

## WIPO Coordination Committee

**Seventy-Fourth (48<sup>th</sup> Ordinary) Session**  
**Geneva, October 2 to 11, 2017**

### AGE LIMIT FOR RETIREMENT AT THE WORLD INTELLECTUAL PROPERTY ORGANIZATION (WIPO)

*Document prepared by the Secretariat*

1. By resolution dated December 23, 2015,<sup>1</sup> the United Nations General Assembly (UNGA), upon recommendation of the International Civil Service Commission (ICSC), decided as follows:

“...that the mandatory age of separation for staff recruited before 1 January 2014 should be raised by the organizations of the United Nations common system to 65 years, at the latest by 1 January 2018, taking into account the acquired rights of staff;”

2. The decision to raise the mandatory age of separation to 65 arises from a recommendation to the ICSC by the United Nations Joint Staff Pension Board (UNJSPB), based on advice from the consulting actuary and committee of actuaries of the United Nations Joint Staff Pension Fund (UNJSPF or the Fund) on the impact that increased life expectancy has had on the long-term stability of the Fund.

3. In the implementation of the decision of the UNGA by the United Nations (UN) Secretariat, in order to preserve the acquired rights of staff, those who have reached retirement age (either at 60 or 62) as of December 31, 2017, may exercise their right to retire at that age. This is not considered as early retirement and staff receive their full pension rights.

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<sup>1</sup> UNGA document A/RES/70/244  
<https://documents-dds-ny.un.org/doc/UNDOC/GEN/N15/458/91/PDF/N1545891.pdf?OpenElement>

4. It should be recalled that in WIPO, as in other organizations of the UN common system, the mandatory age of separation was raised to 65 years for staff whose appointments took effect on or after January 1, 2014. The UNGA decision thus would affect only staff whose appointments took effect prior to January 1, 2014.

5. Any application in WIPO of the UNGA decision is subject to its prior adoption by the WIPO Coordination Committee.<sup>2</sup> The present document contains relevant information and data of expected retirements in WIPO between January 1, 2018 and December 31, 2020, and a proposal to the WIPO Coordination Committee with regard to the implementation of the UNGA decision.

Current legal framework at WIPO on the age limit for retirement<sup>3</sup>

6. The current age limit for retirement of staff appointed prior to January 1, 2014, is 62 or 60, depending on the effective date of their appointments.

- Those whose appointments took effect between November 1, 1990 and December 31, 2013 (inclusive) retire at the age of 62.
- Those whose appointments took effect between November 1, 1977 and October 31, 1990 (inclusive) retire at the age of 60.

The Director General may authorize, in specific cases, extension of these age limits of retirement up to the age of 65 in the interests of the Organization.

7. Staff whose appointments took effect on or after January 1, 2014, already have 65 as their age limit for retirement.

Expected retirements at WIPO in 2018, 2019 and 2020

8. The Annex to this document provides data, as at August 1, 2017, on expected retirements at WIPO in the three years between January 1, 2018 and December 31, 2020, distributed by gender, geographical region, grade of post and work sector. In summary, the data show that:

- There will be a total of 90 expected retirements (up to the age limit of 60 or 62) representing 8.5 per cent of the total regular staff of WIPO.<sup>4</sup>
- Sixty per cent of the expected retirements concern posts in the Professional and higher categories, particularly at the P5 and P4 levels (38.8 per cent). The remaining 40 per cent concern posts in the General Service category, the bulk of which are G6 posts (18.8 per cent).

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<sup>2</sup> "Recalling article 16 of the statute of the (ICSC), the (CEB Human Resources) Network pointed out that any implementation date agreed for the United Nations common system (of a mandatory age of separation at 65) would be indicative at best, **as the final decision on the matter rested with the governing bodies of the organizations.**" Emphasis supplied; paragraph 21, Report of the International Civil Service Commission for the year 2015, document A/70/30, which may be accessed at: <https://icsc.un.org/resources/pdfs/ar/AR2015.pdf?d=81420174:46:51AM>

<sup>3</sup> Staff Regulation 9.10 establishes the age limit for retirement of WIPO staff members.

<sup>4</sup> The total number of WIPO's regular staff as at June 30, 2017 is 1,059. See Table 1, Annex I of the Annual Report on Human Resources, document WO/CC/74/2.

- The Patents and Technology Sector account for nearly one third (32.2 per cent) of the total expected retirements, followed by the Administration and Management Sector (17.8 per cent) and the offices directly under the Director General (15.6 per cent).
- Men account for 44.4 per cent of the expected retirements, of whom the overwhelming majority (75 per cent) occupy posts in the Professional and higher categories.
- Of the posts which are subject to geographical representation (i.e., posts in the Professional and higher categories, excluding language posts), which total 48, nearly half of expected retirements concern nationals from Western Europe (45.8 per cent). Nationals of other geographic regions account for a significantly smaller proportion of upcoming retirements: nationals from Asia and the Pacific (14.6 per cent), North America (12.5 per cent), Eastern and Central Europe and Central Asia (10.4 per cent), Africa (10.4 per cent), and Latin America and the Caribbean (6.25 per cent). There are no expected retirements from the Middle East region between 2018 and 2020.

*Impact of raising the age limit of retirement to 65*

9. ICSC records<sup>5</sup> indicate that feedback received by the ICSC from executive heads of UN organizations as well as discussions at the ICSC in 2015 evoked the negative impact that raising the retirement age to 65 will have.

- “The executive heads pointed to the negative impact that an increase in the mandatory age of separation for current staff would have on efforts by organizations to rejuvenate and reprofile their workforces in terms of skills, gender parity and geographical distribution, as well as efforts to reduce staff costs.”<sup>6</sup>
- The CEB Human Resources Network indicated that “(i) implementation of the increase in the mandatory age of separation would delay or hinder the achievement of gender parity and geographical diversity targets” and the Network was of the view that while the ICSC had communicated “the potential long-term positive effects on health insurance and the (UNJSPF), (it) had not estimated the additional associated costs to the operational budgets of the organizations.”<sup>7</sup>

10. For these reasons, “the executive heads considered a range of implementation dates from 2017 to 2020, with the majority stating that the date could not be earlier than January 1, 2018, given that the budgets and work programmes of their respective organizations for 2016 and 2017 had already been approved by their governing bodies.”<sup>8</sup>

11. At WIPO, four strategic priorities will be impacted by raising the retirement age to 65. These are: (i) renewal of its skills base and competencies, (ii) enhanced equitable geographical representation, (iii) achievement of gender equality, and (iv) cost savings.

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<sup>5</sup> See paragraphs 18 to 28, “Report of the International Civil Service Commission for the year 2015”, document A/70/30: <https://icsc.un.org/resources/pdfs/ar/AR2015.pdf?d=8120179:44:41AM>

<sup>6</sup> Ibid., paragraph 19.

<sup>7</sup> Ibid., paragraph 20.

<sup>8</sup> Ibid., paragraph 19.

### WIPO's business needs

12. WIPO's specific business needs, as defined by the demand for its global IP services, require careful and comprehensive advance forward planning. Towards this end, the Organization has integrated expected retirements (at the current age limit of 60 and 62) into its staff planning beyond the next biennial program (2018-2019), up to 2020.

13. The Patent Cooperation Treaty (PCT) operations in particular, which is the principal source of WIPO's income, must significantly re-configure its language capabilities in view of geographical shifts in the origin of PCT applications. Current projections of demand for PCT services cover up to 2020 to better anticipate, prepare, plan and fully cater to the evolving needs of the market. Increased language capabilities in Chinese, English, Japanese and Korean are critical for the strong positioning of PCT in view of intense current and projected increase of PCT applications in these languages. Competencies in these languages cannot be easily acquired or developed in a timely manner through staff language training. Recruitment of staff who are native speakers of these languages is necessary for business operations. Recruitment of these key resources requires availability of vacant posts. With nearly one-third of the total expected retirements between 2018 and 2020 involving posts in the Patent and Technology Sector (of which the overwhelming majority are posts in PCT), it is evident that departures due to retirement present opportunities which the Organization cannot afford to miss if it is to stay on track with the ongoing renewal of its language skills base.

14. Another critical skills area is information technology (IT). WIPO needs a solid base of experts and technicians in IT and IT security to ensure the smooth, secure and updated functioning of its global databases and the IT systems and platforms used in its global IP registration services, development cooperation programs and for administration and management. Thus, departures due to expected retirements also present key opportunities for organizational acquisition of the requisite IT expertise and know-how to enable WIPO to keep its infrastructure updated to the level of international standards.

### Enhancing diversity at WIPO

15. While gains have been achieved in improving geographical representation and gender balance among WIPO staff, more needs to be done especially in view of requests from Member States in this regard. Over half of the expected retirements between 2018 and 2020 concern posts which are subject to geographical representation. The bulk of these posts (45.8 per cent) are occupied by nationals from Western Europe and their expected retirement in the next three years open up opportunities for recruitment of nationals from unrepresented Member States and underrepresented geographical regions.

16. Moreover, of the expected retirements involving male staff (44.4 per cent of the total expected retirements) an overwhelming majority concern posts in the Professional and higher categories where the representation of women needs reinforcing. Improvement of the gender balance in the Professional and higher categories would be achievable if forthcoming opportunities for recruitment, particularly of women, are available.

### Staff costs

17. Almost all of the expected retirements between 2018 and 2020 concern staff members who are at the upper half of the steps of their grade level and nearly half of the total expected retirements (47.7 per cent) are at the highest step.

18. The highest step among the expected retirements in the General Services category is step 12. For the Professional and higher categories, from P1 to D1, the highest step is 13. As outlined above, most staff members who are approaching retirement are receiving the highest possible salaries for their grade level and will continue to do so until retirement.

19. In contrast and in accordance with established rules, newly-recruited staff members are normally appointed at step 1 of their grade. Cost savings would therefore result from new recruitment at the same grade or lower, but not if the retirement of the incumbent is delayed. As an example, the difference in cost between an appointment at P4 Step 1 and P4 Step 13 is 39,700 Swiss francs per year. At the General Service level, the difference in cost between an appointment at GS6 Step 1 and GS6 Step 12 is 32,800 Swiss francs per year.

### Implications for WIPO in raising the age limit for retirement to 65

20. Staff representatives, through the UN staff federations, vigorously advocated for an early implementation of the retirement age of 65 years for all staff.<sup>9</sup> It is expected that, if given the option, the large majority of staff members would opt to retire at age 65. Raising the retirement age to 65, for example effective January 1, 2018, as recommended by the UNGA, would very likely mean that WIPO would be confronted with a situation where there will be almost no retirements in the coming three years. The expected 74 retirements between 2018 and 2020 at the current age limit of 62 would likely be postponed for three years and the expected 16 retirements for the same period at the current age limit of 60, would likely be postponed for five years.

21. Briefly, in such a scenario, WIPO's forward planning would be largely frozen, hurting business at this particular juncture where a re-configuration of competencies is acutely needed. Equally relevant, opportunities for improving geographical representation and gender balance would be drastically limited. Further, annual step increments in salary will continue to be paid to those who have not yet reached the highest step of their grade, foregoing cost savings that would result from new recruitments for vacant posts published at the same grade or at a lower grade.

22. On the other hand, and as evoked in the foregoing paragraphs, maintaining the current age limit for retirement up to 2020 will ensure that WIPO is able to implement established plans for renewing its skills base to be able to address current and projected needs, optimize forthcoming opportunities to meet Member States' requests for increased geographical representation, improve gender balance and over-all diversity among WIPO staff, and in the process, secure cost savings for the Organization. The period between 2018 and 2020 will also allow the Organization sufficient time to better plan and fully prepare for the eventual impact of raising the age limit for retirement to 65.

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<sup>9</sup> Ibid., paragraph 23.

*Proposal for a deferral of raising the age limit for retirement to 65*

23. WIPO is part of the UN common system and fully committed to align its policies and practices with those of the UN. However, the Organization must also be mindful of its specific business needs and of requests from its Member States to improve geographical representation and gender balance. In order to balance the need to remain aligned with the UN system and WIPO's specific circumstances, it is proposed to implement the mandatory age of separation at 65 for staff recruited before January 1, 2014, with effect from January 1, 2021. Doing so would maintain WIPO's competitiveness and will provide opportunity to make further progress with regard to geographical representation and gender balance.

24. It may be noted that governing bodies of several other UN system organizations have decided to delay the implementation of the mandatory age of separation at 65. For example, the World Health Organization (WHO) and the International Civil Aviation Organization (ICAO) will do so only with effect from January 1, 2019. Other organizations also aim at implementation after 2018.

25. *The WIPO Coordination Committee is requested to approve the proposal contained in paragraph 23 of document WO/CC/74/6.*

[Annex follows]

## 1) Retirements between 2018 and 2020

WO/CC/74/6

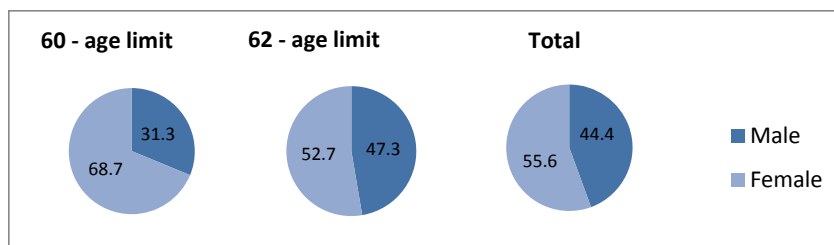
ANNEX

### Expected Retirements by year

	2018	2019	2020	Total
60	3	4	9	16
62	23	21	30	74
<b>Total</b>	<b>26</b>	<b>25</b>	<b>39</b>	<b>90</b>

### Retirements by gender

	60	62	Total
Male	5	35	40
Female	11	39	50
<b>Total</b>	<b>16</b>	<b>74</b>	<b>90</b>



### Retirements by post grade

	D2	D1	P5	P4	P3	P2	G7	G6	G5	G4	G3	Total
60	0	2	1	5	2	0	2	4	0	0	0	16
62	5	7	15	14	3	0	2	13	10	4	1	74
<b>Total</b>	<b>5</b>	<b>9</b>	<b>16</b>	<b>19</b>	<b>5</b>	<b>0</b>	<b>4</b>	<b>17</b>	<b>10</b>	<b>4</b>	<b>1</b>	<b>90</b>

### Retirements by sector

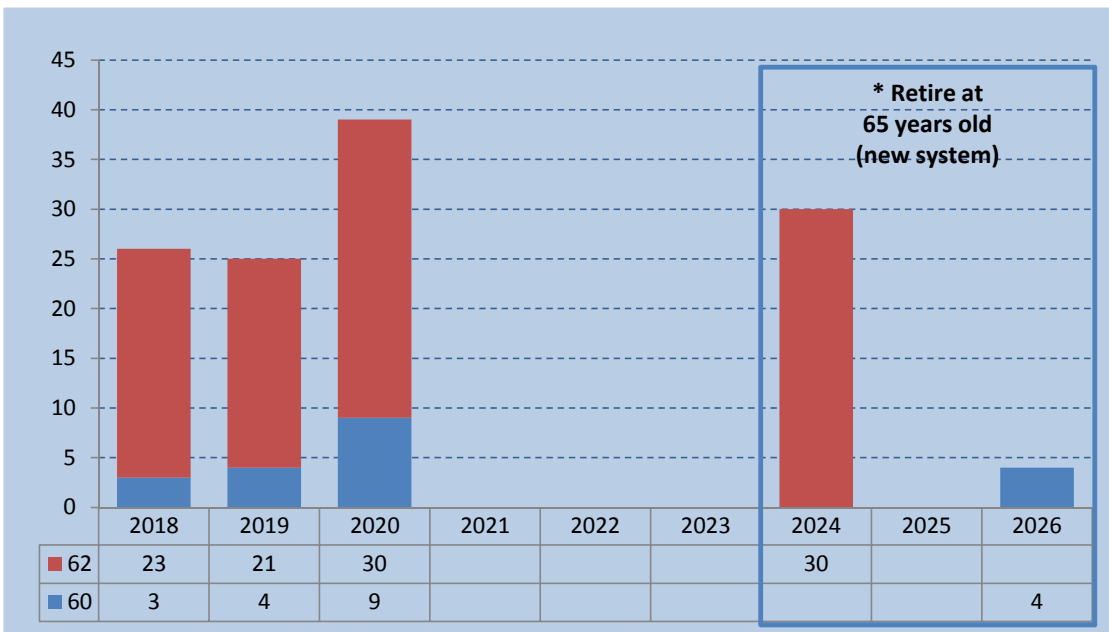
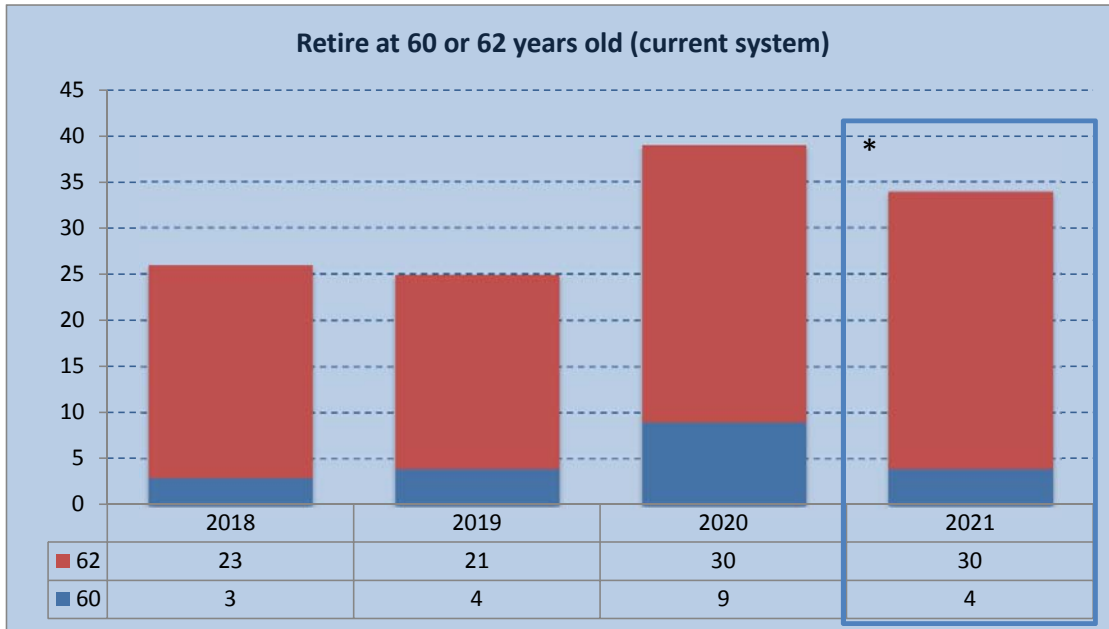
	60	62	Total	%
Administration and Management	6	10	16	17.8
Brands and Designs	2	6	8	8.89
Copyright and Creative Industries	0	4	4	4.44
Development	2	8	10	11.1
Director General	1	13	14	15.6
Global Infrastructure	0	6	6	6.67
Global Issues	0	3	3	3.33
Patents and Technology	5	24	29	32.2
<b>Total</b>	<b>16</b>	<b>74</b>	<b>90</b>	

### Retirements by region \*

	60	62	Total	%
Africa	1	4	5	10.4
Asia and the Pacific	1	6	7	14.6
Eastern and Central Europe and Central Asia	1	4	5	10.4
Latin America and the Caribbean	0	3	3	6.25
Middle East	0	0	0	0
North America	1	5	6	12.5
Western Europe	6	16	22	45.8
<b>Total</b>	<b>10</b>	<b>38</b>	<b>48</b>	

\* In this table only the posts subject of geographical representation are included.

2) Current and new system



\* It is assumed that all staff members who are expected to retire in 2021 will opt to retire at 65 years old instead of at 60 or 62 years old, as the case may be, if the age limit for retirement is raised to 65.

[End of Annex and of document]