

Statement on Late Pension Payments

ARICSA is very aware of the problems created for new retirees since the implementation of the Pension Fund's new Integrated Pension Administration System (IPAS) computer system in August 2015, due to very long delays in receiving their first pensions – a time sometimes exceeding six months. Such a delay is, of course, not acceptable.

While very happy that the 72,000 existing beneficiaries of UN pensions continued to receive their pensions with no interruption or miscalculation, we were upset that it took until February for the Pension Fund's senior management to publicly acknowledge that there has been a problem with the speed of calculation of pensions for new retirees.

Therefore, we have been pleased by the measures put in place by UN Management and the Pension Fund, to eliminate the existing backlog by early June 2016. These measures include hiring more staff, both normal and temporary – particularly former Pension Fund secretariat staff, an additional customer service desk to address the very frustrating problem of not being able to get answers to questions, and a review of the separation process.

Regarding the separation process, it should be noted that, in most organizations, a significant cause of delays in pension payments relates to the time it takes the organizations to provide the separation documentation and payment instructions (including election of benefit) to the Pension Fund. Statistics have been released showing that almost 60% of the separation papers from staff of UN funds and programs take more than 2 months, and a quarter take over six months to reach the Pension Fund secretariat. For the specialized agencies, the averages are 45% for two month's delay and 22% for a half year delay in reaching the Pension Fund. ARICSA is ready to work with the Vienna-based Organizations to improve any information that separating staff need.

An additional 'irritation' is that since last summer there has been no information about adjusted pension payments. Beneficiaries receive less (or more) in their bank accounts without the quarterly statements they were used to receiving. We trust that this information will also be forthcoming by June this year.

ARICSA sees that progress is being made. We and former organizations are ready to intervene on behalf of our members in critical cases. ARICSA, together with our sister organizations under the umbrella of the Federation of Associations of Former International Civil Servants (FAFICS), will address these issues in face-to-face meetings with the Pension Fund's senior management at a meeting in July.

ARICSA sees no value – even a negative impact – in the petitions circulating that call for the replacement of the CEO of the Pension Fund. Although belatedly, the Pension Fund's senior management is taking the necessary steps. We recommend that our members not sign such a petition.