A Message from the Chairman of the 63rd UN Joint Staff Pension Board
Mr. Vladimir Yossifov

I refer to the message that was broadcast on 2 June 2017 concerning the two staff members of the United Nations Joint Staff Pension Fund who were elected as Participant Representatives on the United Nations Staff Pension Committee. It has been confirmed to the Fund that the opinion of the UN Legal Counsel issued in 1992 that it is a conflict of interest for a staff member of the Fund to also serve on the United Nations Staff Pension Committee and consequently on the Pension Board, remains valid and is relevant to the current situation. The Standing Committee of the Board met yesterday, 8 June 2017 to discuss the matter and made the following the decision.

UNITED NATIONS JOINT STAFF PENSION BOARD
Standing Committee

199th meeting held on 08 June 2017 in accordance with Article 4(c) of the Regulations and Section B.4 of the Rules of Procedure of the United Joint Staff Pension Fund

Background

The United Nations Joint Staff Pension Fund (UNJSPF) is governed by its Regulations and Rules. In accordance with Article 2 of the Regulations, the United Nations Joint Staff Pension Board (Pension Board) interprets the Regulations and Rules.

Under Article 4 of the Fund's Regulations, the Fund is administered by the Pension Board, Staff Pension Committees and their secretariats.

The Board appoints a Standing Committee which has power to act on behalf of the Pension Board when it is not in session. The Pension Board has also delegated certain of its powers under the Regulations to the staff pension committees of the Fund’s member organizations.

In accordance with Article 7 of the Regulations, the Chief Executive Officer of the Fund performs his functions under the authority of the Pension Board and also serves as the Secretary to the Pension Board, and under Article 8, the secretariat of the Board also serves as the secretariat of the United Nations Staff Pension Committee (UNSPC).

Recognizing that staff members of the Fund serve under the Chief Executive Officer in serving as the secretariat to both the Pension Board and the United Nations Staff Pension Committee, it follows that UNJSPF staff cannot also serve as members of the United Nations Staff Pension Committee and consequently on the Pension Board. Such a situation would constitute a conflict of interest.
Pursuant to Article 4(c) of the Regulations and Section B.4 of the Rules of Procedure, which provide that the Standing Committee shall have power to act on behalf of the Board when it is not in session, the 199th meeting of the Standing Committee was held on 08 June 2017 to discuss an issue that has arisen whereby two staff members of the Fund were elected as Participant Representatives on the UNSPC.

Decision

Noting the election of two staff members of the Fund as Participant Representatives on the UNSPC, and taking into consideration the opinion provided by the United Nations Legal Counsel on 24 November 1992, which remains valid and is applicable in the current circumstances, the Standing Committee considers it to be a conflict of interest for a staff member of the Fund to serve simultaneously as a staff member of the Fund and as a member (or alternate member) of the UNSPC (and consequently on the Pension Board). Therefore,

1. The Standing Committee has decided that due to the conflict of interest set out above, the two aforementioned Fund staff members cannot be given access to Pension Board documents, nor can they participate in any formal preparations for Pension Board sessions. Equally, they cannot participate in meetings of the Pension Board and of its constituent groups, committees and working groups until such time as the conflict of interest has been resolved.

2. The Standing Committee requests that:

   i. The Fund secretariat draft appropriate clarifying text on conflict of interest to the UNJSPF Rules of Procedure (Annex III to the UNJSPF Regulations & Rules) for the Board’s consideration at its 64th Session in 2017;

   ii. The rules governing the election or appointment of the members of Staff Pension Committees, whether representing Governing bodies, Executive heads or Participants, in all member organizations be updated to address conflict of interest when defining criteria for the eligibility of its candidates and nominees. This should be in line with best practices of certain member organizations, which have regulated that staff members of these Organizations, whose official functions include handling pension matters, are not eligible to become members of the SPCs.

Vladimir Yossifov
Chairman of the 63rd UNJSP Board
9 June 2017