



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

Forty-eighth session of the FAFICS Council

Vienna, 15-17 July 2019

Glossary

ACABQ	Administrative Committee on Administrative and Budgetary Questions
ALM Committee	Assets and Liabilities Monitoring Committee
ASHI	After-service health insurance
ASHIL	After-service health insurance and long-term care
CE	Certificate of entitlement
CEO	Chief Executive Officer
CTBTO	Comprehensive Nuclear Test-Ban Treaty Organisation
FB Network	Finance and Budget Network
GWG	Governance Working Group
HLCM	High-level Committee on Management
IFAD	International Fund for Agricultural Development
IPAS	Integrated pension administration system
IOM	International Organisation for Migration
IPSAS	International Public Sector Accounting Standards
OIM	Office of Investment Management
OIOS	Office of Internal Oversight Services
PBA	Pension Benefits Administrator
PES	Pension Entitlement Section
RSG	Representative of the Secretary General for the investment of the assets of the UNJSPF
SPC	Staff Pension Committees
UN	United Nations
UNFCU	United Nations Federal Credit Union
UNJSPB	United Nations Joint Staff Pension Board
UNJSPF	United Nations Joint Staff Pension Fund
UNON	United Nations Office at Nairobi
UNOV	United Nations Office at Vienna
USD	United States dollar
WFP	World Food Programme

Report of the session

1. The forty-eighth session of the Council of the Federation of Associations of Former International Civil Servants (FAFICS) was held from 15 to 17 July 2019 at the United Nations Office at Vienna (UNOV).
2. The session opened on the morning of 15 July. Prior to that, the FAFICS Bureau had met the previous evening.

Opening session

3. Jerry Barton, President of ARICSA, the host association, welcomed the delegates to Vienna (see Appendix 1 for list of participants).
4. At the very outset, Council observed one minute's silence in remembrance of former colleagues who had passed away and those international civil servants who had lost their lives in the service of the United Nations over the past year. Particular mention was made of former FAFICS Presidents Witold Zyss and Amir Ali, as well as the former President of AAFI-AFICS Geneva Jean-Jacques Chevron and the late Secretary-General Kofi Annan.
5. Jerry Barton looked forward to a productive and forward-looking session at a time when some outsiders were intent upon controlling the message and sowing discord and dissent. FAFICS was known for its substantive and informed support, ensuring that the retirees' pension plans and health insurance schemes were fit not only for the present, but also the future staff of the United Nations system. It was essential that the member associations work together so that FAFICS continued to be known for solutions, not for polemics. In that sense the ARICSA President wished all those present a focused and useful meeting that would strengthen all.
6. Marco Breschi, FAFICS President, formally declared the meeting open. He spoke of the degree of effort that would be needed to conduct an effective meeting in the time available.

Agenda item 1: Adoption of the agenda

7. Council considered and adopted the provisional agenda (document Council 48/2019/D.1) as submitted, together with the provisional schedule of work.
8. The list of documents submitted to Council before and during its deliberations is reproduced in Appendix 3.

Agenda item 2: Election of the Presiding Officer and Rapporteur

9. Council elected Alan Prien (FFOA-Rome) to preside over the session. Peter Lillie (ARICSA-Vienna) was elected rapporteur.

Agenda item 3: Membership matters

10. At the outset, the Secretary confirmed that the meeting was quorate as it met the requirement set out in Rule 3.10 of the Federation's Rules of Procedure.
11. Pierre Adama Traoré, the Special Advisor to the Bureau and the Coordinator for New Associations, introduced the agenda item and expanded on the details given in the report presented under the agenda item (document Council 48/2019/D.3).
12. He described the current status of endeavours to set up new associations and have them join the ranks of FAFICS: alas to little avail. Unlike previous years, the Council would not be welcoming a new member association, although the Association of Former Officials in Mauritania had fortunately met recently all the legal requirements needed for full membership.
13. In China, the former President of AFICS-New York had identified two United Nations retirees as potential focal points. If certain problems could be resolved, that country was on the cusp of effectively establishing an association there. Despite initial contacts having been established in Portugal, the country was still not ready for immediate membership. In Ghana, the association of former United Nations officials would have to bring its statutes, rules and procedures into line with FAFICS requirements, but no response had been received to date. The association of the retired officials and beneficiaries of the Universal Postal Union in Berne, with a membership of some 200 persons and whose pension fund intended to approach the UNJSPF, had been advised to approach AAFI-AFICS-Geneva on joining that association. The situation in Côte d'Ivoire had remained unchanged since the membership process had been initiated in 2017. No response to enquiries had been forthcoming. Retirees in Liberia had been provided with basic documentation and the FAFICS President, Secretary and the Coordinator for New Associations stood ready to assist.
14. In the ensuing discussion, emphasis was placed on the need to motivate members to attend Council sessions. Attempts should be made to resuscitate dormant associations and to report thereon to the Council session in 2020. At the same time, active local associations should be contacted on the need to adopt measures to increase their strength. Setting annual membership targets was suggested as one means of revitalising associations. Increasing membership and establishing new associations would serve to reinforce the status of FAFICS as the sole representative of retirees on the Pension Board.
15. **Council thanked Adama Pierre Traoré for his endeavours and unflagging commitment to the Federation's cause, welcomed any other members willing to undertake similar efforts and noted the content of the report with appreciation.**

Agenda item 4: Report of the President

16. Prior to giving an oral presentation of his report (document Council 48/2019/D.4) (see Appendix 4), the President apologised to the colleagues in Nairobi for the shift in venue of the Council session. After undertaking a survey to identify the associations that would be able to attend the session, were it held in Nairobi as envisaged, it transpired that the requisite number of attendees to secure a quorum would not have been forthcoming. A key factor had been the travel costs and excessive long-haul flights from far-distant places: no disparagement was intended. He thanked the colleagues in Nairobi who had expressed full support for the Federation and looked forward to getting much closer
17. Turning to his report, he recalled the commitment he had made to continue, to the extent of his capabilities, the good work done by his predecessors. Thanks to their efforts, the Federation was part and parcel of Pension Board. It had become a fully-fledged, influential and non-voting representative, as well as a key player in plenary sessions and the many committees that analysed topics of vital importance and put forward proposals to the Pension Board.
18. The contentious issues that had dogged the Federation in the previous year had been overcome or passed onto the Board. A more recent problem had been the attempts to exclude FAFICS from the Governance Working Group (GWG), which had been entrusted with the task of putting forward recommendations on the implementation of General Assembly resolution 73/274 on the spurious grounds that FAFICS was not part of the tripartite structure. It proved possible to dispel the attempts at exclusion and the report of the GWG bore testimony to the Federation's significant contribution to the outcome of that body's deliberations. FAFICS would, however, remain vigilant on that score and repel any similar attempts in future.
19. Other issues obtained. In resolution 73/274, the General Assembly had also decided to create two posts in lieu of the current dual role of Chief Executive Officer and Secretary of the Pension Board, even though it was in direct conflict to Regulation 7(c) which spoke of the Chief Executive Officer also serving as the Secretary of the Board. The resolution also spoke of the GWG having to review the composition and size of the Board, including the role of the retirees' representatives and the modalities for their direct election. In the ultimate analysis the Federation was able to repel that attempt at subversion, arguing successfully that any curtailment of representation by FAFICS would undermine the retirees' fundamental right of freedom of association.
20. Other issues arose in connection with proposals to: increase the number of Standing Committee meetings; review the need for the Assets and Liabilities Monitoring (ALM) Committee; review the rotation scheme for the adjustment of the composition of the Board; avoid conflicts of interest; assess the integrated pension adjustment system (IPAS); ensure unfaltering accountability by the Pension Board; and ensure timely and proper succession planning for the post of Chief Executive Officer (CEO) and Deputy Chief Executive Officer.

21. FAFICS, represented by the President and Warren Sach, had been involved in the selection of candidates for the office of CEO. A short-list would be submitted to the Pension Board in Nairobi.
22. Other factors in the resolution related to the self-contained role of the Pension Board and the adoption of its own rules of procedure, as well as the close monitoring of the use and distribution of resources which might entail 'off-shoring' certain components of the work of the Pension Fund secretariat.
23. FAFICS would be deeply involved in the defence of retiree rights and the advancement of the Federation's role in matters pertaining to the United Nations pension system. As was the case in the previous year, the Federation would be involved in intensive lobbying directed towards the parties involved in the governance process, such as members of the Administrative Committee on Administrative and Budgetary Questions (ACABQ), the Fifth Committee and representatives of Member States. The support lent to him by Warren Sach, Linda Saputelli, Gerhard Schramek, Mohammed Sebti and Adriana Gomez was greatly appreciated. It had proved particularly effective in countering the detrimental remarks and false information circulated by certain parties opposed to FAFICS. In the ultimate analysis, hard work and the backing on the part of sympathetic Member States, FAFICS was able to avert the worst and the final resolution was far less unfavourable than had been expected. Two key factors played a decisive role: the financial and actuarial soundness of the Pension Fund and the positive investment performance. The Fund was fully funded.
24. As for the processing of benefits and the performance of IPAS, it transpired that the backlog related solely to new retirees, all regular benefits (some 98.5 per cent of all benefits) were paid on time to all pre-existing beneficiaries. Despite shortcomings in the recommendations of the Office of Internal Oversight Services (OIOS), the GWG ultimately reached consensus on the same and recommended that the Pension Board accept a number of the audit recommendations. After a lengthy debate, the Board, with the exception of the participants' representatives, endorsed the recommendations of the GWG.
25. Given the success of the FAFICS representatives in the GWG, it followed that the Federation was insistent that it should have a similar status where after-service health insurance (ASHI) was concerned. In March 2019, FAFICS addressed the Fifth Committee and pointed out that by virtue of the number of retirees it represented, FAFICS had a legitimate and material interest in participating in all reviews of and discussion of ASHI matters. Of the conclusions drawn up by the Working Group on ASHI, FAFICS concurred with most of the conclusions, a significant exception being the new entitlement accrual mechanism that would place a financial burden of future retirees. FICSA and CCISUA joined the Federation in refuting the mechanism being proposed. A most important feature in the proposals pertaining to ASHI was the recommendation that the pay-as-you-go financing mechanism be phased out in favour of pay-as-you-accrue funding. As things stood, the common system remained exposed to the growing risk of significant unfunded liabilities of some USD 8.8 billion and upwards.

26. In the final stages of his presentation, the President drew attention to the consultative status with ECOSOC that FAFICS enjoyed as an NGO (see also agenda item 8 below). Not only did that status bolster the independence of the Federation, but the panoply of social topics that individual associations addressed such as the status of women, AIDS/HIV and climate change, underscored the benefits of greater social and economic involvement. He encouraged associations to broaden their activities in all areas.
27. The President looked forward to a productive discussion on the steps taken by the working group on the FAFICS rules of procedure. The involvement in issues related to the follow-up to Pension Board decisions had meant that the working group had suffered a delay in taking up its task. He hoped that it could make up for the time lost. He also touched on the issue of internal elections, which were indubitably democratic. He hoped it would be possible to align the elections of the Treasurer and Secretary with those of the Vice-Presidents.
28. He went on to speak of the latitude the President enjoyed where the selection and appointment of FAFICS representatives to the Pension Board was concerned. It was not a unilateral process, but a consultative process that had met with the approval of the Bureau at its meeting in January 2019. He described the various stages in the process. To his mind, there was no need to demonstrate the degree of democracy. The Federation had a proper governance structure, statutes, rules of procedure, a sovereign and democratically elected Council where all 63 associations were fully and freely represented by members with voting rights, as well as a democratically elected president and a bureau comprising democratically elected members of the Council. He had proposed that the current delegation to the Pension Board be retained until 2020 inclusive so that the representatives could complete their contribution to the various committees, most notably the GWG, the Succession Planning Committee, the Budget Working Group and the plenary session of the Board. At its 49th session, the Federation would be better positioned to introduce changes with Council's guidance.
29. In the ensuing discussion, one delegation pointed out that although it served more than 50 per cent of all beneficiaries, the Geneva office had a D-1 as head of office and a P-5 as chief of benefits. The proposal to transfer those two posts to New York was best described as a 'retrograde step'. Another delegation pointed out that the figure of 78,000 beneficiaries should be set in focus as the benefit payments administered also included disability benefits payments and children's allowances. It was further pointed out that the burden of work borne by Geneva included dealing with dual-track pension payments and extensive multilingualism extending across Europe, the Middle East, Africa and South-East Asia.
30. Another delegation stressed the need for careful evaluation of the situation in Geneva. If the claims about underperformance were true, it had nothing to do with posts, but with people. Countless elements would have to be discussed. The matter could be taken up with Janice Dunn Lee, the Acting CEO, when she addressed Council.

31. A series of questions were asked about what the President planned to do about the appointment of the FAFICS representatives to the Pension Board. In his reply, the President referred to his report that had provided full details of what he considered to be a solid system. He also stressed the difference between appointments and elections. Once Gerhard Schramek had announced that he was unable to travel to Nairobi, the President had had a number of options: keeping a seat empty; nominating the Secretary, a neutral appointee as it were; or selecting Marashetty Seenappa who, in any event, would be in Nairobi at that time. In reply to a direct question, he confirmed that he had not considered any of other names that had been submitted to him. It had nothing to do with personal advancement or aspirations, but he had acted simply in the interests of the Federation and opted for a cost-neutral solution. Furthermore, he had wished to keep things as they were until all outstanding issues had been finally settled, viz. the GWG. If Council wished, as a sovereign body, members could vote on accepting or rejecting his proposal.
32. A question was also raised about no meetings of the two Standing Committees being held at the current session. It was explained that in addition to the time constraints arising out of the Federation's extensive involvement in the GWG, in a budget year the Pension Board did not concern itself with benefits and the like, except for matters related to the Emergency Fund and the dual-track system. In 2020 things would be quite different.
33. At the end of the discussion, the President said he had taken note of the extensive comments that had been made under the agenda item. He was anticipating that similar comments would arise under other agenda items.
34. **Council took note of the President's report and thanked the author for the comprehensive details that he had provided in his report.**

Agenda item 5: Pension issues

(a) Update on Pension Board matters, including Governance Working Group and selection of the CEO of the Pension Fund

35. The Chair of the Standing Committee on Pension Issues, Gerhard Schramek, first introduced the Report of the Pension Board Governance Working Group (GWG) (document Council 48/2019/D.5a.2). As the title indicated, the Pension Board had established the Working Group in the wake of the extensive discussion of the OIOS report on the governance structure and related processes of the UNJSPB. Its objective was to consider equitable representation on the Board, rotation of seats of the Board and follow-up to the OIOS recommendations, as well as other matters related to the governance of the Board. Membership of the GWG comprised representatives of the governing bodies, executive heads and participants, as well as the FAFICS delegation comprising Warren Sach and Gerhard Schramek.
36. Gerhard Schramek took every care to avoid a breach of confidentiality and summarised the thrust of the recommendations that were widely known in the

public domain. The Group had recommended that the roles of the CEO and the Secretary of the Board be separated. It also recommended that the six principles adopted by the Board in 2006 be amended to reflect developments that had since taken place. Certain principles were upheld, such as the tripartite structure of the Board and representation of each member organisation. An overriding consideration was ensuring that the size of the Board was truly representative of the membership of the Fund and maximum effectiveness be obtained. Of particular interest to FAFICS, the GWG recommended that the retirees and other beneficiaries should continue to be represented on the Board without the right to vote.

37. Given that two new members had joined the Fund, the International Organisation for Migration (IOM) and the Comprehensive Nuclear Test-Ban Treaty Organisation (CTBTO), the GWG had recommended three options pertaining to the representation of member organisations and the allocation of seats. The first option was to maintain the present number of Board seats with voting rights at 33; the second option to increase the total number of Board seats with voting rights from 33 to 36; and the third option to decrease the total number of seats with voting rights from 33 to 30. The Board had also recommended that the Board review its size and composition at least every five years and prior to the admission of any new member organisation.
38. Other changes designed to increase efficiency ranged from limiting attendance by alternates, restricting the participation of the Chair of the Assets and Liabilities Monitoring (ALM) Committee to the duration of the agenda item and likewise for members of the Investments Committee and Actuaries Committee. The Board was also urged to review the arrangements for ex officio participation of the 23 Secretaries of the SPCs.
39. In order to enhance the capacity of the Board to respond to key developments, the GWG recommended that the Board meet, when necessary, twice a year. Given the number of issues to be treated, it recommended that the Board meet twice in 2020.
40. The GWG also recommended that given the complex and expensive logistics associated with the world-wide elections of retiree representatives, the Board should advise the General Assembly to maintain the current electoral arrangements. Taking into account the growing number of retirees (as Gerhard Schramek pointed out, an increase of 63 per cent since 2002) and given the role of FAFICS as the recognised representative body for retirees and beneficiaries of the UNJSPF, the GWG also recommended that the representation of FAFICS on the Board be increased from 4 to 6, without alternates, with no right to vote.
41. A decisive factor in foiling the attempts to introduce the direct election of retiree representatives had been the fact that FAFICS already had in place a transparent and democratic mode of election. Indeed, it was also the only member of the Board to insist on a specific criterion for its representatives: competence. Furthermore, none of other representatives in the Board were directly elected to the Board. Direct elections would also have raised legal

issues given that freedom of association had been guaranteed by the General Assembly as of 1948.

42. The GWG had also submitted a series of measures related to: (i) appending a definition of the responsibilities of Board members to the Pension Board's regulations and rules of procedure; (ii) introducing a declaration of confidentiality to be signed by all attendees to the Pension Board sessions; (iii) redefining the scope of the self-evaluation survey in the interest of securing improvements in the conduct of Board sessions; (iv) the periodicity of Standing Committee sessions; (v) the need for the ALM Committee; (vi) terms of reference for the officers of the Board; and (vii) the establishment of (a) an ethics committee, (b) an independent election commission for the election of participants to SPCs and (c) a mechanism for a staff representative body of the Pension Fund.
43. It was stressed that the proposals in the Working Group's report had been finely balanced to serve the best interests of all parties, be they governing bodies, executive heads, participants or retirees. The FAFICS representatives on the Working Group thus had no compunction in urging Council to endorse the Group's report as a whole.
44. In the ensuing discussion, it was felt that the outcome of the deliberations in the GWG could be deemed 'a job well done'. That notwithstanding, vigilance was still called for. Within Council itself, delegations differed on the options pertaining to the representation of participants and the allocation of seats on the Board. At its meeting on the eve of the Council session, the Bureau had favoured option 1 [no increase in the 33-member Board], while in the course of the foregoing discussion a preference had been expressed by some delegations for option 2 [an increase to 36 members]. Warren Sach, the second representative of FAFICS on the GWG, pointed out that consensus building had required three options. Gerhard Schramek pointed out that, in his opinion, the General Assembly was not inclined to increase the size of the Board. Furthermore, option 2 was not a new option. Indeed, on an earlier occasion the General Assembly had not accepted it.
45. Council suggested that if option 1 became a bone of contention, the FAFICS representatives should be granted the discretion and flexibility to find a consensus solution. Things should be kept simple without too many changes.
46. The hope was expressed that the conclusion reached in the GWG would hold. Unanimity was a crucial factor, yet in all probability it would be challenged by the detractors.
47. Warren Sach stressed that it was essential to maintain the endorsement of the report as a whole throughout the consultative process that lay ahead, in particular in deliberations with the Fifth Committee. Opportunities to realign certain positions held by the Board and Fifth Committee might arise, for example, in respect of the ALM Committee. However, consensus should prevail. The firmness of the position adopted by the GWG should not be compromised by one of its members.

48. **Council endorsed the report and thanked Gerhard Schramek and Warren Sach for their contribution to the successful outcome of the deliberations in the GWG.**

(b) Status report on the Emergency Fund

49. Gerhard Schramek introduced the report on the status of the UNJSPF Emergency Fund (document Council 48/2019/D.5a). He recalled that during the Pension Board sessions in 2017 and 2018, the Federation had requested the Fund to review the Emergency Fund process. The Fund had responded to those requests and put forward a series of amendments to the general principles for the operation and application of the Emergency Fund. They were designed to: (i) clarify the conditions for eligibility; (ii) increase flexibility; (iii) accelerate the processing of requests; and (iv) expound on the role and responsibilities of the Secretaries of the SPCs in respect of Emergency Fund requests. He went through the changes that were being proposed and asked Council to endorse the same.

50. **Council duly endorsed the changes shown in Note A attached to the document.**

51. During the year under review, the total amount paid out from the Emergency Fund had been USD 106,076 representing 73 disbursements: a record high for a one-year period. The majority of the disbursements were one-time payments to beneficiaries who had been victims of natural disasters (earthquakes in Mexico and floods in India), followed by one-time disbursements to beneficiaries who had suffered proven hardship in the payment of medical expenses.

52. In the ensuing discussion, attention was drawn to difficulties in obtaining access to the Fund and meeting the documentary requirements. It was thus essential to alert the various associations to the procedures that had been simplified in the case of natural disasters. Moreover, requests for Emergency Fund assistance could be made via the Fund's website, while focal points in each Fund office had been designated to deal with Emergency Fund requests.

53. Particular hardship arose in those instances of sickness or disability that called for special treatment, devices and appliances that were not covered by retirees' health insurance plans, yet may well have complied with the criteria of the Emergency Fund. The hardship in such cases could have been averted or mitigated, had the Emergency Fund been alerted to the matter. Opinion was split on whether it was politic to inform the insurance providers involved in after service health insurance. It was thought it would be more effective to alert member associations to the amounts payable under the Emergency Fund. The amount payable for medical expenses was not fixed. It was determined on the basis of the applicant's monthly benefits, years of contributory service, country of residence, availability of insurance and other sources of assistance. Note A (mentioned in paragraph 50 above) summarised the degree of coverage.

54. Delegations pointed to the proliferation of natural disasters attributable to climate change and the paucity of medical facilities in certain countries,

particularly small island countries, that necessitated travelling at great cost to countries with better medical facilities. That made it all the more necessary to draw associations' attention to the increase in resources available under the Emergency Fund.

55. **Council took note of the status report on the Emergency Fund and encouraged associations to familiarise themselves with the assistance that the Emergency Fund could provide in instances of medical hardship.**

(c) Pension adjustment system

56. The Chair of the Standing Committee also introduced a note on the Pension Adjustment System (document Council 48/2019/D.5a.1), which focused on the discontinuation of the local currency base amount for countries where the application of the local currency track led to aberrant results. The note also identified those countries in which the local currency track benefit had been suspended prior to 1 January 2019 and those countries in which the local currency track benefit would be suspended for want of reliable consumer price index (CPI) data. Specific details were given on the situation in Togo and Equatorial Guinea.

57. **Council took due note of the document.**

(d) Situation of the former participants in the United Nations Joint Staff Pension Fund (UNJSPF) in the former USSR, Ukrainian SSR and Byelorussian SSR

58. In the absence of the delegate from AFICS-Moscow on account of sickness, Katia Chestopalov summarised the history of the plight facing the former UNJSPF participants from the former USSR, Ukrainian SSR and Byelorussian SSR whose service with the United Nations had ended **prior to** 1981. The former participants concerned had transferred their accumulated pensions to the USSR social fund in compliance with the agreement between the UNJSPF and the USSR. Yet unlike the former USSR participants whose service had ended **after** 1 January 1981, those participants had not received any supplements to their Soviet pensions.
59. That discriminatory practice had prevailed up until the suspension of the three transfer agreements between the Pension Fund and the governments of the former USSR, Ukrainian SSR and Byelorussian SSR in early 1992 following the dissolution of the former USSR in December 1991. Despite the Russian Federation' having committed itself on two occasions to resolve the problem, those promises were never honoured on the grounds that additional benefits had been paid. Although individual unofficial expressions of sympathy were heard on occasion, neither the government of the USSR nor the subsequent government of the Russian Federation felt there was any obligation to make any supplementary payments, further to which the issue was ultimately struck off the agenda of the Fifth Committee. That stalemate had persisted for the past seventeen years. However, given that the former participants concerned currently numbered some 250 individuals aged between 75 and 90, the situation brooked no delay. A humanitarian act was called for.

60. In the ensuing discussion, delegations expressed their dismay at the state of affairs. The failure to heed the justified needs of the former participants over such a long period could not be tolerated. Every attempt should be made to bring about a change. For his part, the President stressed that he would 'keep the issue in his portfolio'.
61. **It was agreed that a committee comprising Katia Chestopalov, Linda Saputelli, Andres Castellanos del Corral and Marco Breschi would be set up to draft a note after the Council session on behalf of the former participants in all three countries. It would draw attention to the manner in which commitments had been ignored to the detriment of those former participants whose service had ended prior to 1981. The note would be submitted for signature to the Secretary-General for onward transmittal to the government of the Russian Federation.**
62. **It was also agreed that the Federation would be kept informed of any developments in that regard and the item would be kept on the agenda of the 49th Council session.**

Agenda item 6: Meetings with the Acting Secretary/CEO of the Fund and the RSG for Investments

(a) Presentation by the Acting CEO/Secretary of the Fund

63. Council met with Janice Dunn Lee, Acting Secretary/CEO of the Fund, who was accompanied by Maria-Clarissa O'Donnell, Chief of Operations, while staff members from both the Geneva and New York offices were present via video and audio links.
64. At the very outset of her presentation (electronic copies of which were subsequently sent to all Council participants) Ms Janice Dunn Lee stressed that the need for management and effective leadership transcended everything. Her priorities were ensuring smooth effective operations, enhancing communications and strengthening management culture. She drew attention to the prominent features of General Assembly resolution 73/274: approval of CTBTO membership; annual budgeting; replacing the dual role of the CEO with two posts; and the emphasis placed on the General Assembly's prerogative on pension matters.
65. At the upcoming session of the Pension Board in Nairobi, the main agenda items were: the report on investments; report on the ALM study; assumptions for the upcoming actuarial evaluation; the GWG report; appointment of the CEO/Pension Benefits Administrator (PBA); and the proposals for the 2020 budget.
66. In her general overview, the Acting Secretary/CEO of the Fund stressed that the Fund was financially sound. The number of participants had grown by 89 per cent over the past 20 years and currently totalled 128,594. The incoming contributions from active participants and member organisations had amounted to USD 2.5 billion in 2018. The number of beneficiaries had grown by 76 per

cent over the same 20-year period and currently totalled 78,716. The annual benefits paid out had amounted to USD 2.7 billion in 2018.

67. The active participants plus benefits in payment had increased by 84 per cent over the past 20 years. As of 31 December 2018 services were being provided to no fewer than 207,310 individuals. The Fund was best described as a maturing fund that involved greater pay-outs, a greater need for client services and more third party relationships. The mailing and handling of certificates of entitlement were a case in point, while the seven-fold increase in retirees and other beneficiaries aged 90 and older since 2000 imposed a greater workload. Another contributory factor to the operational workload was the ever-expanding geographical distribution of retirees and other beneficiaries.
68. The main operations of the Fund were conducted by the pension entitlements sections and the client services and outreach that faced an increasing number of benefits to process and higher administrative costs. Processing rates had palpably improved and Ms Dunn Lee provided an analysis of the 14,364 workflows associated with entitlements dealt with during the previous month. A large proportion of the cases had been 'unprocessable' for want of documents still outstanding. Of the 'processable' cases, no (or rather no immediate) payments were due in a large number of cases, while others could not be paid on account of certain issues or lack of additional information. The balance of 'processable' cases was far removed from the backlog figure of 15,000 that was repeatedly and erroneously cited. The number of initial benefit payments processed within 15 days had improved markedly over the period August 2015 - April 2019. That notwithstanding, forfeitures had occurred, attributable for the most part to failures to provide current payment instructions or contact details. The role that retiree associations could play in such instances was appreciated.
69. Of the budget proposals, the main changes where pension administration was concerned related to: introducing two posts, Pension Benefits Administrator (PBA) and Secretary of the Pension Board, to replace the CEO; creating a Pension Board secretariat; introducing functional leadership and revising the methodology for the evaluation of services to the SPCs. The financial and post resources required in respect of pension administration entailed an increase of USD 1.4 million or 2.8 per cent. The administrative changes were aimed at ensuring smoother and more consistent operations between the two offices, whose interaction in terms of functional responsibilities and reporting lines currently lacked clarity. Global coordination at the global level was wanting and, if unchanged, could incur serious risks to the Fund. The need to meet the benchmarks for processing initial separation benefits was paramount.
70. Functional leadership would entail each of the different work units in the Geneva office reporting directly to the respective chiefs in the New York office. Under the pension administration proposals, three posts would become available for redeployment to the new office of the Secretary to the Board and operations in the Pension Entitlement Section would be strengthened to serve both New York and Geneva.
71. The expected outcome would be more efficient processing of benefits and more consistent client services thanks to the new structure. All leadership posts and

functions in New York headquarters would provide clearer lines of accountability and overall quality control. Operations would include the Pension Entitlement Sections of both offices, as well as a new Operations Support Section (OSS) headed by a Chief of Section in New York using a redeployed post. OSS would also coordinate training between both offices and also include a Records Management and Distribution Unit with staff serving in both offices.

72. Client services would be separated from operations. The Client Services and Outreach Section would have work units and call centres in both locations, as well as client service hubs as liaison offices in Bangkok and Nairobi. A fuller assessment of the recent review of the client servicing operations and the budget proposals related thereto would be presented to the Pension Board in the context of the proposed budget for 2021.
73. In the ultimate analysis, the Geneva office would maintain the same significant benefits processing and client service capabilities together with its substantial physical presence in keeping with the global nature of the Fund, while the new structure would enhance capacity for more consistent processing rates between the two offices. The Fund was intent on ensuring that the retirees and beneficiaries enjoyed their retirement secure in the knowledge that their benefits would be paid accurately and punctually. The retirees' contribution to that process was to sign and return their certificates of entitlement on time once a year.
74. At the outset of the subsequent discussion, delegations thanked the Acting Secretary/CEO of the Fund for her comprehensive statement. Some expressed caution about the reliance on the website as a means of communication, all the more so as the many members of the ageing retiree population were unfamiliar with the intricacies of the internet and certain countries had no access to internet; even placing long-distance telephone calls posed problems. In certain instances, reliance on the member self-service system had proven self-defeating. As pointed out later, it was essential that a rapid solution be found for the incomputerate as the Fund was shifting increasingly to digital operations. The Fund secretariat should identify resource persons and focal points familiar with the difficulties that elderly retirees faced. As one delegation pointed out at a later juncture, handwritten communications should also be heeded.
75. Other delegations recognised the benefits to be gained from uniformity and standardisation. The benefits to be gained from closer cooperation with local retiree associations in general were also highlighted, whereas the controversy surrounding the extent of the pension processing backlog and the lack of clear communication on the issue had not helped matters; it had fuelled the flames of the Fund's detractors. One delegation spoke of the need to combat the repeatedly circulated fake news on the processing backlog and other issues.
76. Other delegations spoke of being unaware of any complaints about the services provided by the office in Geneva which, it was argued, had to bear a disproportionate burden of the work related to the two-track system, the larger number of countries served and the multiplicity of currencies and languages. .

77. In her reply Ms Dunn Lee spoke of the need to strike a balance between aged retirees on the one hand who lacked computer skills and those demanding complete automation on the other. For its part, the New York office had doubled the number of toll-free numbers to 25 covering 62 countries and a tracking system was in place to ensure effective follow-up. Assistance had indeed been sought of the local retiree associations; it had proven useful in following up on missing documents, such as the certificates of entitlement (CEs) or payment instructions. The periodic publication of a list of outstanding benefits was also currently being explored.
78. At a later stage in the discussion, it was recalled that at the previous Council meeting, it had been stated that the Fund was considering improvement of the CE process. One delegation in a country with a distinctly fickle postal service related how he had all CEs sent to the association's address whereupon he took it upon himself to deliver the forms personally or reroute them via a reliable courier service. Another suggestion was that the CE form could include boxes for phone numbers and e-mail addresses. It was also reported that CE forms sent to New York by registered mail tended to fester in the depths of the United Nations secretariat building and never reached their ultimate goal.
79. Given the tributes paid to the good cooperation between the local retiree associations, the Federation and the Fund, FAFICS should perhaps be consulted once again and work should commence on finding a more efficient solution.
80. As for the backlog and the claim that it was due to the premature transition to a highly integrated sophisticated system, the fault lay not with the system alone. A course correction had been introduced as Ms Dunn Lee had shown in her presentation. It had also transpired that a high percentage of the workload cases could not be processed for want of the requisite documentation. The benefit processing rates for the current year exceeded the benchmark target with a variance between the two offices.
81. Trying to deliver a message without pointing fingers took time to evolve. The claim that the workload attributable to the two-track system and the number of countries served, as well as the multiplicity of languages and currencies varied significantly between the two offices was refuted.
82. Maria-Clarissa O'Donnell pointed out that the Pension Secretariat had access to focal points within the major United Nations organisations, but that was not the case for the specialised agencies. More efficient access to the latter might be achieved using such tools as Dashboard and UN EMOJA.
83. As for the problems surrounding disability pensions, Ms Dunn Lee pointed out that disability cases were processed by the SPCs prior to being passed on to the United Nations medical services. For her part, she was unaware of any inordinate delays in the certification process. As for delays in pension payments, problems with correspondent banks often proved to be the cause of delay. One delegation drew attention to current difficulties with pension payments in CFA-franc countries.

84. In the course of the discussion attention was drawn to certain shortcomings. They included quarterly exchange rates only being listed in the English section of the website, requests for pension estimates being treated in an inconsistent manner and the difficulties of locating retirees direct - after separation from service. Attention was also drawn to cases where a switch to the dollar track had taken 18 months to complete and a change of bank details six months.
85. Throughout the exchange, questions focused on the reduction of the role played by the Geneva office to that of a satellite and the inadvisability of redeploying important managerial posts from one office to the other. It was seen as a *fait accompli*, as was the proposal to split the role of Secretary/CEO and create two new posts from within existing resources. It seemed as though an office that provided demonstrably satisfactory results was being deconstructed. No such response had been mooted when complaints had been voiced earlier about the services provided by the New York office. The Geneva office was being stripped of its managerial leadership, while three important features - regionalisation, liaison and proximity - were being abandoned. It was asked whether the decision was final and to whom expressions of concern could be communicated.
86. In her reply, the Acting Secretary/CEO explained that the process was still at the initial stage, but after consideration by Pension Board, ACABQ and the Fifth Committee, the ultimate decision lay with the General Assembly. The proposal would go forward to the Pension Board in Nairobi in a few days. To her mind, the outcome would pave the way to yielding a most responsive organisation.
87. In closing, Ms Dunn Lee thanked the participants for their many good suggestions that she would take under advisement. It was necessary to adopt a global and modern approach to resolving problems. Technologies that would facilitate matters were available. FAFICS was a stakeholder in the process and should work in common cause. She hoped for a good outcome. The Federation and the Fund were partners. Together, they could make things better.
88. Later Council returned to the issues that the Acting Secretary/CEO of the Fund had raised in her presentation. FAFICS had taken a firm position and focused on things that it wished to see happen, without entering into details of micro-management. It was recognised that Ms Dunn Lee was seeking an improvement in functionality and had been equally firm in her plans.
89. For their part, the member associations were greatly concerned over the probability of the Geneva office being weakened. The solution that the Acting Secretary/CEO of the Fund had offered did not provide an answer to the complexity of operations in Geneva which even included performing certain tasks manually. It seemed illogical to remove two posts in the interests of efficiency and output in an office that served 62 per cent of all beneficiaries, Furthermore, the 46 staff members processing matters in New York stood in sharp contrast to their 23 counterparts in Geneva.
90. Council returned yet again to the proposals being mooted for the Geneva office. Associations had clearly expressed an unwillingness to accept the managerial decision. The Federation had no wish to enter into micro-management, but

noted the imbalance in the 2020 budget proposals with 22 additional posts being requested for the investment-related activities and only 9 additional posts for operational activities. It was felt that in the budget deliberations, attention should focus on the supplementary GS posts for the Fund secretariat.

91. **Given the far-reaching impact of the proposal to introduce structural and operational changes in the Fund secretariat, it was agreed to raise the issue during the budget discussions at the upcoming session of the Pension Board in Nairobi.**
- (b) *Presentation by the Representative of the Secretary-General (RSG) for the investment of the assets of the UNJSPF*
92. Before launching into his presentation on the status of the Fund's investments, Mr Sudhir Rajkumar recalled the extensive interaction he had enjoyed with FAFICS the previous year. Such interaction was in keeping with his commitment to proactive communication with all stakeholders, as was his issuance for the first time ever of an initial preliminary overview of the investment results for 2018 within one month of the close of the year. The final figures for 2018 had not been available until late April 2019; they had since been posted on the Office of Investment Management (OIM) website. Any lapses in the preparation of such reports could severely damage the credibility of OIM and give rise to doubts about the validity of the figures published.
93. Despite markets experiencing the worst performance in any year since the 2008 global financial crisis and increasing market volatility, with returns in December 2018 being the worst for that month since 1931, the market value of the Fund's assets stood at USD 60.8 billion: above the market value of the actuarial assets value of USD 60.4 billion. The UNJSPF remained fully funded as of 31 December 2018. The market value of the Fund had since bounced back to USD 67.4 at the end of June 2019 and had edged still further upwards to USD 68 billion thereafter.
94. Mr Sudhir Rajkumar was pleased to report that the Fund had achieved its stated goal of meeting or exceeding the returns of the policy benchmark during 2018. It also continued to exceed by a healthy margin the long-term investment objective of 3.5 per cent real (net of inflation) return in USD terms over the 10- and 15-year periods. The Fund's goal was to fully discharge all its obligations to current and future beneficiaries. He recalled that pension payments were made over decades; short-term fluctuations did not have a material impact on those pension payments as long as the long-term investment objective was being met. The Fund's fully funded status provided a certain financial cushion that enabled it to withstand a period of low investment returns.
95. The future financial sustainability of the Fund would be determined by investment returns, no amount of playing with the contribution rate would have much impact. The growth in the number of retirees as a proportion of overall increases in membership was a natural result of the Fund's maturing.
96. OIM's vision was to become a best-in-class global long-term investment institution able to deliver to its stakeholders superior returns over the long term

net of costs, adjusted for risk and relative to peers. Realising that vision meant a systematic change in current practices and processes, an increase in transparency and accountability. It also meant that new capabilities had to be built in terms of investing in new asset classes and new markets through a wider spectrum of investment channels and using a broader range of investment instruments. Staffing had not changed over the past six years, despite a 31 per cent increase in assets managed. The 'malnutrition' in terms of staffing required to carry out the current work programme was revealed to be in the order of 25 posts relative to a peer group. At the same time, an increase of 0.1 per cent in investment returns for one year generated revenue of more than USD 6.5 million.

97. Recalling that the OIM budget was wholly funded from the Fund, i.e. its stakeholders' resources, a prudent approach had been adopted. The costs of OIM's 'economic footprint' had been reduced by giving up one floor: a move that yielded savings of USD 1.4 million that had been re-invested in the 'professionalisation' of the IOM. Despite the establishment of 15 new posts, the conversion of 11 temporary posts to permanent posts and the return of 2 posts from the Fund secretariat, a zero USD increase was being proposed in the 2020 budget. Savings had been achieved by: (i) reducing the use of non-discretionary advisers; (ii) reducing general operating expenditures and optimising use of space of the two floors remaining; and (iii) strengthening and evaluating financial resource managers' performance.
98. In the ensuing discussion, the first question related to the diversification of the Fund and investment outside the United States. The RSG replied that investments were made in no fewer than 102 countries and regions. Half of the investments were non-dollar investments and, as the ALM Committee had observed, emerging markets were growing more rapidly than developed markets.
99. The second question focused on the returns on investment and the human resources devoted to investment. The RSG replied that the return on equities was 4.7 per cent, further to which, as he had previously stated, the Fund had achieved its stated goal of meeting or exceeding the returns of the policy benchmark during 2018. Although, as the FAFICS President had pointed out, Member States did not condone the cost of staff increases being offset by returns on investments, the RSG stated that to his mind, monies invested in management of the Fund also qualified as investment. He referred to the potential impact of USD 6.5 million yielded by an 0.1 per cent increase in investment returns for one year. On joining OIM, he had observed understaffing in the area of investment and significant understaffing in support services, in particular executive direction and management. On taking up his appointment the RSG had found that not only was there no chief of staff, but absolutely nobody had been located within 100 feet of his office. Those major gaps had since been filled.
100. It was also asked whether, in the light of the positive developments to date, an investigation of previous investments had been undertaken. The RSG replied that despite the soundness of the Fund, the ability of such an important fund to remain stable and robust in the long term had been questioned. He hoped that

his commitment to proactive management, transparency, accountability and raising standards, together with his vision of the Fund becoming a best-in-class global long-term investment institution would dispel any reservations people might have. A shift in empathy and helping staff to identify with that vision were key. Investment had to be managed with full understanding of the fact that it was the money of the retirees. Matters could not be handled in a loose fashion.

101. In response to a question about liquidity and volatility, the RSG replied that investments were in good shape. The criteria set by the General Assembly were being met. It was a fundamentally sound operation with certain gaps that would call for creative solutions.
102. A question was raised about the reduction in costs earmarked for advisors and consultants and the savings obtained. The RSG replied that savings in the order of USD 4.95 million had been secured over the past five years. Whereas certain advisors had been found to be superfluous, the need for tax consultants and legal advisors still remained. Steps were being taken to build up in-house capabilities.
103. A question was raised about investments in sustainable development and the prohibition on investment in certain areas. The RSG confirmed that the Fund did not invest in companies that derived revenue from the production of tobacco. The same held true for companies that derived revenue from the production of military weapons, weapon systems and weapons of mass destruction. In both instances, such investments were neither consistent nor compatible with UN principles. The Fund respected both the sustainable development goals (SDGs) and the environmental, social and governance criteria (ESGs) that were closely aligned. Indeed, pension funds around the world were rated in terms of their incorporating both ESGs and SDGs in their investment policy. The UNJSPF was aware of its responsibilities to society and keeping investment in line with its fiduciary objectives. One team in the OIM was working solely on sustainable development strategy, assisted by a number of interns well acquainted with the measurable impact of climate change and environmental degradation. The IOM would be issuing its first sustainable investment report in the very near future.
104. One participant spoke of the growing confidence in the Fund and the high degree of internal investment management, while questions were raised about: (i) the impact of General Assembly resolutions and human rights considerations on OIM's policy decisions; and (ii) the growing complexities of certain issues and unconventional policies.
105. In his reply, the RSG stressed that staff members were obliged to uphold human dignity and human rights and thus had to be fully cognisant of the relevant General Assembly resolutions and decisions. They were likewise obliged to maintain high ethical standards and avoid exposure to reputational risks. As for the complexities that arose in many different sectors, the staff in OIM built on existing foundations. However, IOM could not rest on its laurels. It had to build up its capabilities for the future and engage in change management.

106. In closing, Mr Sudhir Rajkumar was thanked for the comprehensive scope of his presentation and the reassurances that the Fund was well positioned - and hence both safe and sound.

Agenda item 7: Update on after-service health insurance (ASHI), including the General Assembly resolution

107. Georges Kutukdjian, Chair of the Standing Committee on ASHIL, introduced the update on After-Service Health Insurance (document Council 48/2019/D.7)) in which general background information was given on: (i) developments related to health insurance over the past three years in the various executive and management committees; and (ii) the decisions adopted by Council over the same period. Information was provided on medical insurance plans and the long-term care component of ASHIL. Copies of the ACABQ report on managing after-service health insurance, the resolution adopted by the General Assembly on 15 April 2019 that had also addressed the same issue and the report of the Secretary-General on managing ASHI were also provided. The documents presented also included a comparative analysis of the decisions adopted in the Secretary-General's report, the recommendations of the ACABQ and the decision of the General Assembly at its 73rd session.
108. In his summary of developments over the past year, Georges Kutukdjian spoke of the involvement of the four FAFICS representatives in the inter-agency HLCM/FB Network Working Group on ASHI that had completed its assignment and was subsequently disbanded. ACABQ had asked a host of questions related to the interagency Working Group cost-benefit study on the inclusion of UN retirees in national health insurance schemes. The study had found that it would incur greater costs for the organisations, were common system retirees to be covered by national health insurance schemes as the primary provider. Furthermore, the ACABQ insisted on extending the country coverage, the original cohort in the initial study having been only nine countries. As was pointed out later, people who had not worked in their home countries could not secure access to national health systems as a primary provider, while in other countries people who had worked for international organisations were expressly excluded from national systems, be it healthcare or ASHI. It was ironic that whereas initially staff members had to have medical coverage because they could not join their national schemes, the General Assembly was currently insisting on the use of national schemes as the first provider, over whose costing policies the organisations had absolutely no control.
109. It was reported that certain organisations had set up their own working groups. The resultant plethora of bodies working on the same issue was far from helpful. In Addis Ababa, for example, retirees were represented on the sole body that had been set up, but had no voting rights. Representation at all levels was essential.
110. In March 2019, the FAFICS President had addressed the Fifth Committee during its review of the Working Group report. He had emphasised that as insured parties and significant financial contributors to ASHI, retirees had a

legitimate and material interest in participating in all discussions and reviews of ASHI arrangements as evidenced by their engagement in the deliberations of the interagency Working Group. Paragraphs 5-8 of Section II of General Assembly resolution 73/279 reflect the decisions adopted, with the final one being in favour of maintaining 'pay-as-you-go' funding. It was to be hoped that the General Assembly would accept the recommendations and so free up time to focus on long-term care.

111. The Chair of the Standing Committee on ASHI also pointed to work in progress in respect of the representation of retirees on health insurance executive or management committees, the medical insurance plan (MIP) for local United Nations staff introduced at the 47th Council session and the long-term care component of ASHI. Associations were encouraged to provide information when approached.
112. Answering the question raised by AFICS Geneva related to the non-inclusion of the agreed third proposal in the report of the HCLM Working Group, the Chair explained that the HLCM Working Group did not accept the proposal.
113. **It was suggested that were an interagency group on health insurance or similar body to be set up at a later juncture, it should include representatives of administrations, staff and retirees. FAFICS should thus approach the Chair of the Chief Executives Board for Coordination (CEB) and propose the full involvement of the Federation in the relevant consultations. FAFICS should also seek the assurance of the CEB Chair that in responding to resolution 73/297, the comprehensive proposals to be applied after 1 January 2022 would be presented to all parties involved.**
114. **It was so decided and a letter was sent to the Secretary-General in his capacity as Chair of the CEB.**
115. In the ensuing discussion, it was recognised that for the time being, ACABQ was not going to abandon the concept of 'pay-as-you accrue' (the accrual system, however, would not be retroactive). It was equally clear that ACABQ was not giving up on the inclusion of retirees in national health insurance schemes or the creation of a liabilities fund. All three factors would have to be kept in mind.
116. Attention was also brought to bear on the endeavours of the HLCM/FB Network. Its initial attempts to harmonise ASHI had proven infeasible given the 23 different schemes. Subsidy systems also varied from agency to agency: the implications of which active staff had failed to realise. Given the importance of the Working Group's recommendation that an insurance body be set up, retirees and staff representatives should jointly approach administrations on the matter.
117. Member States had been slow in following through on the consequences of the introduction of international public sector accounting standards (IPSAS) where after-service health insurance was concerned. It was suggested that they were 'kicking the can down the road' towards fully funded pay-as-you-accrue scheme.

118. At the same time, IPSAS had been the key factor in determining liabilities which had to be shown in financial statements. It was important to recall that the liabilities to be shown were the organisations' liabilities, not those of the staff members and retirees. IFAD was said to be fully funded in terms of its liabilities and WFP was under well way, whereas that was not the case in FAO. Introduction of the accrual concept ran the risk of causing the system to collapse.
119. In wrapping up the discussion, the importance of securing a presence on all committees was underscored, as was the maintenance of solidarity. Contradictions in various health care schemes should be addressed. In France for example, long-term care coverage could not be claimed, if the person involved were in receipt of such coverage under a UN health insurance scheme. The major differences between private and public treatment in the United States were not applicable elsewhere.
120. **It was further agreed that in addition to the letter that had been addressed to the CEB Chair, similar composite letters could be addressed to both the Secretary-General in that capacity and the Chair of the HLCCM seeking their cooperation in securing retirees their rightful place at the negotiating table when retiree issues were being discussed. Retiree associations should write to the Heads of their former organisations and agencies requesting the inclusion of retirees in the appropriate committees so that their voice could be heard.**
121. **On closure of the agenda item, thanks were expressed to the four FAFICS representatives who had so stoutly defended the cause of the Federation.**

Agenda item 8: Quadrennial report to ECOSOC for the period 2015-2018

122. The President introduced the document (document Council 48/2019/D.8), which reproduced the report that FAFICS as an NGO enjoying consultative status with ECOSOC was obliged to submit to that body every four years. He emphasised the importance of that status as well as the independence and freedom of association it ensured. It also incurred an obligation to support the United Nations and contribute to themes of significance.
123. The document summarised the aims and purposes of FAFICS, significant changes that had taken place over the four-year period, the Federation's contribution to the work of the United Nations, its participation in United Nations meetings and its cooperation with United Nations bodies, as well as the initiatives it had taken in support of the Millennium Development Goals (MDGs). The alignment, succinctness and degree of compression in the report were requirements set by the NGO Branch in the Office for ECOSOC Support and Coordination, Department of Economic and Social Affairs.
124. In the ensuing debate, it was remarked that in four years, the follow-up report would have to focus on key cross-cutting issues emerging from the Sustainable Development Goals (SDGs), the support lent to upholding the aims and

principles of the United Nations and the inclusion of all in those endeavours. The Federation should thus focus on determining the key issues that member associations should address over the coming four years (Council 48/2019/8.CRP).

125. **Council took note of the report and encouraged member associations to maintain a high level of cooperation with the United Nations.**

Agenda item 9: Administrative and financial questions

(a) Report of the Auditors for the accounts ending 2018

126. The Treasurer introduced the Auditors' report for the year ended 31 December 2018 (document Council 48/2019/D.9(a)). In response to an enquiry about the expenditures on travel, participation in Bureau meetings and advocacy activities, the Treasurer agreed to provide a synopsis of the outlays related to those headings. It was suggested that the auditors could present such a breakdown in their future reports.
127. **Given the auditors' confirmation that the books had been correctly kept and the financial situation and the results of the year gave a true and fair view of the affairs of the Federation and in keeping with the Auditors' recommendation, Council approved the balance sheet and the income and expenditure statement of the Federation for the year ended 31 December 2018.**
128. In concluding the sub-item of the agenda, Council thanked the auditors for the scrupulous and conscientious manner in which they had gone about their task.

(b) Interim report on the management of the budget for 2019

129. The Treasurer presented the interim report on the management of the budget for 2019 (document Council 48/2019/D.9b) and elaborated on the income and expenditures as well as the status of contributions as of 15 July 2019.
130. As in the case of the auditors' report for the accounts for 2018, delegations pointed to the need for more details. The Treasurer pointed out that in the case of meetings held in Geneva, no costs accrued in respect of the Secretary and the Treasurer as both lived in Geneva, while the Vice-Presidents, special advisors and a rapporteur were reimbursed at a flat rate. If a second Bureau meeting were to be held over the coming twelve months, USD 11,000 could be drawn down from income accruing in 2019 and USD 7,000 from savings that had accumulated in previous years.
131. One delegation recalled that in 2015, Council had set up a reserve that could be drawn upon, as needs be, in respect of matters related to ASHI and pension issues. Furthermore, in the light of the criticism levelled by OIOS at the Federation, Council had agreed in 2018 to funds being drawn down from both the reserve and the funds donated by UNFCU to counter that criticism.

132. **Council took note of the interim report on the management of the budget for 2019.**

(c) Membership dues

133. Proposals relating to membership dues had been submitted by Panama (document Council 48/2019/D.9c), ARICSA (document Council 48/2019/D.9c.1), UNPAI (document Council 48/2019/D.9c.2) and AFICS Argentina (document Council 48/2019/D.9c.3), as well as in part by AFUS (document Council 48/2019/D.9d.4). The proposals ranged from an increase to USD 2 through USD 1,75 to rejection of any increase. Furthermore, Council rejected the suggestion that the larger associations pay higher dues than the smaller associations. Moreover, at the present juncture, sixteen associations had not settled their dues.
134. One delegation pointed out that the rationale for any increase should be based on the ultimate use of the additional funds. The current imbalance between communications (accounting for 5.7 per cent of the budgetary allocations) and representation and advocacy activities (accounting for 78 per cent) should be corrected. Furthermore, priority might be given to supporting the affiliation of new member associations, disseminating FAFICS information on a broader scale and providing funds so as to enable small associations, such as those based in small island countries, to attend Council sessions.
135. **Given that an appreciable majority of the delegations supported an increase in dues, Council decided that membership dues would be increased to USD 2.0 per annum with effect from 1 January 2020.**

(d) Proposed budget for 2020

136. The Treasurer introduced the proposed budget for the year 2020 (document Council 48/2019/D.9d).
137. In the ensuing discussion, delegations pointed to the need to adjust the income figure, explain variations in figures and provide a clearer breakdown and more details on various budget lines. Budgetary provision should also be made for the resuscitation of dormant associations. Moreover, in the ultimate analysis, the possibility of a budget deficit in 2019 could not be ruled out despite the increase in membership dues.
138. In his reply, the Treasurer pointed out that the variations were due to the fact that figures in the auditors' report for 2018 were actual figures, whereas those shown in the interim report for 2019 contained an element of uncertainty, as did the figures for 2020. To his mind, there was no tangible reason for a further breakdown in the figures as it was uncertain which meetings the President would in the final analysis have to attend in 2020. Council had never considered financing travel to countries with the express purpose of resuscitating dormant associations.
139. The above notwithstanding, as one delegation pointed out, a certain degree of adjustment was still needed. Steps could be taken to increase budget resources earmarked for communications with a corresponding reduction in

funds earmarked for travel to meetings. Other delegations were of the same opinion.

140. The treasurer will provide a breakdown of the expenses shown under item Representation for the year 2018.
141. **Conscious of the need to adjust allocations in the course of the budget year, Council took note of the proposed disbursements and approved the budget for 2020. (see Appendix 5).**

(e) Appointment of the Auditors

142. Council was informed that the Auditors, Messrs. Ventura Garcia Garnateo and Mohammed Rharha, had once again declared their willingness to take on the task of auditing the Federation's accounts.
143. **Council accepted that offer with gratitude and nominated the two Auditors.**

Agenda item 10: Revision of the Rules of Procedure - interim report of the working group.

144. Jerry Barton, who had been nominated convenor of the Working Group on Rules of Procedure, introduced the terms of reference that would guide the working group as it went about the task of revising the Federation's rules of procedure, including the attachment for the appointment of FAFICS representatives to the Pension Board that went into effect in 2014.
145. Any changes proposed would have to be compliance with the Statute of the Council as well as justified in terms of increasing efficiency, enhancing the impact of FAFICS activities or improving transparency and due process for elections and appointments.
146. Since the working group had been established by the Bureau, it would report back to Bureau. It would not review the FAFICS Statutes, nor section 2 of the Rules of Procedure dealing with membership. It would also consider the impact of possible changes to retiree representation that might be proposed or approved by the UNJSPF Pension Board or the United Nations General Assembly in 2019.
147. The discussion focused on one contentious issue: election by Council of the FAFICS representatives to the Pension Board as distinct from appointment by Council.
148. Among the points made, it was remarked that federations did not customarily elect representatives to bodies such as the Pension Board. It was also stated that the present process within the Council was democratic and ensured that the appointees were current with all the details of the pension-related issues to be taken up by the Board. The President was seen to be doing an excellent job and support for the present system was expressed.

149. It was stressed that time was of the essence. The aim of the Working Group would be to present a revised version of the rules of procedure to the Bureau at its meeting in early 2020, whereafter the Bureau would submit the approved version with all the changes clearly identified to the 49th Council session.
150. **In conclusion, Council decided that the brief discussion on the agenda item be considered an initial exchange of ideas on the terms of reference of the Working Group on Rules of Procedure, as well as on certain aspects of the Rules of Procedure themselves regarding the determination of FAFICS delegations to the Board and other entities.**
151. **Council further agreed that the Working Group would provide the requisite documents in ample time so as to make for an informed debate at the Council session in 2020. As a start, the convenor would collate and transmit to the members the material that the Working Group had already gathered.**

Agenda item 11: Elections and Appointments

(a) FAFICS Officers

152. **Marco Breschi was elected President by acclamation.**
153. The Secretary had circulated the names of all candidates standing for office in FAFICS in accordance with article 6.7 of the Federation's Rules of Procedure (document Council 48/2019/D.11a Rev.2). He introduced the slate of candidates and oversaw the election process.
154. Prior to the election, the candidates present described their experience and outlined what they saw to be the priorities for the coming year, thus supplementing the information that they had provided in the document giving their curricula vitae and their motives for seeking election. A presentation was made on behalf of one candidate who had been unable to attend the Council session for very pressing personal reasons.
155. Given that the number of candidates outstripped the number of Vice-President posts, a roll-call vote was held under the supervision of three tellers: Michael Atchia, Halina Biernacki and Veronique Whalen.
156. The results of the election were announced by the Secretary:
- **N'diaye Mariam Coulibaly – AMAFINU – Mali (29 votes)**
 - **Odette Foudral – AAFI-AFICS – Switzerland (27 votes)**
 - **Jerry Barton – ARICSA – Vienna (21 votes)**
 - **Warren Sach – AFICS – New York (20 votes)**
 - **A.K. Masood Ahmed – AFUNSOB - Bangladesh (18 votes)**
 - **Carlos Santos Tejada – AFICS – Panama (16 votes)**
 - **Adriana Gomez Saguez – AFICS – Chile (14 votes)**
 - **Marashetty Seenapa – AFUNPI – India (14 votes)**

- **John Dietz – AFICS – New York** (12 votes)

157. **The five candidates with the highest number of votes were declared elected, namely, N'Diaye Mariam Coulibaly, Odette Foudral, Jerry Barton, Waren Sach and A.K. Masood Ahmed.**
158. **Pierre Sayour and Wolfgang Milzow were elected by acclamation to the posts of Secretary and Treasurer, respectively.**
159. The newly elected members would assume office immediately. The President and Vice-Presidents were one team. They would have to interact more intensely than in the past and communicate with each other frequently.
160. In thanking Council for the outcome of the election, the President stressed that the honeymoon period he had been granted had come to an end. A steep learning curve lay ahead compounded by two major tasks: one external - strengthening advocacy activities; the other internal - addressing the challenges posed by the transition phase, the first step having been the establishment of the Working Group on the revision of the rules of procedure.

(b) Appointment of FAFICS representatives to the Pension Board and other bodies in 2020

161. Before speaking to the proposed composition of the FAFICS delegation to the Pension Board for 2020 (document Council 48/2019/8.CRP) as contained in document 48, Council discussed at some length the procedure governing the nomination of FAFICS representatives to the Pension Board that currently was a prerogative of the President and the Bureau. Several associations spoke of the need for succession planning with one new member being nominated each year thus making for an indirect election process. Others were of the opinion that a year was too brief a period in which to familiarise oneself with the practical workings of the Pension Board.
162. Parallels were drawn with the procedures adopted by other players on the Pension Board. Participants' representative did not change every one or two years. Longer tenure was called for so that the delegation could build up a group dynamic, hence the rationale for continuity and team spirit, as well as a mix of competences.
163. Continuity was called for in 2020 as the Pension Board would be seized with matters pertaining to the GWG. It was quite probable that the Board would meet twice in 2020 and possibly before the FAFICS working group revising the rules of procedure had completed its task.
164. It was recalled that the present Council had decided to take up the issue at its rules at its session in 2020. Little stood to be gained from repeating the previous day's discussion nor from trying at the very last minute to 'fix something wot ain't broke'. Rather than take an ad hoc contentious decision, the proposed composition should be accepted in what was clearly going to be very much a transition year.
165. Others cautioned against re-dramatising the debate; reconsideration and reconciliation were called for. Clearly, consensus on procedural changes could not be reached at the current session. It was thus incumbent upon the FAFICS

working group to take into account all the issues that had been brought up over the past two days (such as succession planning, rotation, continuity, larger pool of candidates and gender balance) and break the logjam.

166. It was agreed that the composition of the team going to the Board in 2020 did not need to be changed, but openings for change in 2021 could be debated. For his part, the convenor of the FAFICS Working Group on Rules of Procedure said that he had listened closely to all the suggestions made which the Working Group would heed in its deliberations.
167. **After the intense debate, Council agreed that the following persons should represent the Federation at the Pension Board in 2020:**
- **Marco Breschi**
 - **Adriana Gomez**
 - **Warren Sach**
 - **Linda Saputelli**
 - **Gerhard Schramek**
 - **Mohammed Sebti**

Agenda item 12: Contribution to and cooperation with the work of the United Nations catering for and serving the aged/senior citizens of the world

168. Michael Atchia (Mauritius) introduced a proposal for the establishment of a United Nations agency on ageing that might tentatively be designated the United Nations Senior Citizens Programme or United Nations Aged Agency (document Council 48/2019/D.12). Current demographic trends were such that it was essential to determine how international and governmental planning, services and actions would adapt to the needs of the ageing. Given the rise in the ratio of the economically dependent sector of the population to the working-age segment, most developed countries would be the hardest hit. At the same time, longevity would result in the period spent in retirement exceeding the time spent working. Increasing the age of retirement would yield only a partial solution. More effective ways of organising the role of senior citizens in society and harnessing their productivity and experience were called for.
169. In a note (document Council 48/2019/d.12.CRP.1, rev1), the Bureau pointed to the considerable work already being undertaken on the ageing agenda throughout the United Nations system, further to which in resolution 72/144, the General Assembly had assigned the promotion of that agenda to the Open-ended Working Group on Ageing. In line with previous FAFICS decisions on the issue, the Bureau did not consider the establishment of a new specialised agency on ageing necessary. Another association had submitted a second paper (document Council 48/2019/D.12.1), which struck a similar chord; it was withdrawn prior to discussion.
170. In the course of the subsequent debate, it was suggested that expression of support for such an idea could lead to a loss of the Federation's credibility. Other comments were in a similar vein, the proposal being described as utopian and one that called for funds at a critical juncture that neither organisations nor governments would readily provide. Action at the local level in accordance with

best practices was more appropriate. Associations were encouraged to explore avenues in cooperation with NGOs working in the same area and to contribute to established vehicles such as the Madrid Plan of Action, the international Day of Older Persons or the relevant NGO Committees that had been established at the three major duty stations. In the final analysis, ageing was a cross-cutting issue that precluded the concept of a single institution.

171. Council did, however, attach importance to the FAFICS focal point on ageing (AAFI-AFICS Geneva). It also agreed that activities that furthered the ageing subject will continue to remain in its agenda for future reference.
172. **As for the major issue under discussion, Council reiterated the position it had adopted at previous Council sessions. It did not support further discussion of the possible future creation of a separate UN body on ageing in view of the many separate entities in the UN system already involved in advancing the ageing agenda.**

Agenda item 13: Date and place of the 49th session of the Council

173. The date and place of Council sessions were determined by the venue and date selected for the session of the Pension Board. As things currently stood, the Pension Board would meet in Geneva 23-31 July 2020, while its Standing Committee and Budget Working Group would meet two days before that. Since Council met prior to the sessions of the Board, its forty-ninth session would most probably be held in the week 13-19 July 2020. Confirmation would follow at a later date and all member associations were urged to attend the session.
174. AFICS Geneva expressed its desire to host the FAFICS Council in 2020.

Agenda item 14: Other business

175. A number of issues were raised under the agenda item.
 - (a). *The contribution of the United Nations Federal Credit Union (UNFCU) to the work of the Federation*
176. At the outset of deliberations on the afternoon of the second day, Lindy Ramsdale, UNFCU Vice President, Global Representative Office Operations, made a brief statement on behalf of the UNFCU Board of Directors, its senior management and staff congratulating FAFICS on yet another successful year. UNFCU was proud to have supported various association activities, specifically the provision of funds so that smaller chapters could participate in Council sessions. Those associations could thus more readily lend their voices to the purposeful work the Federation was undertaking. At the same time, the UNFCU kept strong lines of communication with FAFICS and its constituents as evidenced by the webpage it had opened dedicated to resources for retirees. In closing she thanked the Federation for its partnership and commitment to representing thousands of former international civil servants. The advocacy,

advice, support and assistance to each other underscore the spirit of the United Nations SDGs - working to build a better world for all and leave no one behind.

(b). *The special advisors*

177. The Council has requested the two former special advisors, Linda Saputelli and Pierre Adama Traoré, to continue in office. Both of them have accepted.

(c). *2020 - the year of tributes sans pareil*

178. Georges Kutukdjian drew Council's attention to the clutch of anniversaries that would be celebrated in the coming year: the seventy-fifth anniversary of the United Nations, the seventieth anniversary of the UNJSPF, the fortieth anniversary of FAFICS and the centenary of the League of Nations. Considering that all of these landmark anniversaries will occur in 2020, the President of AFUS/France proposed that FAFICS seize this opportunity to pay tribute to all international civil servants of the United Nations system (past , present and future) who have dedicated their lives over the past 75 years to enhance, support and uphold the noble ideals of the UN and the universal values it stands for. Such recognition would deservedly highlight their contribution throughout the world to promote peace, mutual understanding among nations and the welfare of humankind in accordance with the principles enshrined in the Charter of the United Nations, as well as their commitment to secure the highest standards of efficiency, competence and integrity during their years of service.

179. **If agreeable to Council, AAFU/AFUS would prepare a draft. That offer was truly appreciated and gladly accepted.**

180. **The president of AFUS/France will propose a draft text in this spirit to FAFICS members for their review by the end of the year. The final approved statement ("Tribute to 75 years of International Civil Service") would be sent to the UN Secretary-General and members of the CEB. FAFICS President could read it out during next year's General Assembly session celebrating the 75th anniversary of the Organization.**

(d). *Acting-CEO's presentation*

181. AFICS Geneva supported by several associations expressed their disappointment regarding the acting-CEO's attitude towards Alan Blythe during the video-conference and asked the FAFICS President to express this feeling to Ms Lee during the Board in Nairobi.

Closure of the session

182. The President thanked the Presiding Officer and the participants for their contribution to the success of the meeting. The quality and depth of the debate had been excellent; it had yielded much food for thought. He thanked the Presiding Officer for conducting matters in an orderly manner and he looked forward to the outcome of the rapporteur's labours.

183. He placed on record his gratitude to the host association and the hospitality extended to the participants by the ARICSA team. He wished everybody a safe journey home, while reminding those travelling on to Nairobi that the Pension Fund would not be reimbursing them the costs of the detour via Vienna.
184. A number of associations expressed their thanks to ARICSA and the lengths to which their hosts had gone in ensuring that the demands of a very crowded agenda had been softened by the generous hospitality. Council had been organised in a most efficient and pleasant manner.
185. In his valedictory message, the Presiding Officer joined others in thanking Halina Biernacki and Veronique Whalen for their unstinting help and kindness throughout the session and commended the conference officers on their services. He too looked forward to the report of the session and thanked the rapporteur for his endeavours. He congratulated the President, the Vice-Presidents, Treasurer and Secretary on their election.
186. The Presiding Officer reiterated his wholehearted thanks to everybody for having contributed so effectively to the debate and declared the session closed at 12.05 p.m. on 17 July 2019.

Appendices

Appendix 1	List of participants
Appendix 2	Agenda
Appendix 3	List of documents
Appendix 4	Report of the President
Appendix 5	Approved budget for 2020

Appendix 1

List of participants

President	Marco Breschi
Presiding Officer	Alan Prien
Secretary	Pierre Sayour
Treasurer	Wolfgang Milzow
Rapporteur	Peter Lillie
AFICS-Addis Ababa	Tedla Teshome
AFICS-Argentina	Judit Isabel Luraschi
AAFICS-Australia	Jennifer Ashton
AFUNSOB-Bangladesh	Hussain Ahmed Ahmed A.K. Masood Tim Nurunabbi Khan
AAFIB-Brazil	Milton Nogueira
AAFNU-BF Burkina Faso	Azara Bamba Louguet Bintou Sanogoh Adama Pierre Traoré
CAFICS/ACAFI-Montreal	Jacques Daoust
AFICS-Chile	Adriana Gomez Saguez Mario La Fuente
ASOPENUC-Colombia	Helene Hasselbalch
AAFI-AFICS-Geneva	Katia Chestopalov Barbara Fontaine Samuel Mbele-Mbong Odette Foudral Mohammed Sebti

AFICS -Japan	Junko Sato
AFNU -Madagascar	Willem Van Milink
AMAFINU -Mali	Penda Ndiaye
AFICS -Mauritius	Michael Atchia
AFICS -Netherlands	Lucien Bäck
AFICS /New York	John Dietz Jay Karia Deborah Landey Warren Sach
AAFNU-N -Niger	Ari Toubo Ibrahim
AFICS -Panama	Maria Isabel Aramburu-Porras Juan Antonio Casas-Zamora
AAFU/AFUS -Paris	Georges Kutukdjian Jacques Rao Josiane Taillefer
AFICS -Philippines	Lydia Ontal
AFIJUB -Spain	Angel Escudero de Paz
AFICS -Sri Lanka	K.M.D Gunaratne
AFUNPI -India	D.V. Si Narasimhan Marashetty Seenappa Mangala Srinivasan Nanjundappa Srinivasan
AGAFNU-GN -Guinea	Mamadou Pathé Diallo
AMAFINU -Mali	Mariam Ndiaye Coulibaly
ARICSA -Vienna	Jerry Barton Halina Biernacki Peter Lillie Gerhard Schramek Olaf-Michael Stefanov Manijeh Torabi Veronique Whalen
ASAFI -Senegal	Makane Faye

FFOA-Rome

Alan Prien
Edward Seidler

FAFICS President emeritus
FAFICS President emerita

Andrés Castellanos del Corral
Linda Saputelli

FAFICS Secretariat

Marco Breschi
Wolfgang Milzow
Pierre Sayour

PROXIES

ASSOCIATIONS

FOR

AFICS-Argentina

AAFICS-Uruguay
APNU- Mexico

AAFICS-Australia

AFICS-New Zealand

AFUNSOB-Bangladesh

RUNSAN-Nepal

AAFNU-BF-Burkina Faso

AAFNUB-Benin
AAFNU-Mauritania

AAFI-AFICS Geneva

AFICS-Moscow

AFICS-Mauritius

AFICS-Kenya

AAFNU-UN Niger

AGAFNU-Guinea

FFOA-Rome

FOA-ITC-Turin

Appendix 2

Agenda

1. Adoption of the Agenda
2. Elections of the Presiding Officer and the Rapporteur
3. Membership matters
4. Report of the President
5. Pension issues
 - (a) Update on Pension Board matters, including Governance Working Group, Pension Adjustment System, Emergency Fund and selection of the CEO
 - (b) Situation of the former UNJSPF participants in the former USSR, Ukrainian SSR and Byelorussian SSR
6. Meetings with the Acting Secretary/CEO of the UNJSPF and the RSG for Investments
7. Update on After-Service Health Insurance (ASHI), including the GA resolution
8. Quadrennial report for ECOSOC for the period 2015-2018
9. Administrative and financial questions
 - (a) Report of the Auditors for the accounts ending 2018
 - (b) Interim report on the management of the budget for 2019
 - (c) Membership dues
 - (d) Proposed budget for 2020
 - (e) Appointment of the Auditors
10. Revision of the Rules of Procedure - interim report of the working group
11. Elections and Appointments
 - (a) FAFICS Officers
 - (b) Appointment of FAFICS representatives on the Pension Board and other bodies in 2020
12. Contribution to and cooperation with the work of the United Nations, catering for and serving the aged/senior citizens of the world
13. Date and place of the 49th session of the Council
14. Other business

Appendix 3

List of documents

In-session documents

Council 48/2019/CRP.5.b	Situation of the former UNJSPF participants in the former USSR, Ukrainian SSR, and Byelorussian SSR
Council 48/2019/8.CRP	Preliminary list of ECOSOC themes to be supported by FAFICS
Council 48/2019/11.b.CRP	Proposed composition of the FAFICS delegation to the Pension Board for 2020
Council 48/2019/12.CRP	Contribution to and Cooperation with the work of the UN, catering for and serving the aged/seniors citizens of the world.

Pre-session documents (D series)

Council 48/2019/D.1.rev.2	Provisional Agenda
Council 48/2019/D.3	Membership matters
Council 48/2019/D.3	Membership matters – Annex
Council 48/2019/D.4	Report of the President
Council 48/2019/D.5a	Pension issues – 5 (a) “Status Report on the Emergency Fund”
Council 48/2019/D.5a.1	Pension issues – 5 (a) “Pension adjustment system”
Council 48/2019/D.5a.2	Pension issues 5 (a) Report of the Pension Board Governance Working Group
Council 48/2019/D.5a.2	Pension issues 5 (a) Report of the Pension Board Governance Working Group - Annex
Council 48/2019/D.7	Update on After-Service Health Insurance Update on After-Service Health Insurance – SG Report Update on After-Service Health Insurance – Outcome Update on After-Service Health Insurance – ACABQ Report Update on After-Service Health Insurance – UNGA Resolution
Council 48/2019/D.7.2	Update on After-Service Health Insurance – Field based associations – Brazil contribution
Council 48/2019/D.8	Quadriennial report provided to ECOSOC – June 2019
Council 48/2019/D.9.a	Reports of the Auditors for the accounts ending 2018
Council 48/2019/D.9.c	Membership dues – Proposal from AFICS – Panama
Council 48/2019/D.9.c.1	Membership dues – Proposal from AFICS – Vienna
Council 48/2019/D.9.c.2	Membership dues – Proposal from AFICS – UNPAI India
Council 48/2019/D.9.c.3	Membership dues – Proposal from AFICS – Argentina
Council 48/2019/D.9.d	Proposed budget for the year 2020
Council 48/2019/D.9.d	Proposed budget for the year 2020 – Annex
Council 48/2019/D.9.d.1	Proposed budget for 2020 – AFUS Comments
Council 48/2019/D.10.rev.1	FAFICS Working Group on Rules of Procedure – Terms of Reference

- Council 48/2019/D.10.1 FAFICS Working Group on Rules of Procedure – Terms of Reference – Proposal from AAFI-AFICS
- Council 48/2019/D.11a.rev.2 Candidates nominated for Election to the Offices of the Federation
- Council 48/2019/D.12 Contribution to and Cooperation with the work of the UN, catering for and serving the aged/seniors citizens of the world – Proposal from Mauritius, supported by Kenya
- Council 48/2019/D.12.1 Contribution to and Cooperation with the work of the UN, catering for and serving the aged/seniors citizens of the world – Note from Israel

Appendix 4

FAFICS COUNCIL 2019- Vienna

President's report to the 48th FAFICS Council Meeting

Dear Colleagues,

I wish to welcome all of you who were able to join us in this important annual event of our Federation. Your presence here is a vital sign of support to our mission and efforts in protecting the interests of thousands of UN retirees around the world. I am sure you will share with me our expression of gratitude to our host organization, the UNOV based in this elegant city of Vienna, home for so many international events. Our whole-hearted thanks naturally go to our colleagues who once again are making a tremendous job to organize this event by providing excellent logistics and very effective work arrangements to facilitate the conduct of the meeting work program. Jerry Barton, President of ARICSA, and Veronique Whalen. Looking at these beautiful premises, I am compelled to share with you that I feel at home, in no way implying that coming to Vienna should become a habit. Indeed our plan was to hold our meeting in Nairobi, the location where the Pension Board will take place next week. I am personally convinced that the FAFICS Council should be held in the same location as the Pension Board, for logistical reasons and for political reasons. For those who have to be present at the Board, it is obviously a lot easier if they do not have to take long night flights in between. We opted for Vienna as we were discouraged by a poor response by many colleagues, particularly those from remote locations, for cost reasons and long flights. We wish to thank nevertheless those colleagues in Nairobi who had expressed their full support in organizing our meeting there. FAFICS counts on a continued friendship with our African colleagues and it looks forward to get closer in the near future.

Many of you were surprised that the Council this year is not preceded, as it was the case in recent years, by the Standing Committees on Pensions and on the After Service Health Insurance (ASHI). The reason for this is that work on both subjects has come to a completed stage and there were no major new developments to debate in this Council session. The Chairs of both Committees will address Council to provide an update on the current state of affairs in the respective fields. Council will have an opportunity to debate on the significant, successful work conducted by Federation's officers on both subjects. Accordingly our agenda will continue to include Pensions and Health Insurance as primary subjects, together with other important topics including elections of Federation's Officers.

At the Council in Rome last year, upon my election, I engaged in a commitment with you to continue, to the extent of my capabilities, the good work done by my predecessors. Some colleagues apprised me of the tremendous progress made by the Federation over the years in being a key player in the UN pension system. There were instances in the not so distant past where FAFICS representatives were occasionally and briefly admitted to witness parts of the Pension Board debate after a long presence in a waiting room, to a current state where FAFICS is now a fully fledged, influential, non-voting representative and a key player in the debate in the Pension Board plenary as well as a productive and respected member in key Committees such as the ALM and the Audit, the Governance, Succession Planning and

Budget Working Groups, where vital subjects are analyzed and debated to make proposals to the Pension Board.

Earlier this year, I shared with you FAFICS quite positive view on the General Assembly resolution (73/274 - 22 December 2018). In this regard, I would like to stress that the contentious audit issues that characterized the extenuating debate inside and outside the Federation last year, were either disposed of as part of the governing bodies debate preceding the GA resolution or were remanded to the Pension Board itself for analysis and timely implementation. Accordingly, we no longer speak of audit recommendations, instead we should refer to the GA deliberations. The Governance Working Group (GWG) is now entrusted with the task to make recommendations for their implementation.

At the initial stages earlier this year, the usual detractors of FAFICS attempted to sell the idea that FAFICS should not participate in the GWG on the grounds of the expression used in paragraph 14 of the resolution which noted that the Pension Board *'should establish a Working Group which should adhere to the tripartite structure of the Board to consider issues of participation, rotation and equitable representation on the Board'*. As FAFICS participates fully in the work of the Board as part of its tripartite nature, it would seem obvious that FAFICS participates in this WG. An extensive analysis of this subject can be found in a document prepared by Gerhard Schramek on 2 January 2019. The document provides an overview of FAFICS participation in PB Working Groups over the years. There is clear evidence that the tripartite structure of the PB does include participation of FAFICS representatives in all key WG's. None attempts anymore to exclude FAFICS from the GWG but we will remain vigilant on this and secure our vital participation. Warren Sach and Gerhard Schramek are our experienced and highly qualified members of this important Group. I am fully confident that they will be successful in advancing our cause and in defending retirees' rights.

I would like now to remind us all of other salient points addressed in the resolution and their relevance and importance to our Federation.

The resolution, in paragraph 13, *'notes the current dual role of the Chief Executive Officer and Secretary of the Pension Board and decides to replace the existing post by two distinct and independent posts, namely "Pension Benefit Administrator and "Secretary of the Pension Board "by no later than January 2020.'* FAFICS pointed to the risk of administrative difficulties potentially originating by the co-existence of two separate but contiguous posts and expects unwarranted complications and additional costs. It further noted that there is now a contradiction with the existing **Fund's Regulation 7(c) which clearly states that "the Chief Executive Officer shall also serve as the Secretary of the Board"**. Difficulties have already emerged as the Succession Planning Committee was required to amend the Job Vacancy for the post of CEO with obvious delays in this important recruitment exercise.

Another important point was raised in paragraph 14 (b) requiring that *7the WG should review the composition and size of the Board, including the role of retirees' representatives and the modalities for directly electing retiree representatives to the Board.'* We stressed in various fora that this should be regarded as the most crucial point in the whole resolution and one with the major, negative impact on the life of the Federation. Retirees by their very

nature are no longer subject to UN authority, while the UN still owes retirees benefits by right. Ruling on election methods for retirees cannot be made by outside parties, as **retirees are free to associate together in the manner in which they themselves choose and not by direction by the General Assembly or the Fund**. For nearly fifty years, retirees have associated together through their (currently) 63 national retiree AFICS associations and their Federation, FAFICS; Therefore **any attempt to curtail representation by FAFICS would undermine the fundamental right of freedom of association by retirees**. References to UNAT's judgments are available in this regard (Case- 2015-UNAT-517).

In paragraph 14 (f), further reference was made to the expanded usage of the Standing Committee, advocated continuously by the UN Participants Representatives, - who hope to have a stronger representation in this body- to which FAFICS is adamantly against.

In paragraph 14 (g) of the Resolution the General Assembly requested the GWG to review the need of the ALM committee. FAFICS is adamantly in favor to retain the ALM Committee.

Paragraph 14 (d) *'Implementation of a review and rotation scheme for the adjustment of the composition of the Board on a regular basis to allow eligible member organizations to share rotating seats in a fair and equitable manner'*. This is a complex matter requiring analysis and study and it is to be regarded as a positive development the fact that the GA refrained from ruling directly but referred the need for further study back to the Board. This implies more time before a decision is made and a lot more work for the Board.

In paragraph 25, the Resolution *'reiterates the need to establish appropriate mechanisms to avoid conflicts of interest between the management of the Fund **and the constituents groups of the Pension Board** and to report thereon in the context of the next report of the Board'*. We emphasized that in the draft resolution the purported conflict was between management and **FAFICS only** as our Federation was to be considered as the **only** Board participant with conflict of interest. We can regard the final text as a major improvement from the original draft.

There are several other points raised in the GA Resolution, which will be addressed by the Pension Board and FAFICS is, as usual, an active player in the debate. Council members are encouraged to provide their contribution.

In paragraph 10, the GA requires to conduct an independent assessment of the IPAS, on paragraph 17 emphasizing the OIOS as the sole oversight body of the Secretariat of the Fund, and on paragraph 44 it highlights the importance attached by the GA to continuing to ensure "unflinching" accountability by the Pension Board.

In paragraph 16, the GA *'urges the Pension Board to ensure timely and proper succession planning for the posts of Chief Executive Officer and Deputy Chief Executive Officer in order to allow adequate time for a competitive selection process, based on pre-established procedures that ensure integrity and fairness'*. This recommendation is only emphasizing existing arrangements following the Pension Board deliberations in July last year, fully supported by FAFICS, to institute a Succession Planning Committee for the selection of high ranking officers of the Fund. Warren Sach and I are actively involved in the work of the

Committee. Work is under way for the selection of the new CEO. In this regard, the Committee was able to put in place effective arrangements for a world-wide search of qualified candidates which were selected and interviewed last June. Thanks to its timely action, the Committee will present a short-list of suitable candidates to the Pension Board in Nairobi.

In paragraph 22, the GA' *decided to amend article 4 of the Regulations of the Fund by inserting a new sub-paragraph (c) to read as follows: subject to the provisions of these Regulations, the Board shall adopt its own rules of procedures, **which shall be reported to the General Assembly and the member organizations***'. The emphasis here underlines that the concept of "reporting" to the GA remains unchanged and that the Pension Board retains its independence in this regard.

Other recommendation points to *'the high proportion of resources dedicated to support functions, highlights the importance of strong monitoring of the use and distribution of resources, including temporary resources, across the Secretariat of the Fund, and requests the Pension Board to strengthen monitoring to ensure that the Secretariat for the Fund utilizes resources in accordance with the decisions of the General Assembly'*. FAFICS fully concurs with this request by the GA. Suggestions were made, yet to be analyzed, that the Board take a close look at the possibility of off-shoring some elements of the work of the Secretariat, to cheaper locations in East Europe or Asia or elsewhere.

Next week at the Board and in the coming months, our action will become crucial in the defense of retiree rights and the advancement of FAFICS role within the UN pension system. The Council is encouraged to provide its support to the leadership of the Federation to retain its effectiveness in these engaging efforts.

Over the past year, you have seen my interim messages in which I was providing an initial account of the main activities of the delegation to the Pension Board and the intense follow up work conducted in New York. I know you also received information from various sources on the governance process from the finalization of the Pension Board Report to the various stages of its approval via the review by the Advisory Committee on Accounting and Budgetary Questions (ACABQ), the Fifth Committee, all the way to the final Resolution (73/274) on the United Nations Pension System adopted by the UN GA at the end of last year.

The first significant initiative in September 2018 was to meet and subsequently write to the Chair of the ACABQ to solicit the crucial support of that Committee in providing an unbiased view and favorable (to us) conclusions on the recommendations of the OIOS. I wish to express my gratitude to Warren Sach (later in the process joined by Linda Saputelli) who guided me through the intricacies of the UN machinery in this first stage and provided his vital assistance all along. We stressed that FAFICS is a federation of 63 associations representing UNJSPF beneficiaries around the world, founded in 1975 as an NGO based in Geneva **with consultative status with ECOSOC**. As such it is the sole representative of the interests of the UN retirees and other beneficiaries, participating in the work of the Pension Board as a non-voting representative with an active, cooperative and productive role recognized by the Board and by the UN Secretary General. My thanks also go to the other

members of the FAFICS delegation, Gerhard Schramek, Mohammed Sebti and Adriana Gomez for their vital advice and support.

During the ensuing three-month period October to December 2018, the members of the FAFICS delegation to the Pension Board, were actively involved in reaching out to a number of Member Nations Representatives in the Fifth Committee to engage in a information campaign to counter argue the many biased conclusions reached by the OIOS in its report as well as the numerous attacks to FAFICS itself, its leadership (old and new - I personally became a favorite target of fake news and deliberate insults) circulating in various web pages and blogs. My thanks again go to all of my five colleagues in the delegation, Warren and Linda always personally present in the formal and informal meetings of the Fifth Committee and the one to one meetings with diplomats in various embassies in New York. My thanks also go to Gerhard, Mohammed, and Adriana, for their intellectual contributions and information material to assist us when preparing documents and notes in support to our contacts and meetings. I wish to reassure you that FAFICS expressed in a very comprehensive and effective manner its disagreement on the key recommendations effecting our mandate and indeed our own *raison d'être*. Despite all these prolonged, tenacious efforts, there was a time when the review and debates on the draft resolution was about to come to an end in which our hopes were dim and we expected the worse to materialize with most of the more controversial audit recommendations about to be endorsed by the UN GA.

Thanks to the delegation's hard work and the solicited intervention in the Fifth Committee by a small but effective number of Member Nations delegations, the final resolution came out much less unfavorable than expected. In many instances the GA decided to refer issues back to the Pension Board for further study instead of taking rush decisions with little analysis and pondering. This will give all of us more time to work on many issues.

We brought to the attention of the ACABQ and Fifth Committee certain issues of great importance in the context of good governance and management of the UN pension system. We pointed to FAFICS continued support over the years to the recommendations of the Pension Board to the General Assembly and the Secretary-General. We recalled the Pension Board's overall assessment of the very positive state of the Pension Fund's financial and actuarial position as well as policy, strategic and governance matters. FAFICS was actively involved in the work of the Board and was therefore in a position to fully support its conclusions. We underlined the Board's confidence that the Pension Fund is financially and actuarially sound. The current strength follows to a large extent initiatives taken by the Board in recent years including the establishment in 2013 of a working group on sustainability which was endorsed by the Board and approved by the General Assembly, together with prudent investment and other policies.

We noted that investment performance was positive in recent years and notably in 2017, when the total assets of the Fund went from US\$ 54.4 billion to US\$ 64.1 billion as at the end of 2017. The Board Assets and Liabilities Monitoring Committee (ALMC) confirmed that the Fund is fully funded. The representative of FAFICS in the ALMC took part in the development of this positive conclusion by the Committee.

A further positive aspect is that the financial situation of the Fund is stable and sound. The United Nations Board of (External) Auditors based on their audit of the Fund's financial statements and operations expressed an unqualified audit opinion on these financial

statements. FAFICS sees this as a key prerequisite for an effective governance and management of the Fund's operations.

Turning to the benefit processing and IPAS (the new ERP system) implementation, FAFICS fully supported the conclusions reached by the Board which in essence stressed that the processing backlog only related to the inception of new benefits (new retirees) and that in the transition to the new system all the regular benefits (representing some 98.5% of all benefits) were paid to all pre-existing beneficiaries on time, in the correct amount and in an accurate manner.

The subject of the Governance Audit attracted significant attention by the Board which reviewed the report of the Office of Internal Oversight Services (OIOS) on an audit of its governance structure conducted at the request of the General Assembly. The considerable debate over this subject covered all the 13 recommendations by OIOS as well as the audit approach and methodology adopted by the auditors. FAFICS underlined that the Board felt that these lacked professionalism and adherence to accepted auditing standards and seemed biased with regard to certain recommendations. We also stressed that the Board was dissatisfied by the fact that the auditors were not present at the Board's Session, and only presented their views via teleconference and did not provide sufficient time for the Board to formulate a response to the recommendations for inclusion in the report to the General Assembly. The apparent reason for this was lack of time, but during the debate, the Board established that instead there was sufficient time for consideration of its comments.

As you know, the Board decided back in July last year to convene a working group comprising all the three constituencies as well as FAFICS. After considerable debate, the working group reached consensus, recommending to the Board to accept several audit recommendations as valid and to reject others. The Board, with the exception of the UNSPC Participants' Representatives, endorsed the recommendations of the working group. FAFICS expressed to the ACABQ and Fifth Committee its full agreement with the conclusions reached by the Board requesting the Committee to give its favorable consideration to these conclusions.

Of particular concern to FAFICS is the election of retiree representatives. FAFICS strongly rejected the recommendation (#3) that the Board should facilitate the direct election of retirees' representatives as full members with voting rights allegedly to ensure transparent and democratic representation of beneficiaries and their interests. FAFICS submitted a document on this issue to the Board, stating, inter alia, that the Federation is an independent body with its own statutes, rules of procedures and is an established NGO in consultative status with ECOSOC. It is therefore felt that it is not within the authority of the Pension Board to establish requirements for the election of retiree representatives. The election process for retiree representatives should remain the sole prerogative of FAFICS.

In March 2019, the Fifth Committee reviewed the Report of the Working Group on After Service Health insurance –ASHI and FAFICS was admitted to speak before the Committee. We reminded the Committee that health insurance currently covers approximately 67,000 retirees and their qualified dependents. Insured retirees, as significant financial contributors to ASHI, have a legitimate, material interest in participating actively in all discussions and reviews of ASHI arrangements, which is why retirees appreciate and have been active members in the Working Group process.

We brought to the attention of Member States, our views and concerns on health insurance matters (ASHI). We noted that the report had not been endorsed by the Working Group, but is the Secretary-General's report. Nevertheless, FAFICS was pleased to have participated in the Working Group and supported most of its conclusions. An important exception was the proposal for a new entitlement accrual mechanism, paragraphs 38 to 41 of A/73/662, including new eligibility criteria, because it would place an additional financial burden on future retirees. We observed that the ACABQ was not convinced of the entitlement accrual mechanism as presented. In addition, both FICSA and CCISUA joined FAFICS in not supporting the proposed entitlement accrual mechanism.

Part VII of the Secretary-General's Report under the heading, *Funding of the after-service health insurance liability*, recommends in paragraphs 55 – 82 that measures be taken to phase out the pay-as-you-go financing and to replace it by pay-as-you-accrue financing. While FAFICS recognizes that the proposals relate only to the UN Secretariat, it supported them as a matter of principle which should guide the entire common system.

We expressed concerns that the ACABQ did not support the financing recommendations as summarized in the Executive Summary (e) to (g) of the Report of the Secretary-General (A/73/662). As a result, the common system remains exposed to growing risks of significant unfunded liabilities which range from \$8.8 billion upwards, as shown in paragraph 64 of the Secretary-General's Report (A/73/662).

On behalf of the entire Federation, I would like to thank our colleagues who participated in the working group for over three years Georges Kutukdjian and Katia Chestopalov, Warren Sach and Gerhard Schramek.

Earlier this year, we paid attention to the reporting requirements to ECOSOC (the Economic and Social Council of the UN). We are all aware of the strategic importance for our Federation to be granted consultative status with this important body. It not only supports our independence within the UN system, but it also provides an opportunity to reflect and take action on an array of important UN social and economic themes with which we want to be significantly involved. As the Secretary and I assembled the Quadrennial Report due 1st of June, we realized the substantial engagement of many AFICS associations in many social themes such as Women's day, AIDS/HIV day, Climate Change and many others. I wish to encourage our growing involvement with ECOSOC themes, an increased awareness by all of us and ongoing reporting on such activities. We have prepared a list in this regard available for information of Council participants.

Council last year recommended that an ad-hoc working group be set up to review proposals regarding rules of procedures. In view of our heavy involvement in PB follow up activities, the Bureau could not meet in the fall last year and the working group was put in place only in January this year. The January session of the Bureau recognized the time constraints for the newly formed working group and requested that the group present its Terms of Reference to Council next week for endorsement. I encourage a productive discussion of this topic so that the WG can commence its work on a timely basis.

On the subject of internal elections, we have stressed on several occasions that our agenda in this regard remains at the sole discretion of the Federation and its governing bodies

without interference from external sources. We remain convinced that our internal election process is democratic as it features direct elections at the level of individual country associations while in turn the officers elected to represent the associations within FAFICS are elected by all delegates present at the Council each year to FAFICS officer positions (Vice-Presidents, Secretary, Treasurer). We believe that the selection of FAFICS officers is based on a democratic system and we will do our best to improve the perception in this regard outside FAFICS where and when needed.

As to the selection of the FAFICS delegation to the Pension Board, it should be noted that our Rules of Procedures provide the President with a certain degree of latitude to select a cohesive, effective and competent team that he or she feels appropriate to work harmoniously and efficiently in advancing the difficult technical pension related issues debated in the Pension Board. The selection is not a unilateral process but should be seen as a proposal by the President **in consultation with the Bureau**. I'd like to emphasize that as recently as the last Bureau meeting in Geneva in January, this important subject was discussed at length and sound conclusions were reached unanimously. The Bureau recognized that the established procedure for the appointment of FAFICS representatives to the Pension Board clearly indicate the process that should be followed (please refer to the Attachment to the Rules of Procedures). The Bureau agreed on its awareness of the approval requirements stipulated in the said attachment.

In this regard, your attention is pointed to paragraph 5 of the Attachment which stipulates that "the Representatives should be well versed in pension matters, both policy and practical, have negotiation skills, and be disposed to commit themselves to the work involved for a number of years". The composition of the delegation is designed by paragraphs 1 to 3 where it is stated that the President and the Chair of the Pension Standing Committee shall be ex-officio members of the delegation, while the remaining two members and the two alternate "shall be nominated by the President in consultation with the Bureau". Paragraph 7 then states that "the Representatives and the Alternates should be formally appointed by the Council".

We believe FAFICS does not need to demonstrate its degree of democracy. I think we have a proper governance structure with a written constitution (the Statutes), Rules of Procedures, a sovereign, democratically elected Council where all 63 associations are fully and freely represented with rights to vote (members Representatives are also democratically elected back in their home associations), a democratically elected President and a Bureau composed of democratically elected members of the same Council.

Council is sovereign in governance matters and for example this year we will follow its decision of last year to reduce the number of Vice Presidents from 7 to 5. Considering that the forthcoming Pension Board will have to follow up on the governance audit and related issues stemming from the GA resolution of last year, I have proposed to the Bureau to retain as is the present delegation to the Pension Board until 2020 inclusive. This will allow to complete the vital work FAFICS representatives conduct in the various Committees, notably the Governance Working Group, the Succession Planning Committee, the Budget Working Group and the Board's Plenary, stemming from the GA resolution of last year. At the Council next year, we will be better positioned to make changes under Council guidance.

We wish to thank all Council participants for their valuable contribution to the work of our Federation and of its member associations. We trust this Council session will be yet another example of harmonious, productive and cooperative way we conduct business to advance our mission to protect the interest of over 78000 UN retirees and beneficiaries around the world.

Appendix 5

Approved budget for 2020



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

48th Session of the FAFICS Council Vienna, 15 – 17 July 2019

Administrative and Financial - Agenda item 9.d

27 May 2019
Council/48/D.9d

Proposed budget for the year 2020

Contents

	Page
Introduction	1
Income estimate for 2020 and observations	1
Expenditure estimate for 2020 and observations	2
Annex 1: Provisional membership figures as at 12 April 2019	4
Annex 2: Comparative table showing budgets and actuals of prior years	6

Introduction

1. In accordance with article 5.9 of the Rules of Procedure, the proposed budget for the year 2020 is submitted in the present document.
2. The Council, at its 37th session in 2008, decided that budget proposals should be balanced and that the rate of contributions should be adjusted to cover expenditures in order to avoid future deficits. At its 42nd session in 2013, the Council approved a contribution rate of USD 1.50, to be applicable as of 2014.
3. The Treasurer, in consultation with the Bureau, has prepared this budget proposal for 2020 in line with the above.

Income estimate for 2020

Income item	USD
Member contributions (18,500 X USD 1.50)	27,750
Interest income	250
Total estimated income	28,000

Observations

4. Membership contributions

The estimate of contributions by member Associations is based on preliminary membership data as at 1 January 2019, and as declared by the Associations. Some of the membership figures are not yet up to date and relate to previous years (cf. Annex 1). The income is calculated using a conservative estimate of total membership of 18,500 like in 2018.

5. Bank interest

The estimate for interest earnings in 2020 is USD 250. This reflects currently low interest rates that are however expected to rise.

Expenditure estimate for 2020

Expenditure item	USD
Travel of Secretariat members	7,000
Participation in Bureau meetings	10,000
Representation	14,500
Hospitality	600
Secretarial assistance	2,000
Equipment	-
Office supplies, courier services	650
Bank charges	400
Communications and outreach	1,800
Miscellaneous	300
Total estimated expenditure	37,250

Observations

6. The proposed level of expenditure exceeds the anticipated income for the year 2020 of USD 28,000 by USD 9,250. The difference can either be covered by resorting to accumulated surpluses of prior years that amount to USD 55,000, or by increasing the contribution rate per member from USD 1.50 to USD 2.00. A proposal supporting the second option will be before the Council.

7. Travel of Secretariat members

This budget line covers the travel and partial daily subsistence allowance of the President, the Secretary and, if necessary, the Treasurer attending the 49th session of the FAFICS Council as well as the 2020 mid-term meeting of the Bureau. It is assumed that in 2020 the FAFICS Council will be held at the same location as the session of the UN Joint Staff Pension Board that is planned to be in Geneva.

8. Participation in Bureau meetings

USD 10,000 is budgeted to support Vice-presidents, Special Advisors to the Bureau and a rapporteur attending the mid-term Bureau meeting usually held in Geneva.

9. Representation

This budget line meets the cost of participation in advocacy activities of importance to FAFICS, such as to promote the FAFICS position on specific issues like ASHI. In view of recent developments and challenges that requested extensive travel by the President in 2018 and the beginning of 2019 this budget line has been markedly increased.

10. Hospitality

This item will cover al lunch offered by FAFICS to the CEO and senior staff of the UNJSPF. It may also cover some hospitality offered by the President.

11. Secretarial assistance

This item is intended to cover temporary assistance during the 2020 Council session.

12. Equipment

Purchase of equipment is not planned for 2020.

13. Office supplies

This item covers the cost of stationary, postage, and telecom charges.

14. Bank charges

The amount is budgeted in line with current expenditure figures.

15. Communications and outreach

The amount will cover the cost of improvements to the FAFICS website and the use of tele-conferences.

16. Miscellaneous

The budget line will cover unexpected expenditure that could not be planned and foreseen.

Annex 1: FAFICS MEMBERSHIP AS AT 1 JANUARY 2019

(Based on data at hand on 21 April 2019. An asterisk indicates that the figure is from 2018 or earlier)

AFICS-Argentina	180
AAFICS-Australia	250
ARICSA-Austria	1322
AFUNSOB-Bangladesh	235
AAFNUB-Benin	25 *
AFICS-Bolivia	50 *
AAFIB-Brazil	170
AAFNU-Burkina Faso	138
CAFICS/ACAFI-Canada	713
AFICS-Chile	530
ASOPENUC-Colombia	148
ACAFNU-Brazzaville-Democratic Rep. of Congo	160 *
ARNUC-Kinshasa-Congo	80 *
ACEFUN-Costa Rica	45
AEFNUC-Cuba	50 *
AFICS-Cyprus	53
AEFSNU-Ecuador	21
AFICS-Egypt	37 *
AFICS-Addis Ababa	554
AAFU/AFUS-France	1500
APUNG-Greece	43
AFAFNU-GN Guinea	29 *
AFUNPI-Bangalore-India	398
UNPA-New Delhi	393 *
AFUNPR-Indonesia	85
IAFICS-Israel	20
FFOA-Rome-Italy	2238
FOA-Turin-Italy	117
AFICS-Japan	88
AFICS-Kenya	214
AFICS-Lebanon	50 *
AAFNU-MR Madagascar	38
AFICS-MSB Malaysia, Singapore and Brunei	40
AMAFINU-Mali	76
AFNU-MG Mauritania	37
AFICS-Mauritius	25
AFPNU-Mexico	122
IGFICS-Myanmar	62 *
RUNSAN-Nepal	126
AFICS-Netherlands	193
AFUNO-New Zealand	50

Nicaragua	20 *
Niger	56
AFUNCS-Nigeria	64 *
PAFICS-Pakistan	54
AFICS-Panama	37
APEFONU-Paraguay	30
AEFNUP-Peru	100
AFICS- Philippines	143
AFICS-Russia	5 (plus 330 members who receive no UN pension)
ASAFI-Senegal	44
AFIJUB Spain	260
AFICS-Sri Lanka	55 *
AAFI-AFICS-Geneva	3354
UNAPATA-Tanzania	52 *
AFICS-Thailand	219
ATAFONU-Togo	47 *
AFICS-Kiev Ukraine	1 (plus 29 members who receive no UN pension)
BAFUNCS-United Kingdom	779
AFICS-New York	2792
AFICS-Uruguay	92
Associated Members	
ARICSCAM, Cameroon	34 *
UNPAS, Somalia	67
Provisional total	19100

Annex 2

**Federation of Associations of International Civil Servants
(FAFICS)**

Comparative Budget: Financial years 2013 - 2018 (Actual), 2019 (approved) and 2020 (proposed) (all amounts in USD)

	2020 Proposed	2019 Approved	2018 Actual	2017 Actual	2016 Actual	2015 Actual	2014 Actual	2013 Actual
Income								
Membership dues	27 750							
Third-party contributions								
Interest income	250							
Other income								
Total income	28 000	28 000	38 397	38 093	25 967	27 409	26 886	25 800
Expenditures								
Travel	7 000	8 500	10 326	9 271	7 311	6 165	9 935	18 285
Participation in Bureau meetings	10 000	18 000	13 300	8 551	6 400	8 278		
Representation	14 500	4 500	18 025	5 866	2 093	3 041		
Official functions/Hospitality	600	600	95	0	0	3 256	1 533	1 299
Secretarial assistance	2 000	2 000	558	2 093	2 012	2 124	784	0
Equipment	0	0	0	0	0	0	0	0
Office supplies, courier services	650	500	625	35	92	289	0	244
Bank charges	400	400	423	294	188	345	203	227
Communications and outreach	1 800	200	0	170	120	0	0	34
Contributions to FICSA et al.		0	0	0	310	620	654	684
Miscellaneous	300	300	582	108	0	48	46	0
Travel of Council delegates			1 545	3 318				
Loss on exchange			18					
Total expenditure	37 250	35 000	45 497	29 705	18 528	31 765	13 154	20 773
Excess of income over expenditure / expenditure over income (-)	-9 250	-7 000	-7 100	8 388	7 440	-4 356	13 732	5 028

