time of separation from service.

(g) Benefits payable under this article shall be recalculated as may be required to achieve the purposes of paragraphs (e) and (f) above.

Article 32

Secondary dependant's benefit

(a) A secondary dependant's benefit shall, subject to Article 37 and to paragraph (b) below, be payable to the surviving secondary dependant of a participant who was entitled to a retirement, early retirement, deferred retirement or disability benefit at the date of death, or who died in service.

(b) A benefit shall nevertheless not be payable:

- (i) where a benefit is or was payable to a child or to the surviving spouse of the participant; and
- (ii) in the case of a brother or sister, where the benefit payable to the participant was a deferred retirement benefit.

(c) The benefit shall be payable at the following rates:

- (i) in the case of a mother or father at the rates and under the conditions applicable in Article 30, save that the Management Board may, in the event of remarriage, decide in its discretion to continue the benefit;
- (ii) in the case of a brother or sister, at the rate applicable in Article 31.

(d) The benefit shall be payable to the person designated by the participant or, in the absence of such designation or person, to the person designated by the Management Board.

Article 33

Cost-of-living adjustment of benefits

(a) The system of cost-of-living adjustment of benefits provided for in paragraphs (b) – (j), below, is intended to ensure the maintenance of purchasing power of periodic benefits, in the currency in which those benefits are paid. The system of adjustment shall apply to retirement, early retirement,

deferred retirement, disability, surviving spouse's, child's and secondary dependant's periodic benefits. It shall not apply to withdrawal or other lump-sum payments.

(b) In the case of benefits paid in Swiss francs, the benefit shall be adjusted on 1 January of each year according to the annual movement of the Swiss consumer price index.

(c) Where, in accordance with Article 15, the beneficiary selects a currency other than the Swiss franc, the benefit will continue to be adjusted in the manner described in paragraph (b), above.

(d) Alternatively, a beneficiary may opt to submit proof of residence in a country other than Switzerland and request payment of the benefit in local currency in accordance with the procedure described below.

(e) If satisfactory proof of residence is provided within six months from the date of initial entitlement, the local currency amount shall be computed from that date, with retroactive adjustment if it results in a greater benefit. Otherwise, the local currency amount shall be computed as of the first day of the quarter following acceptance of proof of residence.

(f) Subject to paragraphs (d) and (e), above, the local currency amount of the benefit shall be calculated by applying to the Swiss franc benefit the average, computed over the 36 consecutive calendar months up to and including the month of separation, of the exchange rates between the Swiss franc and the currency of the country of residence.

(g) The local currency amount of the benefit calculated in accordance with paragraphs (d), (e) and (f), above, shall be adjusted for the first time on the 1 January following the date of the first payment, according to the annual movement of the official consumer price index for the country concerned.

(h) For the adjustment of deferred retirement benefits, the reference date for the application of paragraphs (b) and (g), above, shall be the date of separation from service of the beneficiary.

(i) Exceptionally, where the cost of living in the country of residence is more than 10 per cent higher or lower than in Switzerland, an initial cost-of-living differential factor shall be applied to the local currency amount of the benefit calculated in accordance with paragraphs (d), (e) and (f) above.

(j) In exceptional cases, such as hardship, and with the prior approval of the Management Board, a beneficiary in receipt of a benefit calculated in local currency in accordance with paragraphs (d)-(i) above, may revert to payment of the benefit in accordance with paragraphs (b) and (c), above.

Article 34

Residual settlement

(a) A residual settlement shall be payable if, upon the death of a participant and the exhaustion, as the case may be, of any entitlements due under these Regulations to the survivors, the total amount of the benefits paid to, and on the account of, the participant is less than the participant's own contributions.

(b) The settlement shall be payable to a beneficiary designated by the participant and alive when the payment is due; failing such beneficiary, the settlement shall be paid to the estate of the participant.

(c) The settlement shall consist of the participant's own contributions at the date of separation or death in service, reduced by the total amount of the benefits paid to, and on the account of, the participant.

Article 35

Limitation of entitlements during leave without pay

(a) Entitlement to a disability benefit, or to a benefit payable in case of death, during a period of leave without pay granted for the performance of military service, shall instead be to a withdrawal settlement calculated as of the day immediately preceding the commencement of such leave, in accordance with Article 27.

(b) In the event that a participant becomes entitled to a retirement, early retirement or deferred retirement benefit on separation during a period of leave without pay, a widow's, widower's, child's or secondary dependant's benefit shall not be payable unless entitlement thereto would have existed had the participant died on the day immediately preceding the commencement of such leave.

Article 36

Effect of re-entry into participation

(a) If a former participant who is entitled to a retirement, early retirement or deferred retirement benefit under these Regulations again becomes a participant, entitlement to such benefit or to a benefit derived therefrom shall be suspended and no payment shall be made until such participant dies or is again separated.

(b) Such a participant who again becomes a participant and is again separated after at least five years of additional contributory service shall also be entitled, at the time of such subsequent separation, in respect of such service and subject to paragraph (d) below, to a retirement, early retirement or deferred retirement benefit, or a withdrawal settlement as the case may be.

(c) Such a participant, who again becomes a participant and is again separated after less than five years of additional contributory service, shall, in respect of such service, become entitled to:

- (i) a withdrawal settlement under Article 27; or
- (ii) subject to paragraph (d) below, a retirement, early retirement or deferred retirement benefit, as the case may be, based on the length of such additional contributory service; provided, however, that such benefit may not be commuted into a lump sum, in whole or in part, and shall not be subject to any minimum provisions.

(d) Payment of benefits under paragraph (b) or (c)(ii) above shall commence on the date of the resumption or commencement, as the case may be, of payment of benefits suspended under paragraph (a) above. In no event shall the total benefits payable to or on account of a former participant in respect of separate periods of contributory service exceed the benefits which would have been payable had participation in the Plan been continuous.

SECTION 6 GENERAL PROVISIONS

Article 37

Medical examination

Every participant in the Plan shall be required to undergo a medical examination in accordance with the standards prescribed by the Management Board, unless the Management Board accepts the findings of an earlier medical examination.

Article 38

Information from participants and beneficiaries

(a) A participant or beneficiary may be required to supply information, and to furnish documentary or other proof thereof, in respect of any matter on which information or proof is required by the Management Board for the purposes of these Regulations.

(b) Failure to supply such information or proof, or the omission or misrepresentation of any material fact therein, shall enable the Management Board to redetermine the entitlements of the participant or beneficiary under these Regulations, provided that entitlement to participation or to a benefit shall not be less favourable than if the information or proof had been supplied or truly represented.

Article 39

Recovery of indebtedness to the Plan

The Management Board may deduct from any benefit payable under these Regulations to a participant, or on the participant's account, the amount of any indebtedness to the Plan by the participant or by any beneficiary or third person to whom payment has been made otherwise than in accordance with these Regulations.

Article 40

Interest on unpaid benefits

The Plan shall not be liable for interest on any due but unpaid benefits, except where it is ascertained that the non-payment is attributable to a failure by the Plan to meet its obligations with respect to participants or beneficiaries.

Article 41

Non-assignment of rights

Participants or beneficiaries may not assign their rights under these Regulations.

Article 42

Forfeiture of benefits

(a) The right to a withdrawal settlement or residual settlement shall be forfeit if for two years after payment has been due the beneficiary has failed to submit payment instructions or has failed or refused to accept payment.

(b) The right to a retirement, early retirement, deferred retirement or disability benefit shall be forfeit if for five years after the first payment has been due the beneficiary has failed to submit payment instructions or has failed or refused to accept payment.

(c) The right to continued periodic payments of a retirement, early retirement, deferred retirement or disability benefit shall be forfeit if for two years after a periodic payment has been due the beneficiary has failed to submit payment instructions or has failed or refused to accept payment.

(d) The right to a benefit shall nevertheless not be forfeit under paragraphs (a), (b) or (c) above if its exercise has been prevented by circumstances beyond the control of the beneficiary.

(e) The Management Board may, if in its opinion there are circumstances which so warrant, restore the right to any benefit which has been forfeited.

Article 43
Jurisdiction of the ILO Administrative Tribunal

- (a) Applications alleging non-observance of these Regulations arising out of the decision of the Management Board may be submitted directly to the ILO Administrative Tribunal by:
- (i) Any staff member who is eligible under Article 16 of these Regulations as a participant in the Plan, even after employment has ceased, and any person who has succeeded to such staff member's rights upon death;
 - (ii) Any other persons who can show that they are entitled to rights under these Regulations by virtue of the participation in the Plan of a staff member.
- (b) In the event of a dispute as to whether the Tribunal has competence, the matter shall be settled by a decision of the Tribunal.
- (c) The decision of the Tribunal shall be final and without appeal.
- (d) The time-limits prescribed in Article 7 of the Statute of the Tribunal are reckoned from the date of the communication of the contested decision of the Management Board.

SECTION 7
AMENDMENT AND ENTRY INTO FORCE

Article 44
Amendment

- (a) The Management Board may recommend amendments to these Regulations to the General Council, which may amend these Regulations after consultation with the Management Board.
- (b) The Regulations so amended shall enter into force as from the date specified by the General Council but without prejudice to rights to benefits acquired through contributory service prior to that date. The amended Regulations shall apply to all rights acquired after the date of the amendment, including those of serving staff.

Article 45
Entry into force

These regulations shall enter into force with effect from 1 January 199[].

SECTION 8
TRANSITIONAL PROVISIONS

Article 46
Transitional provisions

- (a) Staff members transferring from the United Nations Joint Staff Pension Fund (UNJSPF) to the Plan on 1 January 199[] shall not be required to undergo the medical examination provided for under Article 37.
- (b) Staff members transferring from the UNJSPF to the Plan on 1 January 199[] shall be

credited with the equivalent actuarial value, calculated in accordance with the present regulations, of the Swiss franc retirement benefit which they had accrued in the UNJSPF based on their contributory service and final average remuneration up to 31 December 199[]. For that purpose, their prior contributory service shall be adjusted on the date of transfer to yield the same value of accrued benefit under the present Regulations as they had accrued in the UNJSPF. The same procedure shall apply in respect of the validation under Article 18 of the present Regulations of service prior to 1 January 199[].

(c) Where the scale of pensionable remuneration of staff members transferring from the UNJSPF to the Plan on 1 January 199[] would be lower as a result of the application of Article 20 of the present Regulations than under Article 54 of the UNJSPF Regulations, the latter scale shall continue to apply to those staff members until it is overtaken by the scale provided for under Article 20 of the present Regulations.

(d) Where the early retirement reduction factors applicable to staff members transferring from the UNJSPF to the Plan on 1 January 199[] would be higher as a result of the application of Article 25 of the present Regulations than under Article 29 of the UNJSPF Regulations, the provisions of the latter Article shall continue to apply to those staff members.

WORKING GROUP ON CONDITIONS OF SERVICE
APPLICABLE TO THE STAFF OF THE WTO SECRETARIAT

DRAFT STAFF RULES

7 October 1998

DRAFT STAFF RULES

DUTIES, OBLIGATIONS AND PRIVILEGES

Rule 101.1

Confidentiality of personnel information

(a) For the purpose of this Staff Rule, the term "personnel information" shall mean data in manually, mechanically, photographically or electronically written, printed or recorded form, relating to any person employed by the WTO. Personnel information not directly relevant to that employment relationship, including data on racial origin, sexual orientation, religious, political or philosophical beliefs, shall not be collected. Information concerning individual staff members shall not be disclosed except as provided for under the present rules.

(b) Staff members who engage in unauthorized review or disclosure of personnel information shall be subject to disciplinary action under *Staff Regulation* 11.1.

Access to personnel records by WTO staff members

(c) Where appropriate, supervisors shall have access to the personnel files of staff members who report to them, in the presence of a member of the Personnel Division. Staff members may examine their personnel files in the presence of a member of the Personnel Division.

(d) All staff members shall be responsible for maintaining the confidentiality of the personnel information to which they are given access.

Release of personnel information to persons or entities outside the WTO

(e) Information concerning individual staff members shall be released to persons or entities outside the WTO only upon a request in writing stating a legitimate purpose and only with the consent of the staff member concerned, except in an emergency or upon legal advice in which case the staff member will be notified immediately. Staff members may themselves request the release of such information.

Retention of personnel information

(f) Relevant personnel information shall be retained by the WTO indefinitely.

Rule 101.2

Supplementary payments

In accepting employment with the WTO, the staff member undertakes not to accept before, during or after such employment any remuneration from a source other than the WTO in respect of service rendered by the staff member to the WTO. A staff member who does accept such supplementary payments shall be subject to disciplinary action under *Staff Regulation* 11.1.

Rule 101.3

Outside activities and interests

- (a) A staff member shall not engage in any outside occupation or employment which may affect that staff member's ability to perform official WTO duties and availability for work without the prior authorization of the Director-General.
- (b) A staff member shall not hold a controlling financial interest in any business concern if it is possible for the staff member to benefit from such financial interest by reason of the staff member's official position with the WTO. A staff member who has occasion to deal in an official capacity with any matter in which the staff member holds a financial interest shall disclose that interest to the Director-General.
- (c) Except in the normal course of official duties or with the prior authorization of the Director-General, a staff member shall not:
- (i) issue statements to the press, radio or other agencies of public information;
 - (ii) accept speaking engagements;
 - (iii) take part in film, theatre, radio or television productions;
 - (iv) submit articles, books or other material for publication;

if such an activity relates to the WTO.

Rule 101.4

Interagency loans and secondments

The Director-General may, at the request of the staff member or with the staff member's consent, lend the services of the staff member to another intergovernmental organization, or second the staff member for service with such an organization, provided such loan or secondment in no way diminishes the contractual rights or entitlements of the staff member.

STAFF ASSOCIATION, REPRESENTATION AND CONSULTATION WITH MANAGEMENT

Rule 102.1

Staff Council

- (a) In accordance with the principle of freedom of association, staff members may form and join associations, unions or other groupings within the WTO.
- (b) A Staff Council shall be elected by the staff on a periodic basis.
- (c) In application of Staff Regulation 2.4, the Staff Council shall be given advance notice of Staff Administrative Memoranda.
- (d) The Staff Council shall be entitled to make representations to the Director-General on behalf of the staff. This shall be without prejudice to the right of individual staff members to make representations to the Director-General.

Rule 102.2

Joint Advisory Committee (JAC)

- (a) The JAC shall be composed of a chairperson and equal numbers of members representing the staff designated by the Staff Council and members designated by the Director-General, together with alternates as appropriate.
- (b) The chairperson shall be appointed by the Director-General from a list of staff members proposed by the Staff Council.
- (c) The Director-General shall, in consultation with the Chairman of the JAC, designate a secretary of the JAC and shall arrange for such services as may be necessary for its proper functioning.
- (d) Participation in the work of the JAC shall be considered as part of official duties. Staff members required to participate in the work of the JAC shall be released to the extent necessary from their normal duties.

RECRUITMENT POLICY

Rule 103.1

Recruitment

Local recruitment

- (a) Staff members shall be considered as locally recruited if at the time of recruitment they are resident within a radius of 75 km from the Pont du Mont-Blanc in Geneva regardless of the duration of that residence, except that staff members who are transferred, seconded or loaned from an intergovernmental organization in Geneva and who had been internationally recruited to that organization shall retain that status.

International recruitment

- (b) Staff members who are resident outside a radius of 75 km from the Pont du Mont-Blanc in Geneva at the time of recruitment shall be considered as internationally recruited.

Rule 103.2

Family relationships

- (a) Spouses of staff members shall be given equal opportunity in recruitment, provided that they are fully qualified for the post under consideration.
- (b) No other relative of a staff member shall be recruited by the WTO.
- (c) A staff member who is the spouse of another staff member:
 - (i) shall not be appointed or assigned to a post in which the staff member would be supervised by, or would supervise, the spouse;
 - (ii) shall be disqualified from participating in the process of reaching or reviewing an administrative decision affecting the status or entitlements of the spouse.
- (d) The marriage of one staff member to another shall not affect the contractual status of

either spouse but their entitlements and other benefits shall be modified as provided in the relevant *Staff Rules*.

CONTRACT POLICY

Rule 104.1

Contract of employment

- (a) The terms of employment of a staff member shall be governed by the contract which shall be signed by the staff member and by the Director-General.
- (b) The contract shall state:
 - (i) that it is subject to the provisions of the *Staff Regulations*, *Staff Rules* and relevant *Staff Administrative Memoranda* which shall form an integral part of the contract;
 - (ii) the type and duration of the contract;
 - (iii) the grade and salary; and
 - (iv) any special conditions flowing from the *Staff Regulations* and *Staff Rules*.
- (c) The contract shall call attention to the provisions of *Staff Rule* 104.4.
- (d) A copy of the *Staff Regulations*, *Staff Rules* and relevant *Staff Administrative Memoranda* shall be provided with the contract.
- (e) The appointment of a staff member shall take effect from the date on which duties are assumed, except where the staff member travels at the expense of the WTO in which case the effective date shall be the date on which the staff member commences authorized travel.

Rule 104.2

Types of contract

Fixed-term contracts

On recruitment staff members shall be granted a fixed-term contract. The initial appointment under a fixed-term contract, which shall be deemed to be a probationary period, shall be for a minimum period of one year. The appointment shall not entitle the staff member to an extension but it may be extended one or more times. Other than in exceptional circumstances, the total length of continuous service under fixed-term contracts shall not exceed five years.

Regular contracts

Upon the recommendation of the Appointment and Promotion Board, and without prejudice to *Staff Regulation* 4.3, the Director-General may grant a regular contract to staff members upon completion of five years of continuous service under fixed-term conditions and who, by their qualifications, performance and conduct, have fully demonstrated, on the basis of their performance evaluation reports, their suitability as international civil servants and have shown that they meet the required standards of competence, integrity and efficiency.

Rule 104.3

Extension or conversion of a fixed-term contract

If a fixed-term contract is not to be extended or converted to a regular contract, the staff member shall be notified in writing, wherever possible at the latest three months before the effective date and, in any event, not later than two months before that date.

Rule 104.4

Medical examination

- (a) The initial contract shall be subject to clearance by the medical adviser on the basis of a complete medical examination.
- (b) Staff members shall be required to undergo periodic medical examinations.

Rule 104.5

Notification by staff members and obligation to provide information

- (a) Staff members shall provide the Director-General with the necessary information for determining their status under the *Staff Regulations* and *Staff Rules* or for completing administrative arrangements in connection with their appointment.
- (b) Staff members shall also promptly notify the Director-General, in writing, of any subsequent changes affecting their status under the *Staff Regulations* and *Staff Rules*.
- (c) Staff members who change their nationality, or acquire another one, shall immediately notify the Director-General in writing. A change of nationality or acquisition of another nationality may have consequences for a staff member's entitlements.
- (d) A staff member who is arrested, charged with a violation or summoned before a court as a defendant in a criminal proceeding, or convicted, fined or imprisoned in relation to any matter other than a minor violation, shall immediately inform the Director-General.
- (e) Staff members may at any time be required by the Director-General to provide information concerning facts prior to their appointment and relevant to their suitability for employment, or concerning facts relevant to their integrity, conduct and service as staff members.

Rule 104.6

Nationality

- (a) For the purposes of the *Staff Regulations* and *Staff Rules*, a staff member shall be considered not to have more than one nationality.
- (b) When a staff member has been legally accorded nationality status by more than one State, the staff member's nationality shall be the nationality of the State with which the staff member is considered to be most closely associated, in the light of the information provided by the staff member.
- (c) A staff member's nationality shall be determined at the time of appointment and that determination shall remain unchanged for the duration of the staff member's service unless there are compelling reasons to effect a change, in the light of the information provided by the staff member.

Rule 104.7

Definition of home

(a) For the purpose of the *Staff Regulations* and *Staff Rules*, a staff member's home shall be determined at the time of appointment. Unless there are compelling reasons to make an exception, a staff member's home shall be deemed to be in the country of which the staff member is a national at the time of the appointment. The location of the home within the staff member's home country shall be the place with which the staff member has the closest residential or family ties. In the absence of clear indications, the capital will be designated.

(b) Notwithstanding paragraph (a) above, the home of locally recruited staff members as defined in *Staff Rule* 103.1(a) shall be deemed to be Geneva.

(c) The determination of a staff member's home shall remain unchanged for the duration of the staff member's service unless the Director-General decides that there are compelling reasons to effect a change.

Rule 104.8

Re-employment

(a) A former staff member who is re-employed shall either be given a new contract or, if re-employed within twelve months of being separated from service or within any longer period following retirement on disability under the WTO Pension Plan Regulations, reinstated in accordance with the provisions of paragraph (b) hereunder. If a former staff member is reinstated, it shall be so stipulated in the contract. If a former staff member is given a new contract, its terms shall be without regard to any period of former service unless the separation from service was due to abolition of posts or reduction of staff.

(b) In the case of reinstatement, the staff member's service shall be considered to have been continuous. The staff member shall return to the WTO any payments received on separation. The interval between separation and reinstatement shall be charged, to the extent possible, to annual leave, with any further period charged to special leave without pay. The staff member's sick leave entitlement under *Staff Rule* 110.3(a) at the time of separation shall be re-established. Where applicable, the staff member's participation in the WTO Pension Plan shall be governed by the Regulations of the Plan.

PERFORMANCE EVALUATION

Rule 105.1

Performance evaluation

(a) Performance shall be evaluated on the basis of the duties and responsibilities as set forth in the job description, the tasks performed, the professional conduct of the staff member and the staff member's potential to assume other responsibilities.

(b) The staff member and supervisor shall maintain a continuing dialogue with respect to the staff member's performance. If necessary, the staff member and the supervisor shall identify in writing the areas where performance is less than satisfactory and the actions to be taken to improve performance.

Rules 105.2

Annual review

- (a) The staff member and the supervisor shall together conduct an annual review of the staff member's performance and accomplishments. The review shall focus, as appropriate, on the staff member's strengths, areas requiring improvement and training needs and shall provide the opportunity for the definition of the objectives for the following year.
- (b) The supervisor shall prepare a written assessment of the staff member's performance and recommendations for further action (promotion, training, transfer, etc.).
- (c) All reports shall be submitted to the competent departmental head.
- (d) The staff member may provide written comments on the assessment in a separate section of the report.
- (e) The final report, which shall form part of the permanent record of the staff member, shall carry the signatures of the first and second level supervisors and of the staff member who shall be given a copy thereof.

Rule 105.3

Appeals

A performance evaluation report is open to appeal by the staff member concerned under *Staff Regulation 12.3*.

SALARIES, BENEFITS AND POST CLASSIFICATION

Rule 106.1

Hours of work

- (a) The normal working week shall be Monday through Friday. The length of the normal working day shall be eight hours excluding the lunch-break and the length of the normal working week shall be 40 hours. Modifications to the 40-hour week may be made in order to meet particular service requirements. The Director-General may authorize part-time work and flexible working hours.
- (b) If the circumstances so justify and upon the request of the supervisor, staff members may occasionally be required to work in excess of the normal working week. Overtime working will be authorized only on an exceptional and non-recurring basis.

Rule 106.2

Salary scale

Pursuant to *Staff Regulation 6.2*, the scale of salaries payable to staff members is reproduced in Annex 1.

Rule 106.3

Periodic salary increments

- (a) Award of a periodic salary increment is subject to continued satisfactory performance, as documented in the annual performance evaluation. Where performance falls short of the minimum standards required, the salary increment normally due shall be withheld.
- (b) Salary increments shall be effective on the first day of the month in which they are due, except that they shall not be effective earlier than the first day of the pay period following the return of a staff member from a period of leave without pay.

Rule 106.4

Salary on promotion

- (a) Upon promotion a staff member shall receive a salary increase equivalent to at least two increments but less than three increments in the lower grade. However, the resulting salary shall in no case be greater than the maximum salary of the grade to which the staff member has been promoted. If the salary corresponding to the first increment of the higher grade yields an increase greater than two increments, the staff member shall be entitled to that salary.
- (b) If promotion takes effect on the staff member's periodic salary increment date, the new salary shall be calculated after the award of any increment due in the lower grade.

Rule 106.5

Special post allowance

- (a) Promotion under *Staff Rule 107.1* shall constitute the only means of recognising increased responsibilities of a permanent nature.
- (b) Staff members shall be expected to assume temporarily, as a normal part of their customary work and without extra compensation, the duties and responsibilities of higher level posts.
- (c) Staff members who are called upon to assume the full duties and responsibilities of a post at a clearly recognisable higher level than their own for a temporary period of not less than two months shall be granted a non-pensionable special post allowance from the beginning of the third month of service at the higher level.
- (d) When staff members are required to assume the full duties and responsibilities of posts which are clearly recognized to be more than one level above their own, the allowance may be paid immediately.
- (e) The granting of a special post allowance to a staff member shall be subject to review every six months and shall be without prejudice to the eventual decision on recruitment and promotion to the post in question.
- (f) The amount of the special post allowance shall be equivalent to the salary increase which the staff member would have received had the staff member been promoted to the higher level.

Rule 106.6

Overtime and compensatory time off

- (a) Staff members in grades 1 to 7 who are required to work in excess of the normal working week shall be entitled to compensatory time off or may receive payment, under conditions established by the Director-General.

(b) Should the exigencies of the service permit, and subject to the approval of the Director-General, staff members in grades 8 to 12 who are required exceptionally to work substantial or recurrent periods of overtime shall be entitled to occasional compensatory time-off.

Rule 106.7

Night differential

(a) Staff members who are assigned to night-time tours of duty shall receive a night differential at a rate and under conditions established by the Director-General.

(b) Night differential shall not be paid for the same work for which overtime payment or compensatory time off is allowed or for any hours when the staff member is on leave or on official travel.

Rule 106.8

Salary advances

(a) Salary advances may be made to staff members under the following circumstances and conditions:

- (i) Upon departure for official travel or for approved leave involving absence from duty for one or more pay days, in the amount that would fall due for payment during the anticipated period of absence;
- (ii) In cases where new staff members arrive without sufficient funds, in such amount as the Director-General may deem appropriate.

(b) The Director-General may, in exceptional and compelling circumstances, and if the request of the staff member is supported by a detailed justification in writing, authorize an advance for any reason other than those enumerated above.

(c) Salary advances other than those referred to in paragraphs (a)(ii) and (b) above shall be reimbursed at a constant rate as determined at the time the advance is authorized, in consecutive pay periods, commencing not later than the period following that in which the advance is made.

Rule 106.9

Recovery of overpayments

The WTO shall be entitled to recover any payment which was not due. Except where the irregularity of the payment was so self-evident that the beneficiary could not fail to realise it, the right of the WTO to recover overpayments shall lapse after one year. Such recovery shall be effected by means of deductions from payments due to the staff member concerned over a period not exceeding twelve months.

Rule 106.10

Retroactivity of payments

Where a staff member has not been receiving or has failed to claim an allowance, grant or other payment to which the staff member is entitled, such allowance, grant or payment shall not be paid retroactively unless a written claim is made within one year following the year in which the initial payment would have fallen due.

Rule 106.11

Taxes

National income tax on salaries, allowances, indemnities or grants paid by the WTO shall be refunded to the staff member by the WTO.

Rule 106.12

Deductions and contributions

(a) Contributions to the WTO Pension Plan in accordance with Article 21 of its Regulations and to the Group Sickness Insurance Plan shall be deducted, each pay period, from the total payments due to each staff member.

(b) Deductions may also be made for the following purposes:

- (i) for other contributions for which provision is made under these *Staff Rules*;
- (ii) for indebtedness to the WTO;
- (iii) for legally recognized indebtedness to third parties when any deduction for this purpose is authorized by the Director-General;
- (iv) for contributions to the WTO Staff Council established pursuant to *Staff Regulation 2.1*, provided that staff members give appropriate instructions to this effect.

Rule 106.13

Definition of dependency

(a) A dependent spouse shall be a spouse whose earnings, if any, do not exceed the equivalent of the gross salary at grade 1 step 1 in Geneva.

(b) A "dependent child" shall be:

- (i) a staff member's natural or legally adopted child; or
- (ii) a staff member's stepchild, if residing with the staff member;

under the age of eighteen years or, if the child is in full-time attendance at a school or university (or similar educational establishment), under the age of twenty-one years, for whom the staff member provides main and continuing support. If a child over the age of eighteen years is physically or mentally incapacitated for substantial gainful employment, either permanently or for a period expected to be of long duration, the requirements as to school attendance and age shall be waived.

(c) Staff members claiming a child as dependent must certify that they provide main and continuing support. This certificate must be supported by documentary evidence satisfactory to the Director-General, if a child:

- (i) does not reside with the staff member because of divorce or legal separation of the staff member; or
- (ii) is married.

(d) A secondary dependant shall be the mother, father, sister or brother for whom the staff member provides one half or more of the financial support, and in any case at least twice the amount of the dependency allowance, provided that the sister or brother fulfils the same age and school attendance

requirements established for a dependent child. If the sister or brother is physically or mentally incapacitated for substantial gainful employment, either permanently or for a period expected to be of long duration, the requirements as to school attendance and age shall be waived.

Rule 106.14*Dependency allowances*

(a) A staff member whose spouse is recognized as a dependant under *Staff Rule 106.13(a)* shall receive a spouse allowance, the amount of which is set out in Annex 2.

(b) A staff member whose child is recognized as a dependant under *Staff Rule 106.13(b)* shall receive a child allowance the amount of which is set out in Annex 2. The allowance shall be reduced by the amount of any allowance from any public authority received by the staff member or spouse in respect of the same child. In no case shall the sum of the two payments be less than the rate set out under the *Staff Rules*.

(c) When a child of a staff member, recognized as dependent under *Staff Rule 106.13(b)* above, has been determined by the Director-General, on the basis of medical evidence, to be physically or mentally disabled either permanently or for a period expected to be of long duration, the allowance shall be double the child's allowance as set out in Annex 2.

(d) A secondary dependant's allowance, the amount of which is set out in Annex 2, shall be paid in respect of not more than one dependent parent, sister or brother.

(e) Staff members shall notify the Director-General in writing of claims for dependency allowance and may be required to support such claims by satisfactory documentary evidence. They shall report to the Director-General any change in the status of a dependant affecting the payment of this allowance.

Rule 106.15*Education grant**Eligibility*

(a) Subject to presentation of satisfactory evidence, an internationally recruited staff member assigned to a country which is not the country of the recognized home shall receive a non-pensionable education grant for each child for whom the staff member provides the main and continuing support and who is in full-time attendance at a school, university or similar educational establishment.

Non-allowable costs

(b) The grant shall not be payable in respect of:

- (i) attendance at a school where the basic elements of formal education (such as reading, writing and counting) are not included in the instruction;
- (ii) attendance in the country or area of the duty station at a free school or one charging only nominal fees;
- (iii) correspondence courses except when the Director-General considers that such courses are the best available substitute for full-time attendance at a school of a type not available in Geneva;

- (iv) private tuition, except in circumstances and under conditions defined by the Director-General to take account of linguistic and other special needs and problems which result from expatriation;
- (v) vocational training or apprenticeships which either do not involve full-time schooling or during which the child receives payment for services rendered.

(c) The grant shall be payable from the school year in which the child reaches the age of five up to the end of the fourth year of post-secondary studies or the award of the first recognized degree, whichever is the earlier, but not beyond the end of the school year in which the child reaches the age of 25. The Director-General may in exceptional cases prolong payment of the grant beyond this age limit.

Amount of grant

(d) In the case of attendance at an educational establishment outside the country or area of the duty station, the amount of the grant shall be:

- (i) Where the establishment provides board for the child, 75 per cent of the cost of attendance and board up to a maximum annual grant to be determined by the Director-General;
- (ii) Where the establishment does not provide board, a lump sum in respect of board plus 75 per cent of the cost of attendance up to a maximum annual grant to be determined by the Director-General;

(e) In the case of attendance at an educational establishment in the country or area of the duty station, the amount of the grant shall be equal to 75 per cent of the cost of attendance, up to a maximum annual grant to be determined by the Director-General. If the Director-General considers that there is no suitable establishment available for the staff member's child within commuting distance of the duty station, the cost of board shall be allowed as provided in paragraph (d) above.

(f) When attendance is for less than the full school year, the grant shall be payable on a pro rata basis.

Allowable costs

(g) For the purpose of paragraphs (d) and (e), "cost of attendance" shall include the cost of boarding, enrolment, registration, prescribed textbooks, courses, examinations and diplomas, but shall not include school uniforms or optional charges. The cost of attendance may include the cost of midday meals, if these are provided by the school and it is impracticable for the child to return home for lunch. Likewise, the cost of daily group transportation may be covered where the circumstances so warrant.

Home country

(h) If both parents of the child are staff members, the grant shall only be payable to one parent. If the staff member's spouse works for another organization offering education grants, the amount of the grant shall not exceed the difference between what the spouse receives and the amount for which the staff member would otherwise be eligible. In such cases, if the home countries of the parents are not the same, the parents shall jointly certify which of the respective home countries shall be regarded as the home country for the purposes of this *Staff Rule*. This certification may subsequently be changed only in exceptional circumstances.

Travel expenses

- (i) Travel expenses of the child shall be paid for an outward and return journey once for each school year between the educational establishment and the duty station, provided that:
- (i) where attendance is for less than two-thirds of the school year, travel expenses may not be paid;
 - (ii) travel expenses shall not be paid if the requested journey is unjustified, either because of its timing in relation to other authorized travel of the staff member or dependants or because of the brevity of the visit in relation to the expense involved;
 - (iii) travel expenses shall not normally be paid when the staff member's contract will expire within six months of the child's arrival at the duty station;
 - (iv) where the educational establishment is in a country other than the staff member's home country, the amount paid in respect of travel expenses shall not exceed the cost of a journey between the staff member's recognized home and the duty station.

Rule 106.16*Special education grant for disabled children*

- (a) A special education grant for disabled children shall be available to all staff members provided that they have a contract of one year or longer or have completed one year of continuous service.
- (b) The amount of the grant shall be 100 per cent of the educational expenses actually incurred up to a maximum annual grant to be determined by the Director-General. If the disabled child is eligible for the regular education grant, the total amount payable under the two types of grant shall not exceed a maximum to be determined by the Director-General. "Educational expenses" reimbursable under the special education grant shall comprise the expenses incurred to provide an educational programme designed to meet the needs of the disabled child in order that the child may attain the highest possible level of functional ability.
- (c) The grant shall be computed on the basis of the calendar year, if the child is unable to attend a normal educational establishment, or on the basis of the school year, if the child is in full-time attendance at a normal educational establishment while receiving special teaching or training. The grant shall be payable in respect of any disabled child from the date on which the special teaching or training is required up to the end of the school year or the calendar year, as appropriate, in which the child reaches the age of twenty-five years. In exceptional cases, the age limit may be extended up to the end of the school year or the calendar year, as appropriate, in which the child reaches the age of twenty-eight years.
- (d) Where the period of service is for less than the full school year or calendar year, the grant shall be payable on a pro rata basis.
- (e) Claims for the grant shall be submitted annually in writing and supported by medical evidence satisfactory to the Director-General regarding the child's disability. Staff members shall also be required to provide evidence that they have exhausted all other sources of benefits that may be available for the education and training of the child. The amount of educational expenses used as the basis for the calculation of the special education grant shall be reduced by the amount of any benefits so received or receivable by the staff member.
- (f) The provisions concerning the amount of the regular grant and the currency of payment shall also apply to the computation and payment of the special education grant for disabled children.

(g) Where the disabled child attends an educational establishment away from the duty station, travel costs may be paid for up to two round trips per school year between the educational establishment and the duty station, provided the Director-General is satisfied that the needs of the disabled child require attendance at that educational establishment. In very exceptional circumstances, travel may also be reimbursed for a person accompanying the disabled child.

Rule 106.17

Designation of beneficiaries

(a) At the time of appointment, each staff member shall designate a beneficiary or beneficiaries in writing. The staff member shall be responsible for notifying the Director-General of any revocation or change of beneficiaries.

(b) In the event of the death of a staff member, all amounts due to the deceased staff member will be paid to the designated beneficiary or beneficiaries, subject to the application of the *Staff Regulations* and the *Staff Rules* and of the WTO Pension Plan Regulations.

(c) If there is no surviving beneficiary, or in the absence of a designation of beneficiary, the amount due to the deceased staff member will be paid to the estate.

CAREER DEVELOPMENT

Rule 107.1

Promotion

(a) Promotion is defined as a change in the staff member's grade to a higher grade.

(b) A promotion may occur where warranted by the performance of a staff member and the classification of the post occupied, in accordance with the provisions of *Staff Regulation 6.4* and *Staff Rule 107.3*.

(c) A promotion on a competitive basis shall occur when a staff member is selected to fill a post at a higher grade for which there has been a vacancy notice. The Director-General may issue a vacancy notice in respect of a post reclassified at a higher grade.

(d) In all cases, promotion shall be effective from the first day of the month following the Director-General's decision.

Rule 107.2

Internal competition

Without prejudice to external recruitment, a post falling vacant may be opened initially to internal competition only, in which case there shall be a vacancy notice. The notice shall in all cases stipulate the established requirements of this post. The Appointment and Promotion Board shall make recommendations to the Director-General, who shall decide on the appointment to the post.

Rule 107.3

Post classification

(a) The duties and responsibilities of each post in grades up to and including grade 12 shall be evaluated on the basis of post classification standards approved by the Director-General.

(b) A request to have the duties and responsibilities of a post evaluated may be made at any time, provided that such evaluations shall not take place at intervals of less than one year. The request may be initiated by the staff member, the staff member's supervisor, or the Director-General.

(c) The Director-General shall make provision for the review of a classification finding, which may be requested by the staff member or the staff member's supervisor.

(d) The promotion of the incumbent following the review of a classification finding shall be effective from the first of the month after the date that the review was requested.

Rule 107.4

Training

(a) The Director-General shall make provision, including adequate physical facilities, for the training of staff members to the extent that such training is of relevance to the WTO. All staff covered by these *Staff Rules* are eligible for training. Staff members are also expected to take personal responsibility for keeping their knowledge and skills up to date.

(b) Authorized training activities shall be considered as official duties.

Rule 107.5

Mobility and reassignment

(a) Staff members shall have the opportunity to move among different assignments in the course of their careers, to the extent possible and subject to the interests of the WTO.

(b) The Director-General may, after seeking the staff member's consent and in the interests of the WTO, reassign a staff member to a vacant position at the staff member's grade or to a position at a lower grade which corresponds to the professional qualifications of the staff member. Such an assignment shall have no effect on the staff member's administrative status.

(c) The Director-General may conclude agreements with counterparts in other intergovernmental organizations to facilitate the exchange of staff. Such agreements shall ensure, to the extent possible, the continuity of staff members' entitlements under the provisions of the present *Staff Regulations* and *Staff Rules*.

APPOINTMENT AND PROMOTION BOARD

Rule 108.1

Appointment and Promotion Board (APB)

(a) An APB shall be established by the Director-General to advise on the appointment and promotion of staff members in grades up to and including grade 10. The Director-General shall also establish such subsidiary bodies as may be necessary to assist the APB in the performance of its functions.

(b) Subject to the provisions of *Staff Regulations* 3.1 and 3.4, the APB shall, in filling vacancies, give preference, where qualifications are equivalent, to serving staff members.

Rule 108.2

Composition

(a) The APB shall be composed of a chairperson and six members appointed by the Director-General. The Director-General shall ensure that three members are appointed from among nominees submitted by the Staff Council. In addition, the Director of Personnel, or an authorized representative, shall serve *ex officio* as a non-voting member of the APB.

(b) Participation in the work of the APB shall be considered as part of official duties. Staff members required to participate in the work of the APB shall be released to the extent necessary from their normal duties.

Rule 108.3

Recommendations to the Director-General

The APB shall make recommendations to the Director-General in respect of:

- (i) proposed initial contracts of one year or more in grades 4 to 10;
- (ii) the suitability for regular contracts of staff members serving on fixed-term contracts, referred to it in accordance with the provisions of Rule 104.2, second paragraph. Recommendations of the APB may include separation from service or, exceptionally, extension of the fixed-term contract;
- (iii) the review of proposals for the termination of regular contracts under *Staff Regulation* 10.9;
- (iv) staff members eligible for promotion.

LEAVE

Rule 109.1

Official holidays

Staff members shall be entitled to nine official holidays as follows: New Year's Day, Good Friday, Easter Monday, Ascension Day, Whit Monday, Jeûne Genevois, the day after Jeûne Genevois, Christmas Day, and one other day to be designated by the Director-General. When one of these days falls on a Saturday or Sunday, the preceding Friday or the following Monday shall be observed as a holiday. The official holidays may be changed by a *Staff Administrative Memorandum*.

Rule 109.2

Annual leave

(a) In addition to the official holidays provided for in *Staff Rule* 109.1 above, a staff member shall be entitled to annual leave at the rate of 30 working days per year of service.

(b) Annual leave may be taken in days and half days. It shall be granted upon application approved by the supervisor, such approval to be subject to the exigencies of the service. Staff members shall be given the opportunity to take their annual leave and shall be required to take at least one half of their annual entitlement each year. The personal circumstances and preferences of the individual staff member shall be considered.

(c) Not more than 60 days of annual leave may be carried forward from one leave period to the next.

(d) Days during which a staff member is sick while on annual leave shall be treated in accordance with the provisions of *Staff Rule* 110.3(b).

(e) When, for reasons of service and with the authorization of the Director-General, staff members are recalled from annual leave, or authorization to take annual leave is cancelled, such annual leave as remains due at the end of the leave period as a result of such recall or cancellation, notwithstanding the limits set forth in sub-paragraph (c) of this *Staff Rule*, shall be carried forward to the next leave period. If a staff member is recalled, and subsequently resumes annual leave at the place from which the staff member was recalled, the expense incurred in travelling to and from that place shall be reimbursed.

(f) A staff member shall be entitled, upon application, to be paid in advance any salary and allowances falling due during a period of annual leave.

Rule 109.3

Home leave

(a) An internationally-recruited staff member whose recognized home is not situated in the country of the duty station shall be eligible for home leave once every two years and for the payment of the costs of travel to the country of the recognized home. The purpose of such travel is to permit the staff member to spend a certain period of annual leave in the home country with a view to maintaining contact with it. Home leave shall include, in addition to a reasonable period of annual leave taken for the purpose, travel time to compensate for the journey from the duty station to the recognized home and return, based on a route and means of transport approved by the Director-General.

(b) Travel expenses, as provided for in *Staff Rule* 112.5 (Travel Expenses), shall be paid in respect of travel on home leave, except that the subsistence allowance shall not be paid for any travel time exceeding that allowed under (a) above. Subject to paragraph (d) below, travel expenses shall be paid in respect of the staff member, spouse, and dependent children for whom an allowance is payable. In normal circumstances, the spouse and dependent children shall travel with the staff member.

(c) If both husband and wife are staff members of the WTO or if the spouse is a staff member of another organization offering home leave, and each is eligible for home leave, they shall have the choice either of exercising their own home leave entitlement or of accompanying the spouse. A staff member who chooses to accompany the spouse shall be granted travel time appropriate to the travel involved. Dependent children may accompany either parent.

(d) The first home leave shall fall due in the second calendar year following the year in which the staff member was appointed, or became eligible for home leave, provided that the staff member has completed at least eighteen months of service.

(e) For compassionate reasons or should the exigencies of the service so require, travel may be authorized before or after the home leave year provided that:

- (i) no home leave shall begin earlier than 12 months after the appointment of a staff member or 12 months after return from any previous home leave; and
- (ii) home leave shall in no case be carried forward into a calendar year in which a new entitlement arises.

(f) A staff member shall normally be required to spend at least two calendar weeks in the country of home leave.

- (g) A staff member may be required to take home leave in conjunction with official travel, due regard being paid to personal convenience.
- (h) Home leave shall not be granted to a staff member whose service is not expected to continue at least six months beyond:
 - (i) the second anniversary of the date of appointment; or
 - (ii) the estimated date of return from a proposed home leave.

Rule 109.4*Special leave*

- (a) Special leave, without pay or with full or partial pay, may be granted to a staff member for advanced study or research in the interest of the WTO, in cases of extended illness, for child care or for other important reasons provided there is no conflict of interest with the WTO. Special leave without pay shall be granted on application to an official who is mobilized for service in the armed forces or for national service.
- (b) A staff member shall under no circumstances be granted special leave for the purpose of employment by any entity which may lead to conflict of interest with the WTO.
- (c) A staff member may be required to exhaust any accrued annual leave before taking special leave.
- (d) Periods of special leave without pay of one month or more shall not count as service for the purpose of seniority, the salary increment or the entitlement to annual leave, home leave, family visit, sick leave, education grant, grant on death, separation and termination indemnities. Normally, no contributions will be paid by the WTO to the pension plan or medical insurance plan during such periods.
- (e) Continuity of service shall not be considered to have been broken by periods of special leave.

SOCIAL SECURITY**Rule 110.1***Participation in the Pension Plan*

Participation in the WTO Pension Plan shall be mandatory.

Rule 110.2*Participation in the medical insurance plan*

Participation in the WTO medical insurance plan shall be mandatory.

Rule 110.3*Sick leave*

- (a) A staff member who is prevented from working owing to illness or injury is entitled to sick leave subject to the following provisions:
 - (i) A staff member shall inform the supervisor as soon as possible of absences due to illness or injury;

- (ii) The granting of sick leave must be approved on behalf of the Director-General. A staff member may be required at any time to submit a further medical certificate or to undergo examination by a medical practitioner named by the Director-General. Further sick leave may be refused, if the Director-General is satisfied that the staff member is able to return to work. If the staff member disputes the decision, it shall be referred, on request, to an independent practitioner acceptable to both the Director-General and the staff member;
 - (iii) Absence on sick leave for a period of more than three consecutive working days shall be approved only on submission of a valid certificate by a duly qualified medical practitioner to the effect that the staff member is unable to work and stating the probable duration of incapacity. Such certificate shall normally be submitted not later than the end of the fourth working day following the initial absence from work;
 - (iv) After a staff member has taken uncertified sick leave totalling seven working days within a calendar year, any further absence from work within that year shall be justified by a medical certificate, failing which the absence will be charged to annual leave or as special leave without pay;
 - (v) A staff member who has completed less than three years of continuous service shall be granted sick leave of up to three months on full pay and three months on half pay in any period of 12 consecutive months;
 - (vi) A staff member who has completed three years of continuous service shall be granted sick leave of up to nine months on full pay and nine months on half pay in any period of four consecutive years of service;
 - (vii) While on sick leave, a staff member shall not leave the area of the duty station without the prior approval of the Director-General.
- (b) The Director-General may grant sick leave when sickness of more than three consecutive working days occurs within a period of annual leave, upon prompt submission of a medical certificate by a qualified medical practitioner and in any event immediately on the staff member's return to work.
- (c) The provisions of this rule shall not apply to absences attributable to a service-incurred accident or illness which are covered by *Staff Rule* 110.5, or to absences authorized by the Director-General as a result of public health requirements.

Rule 110.4*Maternity leave*

- (a) A staff member shall be entitled to maternity leave upon the submission of a certificate, signed by a qualified medical practitioner, indicating the anticipated date of birth. The leave shall normally start six weeks before that date. However, at the staff member's request and upon submission of a certificate from a qualified medical practitioner indicating that she is fit to continue to work, the absence may begin less than six weeks but not less than two weeks before the anticipated date of birth. Maternity leave shall normally extend for a period of 16 weeks, except that in no case shall it end less than 10 weeks after the actual date of birth.
- (b) Sick leave shall be granted only if serious complications arise.

(c) Annual leave shall accrue during the period of maternity leave, provided that the staff member returns to service for at least six months after the completion of maternity leave. The staff member shall remain entitled to full salary and other allowances and benefits during the period of maternity leave.

(d) Staff members shall be entitled to time off for two 45-minute periods daily in order to feed the child up to the age of 12 months.

Rule 110.5

Compensation for service-incurred death, injury or illness

Compensation shall be payable in the event of the death, injury or illness of a staff member attributable to the performance of official duties on behalf of the WTO, in accordance with the rules set forth in Annex 3 to these *Staff Rules*.

Rule 110.6

Compensation for loss of, or damage to, personal effects attributable to service

A staff member shall be entitled to reasonable compensation for loss of, or damage to, personal effects determined to be directly attributable to the performance of official duties on behalf of the WTO.

SEPARATION FROM SERVICE

Rule 111.1

Resignation

- (a) A resignation is a separation initiated by the staff member.
- (b) Unless otherwise specified in the contract, the staff member shall give, wherever possible, three months, and in any event no less than two months, written notice of resignation. The Director-General may accept resignations on shorter notice.
- (c) The Director-General may require the resignation to be submitted in person.

Rule 111.2

Expiration of fixed-term contracts

- (a) A fixed-term contract shall expire on the expiration date specified in the contract except that where the staff member concerned is on sick leave, the contract may be extended subject to the limits specified in *Staff Rule* 110.3.
- (b) If a fixed-term contract is not to be extended, the expiration date shall be confirmed to the staff member in writing wherever possible three months beforehand, and in any event no less than two months beforehand.
- (c) Separation from service as a result of the expiration of a fixed-term contract shall not be regarded as a termination.

Rule 111.3

Commutation of accrued annual leave

- (a) Staff members who, on leaving the WTO, have not exhausted the annual leave to which they are entitled shall be granted a sum based on the remuneration specified in *Staff Rules* 106.2, 106.3, 106.4, 106.5 and 116.2 in proportion to the number of days of annual leave they have accumulated, up to a maximum of 60 working days.

(b) In the event of the death of a staff member, the amount to which the staff member would have been entitled under the present *Staff Rule* shall be paid in accordance with *Staff Rule* 106.22 ("Designation of beneficiaries").

Rule 111.4

Restitution of advance annual leave

Upon separation from service, a staff member who has taken annual leave in excess of the entitlement shall return the excess by means of a cash refund or an offset against other payments due by the WTO.

Rule 111.5

Definition of termination

A termination is a separation from service initiated by the Director-General, other than retirement, summary dismissal for serious misconduct, or abandonment of post.

Rule 111.6

Abolition of posts and reduction of staff

If the necessities of the service require abolition of a post or reduction of the staff and alternative posts are available, a staff member on a regular contract shall be retained in preference to a staff member on a fixed-term contract, due consideration being given to performance and seniority, and provided that there is an appropriate match between the job requirements of the post concerned and the professional qualifications of the staff member.

Rule 111.7

Notice of termination

(a) A staff member whose contract is to be terminated shall be notified in writing at the latest three months before the date of termination.

(b) The Director-General may in exceptional circumstances authorize payment in lieu of notice calculated on the basis of the salary and allowances which the staff member would have received, had the date of termination been at the end of the notice period.

Rule 111.8

Termination indemnity

(a) Payment of termination indemnity under *Staff Regulation* 10.1(c) and Annex 4 to the *Staff Rules* shall be calculated on the basis of the staff member's net salary.

(b) For the purpose of Annex 4 length of service shall be deemed to comprise the total period of a staff member's continuous service with the WTO in pay status, regardless of type of contract.

Rule 111.9

Separation grant

(a) The WTO shall pay a separation grant under *Staff Regulation* 10.7 and under Annex 5 to the *Staff Rules* to a staff member upon separation from service.

(b) For the purpose of Annex 5, length of service shall be deemed to comprise the total period of a staff member's continuous service in pay status with the WTO.

(c) In the event of the death of a staff member, the separation grant shall be paid to the spouse or, if none, to the dependent child or children. If there is no such surviving dependant, payment shall be made to the estate.

Rule 111.10

Grant on death

(a) In the event of the death of a staff member, the WTO shall pay a death grant to the spouse, or if none, to the dependent child or children, or if none, to the secondary dependant.

(b) Payment of the grant under Annex 6 shall be calculated on the basis of the staff member's net salary.

Rule 111.11

Last day for pay purposes

Upon separation from service, the date on which a staff member's entitlement to salary, allowances and benefits ceases shall be determined as follows:

- (i) Upon resignation, the date shall be the date of expiration of the notice period under *Staff Rule 111.1(b)*;
- (ii) Upon expiration of a fixed-term contract, the expiration date specified in the contract;
- (iii) Upon termination, the date provided in the notice of termination;
- (iv) Upon retirement, the date of retirement;
- (v) In the case of summary dismissal, the date of dismissal;
- (vi) In the case of death, the date of death.

Rule 111.12

Certification of service

Upon request, a staff member shall, on leaving the service of the WTO, be given a statement relating to the nature of the duties performed and the length of service. Upon written request, the statement shall also refer to the quality of work and conduct.

TRAVEL AND REMOVAL EXPENSES

Rule 112.1

Official travel of staff members

Subject to conditions established by the Director-General, the WTO shall pay the travel expenses of staff members in the following circumstances:

- (i) For internationally recruited staff, on initial appointment, provided that the staff member has been obliged to move from outside the local area;
- (ii) When required to travel on official business;
- (iii) On home leave;

- (iv) On family visit;
- (v) On separation from service under *Staff Regulation* 10.1(a), 10.1(b), 10.1(c), 10.1(d) or 10.1(g);
- (vi) On travel authorized exceptionally by the Director-General for compelling medical or security reasons.

Rule 112.2

Official travel of eligible family members

- (a) Eligible family members are the spouse and those children recognized as dependent or, in so far as education grant travel is concerned, in respect of whom an education grant is payable.
- (b) Subject to conditions established by the Director-General, the WTO shall pay the travel expenses of a staff member's eligible family members under the following circumstances:
 - (i) On or following the initial appointment of a staff member entitled to the payment of travel expenses on that occasion, provided the appointment is expected to be for a period of one year or longer and provided the staff member's services are expected to continue for more than six months beyond the date on which travel of the family members begins;
 - (ii) On home leave;
 - (iii) On family visit;
 - (iv) On separation of a staff member from service;
 - (v) One-way travel expenses may be paid in respect of a child beyond the age when the dependency status of the child would otherwise cease;
 - (vi) On education grant travel;
 - (vii) On travel authorized exceptionally by the Director-General for compelling medical or security reasons.

(c) Where both husband and wife are staff members of the WTO and either or both are entitled to the payment of travel expenses on separation from service, travel expenses shall be paid for each only upon their own separation from service. Where both spouses are entitled to travel expenses, each staff member shall have the choice of exercising that entitlement or of accompanying the other spouse, provided that such expenses shall be paid only on separation of the staff member concerned.

Rule 112.3

Loss of entitlement to payment of travel expenses on separation

(a) Staff members who resign before completing one year of service or within six months following the date of their return from travel on home leave or family visit shall not be entitled to payment of travel expenses on separation for themselves and family members. Family members who leave the duty station without having remained there at least six months shall likewise not be entitled to payment of travel expenses. Travel expenses on separation shall be paid by the WTO only once in respect of a spouse during the staff member's period of service.

(b) Entitlement to travel expenses on separation shall cease if travel has not begun within six months after the date of separation. However, where both husband and wife are staff members and the spouse who separates first is entitled to travel expenses on separation, the entitlement shall not cease until six months after the date of separation of the other spouse.

Rule 112.4*Authority to travel*

Official travel may be undertaken only if it is authorized in writing beforehand. Staff members shall be personally responsible for ascertaining that they have the proper authorization before beginning travel.

Rule 112.5*Travel expenses*

(a) Travel expenses paid or reimbursed by the WTO shall include:

- (i) transportation expenses;
- (ii) terminal expenses;
- (iii) transit expenses;
- (iv) travel subsistence allowance;
- (v) authorized miscellaneous expenses incurred during travel.

(b) The conditions under which these expenses shall be paid or reimbursed shall be established by the Director-General.

Rule 112.6*Route, mode and standard of transportation*

(a) The route, mode and standard of transportation shall be approved in advance and shall serve as the sole basis for the calculation of all relevant travel entitlements.

(b) Official travel shall normally be by air and by the most direct and economical route.

(c) The Director-General shall establish the standard of accommodation to be authorized for official travel.

(d) A staff member who is authorized to travel by car shall be reimbursed by the WTO on the basis of travel by the most economical route.

(e) Unless the staff member concerned is authorized to make other arrangements, all tickets for official travel shall be purchased by the WTO.

(f) If for reasons of personal choice the costs exceed those payable by the WTO, the difference shall be borne by the staff member.

Rule 112.7

Travel advances

A staff member authorized to travel shall carry sufficient funds for all current expenses, if necessary by securing an advance of funds. A reasonable advance of funds against the estimated reimbursable travel expenses may be made to a staff member or family members .

Rule 112.8

Installation grant

(a) When staff members and their eligible family members travel at WTO expense to the duty station on initial appointment, they shall be paid an installation grant.

(b) The Director-General may, in appropriate cases, authorize payment of all or part of the installation grant where the WTO has not been required to pay travel expenses upon the initial appointment of a staff member who otherwise would have been so entitled.

Rule 112.9

Family visit

(a) The WTO may pay the travel expenses of a staff member to the place of recruitment or to the place of home leave for the purpose of visiting eligible family members once every year in which the staff member's home leave does not fall due, provided that:

- (i) The staff member has completed not less than one year of continuous service since the initial appointment or not less than nine months since departure on the last home leave journey;
- (ii) The staff member's service is expected to continue at least six months beyond the date of return from the family visit;
- (iii) During the preceding twelve months, none of the eligible family members has been present with the staff member at the duty station after travel at the expense of the WTO, except education grant travel.

(b) Exceptionally, in lieu of the staff member's travel under paragraph (a) above, the WTO may authorize the travel of the spouse to the duty station under the same conditions.

Rule 112.10

Removal costs on appointment

(a) On initial appointment, a staff member who travels at the expense of the WTO, shall be entitled to the payment of costs for the removal of personal effects and household goods subject to conditions established by the Director-General.

(b) The WTO shall pay the cost of removing personal effects and household goods belonging to the staff member either from the place of recruitment or from the recognized home to the area of the duty station. Payment of removal expenses from another place may be authorized in exceptional cases.

(c) Where both husband and wife are entitled to removal expenses on appointment, their combined entitlement shall be limited to that of a staff member with a spouse or a dependent child travelling to the duty station.

(d) Entitlement to removal expenses on appointment shall normally cease if removal has not commenced within one year after the date on which the staff member became entitled to removal expenses or if the staff member's services are not expected to continue for more than six months beyond the proposed date of arrival of the personal effects and household goods.

Rule 112.11

Removal costs on separation

(a) On separation from service under *Staff Regulation* 10.1(a), 10.1(b), 10.1(c), 10.1(d) or 10.1(g), a staff member who travels at the expense of the WTO shall be entitled to the payment of costs for the removal of personal effects and household goods from the duty station subject to conditions established by the Director-General and provided that the effects and goods were in the staff member's possession at the time of separation from service and are being transported for the use of the staff member.

(b) The WTO shall pay the cost of removing personal effects and household goods belonging to the staff member either to the place of recruitment or to the recognized home. Payment of removal expenses to another place may be authorized in exceptional cases.

(c) Where both husband and wife are staff members and are entitled to removal expenses on separation, their combined entitlement shall be limited to that of a staff member with a spouse or a dependent child travelling to the duty station.

(d) A staff member who resigns before completing one year of service shall not normally be entitled to payment of return removal expenses on separation.

(e) Reimbursement shall not normally be granted if the removal has not begun within one year of the date of separation. Where both husband and wife are staff members and the spouse who separates first is entitled to removal expenses, the entitlement shall not cease until one year after the date of separation of the spouse.

Rule 112.12

Excess baggage and unaccompanied shipments

(a) When on official travel, staff members shall be reimbursed excess baggage charges for themselves and their eligible family members to the extent of the difference between the free baggage allowance by first class and the baggage allowance corresponding to their class of travel. Other charges for excess baggage shall be reimbursed only in exceptional circumstances.

(b) For travel on appointment or separation, home leave travel, family visit travel or education grant travel, a staff member shall be paid expenses incurred in making unaccompanied shipments of personal effects and household goods under conditions determined by the Director-General.

Rule 112.13

Insurance

(a) Insurance coverage shall be provided by the WTO, under conditions established by the Director-General, in respect of unaccompanied shipments and personal effects and household goods in transit.

(b) A staff member shall not be reimbursed the cost of personal accident insurance or of insurance of accompanied personal luggage.

Rule 112.14

Expenses on death

In the event of the death of a staff member or of an eligible family member, the WTO shall pay reasonable costs of preparation of the body and, if local interment is elected, reasonable expenses for such interment. When local interment is not elected, the WTO shall pay reasonable costs of transportation of the body either from the duty station or, when the death occurs while in travel status, from the place of death to the duty station or to a place to which the deceased was entitled to travel on separation.

DISCIPLINARY MEASURES

Rule 113.1

Disciplinary measures

Pursuant to *Staff Regulation* 11.1 the Director-General may propose to apply disciplinary measures to staff members whose conduct is unsatisfactory.

Rule 113.2

Disciplinary procedure

(a) The Director-General shall notify the staff member in writing of the proposal to apply a disciplinary measure and of the grounds for such action. The staff member shall acknowledge the notification in writing within three working days of receipt.

(b) Except where referral to the body established pursuant to *Staff Regulation* 11.3 is waived with the agreement of the staff member, the Director-General shall, within three working days of the date of receipt by the staff member, notify the body of the proposal and the grounds therefor and advise the staff member accordingly. The staff member may provide the body with written observations on the proposal within ten working days following notification to the body.

(c) Within twenty working days of being notified of the proposal to apply a disciplinary measure, the body shall hear the staff member, except where the staff member waives this requirement, and shall call such other witnesses as it or the parties may wish to hear, and report to the Director-General with a copy provided to the staff member. The staff member may provide the Director-General with written observations on the report within ten working days of receipt of the body's report.

(d) The decision of the Director-General on the proposed disciplinary measure shall be notified to the staff member within fifteen working days of the date of receipt of the report by the staff member. The staff member shall acknowledge receipt of the notification of the decision within three working days.

Rule 113.3

Suspension during the disciplinary procedure

Where the Director-General proposes to apply the disciplinary measure of dismissal for misconduct, the Director-General may suspend the staff member from duty during the procedure. Such suspension shall be without prejudice to the rights of the staff member under the *Staff Regulations* and *Staff Rules*.

GRIEVANCES AND APPEALS

Rule 114.1

Mediation

- (a) On the recommendation of the JAC, the Director-General shall designate a person or persons to act as an impartial mediator or mediators to assist members of the staff with problems or grievances relating to the terms and conditions of their employment, their working conditions and/or their relations with supervisors and colleagues. Such assistance shall be confidential unless otherwise agreed by the staff member.
- (b) The mediator shall endeavour to effect reconciliation through fact-finding, discussion and involvement of all interested parties.
- (c) The mediator may also make recommendations to the Director-General regarding employment and working conditions and express views on the interpretation and application of the *Staff Regulations*, *Staff Rules* and *Staff Administrative Memoranda*.

Rule 114.2

Joint Appeals Board

- (a) The Joint Appeals Board shall be composed of a chairperson appointed by the Director-General in consultation with the Staff Council, a member and alternate appointed by the Director-General, and a member and alternate elected by the staff.
- (b) The Chairperson, members and alternates of the Joint Appeals Board shall hold office for three years, shall be eligible for re-appointment or re-election, and shall remain in office until their successors are appointed or elected.
- (c) The Director-General shall, in consultation with the Chairman of the Joint Appeals Board, designate a secretary of the Board for a period of three years (renewable) who, for the purpose of *Staff Rule* 114.5 - 114.9 below, shall support the function of the Joint Appeals Board in an independent and confidential manner and shall in particular receive, record and transmit the documents of the procedure on behalf of the Chairperson of the Appeals Board. The secretary shall attend the meetings of the Board but shall not take part in its deliberations.
- (d) The Joint Appeals Board shall establish its own rules of procedure which shall be published in a *Staff Administrative Memorandum*.

Rule 114.3

Request for review

- (a) A staff member intending to appeal against an administrative decision, other than decisions referred to in paragraph (b) below, shall first request the Director-General, in writing, to review the decision. The request must be sent within forty working days from the date the staff member received notification of the decision in writing.

(b) A staff member wishing to appeal against a decision to apply a disciplinary measure may do so directly to the Administrative Tribunal of the International Labour Organization.

Rule 114.4

Conciliation

The Director-General, in reviewing the administrative decision in question, and with the consent of the staff member, or at the latter's request, may seek the assistance of the Chairperson or a member of the Joint Appeals Board, with a view to reaching a mutually satisfactory settlement of the matter. This procedure is without prejudice to the right of the staff member to pursue an appeal under the provisions of *Staff Rule 114.5*.

Rule 114.5

Appeals

(a) The staff member may appeal against the Director-General's reply to the request for review within twenty working days of the receipt of such reply. If the Director-General does not reply to the request within twenty working days, the staff member may appeal against the original administrative decision within a further time limit of twenty working days.

(b) An appeal shall be lodged with the Chairperson of the Joint Appeals Board who shall provide a copy to the Director-General within three working days of its receipt.

Rule 114.6

Suspension of decision

The filing of an appeal with the Joint Appeals Board shall not have the effect of suspending the decision that is the subject of the appeal. However, upon the request of the staff member, the Board may, after hearing both parties, recommend to the Director-General the suspension of that decision. The request shall set forth the relevant facts and indicate how implementation would directly and irreparably injure the staff member's rights. The Director-General's response to such a recommendation by the Board is not subject to appeal.

Rule 114.7

Reply by the Director-General

The Director-General shall submit a written reply to the Chairperson of the Joint Appeals Board within twenty working days following the date of receipt of the appeal.

Rule 114.8

Proceedings of the Board

(a) Proceedings before the Board shall normally be limited to the original written presentation of the case, together with brief statements and rebuttals, which may be made orally or in writing, in one of the working languages of the WTO.

(b) Staff members may arrange to have their appeal presented to the Board on their behalf by a staff member of the WTO or of another international organization in Geneva.

(c) The Board may call members of the staff who may be able to provide relevant information, and shall have access to all documents pertinent to the case.

(d) Participation in the work of the Board shall be considered as part of official duties. All staff members required to participate in the work of the Board shall be released to the extent necessary from their normal duties for that purpose, in order to facilitate the prompt handling of cases.

(e) The Board shall act with the maximum dispatch consistent with a fair review of the appeal. It shall adopt its report by majority vote and submit the report to the Director-General within 40 working days of receipt of the reply referred to under *Staff Rule 114.7*.

(f) The report shall constitute a record of the Board's proceedings and shall include a summary of the issues, together with its recommendations to the Director-General. Any votes on the recommendations shall be recorded and members may have their dissenting opinion included in the report.

Rule 114.9

Decision of the Director-General

(a) Within 20 working days after the Board has forwarded its report, the final decision on the appeal shall be taken by the Director-General and shall be communicated to the Chairperson of the Joint Appeals Board and to the staff member, together with a copy of the Board's report. The Director-General's decision and a copy of the Board's report shall also be transmitted to the Staff Council except if the staff member objects. The report shall be neither quoted nor reproduced without the consent of both parties.

(b) If a decision has not been taken by the Director-General within 20 working days of submission of the report, the secretary of the Joint Appeals Board shall communicate the report of the Board to the staff member in order to enable the staff member to exercise the right to appeal to the ILO Administrative Tribunal.

(c) The Director-General may, with the staff member's consent, waive recourse under *Staff Rule 114.5* in order to permit the staff member to appeal directly to the ILO Administrative Tribunal.

GENERAL PROVISIONS

Rule 115.1

Gender of terms

In the French and Spanish texts of these rules, reference to staff members in the masculine gender shall apply to staff members of both sexes, unless clearly inappropriate from the context.

Rule 115.2

Amendment of, and exceptions to, Staff Rules

(a) Subject to *Staff Regulation 13.2*, the *Staff Rules* may be amended by the Director-General.

(b) Exceptions to the *Staff Rules* may be made by the Director-General, provided that such exceptions are not inconsistent with any *Staff Regulation*, that they are agreed to by the staff member directly affected and that they are not prejudicial to the interests of any other staff member or group of staff members.

Rule 115.3

Financial responsibility

A staff member may be required to reimburse the WTO either partially or in full for any financial loss suffered by the WTO as a result of the staff member's negligence or of having violated any *Staff Regulation*, *Staff Rule* or *Staff Administrative Memorandum*.

Rule 115.4

Authentic texts

The English, French and Spanish texts of the *Staff Regulations* and *Staff Rules* are equally authentic.

Rule 115.5

Effective date

The *Staff Regulations* and *Staff Rules* shall take effect on [1 January] 199[].

TRANSITIONAL PROVISIONS

Rule 116.1

Dependency Allowances

Where the amount of dependency allowance payable under Staff Rule 106.14 in respect of the staff member's first primary dependant is less than the amount of the difference between the dependency and single rates of salary applicable at the staff member's grade and step on 31 December [], the staff member shall continue to receive the higher of the two amounts until the amount of the allowance payable under Staff Rule 106.14 overtakes the amount of the difference between the dependency and single rates of salary.

Rule 116.2

Non-resident's allowance

Staff members who were in receipt of a non-resident's allowance on 31 August 1983 may continue, while eligible, to receive the non-resident's allowance at the rate and in accordance with the provisions in effect before 1 September 1983.

Rule 116.3

Language proficiency

(a) Any staff member whose appointment took effect prior to 1 January 199[], and who was in receipt of the language allowance provided for in the ICITO Staff Regulations and Rules shall continue to receive that allowance at the rate and in accordance with the provisions in effect on 31 December 199[].

(b) Any staff member whose appointment took effect prior to 1 January [], and who was entitled to an accelerated periodic salary increment, shall remain entitled to such increments.

Rule 116.4

Repatriation grant

Any staff member whose appointment took effect prior to 1 January 199[] shall retain the entitlement, where applicable, to the amount of the repatriation grant provided for in the ICITO Staff

Regulations and Rules in force on 31 December 199[], where that amount is higher than that of the separation grant provided for in Staff Rule 111.9.

ANNEX 1

WTO Net and Gross Salary Scales
(in Swiss francs)

(Staff Regulation 6.2, Staff Rule 106.2 and Article 20 of the Regulations of the WTO Pension Plan)
(Effective 1 January 199[])

[illegible]

ANNEX 2

WTO STAFF RULES

Dependency allowance rates

(effective 1 January 199[])

(a) Spouse allowance (Staff Rule 106.14(a))

SFR 5,686 per year (SFR 6,406 for staff members in receipt of a dependency allowance in respect of a spouse on 31 August 1995).

(b) Child allowance (Staff Rules 106.14(b) and (c))

(i) SFR 3,883 per year; or

(ii) SFR 9,569 per year for the first child, if the staff member is without a spouse.

(c) Secondary dependant's allowance (Staff Rule 106.14(d))

SFR 1,308 per year (SFR 1,452 for staff members in receipt of the allowance on 31 December 1993).

ANNEX 3

WTO STAFF RULES

**Rules Governing Compensation in the Event of Service-incurred Death,
Injury or Illness**

**PART I
DEFINITIONS**

[TO BE CIRCULATED AT A LATER DATE]

ANNEX 4

WTO STAFF RULES

Termination indemnity rates (Staff Regulation 10.6 and Staff Rule 111.8) (effective 1 January 199[])

The termination indemnity shall be paid in accordance with the following schedule:

| Length of service | Regular contracts (months of net salary according to Annex 1 of the Staff Rules) | Fixed-term contracts |
|-------------------|---|---|
| Less than 1 year | Not applicable | One week for each month of uncompleted service subject to a minimum of six weeks' and a maximum of three months' indemnity, except that the indemnity shall not exceed the net salary that the staff member would have earned if the contract had run until its expiry date |
| 1 year | Not applicable | |
| 2 years | 3 | |
| 3 years | 3 | |
| 4 years | 4 | |
| 5 years | 5 | |
| 6 years | 6 | 3 |
| 7 years | 7 | 5 |
| 8 years | 8 | 7 |
| 9 years | 9 | 9 |
| 10 years | 9.5 | 9.5 |
| 11 years | 10 | 10 |
| 12 years | 10.5 | 10.5 |
| 13 years | 11 | 11 |
| 14 years | 11.5 | 11.5 |
| 15 or more years | 12 | 12 |

ANNEX 5

WTO STAFF RULES

**Separation grant rates
(Staff Regulation 10.7 and Staff Rule 111.9)**

(effective 1 January 199[])

| | Family status | |
|--|---|----------|
| | With primary dependant | Single |
| | (months of net salary at the mid point of the scale reproduced in Annex 1 of the Staff Rules) | |
| Amount of grant payable under <i>Staff Regulation 10.7(a)</i> | 4 months | 2 months |
| Amount of grant payable under <i>Staff Regulation 10.7(b)</i> | 2 months | 1 month |

ANNEX 6

WTO STAFF RULES

**Grant on death
(Staff Rule 111.10)**

(effective 1 January 19[])

| Length of service (as defined in Staff Rule 111.8(b)) | Months of net salary according to Annex 1 of the Staff Rules |
|--|---|
| 3 or less years of service | 3 |
| 4 years of service | 4 |
| 5 years of service | 5 |
| 6 years of service | 6 |
| 7 years of service | 7 |
| 8 years of service | 8 |
| 9 or more years of service | 9 |

WORKING GROUP ON CONDITIONS OF SERVICE
APPLICABLE TO THE STAFF OF THE WTO SECRETARIAT

DRAFT ADMINISTRATIVE RULES OF THE WTO PENSION PLAN

INTRODUCTION

- (a) The Management Board has, in terms of Article 5(b) of the Regulations, made the present Administrative Rules which enter into force with effect from 1 January 199[].
- (b) The Management Board may amend these Rules from time to time as it deems appropriate and desirable, and shall interpret them to the extent required to give effect thereto.
- (c) In accordance with Article 2 of the Regulations, the terms defined in that article shall bear the same meaning where they appear in these Rules.

SECTION A **Administrative Manual**

A.1 The Secretary shall be responsible, under the authority of the Management Board, for ensuring the observance of the Regulations and these Rules by the WTO and the participants.

SECTION B **Participation**

B.1 The Secretary shall, upon fulfillment by a member of the WTO staff of the conditions of Article 16 of the Regulations, register the admission of that member to the Plan as a participant by recording such information with respect to the member of the staff as may be required, including the terms of appointment. The Secretary shall thereafter record any changes which occur therein.

B.2 The information shall normally include the name of the participant and the date of commencement of participation, date of birth, sex and marital status, and, as the case may be, the names and dates of birth of the spouse, children under the age of 21, and secondary dependants.

B.3 The participant shall be responsible for providing the information in B.2 above and for notifying the Secretary of any changes which occur therein. The participant shall be required to submit documentary or other proof of such information to the Secretary. No change in the records relating to the date of birth of a participant or prospective beneficiaries shall be accepted after the date of the participant's separation. The Secretary shall verify, to the extent possible, the accuracy of the information furnished.

B.4 Information provided by or in respect of participants or beneficiaries under the Regulations or these Rules shall be held and used solely for the purposes of the Plan as the Management Board shall determine and shall not be otherwise disclosed.

B.5 The participant shall, as soon as practicable after the commencement of participation, specify in writing, on a form provided for the purpose by the Secretary, the secondary dependant, if any, or other person whom the participant designates as beneficiary or beneficiaries in the event of a benefit becoming payable under Article 32 or 34 of the Regulations by reason of the participant's death in service without a surviving spouse or child entitled to a benefit. Any changes thereafter in such designation shall similarly be specified by the participant in writing.

B.6 A participant who is separated from the service of the WTO and who again becomes a participant in the Plan in accordance with Article 16(a) of the Regulations within 12 months after such separation and without a benefit having been paid shall continue participation in accordance with Article 16(b). In calculating the period between the dates of separation and re-entry into participation

under Article 16(a) no recognition shall be given to any intervening non-contributory service even if subsequently validated under Article 18.

SECTION C

Medical Examination

C.1 In accordance with Article 37 of the Regulations, a medical examination shall be carried out of each participant by the medical adviser to the WTO, or a medical practitioner designated by the medical adviser, prior to or as early as may be practicable after the commencement of participation.

C.2 The examination shall be conducted in such a manner as to determine whether or not the participant meets the medical standards, and may be waived if the participant has undergone a medical examination within twelve months prior to the commencement of participation and if the results of that examination are acceptable to the medical adviser.

SECTION D

Contributions and Interest

D.1 Contributions as specified in Article 21(b) shall be deducted monthly by the WTO from the salary and emoluments of each of its participants in pay status and remitted in Swiss francs to the Plan; the contributions of a participant in partial pay status pursuant to Staff Rule 110.3 shall be on the basis of the participant's full pensionable remuneration.

D.2 Contributions for the purpose of validation, restoration, or the accrual of contributory service during leave without pay shall be made in Swiss francs in accordance with Sections E, F and G below.

D.3 (a) Interest shall accrue each year or part of a year on a participant's contributions to the Plan; interest shall not, however, accrue in any year on contributions made during that year.

(b) For the purpose of accrual of interest under Article 21(d), (e), (f) or (g), Article 27 and Article 34(c) of the Regulations, the interest shall be calculated to the end of each financial year and compounded annually.

(c) In the calculation of interest, periods of less than one calendar month shall, if they amount to fifteen days or more, be treated as one month, and if they amount to less than fifteen days, be disregarded.

(d) For the purpose of calculating monthly instalments, including interest, for the amortization of amounts due under Article 21(f), the interest shall be compounded annually.

D.4 Remittance by the WTO of the contributions under Article 21 shall be made monthly and received by the Plan not later than on the second working day of the following month.

D.5 The Plan shall be compensated for any loss resulting from delays in receipt of the contributions under Rule D.4 above.

D.6 The financial year of the Plan shall be the period 1 January to 31 December inclusive.

SECTION E

Validation of Non-Contributory Service

E.1 A participant who elects to validate non-contributory service under Article 18(a) of the Regulations shall give notice in writing of that election to the Secretary, not later than one year after the commencement of participation and in any case prior to the date of separation if earlier. The participant shall state in such notice the total period or periods of service which, to the participant's knowledge, are open to validation.

E.2 (a) The Secretary, if satisfied that the conditions of Article 18(a) have been fulfilled, shall notify the participant in writing of the contributions which would have been payable by the participant had the service been contributory, with interest to the date of the notice of election.

(b) The contribution of the WTO shall be twice the amount under (a) above.

E.3 The participant shall remit the amount under Rule E.2(a) above in a lump sum to the Plan within ninety days of the date of notification, or prior to the date of separation if earlier, failing which the participant's right to validate shall be deemed to be cancelled.

E.4 (a) A beneficiary who elects to validate on behalf of a deceased participant under Article 18(b) of the Regulations shall give notice in the manner and within the period specified in Rule E.1 above. The beneficiary shall be notified of the amount due in accordance with Rule E.2 above and shall remit such amount in a lump sum to the Plan within ninety days of the date of notification.

(b) In the event that a participant dies after having elected to validate under Rule E.1 above, but before the amount due by the participant has been remitted under Rule E.3, a beneficiary empowered to make an election on behalf of the participant under Article 18(b) shall be entitled, upon notice in writing to the Secretary prior to payment of the benefit, to make such remittance to the Plan in a lump sum within ninety days of the date of notification to the beneficiary by the Secretary of the amount due.

(c) Failure by a beneficiary to comply with the provisions of (a) or (b) above shall be deemed to cancel the beneficiary's rights under Article 18(b).

E.5 A former participant who, during participation, does not validate the non-contributory service then open to validation shall not, by virtue of a new period of participation, be entitled to validate such service.

SECTION F

Restoration of Prior Contributory Service

F.1 A participant who elects to restore prior contributory service as a former participant under Article 19(a) of the Regulations shall give notice in writing of that election to the Secretary not later than one year after the re-commencement of participation and in any case prior to the date of separation if earlier.

F.2 The Secretary, if satisfied that the conditions of Article 19(a) have been fulfilled, shall notify the participant in writing of the total amount due, after having ascertained the periods of prior contributory service of the participant, together with the amount of the withdrawal settlement received under Article 27(b) and the interest thereon.

F.3 The participant shall make, or commence, payment of the amount within ninety days of the date of the notification by the Secretary under Rule F.2 above, either

(a) in full in a lump sum; or

(b) in equal monthly instalments, with interest, over a period no longer than half the length of the prior contributory service elected to be restored, provided that the total amount due shall be payable prior to the date of the participant's separation.

F.4 (a) Payment shall be made, in accordance with the method selected by the participant under rule F.3 above, by remittance to the WTO within the time-limits applicable.

(b) In the event of default in the payment of a lump sum or the first payment of an instalment, the right of the participant to restoration shall be deemed to be cancelled. In the event of default thereafter, the participant shall be given notice in writing by the Secretary to effect payment within ninety days, failing which the right to restoration shall similarly be deemed to be cancelled.

(c) A participant whose right to restoration is cancelled shall be refunded forthwith the payments, with accrued interest, and shall forfeit any further right to such restoration.

F.5 A beneficiary who elects to restore on behalf of a deceased participant under Article 19(c) of the Regulations, or to make or complete the remittances due by a participant who had so elected prior to the participant's death, shall be bound, *mutatis mutandis*, by the provisions of rule E.4.

SECTION G

Leave Without Pay

G.1 A participant who wishes contributory service to accrue in terms of Article 17(b) of the Regulations in respect of leave without pay shall make arrangements with the WTO in accordance with Article 21(c) of the Regulations for the full contributions to be remitted to the Plan concurrently with such leave in the same manner as contributions due in respect of a participant in pay status.

SECTION H

Determinations of Incapacity and Inability to Engage in Gainful Employment

General

H.1 (a) The determination of incapacity for the purpose of disability benefits under Article 29 of the Regulations and of children's and secondary dependants' benefits under Article 31(b) and 32(a) shall be made in each case by the Management Board.

(b) For entitlement to a total disability benefit, the incapacity for further service must be found to exist or to have existed on the participant's date of separation.

H.2 In each case in which the Management Board has determined that a participant or a child is incapacitated, the medical adviser of the WTO shall transmit a report on the medical aspects of the case to the Secretary.

Disability benefits (Article 29)

H.3 A request for a determination by the Management Board under Articles 29(a) or 29(d) of the Regulations shall be made by the WTO:

(a) Whenever during, or on the expiry of, the appointment of a participant there is reason to believe that the participant may be incapacitated within the meaning of Articles 29(a) or 29(d); or

(b) Whenever a participant is placed, or is proposed to be placed, on leave without pay for reasons of health; or

(c) Whenever the appointment of a participant is terminated, or is proposed to be terminated, for reasons of health.

H.4 A determination under Articles 29(a) or 29(d) shall be made by the Management Board at the request of a participant:

(a) Whenever the WTO has not acted in accordance with Rule H.3 above; or

(b) Whenever a participant alleges an incapacity within the meaning of Articles 29(a) or 29(d).

H.5 (a) The request shall be in writing, addressed to the Secretary, and in the case of a participant shall be made not later than four months after the date of separation or commencement of leave without pay, unless in the opinion of the Management Board there are exceptional circumstances justifying submission of the request at a later date.

(b) The request shall state the material facts on which the WTO or the participant relies and the conclusions which are deduced therefrom, and shall be accompanied where practicable by a report from the medical adviser of the WTO or a medical practitioner retained by the participant, as the case may be.

(c) The WTO, or the participant if the request has been submitted by the participant, may be required by the Management Board to provide further evidence or information thereon prior to a determination being reached.

H.6 (a) A determination that a participant is incapacitated within the meaning of Articles 29(a) or 29(d) shall, until the participant reaches age fifty-five, be reviewed by the Management Board from time to time for the purpose of establishing the continued eligibility or otherwise of the participant for a disability benefit.

(b) The date for each such review shall be set by the Management Board, having regard to the opinion of the medical adviser on the prospects for the participant's recovery, and in such manner that the interval between reviews does not normally exceed three years; the Management Board may nevertheless review a determination at an earlier date than that set for the review if there is reason to believe that the participant is no longer incapacitated.

(c) The participant shall be informed in writing by the Secretary of the date or interval set for the review in each case and shall, as and when required, submit to a medical examination by the medical adviser, or a medical practitioner designated by the medical adviser, for the purpose of providing evidence enabling the Management Board to reach a further determination on the continuance or otherwise of his incapacity.

(d) Upon review, the Management Board shall continue a disability benefit if it determines that the participant remains incapacitated; it may suspend or discontinue a benefit if the participant has failed to submit to a medical examination when required to do so, or if the results of a medical examination are inconclusive; it may impose on the participant the fulfillment of a condition precedent to the continuation of a benefit or the removal of a suspension; and it shall discontinue a benefit when the evidence before it shows beyond reasonable doubt that the participant is no longer incapacitated, provided that a benefit so

discontinued may be re-instated by the Management Board if it is satisfied, upon further evidence, that the participant was in fact then incapacitated.

H.7 (a) A disability benefit which is suspended or discontinued shall cease to be paid at the end of the third complete month after the month in which the decision was taken.

(b) A disability benefit which is re-instated after suspension or discontinuance shall re-commence from the date of reinstatement, unless the Management Board, after a review of the circumstances of the case, decides that it shall re-commence from an earlier date.

Disabled children's (and brother's or sister's) benefits [article 31(b) and 32(a)]

H.8 A determination under Article 31(b) or 32(a) shall be made by the Management Board whenever the child, or the brother or sister, of a participant, eligible in other respects for a child's or secondary dependant's benefit, claims, or is claimed, to be incapacitated by illness or injury for substantial gainful employment:

- (a) Upon reaching the age of 21, if immediately prior thereto a child's or a secondary dependant's benefit was payable, as the case may be;
- (b) Upon the death in service or entitlement to a retirement or disability benefit of the participant, if the child is then over the age of 21;
- (c) Upon the entitlement of the participant to an early retirement benefit. However, a child under the age of 21 shall be considered to be disabled only if the child would have been considered to be such had the child been 21 years of age on the date of the participant's separation;
- (d) Upon the death of a participant entitled to a retirement, early retirement, or disability benefit, if a brother or sister is then over the age of 21 and is claimed to have been incapacitated at the date of the participant's separation.

H.9 The claim shall be made in writing, addressed to the Secretary, by or on behalf of the child or secondary dependant, and shall be accompanied by a report from a medical practitioner on the nature of the illness or injury and the extent, if any, to which gainful employment is possible; in the case of Rule H.8(b) above, the report shall be submitted by the medical adviser of the WTO.

H.10 A determination that a child or secondary dependant is incapacitated within the meaning of Article 31(b) or 32(a) shall be reviewed, *mutatis mutandis*, in accordance with the provisions applicable to disability benefits in Rules H.6 and H.7 above, save that the intervals between reviews may exceed three years.

SECTION I
Entitlement to Benefits

I.1 Entitlement to a benefit shall, subject to rules I.3 and I.4 below but without further action by the Secretary of the Management Board other than as may be required to determine eligibility for a disability or incapacitated child's benefit under these Rules, vest in a participant and in the child of a participant on the day succeeding the last day of the participant's contributory service; it shall vest in the widow, widower, secondary dependant, designated beneficiaries or estate of a participant on the day succeeding the day of death if the participant died in service, and on the first day of the month succeeding death if the participant died while in receipt of a periodic benefit.

I.2 Entitlement to a benefit under Article 31(a) of the Regulations shall continue to the end of the month in which the child marries or reaches the age of twenty-one.

I.3 Entitlement shall be subject to certification by the Secretary, in accordance with Article 6 of the Regulations, that the conditions for payment of the benefit have been fulfilled; the Secretary shall refer to the Management Board for decision any case in which he has declined so to certify.

I.4 Where, in the case of a disability benefit, a period of leave in pay status has succeeded a period of leave without pay for reasons of health, entitlement to the benefit shall vest as though the paid leave of the participant had been continuous.

SECTION J

Computation and Payment of Benefits

J.1 Upon the separation of a participant, the Secretary shall assemble the information required for the purpose of computing the former participant's entitlements under the Regulations.

J.2 (a) The participant shall specify in writing, on a form provided for the purpose by the Secretary, the benefit and any commutation thereof which the participant elects in accordance with the Regulations, the participant's instructions with respect to the method, currency and periodicity of payment, and the banking or other institution, if such be the case, to which payment should be made for the participant's account. Subsequent changes in the election of benefits by the participant shall not be accepted unless:

- (i) no payment has yet been made by the Plan; and
- (ii) in the case of a deferred retirement benefit, in addition to meeting the condition under subparagraph (i), no letter of entitlement has yet been sent by the Plan.

(b) Payment of the periodic benefit shall be made monthly in arrears.

(c) In the event that the amount of a benefit paid in full in a lump sum is found to be in error, a correction shall be made if the error exceeds ten Swiss francs.

(d) Benefits payable under the Regulations to the children of a participant shall, unless there are exceptional circumstances, be paid on their behalf to the participant and, upon his death, to the surviving parent or legal guardian of each child, in accordance, mutatis mutandis, with (a), (b), (c) and (d) above.

J.3 Participants shall at the same time, where there is a prospect that a benefit may become payable upon their death under Article 32 or 34 of the Regulations, specify similarly the secondary dependant or other person designated as a beneficiary, as the case may be; in the absence of such designation, payment shall be made in accordance with the designation of the participant under Rule B.5 above.

J.4 The contributory service of a participant which is used as a multiple to obtain the rate or amount of any particular benefit shall be calculated in years and fractions of years, each complete calendar month being deemed equal to one twelfth of a year, and the total number of days comprised in the incomplete calendar months being apportioned by the addition of one month for each thirty days or part thereof of fifteen days or longer; a residual period of less than fifteen days shall be disregarded.

J.5 The contributory service of a participant which is used to determine eligibility for a benefit shall be calculated according to the actual years, months and days comprised therein; for the purpose

of determining final average remuneration, incomplete months shall be disregarded except as provided in Article 2(h).

J.6 The contributory service of a participant shall not include unused annual leave accrued at the date of separation, for which compensation is paid, or any period in respect of which payment is made in lieu of notice of termination.

J.7 The age of a participant shall be calculated in years and fractions of years from the date of birth to the date of separation, in accordance with the method prescribed for the calculation of contributory service in Rule J.4 above; a participant shall nevertheless not be considered to have reached age fifty-five, age fifty-seven, age sixty or age sixty-two until the fifty-fifth, fifty-seventh, sixtieth or sixty-second birthday, as the case may be, shall have elapsed.

J.8 The participant, and any person entitled through the participant to a periodic benefit from the Plan, shall be required from time to time to furnish, to the satisfaction of the Secretary, proof that the participant, and any person on whose behalf a benefit is paid to the participant, remains alive and, as the case may be, unmarried; the Secretary may suspend payment of a benefit pending the receipt of such proof.

J.9 (a) Any payments made by the Plan to a participant, beneficiary of a participant or third person otherwise than in accordance with the Regulations of the Plan may be deducted from any future benefits payable to or on account of the participant under these Regulations or may be recovered directly from the person or estate of the person to whom any such payments were made.

(b) The Secretary may, where appropriate, waive recovery of all or part of an indebtedness to the Plan. Such waivers shall be reported to the Management Board;

(c) Two years after discovery by the Plan that any such payments were made, the Secretary may deem that the amounts of such payments are unrecoverable and may authorize that such amounts be written off as uncollectible indebtedness to the Plan.

SECTION K

Review and Appeal

General

K.1 The Management Board shall, at the instance of any person who is entitled to submit an application under Article 43 of the Regulations, review any decision taken by it or by the Secretary in the exercise of powers conferred by the Regulations or these Rules.

K.2 The Management Board shall in like manner review any decision taken by it under H.1 in which the medical conclusions are in dispute, and any decision by the Secretary which is not otherwise subject to review.

K.3 The decision shall, upon review, be either confirmed, rescinded, or varied to the extent necessary to bring it into conformity with the Regulations and these Rules.

K.4 An appeal shall lie to the ILO Administrative Tribunal, in accordance with Article 43 of the Regulations, from the decision of the Management Board taken upon review under Rule K.2.

Procedure for review

K.5 A review shall be initiated by delivery to the Secretary within ninety days of receipt of notification of the disputed decision, of a notice in writing stating the points of fact or of law contained in the decision which are disputed, and the grounds upon which the request for the review is founded; the Management Board may nevertheless, upon good cause shown, accept for review a request of which notice was delivered after the expiry of the period prescribed above.

K.6 A review by the Management Board shall, unless rule K.7 below applies, be completed within sixty days of the delivery of the notice prescribed under rule K.5 above.

K.7 (a) Where the outcome of the review turns in whole or in part on the medical conclusions on which the disputed decision was based, the Management Board shall obtain the advice of a medical board on the correctness or otherwise of such conclusions before proceeding with the review.

(b) The medical board shall consist of a medical practitioner selected by the participant or person requesting the review, the medical adviser of the WTO or a medical practitioner designated by the medical adviser, and a third medical practitioner selected in agreement by the former two. The medical board shall undertake such further examination of the medical conclusions at issue, and/or of the person who is the subject of the review, as it considers desirable, and shall report its conclusions in writing to the Management Board which shall thereupon proceed with the review.

(c) If the decision resulting from the review varies the disputed decision, the medical fees and expenses of the medical board shall be borne by the Plan; if the disputed decision is confirmed, the medical fees and expenses of the practitioner selected by the participant or person requesting the review and half the medical fees and expenses of the third practitioner shall be borne by the participant and the remainder by the Plan; indebtedness by a participant under this rule may be recovered in accordance with Article 39 of the Regulations.

SECTION L

Transfer Agreement

L.1 Participants in the Plan may avail themselves of the provisions of any agreement entered into for the purpose of securing continuity of pension rights under Article 10 of the Regulations of the Plan, in accordance with the terms of the agreement applicable.

WORKING GROUP ON CONDITIONS OF SERVICE
APPLICABLE TO THE STAFF OF THE WTO SECRETARIAT

COMPENSATION PHILOSOPHY

Introduction

1. Operative paragraph 2 of the decision (WT/L/269) adopted by the WTO General Council on 24 April 1998 requires the Working Group to submit a compensation philosophy as part of a detailed proposal for a WTO compensation and personnel plan that is independent from the UN common system of salaries, allowances and benefits. The purpose of this paper is to present a draft compensation philosophy for consideration by the Working Group.

2. The compensation philosophy of the WTO, or set of principles underlying its compensation plan, is contained in the relevant sections of the draft Staff Regulations and Rules and Pension Plan Regulations, which Regulations flow from Article VI of the Marrakech Agreement Establishing the World Trade Organization and, more particularly, from paragraphs 3 and 4 thereof which read:

"3. The Director-General shall appoint the members of the staff of the Secretariat and determine their duties and conditions of service in accordance with regulations adopted by the Ministerial Conference.

4. The responsibilities of the Director-General and of the staff of the Secretariat shall be exclusively international in character. In the discharge of their duties, the Director-General and the staff of the Secretariat shall not seek or accept instructions from any government or any authority external to the WTO. They shall refrain from any action which might adversely reflect on their position as international officials. The Members of the WTO shall respect the international character of the responsibilities of the Director-General and of the staff of the Secretariat and shall not seek to influence them in the discharge of their duties."

3. As stated in the Staff Regulations, the paramount objective in the determination of conditions of service shall be to secure staff members of the highest standards of competence, integrity and efficiency and to meet the requirements of the WTO, taking into account the needs and aspirations of the staff members, while seeking to ensure the broadest possible diversification of the Secretariat. In keeping with the international character of the Secretariat, provision shall be made for a benefit package for internationally recruited staff serving outside their home countries.

4. Against the background of the above considerations, the following principles would govern the proposed WTO compensation plan, taken in the order in which they appear in the texts of the draft Staff Regulations, Staff Rules and Pension Plan Regulations.

(a) Recruitment policy

5. The recruitment policy shall be based on the principle of equal opportunity for all, regardless of gender, nationality, race or religion, with the objective of ensuring the broadest possible diversification of the Secretariat.

6. Recruitment shall be on a competitive basis, except where not practicable. Without prejudice to external recruitment, the fullest regard shall be given to the merit, qualifications and experience of serving staff members.

(b) Contract policy

7. The contract policy shall be such as to offer staff members employment prospects consistent with the requirements of the WTO and to ensure the appropriate balance between continuity and renewal. Continued employment of staff members would depend on the continued need for their post, continued fulfilment of their duties and obligations and continuous satisfactory performance. All initial contracts would be for a probationary, fixed term, and staff members would normally be considered for a regular contract (with no expiration date) upon completion of five years of service.

(c) Performance evaluation

8. Staff members' performance shall be evaluated periodically in terms of the tasks performed, their professional conduct, the fulfilment of their goals and objectives and their potential to assume other responsibilities.

(d) Salaries, benefits and post classification

9. The pay policy shall be such as to permit the WTO to attract and retain staff of the requisite calibre.

10. Salaries, which shall be on a single scale covering all levels of functions, shall be adjusted annually according to the movement of the Swiss consumer price index in order to preserve their purchasing power. The adjustments shall, however, reflect only the extent to which the purchasing power of selected national civil service salaries has been maintained, and shall, in any case, not exceed, on a cumulative basis, the movement of the Swiss CPI. The scale and method of adjustment should be reviewed every five years, taking into account all relevant factors and bearing in mind the General Council's decision (WT/L/269) of 24 April 1998.

11. Posts shall be classified according to their purpose, function and scope and level of responsibility, in order to ensure equitable pay levels, in accordance with the principle of equal pay for work of equal value.

12. Performance-related pay programmes shall be introduced in order to reward staff members according to their performance and achievements.

13. The compensation plan shall also include provisions for dependency allowances, annual leave, special leave and a normal working week.

(e) Career development

14. Career development policies shall be instituted to ensure the most effective allocation of human resources and to offer equal opportunities to all staff members.

(f) Social security

15. The WTO shall provide for coverage of medical expenses for staff members and their families as well as sick leave, maternity leave, parental leave and compensation for service-incurred risks.

16. The WTO shall establish a pension plan to provide disability, retirement, death and related benefits for staff members and their survivors. The pension plan shall have the following main features:

- of the defined benefit type, with benefits expressed as a function of final reference salary and length of pensionable service and subject to cost-of-living adjustment;
- both benefit-variable and contribution-variable in the event of an actuarial deficit, subject to the protection of rights acquired in respect of prior contributory service;
- subject to overall control by a Management Board consisting of equal numbers of representatives of Members and of the Director-General, plus a chairman elected by the General Council;
- subject to regular actuarial valuation by a consulting actuary reporting in the first instance to the Management Board;
- investment policy to be determined by the Management Board on the basis of professional advice;
- detailed annual reports and proposals for amendments to the pension plan to be submitted by the Management Board to the General Council for approval;
- acquired benefits to be guaranteed in the event of dissolution of the WTO;
- transitional provisions to be applied in respect of staff transferring from the UNJSPF to the proposed plan.

(g) Separation from service

17. Separation from service arises not only as a result of resignation, contract expiry, retirement or death but also as a result of contract termination, summary dismissal or abandonment of post. The grounds for termination of a contract shall be unsatisfactory conduct or performance, incapacity for further service, staff reductions or suppression of post, or by mutual agreement with a staff member whose departure would be desirable in view of evolving operational needs. In cases of termination of contract, notice shall be given, and termination indemnities and separation grants shall be payable, according to a pre-determined scale.

(h) Travel and removal expenses

18. Staff members and their eligible dependants shall be eligible for the reimbursement of travel and removal expenses upon recruitment and separation from service.

(i) Disciplinary measures

19. Staff members whose conduct is unsatisfactory shall be subject to disciplinary measures, to be determined in light of the gravity of the offence, in accordance with due process.

(j) **Grievances and appeals**

20. Staff members wishing to challenge an administrative decision shall have access to a conciliation procedure, as well as to means of internal and external recourse.
