



FEDERATION OF ASSOCIATIONS OF FORMER INTERNATIONAL CIVIL SERVANTS  
FÉDÉRATION DES ASSOCIATIONS DES ANCIENS FONCTIONNAIRES INTERNATIONAUX  
FEDERACION DE ASOCIACIONES DE EX-FUNCIONARIOS INTERNACIONALES

19 February 2018

## REPORT ON RECENT ACTIVITIES BY THE PRESIDENT OF FAFICS

1. After my 8 January update to you was distributed, United Nations staff representatives issued their own version of the General Assembly resolution on the Pension Fund in a UN Broadcast on 30 January. In it they inaccurately claimed full credit for the contents of the resolution and stated at the end that they had represented retirees. I wrote to the Chef de Cabinet to remind her that FAFICS is the *sole* mandated representative of UN system retirees and informed her, inter alia, that if the President of CCISUA continued to misrepresent his mandate, FAFICS would insist on equal time to broadcast its views (letter to the CdC follows at the end). For your information, the resolution can be found on the Pension Fund website or by googling UN GA Resolution 72/262.

2. On 2 February, 2018 Vice-President Warren Sach and I met with the new Representative of the Secretary General (RSG) for the Investments of the Pension Fund, Sudhir Rajkumar. He impressed us with his open manner and stated desire to continuing an active dialogue with FAFICS. Acknowledging the importance of meeting the long-term annual rate of return of 3.5%, he also indicated that his focus is on long-term performance which he considers is in the best interest of beneficiaries. The Fund now has an approximate value of US\$ 64 billion. He strongly believes that the Pension Fund should be working as “one team” and provided us with the following short statement which he asked us to transmit to you:

“I understand there have been some issues in the past. Without delving into them, I would like to say that I am committed to maintaining proactive and open, two-way communication with all stakeholders. Let me also assure all our stakeholders that I take the fiduciary responsibility for the investment of the assets of the UN Joint Staff Pension Fund (UNJSPF), delegated to me by the Secretary-General, very seriously indeed. I will strive to discharge my responsibilities in a manner that is prudent and optimal, and enables the UNJSPF to meet its obligations to our 200,000 plus current and future beneficiaries.”

3. On 13 February, I attended an extraordinary meeting of the UNSPC held in New York. The UNSPC usually meets twice a year to deal with disability cases. This year an extra meeting was added with specific emphasis on the agenda for the 2018 Pension Board. Both the RSG and Deputy CEO of the Fund provided an overview of their activities. In the end, time constraints did not permit completion of the agenda which was postponed until April.

4. The ALM Committee met for three days in New York from 14-16 April. Vice-Presidents Warren Sach and Marashetty Seenappa attended on behalf of FAFICS. Outcomes of the meeting

were an agreed timetable and statement of work for the upcoming 2019 ALM study to be undertaken on the now established four-year cycle to ensure the long term sustainability of the Pension Fund. Follow up arrangements to the Independent Review of Investment Management (carried out by Deloitte) were agreed with the new RSG and the Investment Management Division so as to ensure that agreed necessary reform measures are undertaken promptly in 2018. The ALM Committee also reviewed the recently improved investment performance of the UNJSPF portfolio.

5. The Investments Committee will meet in Palo Alto, California during the week of 19 February. As usual, this will be a closed meeting. On 19 and 20 March, the Audit Committee, on which FAFICS has representation, will meet in New York and we will report on outcomes of interest.

6. You may have noted that one of the provisions of GA resolution 72/262 requested the Secretary-General to “entrust the Office of Internal Oversight Services (OIOS) with the conduct of a comprehensive audit of the governance structure of the Pension Board, including a review for the checks and balances between the Board and the leadership of the Fund, and requests the Office to submit a report with key findings to the General Assembly at its seventy-third session, to be considered in the context of the UNJSPF”. To be ready in time for the upcoming GA the report will have to be largely completed before the Pension Board meets in late July, meaning that it will be drafted by auditors who will not have had the benefit/experience of attending a full Pension Board meeting. Accordingly, the Pension Fund Deputy CEO invited the OIOS auditors to attend and observe Pension Board committees and other sessions. Auditors attended both the UNSPC on 13 February and also the ALM Committee meeting (over the objections of its Chair) last week.

7. FAFICS representatives continue to participate in the Working Group on ASHI whose findings and recommendations will inform the Secretary-General’s report to the General Assembly later this year. The Working Group continued to explore the feasibility for UN retirees to be enrolled in national health insurance schemes. It also carried out a cost/benefit analysis in relation to primary coverage under national health insurance schemes in those countries where the majority of UN retirees reside. Further, the Working Group continued to consider cost containment measures as well as eligibility criteria for ASHI. The Chair of the Standing Committee on ASHI will be providing a more detailed update to the Council this summer.

8. As reported to you in January, the Deputy CEO of the Pension Fund announced that he would be leaving after the upcoming Board session at the end of August. On 16 February, the first meeting of the Selection Committee for the position of DCEO was convened. There are eight members on it, two of whom are from FAFICS, Marco Breschi and myself. The Committee is chaired by Vladimir Yossifov, former Chair of the Pension Board and currently a member of the Governing Bodies group, with the Pension Board Chair, Annick Van Houtte, serving as Co-Chair. So far, the Vacancy Announcement has been approved and a timetable for going forward adopted. The Committee hopes to have the new recruit in place by September 2018.



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Palais des Nations CH-1211 Geneva 10 Switzerland

[www.fafics.org](http://www.fafics.org)

31 January 2018

Dear Maria Luiza,

Having received the latest UN Broadcast dated 30 January from “The UN Staff Unions”, I am requesting that urgent corrective action be taken in reference to the part of the Broadcast pertaining to retirees.

First, however, allow me to express that we were perplexed at seeing that although the stated sender of the Broadcast is “UN Staff Unions”, it was sent on behalf of and signed by “UN participant representatives to the Pension Board”. This clearly conflates the distinct and separate roles, positions and mandates of the UNSPC members with those of staff representative bodies. They should simply not be comingled in this way.

Secondly, FAFICS sent its own letter to retirees on the content of the GA resolution on pensions on 8 January, a copy of which was provided to you for information. Let us state for the record that the FAFICS letter transmitted facts contained in the resolution, while the 30 January “synopsis” presented in the Broadcast by Mr. Richards has rendered those facts barely recognizable. It is regrettable that UN staff continue to be so misinformed by persons professing to defend their interests.

Lastly and most importantly, I come to the matter which prompted this letter and the point on which we respectfully request urgent action: FAFICS strongly objects that UNSPC members purport to represent the interests of retirees, as they state towards the end of the Broadcast as follows: “As representative of UN participants **and having also represented the interest of retirees**”, etc. (my emphasis). We request that Mr. Richards be informed forthwith that he has crossed the line yet again on this particular matter, that he has no constitutional basis for claiming a mandate to represent retirees and that he should respect the limits of his role. We note that none of the Specialized Agency Participants’ Representatives attempt to assume or lay claim to representing retirees. They work closely with FAFICS member organization representatives on their respective SPCs, and respect both their own roles and those of the ex-officio retiree representatives. FAFICS has not solicited, nor does it require Mr. Richards’ unwelcome involvement in attempting to represent retirees.

Ms. Maria Luiza Ribeiro Viotti  
Chef de Cabinet  
Office of the Secretary-General

It appears in light of the above that it is again time to recall that FAFICS remains the **sole** representative of UN system retirees.

Should Mr. Richards persist and continue to be permitted by the UN Administration to include misinformation about his mandate in official UN Broadcasts, FAFICS will request equal broadcast time to present its views and posit also that it *represents staff*.

Thank you again for your always kind consideration and cooperation.

Sincerely,



Linda Saputelli  
President  
FAFICS

cc. Ms. Jan Beagle  
Ms. Marta Helena Lopez