ACABQ
Iraq
DPKO

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THE SECRETARY-GENERAL

6 July 2007

Dear Mr. Saha,

You will recall that the Special Iraq Allowance was established in 2005 by the ACABQ as an exceptional measure to improve conditions of service for international staff serving in UNAMI. The Special Iraq Allowance is one of a number of special measures put in place to address the high vacancy rates and special considerations of staff serving in Iraq and it has been in effect since 1 July 2005.

The amount of the Special Iraq Allowance was established in 2005 on the basis of the value of the hardship component of the Mobility and Hardship Allowance scheme applicable to Baghdad at that time (i.e. 25% of the net salary at the P-4/6 dependent level). Changes to the Mobility and Hardship Allowance introduced as of 1 January 2007 increased the amount of the hardship element of the allowance at the P-4 level. In line with the methodology for establishing the Special Iraq Allowance, we would like to propose an increase in the Special Iraq Allowance to $1,620 per month, which is equivalent to the monthly value of the hardship element of the revised Mobility and Hardship Allowance (i.e. $19,440 per year for Group 2 staff with a dependent at an "E" duty station). The terms and conditions for payment of the Special Iraq Allowance would remain unchanged.

The security situation in Iraq remains extremely dangerous and United Nations staff members continue to be exposed to a high level of risk. At the same time, high vacancy rates continue to persist. UNAMI staff in Iraq, while serving under the most difficult and dangerous conditions, earn less compensation than other UNAMI staff who remain in the relative safety and comfort of Kuwait where the MSA rate is higher.

Mr. Rajat Saha
Chairman
Advisory Committee on Administrative
and Budgetary Questions
United Nations
New York

To more equitably compensate staff members serving in Iraq, and to attract and retain staff for service with UNAMI, we seek your approval to increase the level of the Special Iraq Allowance from $1,466 per month to $1,620 per month with effect from 1 June 2007.

Yours sincerely,

Ban Ki-moon

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VA

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EXECUTIVE OFFICE
OF THE SECRETARY-GENERAL

Note to Mr. Nambiar

SPECIAL IRAQ ALLOWANCE

1. I would like to seek the Secretary-General's approval for an increase of the Special Iraq Allowance (SIA). This allowance is an exceptional measure to improve the conditions of service for all international staff serving in UNAMI by offering them a more attractive compensation package and thereby helping to reduce the high-vacancy rate in the mission. Authorized by the ACABQ, payment of SIA has been in effect since 1 July 2005 and has been extended through 31 December 2007.

2. In line with established methodology, and in order to adjust to recent changes to hardship entitlements for international staff, DPKO proposes an increase in the amount of the SIA to $1,620.00 per month (up from $1,466.00). The terms and conditions for payment of the SIA would remain unchanged. For further details, please refer to the attached note from Ms. Lute.

3. The security situation remains very dangerous throughout Iraq, notwithstanding regional differences in the level of threat. In particular, according to UNAMI's analysis, the number of attacks of indirect fire (IDF) on the International Zone in Baghdad is "becoming more frequent, more accurate and the munitions fired are more reliable (code cable CZX0158 dated 30 June 2007)." The same is true in Basra where the level of IDF attacks has been on the rise. Furthermore, the targeted killing and kidnapping of members of the international community remains a serious concern.

4. I wholeheartedly support DPKO's recommendation to increase the SIA. The proposal also has the endorsement of OHRM.

5. Please find attached a draft letter for the Secretary-General's signature to the ACABQ on this issue seeking its support and allowing the proposed increase to go into effect.

Angela Kane
Officer-in-Charge/DPA
5 July 2007

cc: Mr. Guéhenno
Mr. Veness
Ms. Bárcena
Ms. Beagle
Ms. Lute

United Nations Nations Unies

INTEROFFICE MEMORANDUM MEMORANDUM INTERIEUR

TO: Mr. B. Lynn Pascoe, Under-Secretary-General
A: for Political Affairs

DATE: 7 June 2007

REFERENCE: 2-13 IRAQ/NR

FROM: Sandra Haji-Ahmed, Officer-in-Charge
DE: Office of Human Resources Management

SUBJECT: **Special Iraq Allowance**
OBJET:

1. I am forwarding, for your attention, a memorandum of 23 May 2007 from Ms. Jane Holl Lute, Assistant Secretary-General for Peacekeeping Operations requesting an increase in the Special Iraq Allowance (SIA) for UNAMI from $1,466 to $1,620 per month with effect from 1 June 2007, in light of the changes approved by the General Assembly on the amounts of the hardship allowance, effective 1 January 2007.

2. It will be recalled that the payment of SIA was authorized by the Chairman of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) as an exceptional and provisional measure to improve the conditions of service for international staff serving in UNAMI. The payment of SIA has been in effect since 1 July 2005 and has been extended through 31 December 2007. The present amount of the SIA was fixed at $1,466 per month based on the value of the hardship component of the mobility and hardship allowance, which was at that time calculated at 25 per cent of net salary at the P-4/step 6 level, dependency rate. Under the changes introduced to the mobility and hardship scheme as of 1 January 2007, the hardship allowance for staff at the P-4 and P-5 levels with dependency status serving at E duty stations such as those in Iraq has been fixed at $1,620 per month. Ms. Lute's request has the endorsement of OHRM. However, the decision on this matter is within the purview of the Secretary-General and the ACABQ.

3. It would be appreciated if your office could bring Ms. Lute's request to the attention of the Secretary-General and the ACABQ.

cc: Ms. Jane Holl Lute
Ms. Georgette Miller

United Nations Nations Unies

INTEROFFICE MEMORANDUM MEMORANDUM INTERIEUR

TO: Ms. Jan Beagle, Assistant Secretary-General,
A: Human Resources Management

DATE: 23 May 2007

REFERENCE: 2007-UNHQ-010375

THROUGH:
S/C DE:

Received: 24 May
Office of the Assistant Secretary-General
106 03
Prepare for signature of
Reply direct
Inputs
Comments
Please discuss
For information action
Jan.

FROM: Jane Holl Lute, Assistant Secretary-General
DE: for Peacekeeping Operations

SUBJECT: **Increase in Special Iraq Allowance**
OBJET:

1. A number of special measures have been put in place to address high vacancy rates and special considerations of staff serving in Iraq. Among these measures is payment of a Special Iraq Allowance for UNAMI staff assigned to Iraq at a fixed amount of $1,466 per month, payable for the actual days spent in Iraq.

2. The amount of the Special Iraq Allowance was established in 2005 on the basis of the value of the hardship component of the Mobility and Hardship Allowance scheme applicable to Baghdad at that time (i.e. 25 percent of the net salary at the P-4/6 dependent level). Changes to the Mobility and Hardship Allowance introduced as of 1 January 2007 increased the amount of the hardship element of the allowance at the P-4 level. In line with the methodology for establishing the Special Iraq Allowance, we would like to propose an increase in the Special Iraq Allowance to $1,620 per month, which is equivalent to the monthly value of the hardship element of the revised Mobility and Hardship Allowance (i.e. $19,440 per year for Group 2 staff with a dependent at an "E" duty station). The terms and conditions for payment of the Special Iraq Allowance would remain unchanged.

3. The situation in Iraq remains extremely dangerous and staff continue to be exposed to a high level of risk. At the same time, high vacancy rates continue to persist. UNAMI staff in Iraq, while serving under the most difficult and dangerous conditions, earn less compensation than other UNAMI staff who remain in the relative safety and comfort of Kuwait where the MSA rate is higher. To more equitably compensate staff who serve in Iraq and to attract and retain staff for service with UNAMI, we seek your approval to increase the level of the Special Iraq Allowance from $1,466 per month to $1,620 per month with effect from 1 June 2007.

4. Thank you for your continued support.

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MAY 29 2007
Office of the Director
Div. for Org. Development, OHRM
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