

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

# Forty-fourth session of the Council Geneva, 27-29 July 2015

#### Report of the session

1. The forty-fourth session of the Council of the Federation of Associations of Former International Civil Servants (FAFICS) was held from 27 to 29 July 2015 at the Palais des Nations in Geneva. At the outset of the session, Council observed one minute's silence in honour 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.

# **Opening session**

- 2. The President, Linda Saputelli, declared the meeting open on 27 July at 10.05 a.m. Odette Foudral, President of AAFI-AFICS-Geneva, the host association, welcomed the delegates to Geneva (see Appendix 1 for list of participants). She extended an especial welcome to the FAFICS President and the President Emeritus, Andres Castellanos. She looked forward to a fruitful meeting and wished the participants every success in their deliberations.
- 3. Speaking on behalf of Michael Moller, Director-General of the United Nations Office at Geneva (UNOG), Clemens Adams, Director of Administration, UNOG, bade the participants welcome. In referring to the minute of silence that had been observed for those members who had passed away and those who had paid the supreme sacrifice while serving the United Nations, he recalled memories of his former colleague, Anders Tholle, the late Honorary Secretary of FAFICS.
- 4. He stressed that UNOG had every respect for the Federation and was most happy to host FAFICS on its premises. He thanked the Federation for its unwavering dedication to serving and safeguarding the interests of United Nations retirees. He assured Council that UNOG would continue to provide active support for and assistance to the Federation's numerous activities.

- 5. In concluding, he wished Council every success in its deliberations, despite the heavy agenda that lay ahead.
- 6. In response to a question about the incompatibility of retiree passes between the four UN centres in Geneva, Nairobi, New York and Vienna, Clements Adams stated that the problem lay in encoding the different retiree identity documents. He hoped a solution would be forthcoming.

#### Agenda item 1: Adoption of the agenda

7. Council considered the provisional agenda (document Council 44/2015/D.1 Rev.1) as submitted, together with the provisional schedule of work, it being understood that items might be re-ordered somewhat in the course of the deliberations. The agenda was adopted as contained in Appendix 2. 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

- 8. Council elected Federico Riesco (AFICS-New York) to preside over the session. Peter Lillie (ARICSA) was elected rapporteur.
- 9. In accepting the office of Presiding Officer, Federico Riesco spoke of being overwhelmed by the honour bestowed upon him. He was very conscious of those who had assumed the role before him. He spoke of the blind faith that Council was placing in him and the fact that he would, for the most part, be flying blind. For his part, he would focus on the Federation's core mission and guide discussion to matters of relevance, utility and interest to all associations.
- 10. He quoted remarks made by the former President, Roger Eggleston, who in his report to the previous session of the Council had spoken of the Bureau having matured or 'come of age' in terms of the Federation's structure. He had also spoken of the highest degree of professionalism within an 'amateur' structure where people practised something 'for the love of it rather than as a profession.' Those remarks also applied to the Council at large to which everybody came as volunteers, willing to devote time and effort to the cause. Federico Riesco stressed that members were not in competition with each other. The emphasis lay on maintaining and developing solidarity among associations, while representing and safeguarding the interests of the retiree community that the Federation represented.

#### Agenda item 3: Nomination of Roger Eggleston as President Emeritus

- 11. In taking up the agenda item, the Presiding Officer spoke of Roger Eggleston's dedication, enthusiasm and humour. He had left an indelible mark upon the Federation's history.
- 12. Linda Saputelli reported that in a recent telephone conversation Roger Eggleston had spoken of how much he missed FAFICS just as much as FAFICS missed him.
- 13. Following a formal proposal by Pierre Adama Traoré, Council nominated Roger Eggleston President Emeritus by acclamation.

### Agenda item 4: Admission of new members

- 14. The Secretary introduced the agenda item and spoke of the long history involving the adoption of the association's statutes and by-laws that had preceded the formal application of the Asociación de Funcionarios Internacionales Jubilados en España (AFIJUB) to join the Federation. The association was welcomed into the ranks of FAFICS as a long-awaited member.
- 15. In expressing his gratitude, Miguel Espinar-Sierra, President of AFIJUB, spoke of his association's commitment to making a major contribution to the Federation. The protracted period of time that had been taken up with the adaptation and ultimate adoption of revised statutes to meet FAFICS requirements was a reflection of diversity of opinion among the members of AFIJUB who, however, fully shared his commitment to the objectives of the Federation.

#### Agenda item 5: Pension issues

# (a) Presentation by the RSG for the Investment of the Assets of the UNJSPF

- 16. In the morning of the opening day of the session, the Presiding Officer introduced Carol Boykin, the Representative of the Secretary-General (RSG) for the Investment of the Assets of the United Nations Joint Staff Pension Fund (UNJSPF), who had declared her willingness to address Council and discuss issues that the participants might wish to raise.
- 17. In her opening address, Ms Boykin spoke of herself as a good friend of the retirees, all the more so as she would soon be joining their ranks. For the greater part of her career, she had worked in the area of retirement plans and fully recognised the importance of ensuring security in retirement. The UNJSPF had no peers among retirement plans.

- 18. Carol Boykin began by giving a PowerPoint presentation that was subsequently circulated to participants. She spoke of recent timelines, the first being the previous year when the RSG post had been created and the Investment Management Division (IMD) had been strengthened with the creation of 20 new posts. She stressed that the large majority of funds was managed internally: an arrangement she intended to continue and strengthen. Whereas externally managed funds might offer some advantages, they might have withdrawal restrictions that could make it difficult to move funds when the need for rebalancing arose.
- 19. The current year was witnessing a transition process of modest change following the appointment of the new RSG in October 2014. The focus was on identifying efficiencies in investments and cost-saving measures, whereas in the year to come the emphasis would be on stabilising those changes.
- 20. In her observations on the current state of the Fund, Carol Boykin spoke of it being in a good operational and financial position, with a funded ratio of 91 per cent and served by strong staff, portfolio managers and analysts in IMD. Although further structural shifts and efficiencies were merited, the changes under consideration were expected to be modest, more along the lines of 'tweaking' the organigram.
- 21. In terms of investment return, the objective of the Fund was to achieve a 3.5% annualised real rate of return over the long term. The real rate of return was calculated by deducting inflation from the nominal return for a given year. Although a rate of return of 3.5 per cent might not be achieved each and every year, it continued to be reasonable over time.
- 22. The RSG stressed that the Fund was relatively conservative. It did not need to take as many risks as some other pension funds. Furthermore, the real return objective was lower than the return target of many other pension plans. That having been said, the current funded status of the fund was attributable to its consistent success in meeting the 3.5% goal over the past fifty years. The Fund did not take high risks; close as it was to being fully funded, it would be able to pay both current and future benefits.
- 23. The modest changes that the RSG was envisaging related to a slight lowering of the target weighting for equity and fixed income. Increases in real assets and alternative investments would be gradual. Assets and liabilities would be studied every four years and the asset mix would be reviewed on a quarterly basis in cooperation with the Investments Committee. In the ultimate analysis, she emphasised, benefits were secure.
- 24. The RSG fielded a series of questions from the participants. The responses to the questions are presented under various headings below.

#### Investments Committee

- 25. In response to a question about the resignation of the Chairman of the Investments Committee, the RSG spoke of her appreciation for the services provided by the Committee members who served on a pro bono basis. The composition of the Committee was governed by the criteria of geographic diversity and gender balance. Over the past seven decades, the Committee had grown in numbers from 3 to 9 members, with regular members serving three-year terms and ad hoc members one-year terms. With the entry of the new RSG, all members were serving on ad hoc basis. They would serve on the same basis in the year to come: the final year of the current Secretary-General's term of office. Both the composition of the Committee and the terms might well be revised. At present, the Committee was in need of a new Chair and one new member.
- 26. One member association pointed out that eight members serving oneyear terms was inconsistent with the terms of reference of the Investment Committee. With checks and balances gone, a rotating chair and shortened terms should not be allowed to jeopardise the quality, professionalism and structure of the Committee. The determining factors had to be geographic diversity, gender balance and competence.

# Maintenance of the real return target

- 27. Questions were raised about the achievement of the 3.5% return rate over the coming fifty years. The RSG explained that as a mature fund where the income from participants did not fully cover the cost of pensions, the risk in the near term was that the Fund might not achieve the target: a factor that many pension plans with shorter durations of liabilities often faced. However, it should be appreciated that as markets worked in cycles, scenarios had been drawn up for the coming ten, twenty and thirty years. Meeting the criteria of safety, profitability, liquidity and convertibility were key to the success of the Fund's sustainability.
- 28. One query related to the fact that whereas the real return target was not always met, assets had increased quite perceptibly. The RSG responded by pointing out that growth in assets was essential to obtaining the real return rate of 3.5 per cent. Whereas the Fund had underperformed in terms of real return and its policy benchmark rate in 2014, the fixed income duration was relatively short. The reason for the 'shortness' was the need to protect the Fund's assets. However, the RSG was fairly convinced that interest rates would go up, but the juncture at which that would happen could not be forecast. If rates were to rise, the duration of income would be greater.

- 29. It was suggested that the rate of return could be higher, to which RSG replied that the higher the return, the higher the risk. It was inconsistent with the Fund's own goals. Higher risks can sometimes help, but they could also hurt. Her major concern was to meet the 3.5% real rate of return. The objective was to generate enough income to pay for benefits.
- 30. One member association pointed out that over fifty years the real return rate had been achieved without difficulty. Nonetheless, the RSG had compared the target to those used in other companies that had achieved better rates of return. The rate of 3.5 per cent had served the Fund well. It was cautioned that failure to meet high nominal rates of return led to high actuarial deficits. The Pension Board would be well advised not to change the target. In her reply, the RSG stressed that the Fund was committed to upholding the 3.5 per cent real rate of return as an actuarial input. It was essential that the Fund focus on its own objectives and not enter into comparisons with other funds.

# Investment policy

- 31. In answer to a question about investments in various countries, the RSG replied that although the Fund did not hold stocks in every country, it had investments in every country. As at 30 June 2015, the asset allocation in terms of global equities was 63.82 per cent and 24.54 per cent in global fixed income equities. Some of the targets in the various asset classes were too high. The new strategic asset allocation targets in the two areas mentioned above were 58 per cent and 26.5 per cent respectively. The changes in real assets (real estate) and alternative investments would be more modest and lower.
- 32. In answer to a question about the exact nature of the alternative investments, the RSG explained that of the current 3 per cent of the assets allocated to alternative strategies, 1 per cent was in a hedge fund (Bridgewater All Weather Fund) and 2 per cent in private equity. Those proportions had remained unchanged since 2012. Some US \$ 540 million had been invested in the hedge fund that could be described as a steadyheady (or boring) fund. The Fund had no near-term strategies to increase allocations in that category over the next six months. In any event, the RSG would not consider any such entry without considerable consideration of a conservative and prudent approach.
- 33. It was pointed out that 55 per cent of the Fund's assets were invested in North America (USA and Canada), 20 per cent in Europe and 0.4 per cent in Africa (mostly in South Africa). Given the criteria of safety, profitability, liquidity and convertibility to which the Fund adhered, it might, in the opinion of one member association, be deduced that investments in a hedge fund were more secure than those in Africa. In her reply, the RSG pointed out that

she had been impressed by growth opportunities in sub-Saharan Africa. Indeed, the Fund would invest in all developing, emerging and frontier markets. Furthermore, the investments in sub-Saharan Africa were not only in equity investments, but also in private equity and real estate; the volumes were greater than those shown in the statistics.

- 34. A question was also asked about the Fund's policy on investment in or divestment of 'carbon-heavy' shares. The prime goal, it was replied, of achieving the 3.5% real rate of return was being 'married' with investments in companies that were both environmentally and economically sound. Although still at a very early stage, carbon footprints were being measured mostly in relation to the Fund's stock portfolio. The Morgan Stanley Capital International low carbon benchmark was being used; however, it was not a divestiture option, as companies were in a position to become more efficient. The policy was more in the form of a dialogue as distinct from divestiture. At present, the benchmark was being outperformed.
- 35. Given that the Fund was not primarily interested in making money, but was focused on securing the retirees' future, a question was asked about the availability of investments by country. It was replied that it was a complex issue. The Fund was currently working on identifying the total amounts invested in each country and accuracy was essential.
- 36. Council was also reassured that investments in new companies (aka initial public offerings) were very few and far between, the emphasis being on identifying offerings of assured high quality.
- 37. One member association expressed fears about the risk of the Fund facing situations comparable to the collapse of the Barings Bank due to unauthorised trading or the Madoff fraud. The RSG pointed to the benefits of establishing a risk and compliance division and the concentration of audits via the internal and external auditors currently in place. The many regular audits and monitoring procedures on a scale she had not experienced elsewhere were essential to the efficient operation of the Fund.
- 38. Another member association spoke of the risks associated with the absence of a fully articulated and updated investment policy. In her reply, the RSG stated that the Investment Policy Statement had been updated in April 2014. It merited regular updating and the topic had been discussed in both the Investments Committee and the Pension Board. It would be updated in time for the next session of the Pension Board in 2016.
- 39. In answer to a related question on the status of the Financial Rules of the Pension Fund and the possible infringement on the role of investments, the RSG replied that consideration of the Financial Rules had been postponed until 2016 and both the CEO and the RSG would be involved.

#### Communications

- 40. A number of questions were raised on effective communications between the Fund and its constituents. Current instabilities were of concern to retirees; it was suggested that FAFICS might help in some way to alleviate those concerns. With respect to the latter suggestion, it was essential to avoid conflicts of interest; however, an appropriate response would be forthcoming once the RSG had returned home. For her part, the RSG was confident that the operational changes being considered were modest and would not lead to instabilities.
- 41. Member associations emphasised the need for the Fund to respond swiftly to disturbances and uncertainties generated by the media and staff representatives: a case in point being the allegations surrounding the Memorandum of Understanding (MoU). In fact, in the opinion of one member association, the information emanating from the dispute over the MoU and the future of the Fund was so contradictory that outsiders did not know what to think. Having heard the presentation, it would appear that the Fund was doing well at present and would continue to do well in the future, thus making further discussion redundant.
- 42. The RSG also responded to related questions surrounding the MoU. She had arrived in the middle of the storm. To her mind, concerns always merited attention. For her part, she had discerned distrust, but observed no consensus. All parties needed to see the unsigned draft document so that they could discuss the current version in a knowledgeable manner.
- 43. One member association pointed to the IMD website as a good source of information and an effective tool to counter rumour mongering. The RSG spoke of the positive contribution of the risk assessment policy developed by the IMD. Once the reconstruction of the Division was complete, there would be scope for an open day.
- 44. Communications, it was emphasised, also encompassed the issuance of documents in languages other than English. The RSG said she would explore the matter.

#### Organigram

45. One member association pointed to concerns about the lack of balance in the organigram that the RSG had presented at the outset of the session. The RSG suggested that a dotted line between the Pension Board and the Secretary-General might meet that concern. She stressed, however, that compliance with Article 19 of the UNJSPF Regulations and Rules had to be ensured at all times.

#### Additional posts

- 46. A question was asked about the twenty additional posts that had been authorised in the budget. 10 were already filled and 9 posts were 'in progress'. All of the posts would be filled by 2016, most of them by investment officers, bonds analysts in emerging markets and equity analysts.
- 47. In closing the discussion, the Presiding Officer thanked the participants for their clear and candid questions and thanked Carol Boykin for her replies.

#### (b) Presentation by the Secretary/CEO of the Pension Fund

- 48. In the afternoon of the first day Council met with Sergio Arvizu, the CEO/Secretary of the Fund, Alan Blythe, Head, Geneva Office, Aliamane Bacar-Said, Chief, Client Services, Geneva, and Dulcie Mapondera, Chief, Legal and Compliance Unit, New York.
- 49. Mr. Arvizu gave a comprehensive PowerPoint presentation on the status of the Fund and related issues. He opened by stating that the Fund was operationally and financially sound; it was maturing in a challenging and swiftly changing environment. Growth had increased by a factor of six since the seventies. At present, assuming a 3.5% real rate of return over time, the sustainability of the Fund was assured. The principal would not be utilised to cover the benefits gap for the next fifty years. Any gaps between benefits and contributions would be funded by dividends.
- 50. The maturity of the Fund was attributable to a number of factors, such as increased longevity, the drop in the utilisation of commutation and the long-term costs of the two-track system. Although the above developments had been offset in part by other factors, it was of paramount importance that the Fund maintain the 3.5 per cent real rate of return over the long term.
- 51. In response to a query about the higher long-term costs of the two-track system raised by one member association, the CEO explained that as of 31 December 1995, the costs of the two-track system had been explicitly recognised in the periodic actuarial valuations at 1.9 per cent of pensionable remuneration. As of the actuarial valuation of 31 December 2013, however, the emerging costs of the two-track system had been calculated to equal 2.1 per cent of pensionable remuneration. Factors contributing to those higher emerging costs were the currency exchange rates to the US dollar and the variances in local inflation rates as against those in the United States. For the purposes of the actuarial valuation at the end of the current year, the pension Board had agreed to set the assumed long-term costs of the two-track feature at 2.1 per cent of pensionable remuneration.

- 52. There was no other fund with the complexity and scope of the UNJSPF. Budget resources had been made available for strengthening certain services, but were not available for the financial teams. Other areas in need of augmentation were legal services and risk management.
- 53. The Pension Fund Secretariat had always placed emphasis on leveraging technology to improve its service capabilities and reduce risks; it was currently entering the realm of 21<sup>st</sup> century technology. The many benefits that the Integrated Pension Administration System (IPAS) offered included the reduction of operational risks, the minimisation of the risk of information technology obsolescence, improvement in self-service and simplification of complexities, as well as improvements in integration, supportability and documentation. It guarded against fragmentation and improved the internal control environment, while enhancing management information and knowledge management. IPAS would become the primary system in August 2015.
- 54. The challenges facing the Fund were varied in nature ranging from inflation to definition of marriage. With the growth in the number of retirees and an increasingly older retiree population compounded by greater geographical dispersion, transaction volumes and complexity had increased accordingly.
- Furthermore, the Fund was also facing an increasing number of audits 55. as well as the task of having to service an increasing number of committees and working groups. In that context, morale had been boosted by the unqualified audit opinions for the first three years of financial statements complying with International Public Sector Accounting Standards (IPSAS), further to which the Statement of Internal Control (SIC) had established that the Fund's management recognised 'ownership' over the operations of the Fund, financial transactions and data. The scope of the SIC would be expanded in the course of the current year to include additional key processes. Requests for more and improved communications were also increasing, as was the use of e-mail and social media. From the diagrams and charts showing certain key indicators, it could be seen that the total volume of active staff and retirees/beneficiaries had risen by 73 per cent over the period 1998-2014, while benefit payments had more than doubled over the same period. The total volume of common enquiries addressed by client services over the past 15 years had increased by 203 per cent.
- 56. The Pension Fund Secretariat undertook systematic and consistent biennial reviews of each country with a local currency track benefit, with annual reviews of those countries that had been suspended from the two-track system. Those reviews included an analysis of the inflation and exchange rates for every country. Economic and political reviews were also undertaken of the countries suspended and countries displaying significant

differences between the local currency track and US dollar track benefits. In the case of Greece with a population of 161 beneficiaries and retirees, of whom 77 had opted for the dual track, direct deposits by the Fund were still operative and no requests for payment changes had been received to date. For its part, the Fund had drawn up various scenarios and possible options in the event of the banks closing or Greece leaving the Eurozone.

- 57. As for the Memorandum of Understanding (MoU), all parties to the review (the Under-Secretary-General/Department of Management (USG/DM), the Assistant-Secretary-General/ Office of Human Resources Management (ASG/OHRM), the CEO and the RSG) had agreed on the content of an updated draft, which had been cleared by the Office of Legal Affairs. However, on 10 July, Mr. Takasu, USG/DM, had issued a statement to the effect that more work was needed in sensitising staff and retirees alike to the purpose of the proposed MoU and to disavow any remaining misconceptions. All work on reaching a settlement of the issue had since ceased.
- 58. In closing the CEO stressed that the Fund was in 'a strong financial and operational situation as a result of very hard work, clear priorities, coordinated strategies, as well as effective guidance and oversight from the Pension Board.'
- 59. Following the presentation, the CEO and other members of the Pension Fund Secretariat fielded a broad range of questions on pension-related matters and the human resource issues that had been addressed by the CEO and his staff over the past twelve months.

Responsiveness, client services and IPAS

- 60. Member associations spoke of the Pension Fund Secretariat responding swiftly to enquiries, with tribute being paid to Alan Blythe and Aliamane Bacar-Said and their presentations during pre- and in-retirement seminars. Gratitude was also expressed to Frank de Turris who had served the Fund in an exemplary manner and would soon be retiring.
- 61. In the case of surviving spouses, however, long delays were often suffered. Sometimes there was no response or merely a formulaic response. That was all the more regrettable as surviving spouses were often at a loss on being faced at a time of distress with all the documentation requirements. A typical problem was that when a beneficiary died, the surviving spouse had to provide an affidavit confirming that he/she was still married to the deceased at the time of the latter's death. The affidavit had to be obtained via a lawyer; a statement by the hospital or a general practitioner did not suffice. Given the documentation requirements that had to be met following the death of a beneficiary, one member association asked whether retirees could gain

digital access to their files in order to establish in advance which documents were missing. It was explained that such a procedure might prove possible, once IPAS had been further enhanced.

- 62. Council was reassured that surviving spouses were a prime priority. Not only were there booklets, but spouses also attended in-retirement seminars. The complications that arose were invariably related to multiple spouses or thitherto unknown children. A new package, comprising a video and a presentation, was being designed for introduction in 2016.
- 63. One member association spoke of a residual settlement only having been received some twelve months after the death of the retiree, while in another instance a beneficiary had been unaware of the tax levied on lump sum payments only to be faced with a large tax bill. That clearly pointed to a need to improve the information flow between the Fund and beneficiaries.
- 64. In that context, two questions were raised: the first related to whether the report of the Pension Board would be available on the UNJSPF website as had been the case in 2013 (but not in 2014). The assurance was given that the report would be posted on the UNJSPF website. The second question related to the taxation of the lump sum in France that had been raised in the discussion with the CEO at the previous year's Council. The CEO explained that he had followed the matter up with the Office of Legal Affairs, the French mission to the United Nations in Geneva, the French Ministries of Foreign Affairs and Finance, as well as with his predecessor, Bernard Cochemé. As soon as he received anything, he would inform the member association accordingly.
- 65. It was conceded that an effective flow of information was very much a matter of outreach. Outreach, however, was not restricted solely to the organisation of pre- and in-retirement programmes, but it also entailed briefing sessions for human resource and administrative staff in the various duty stations. For example, outreach programmes every two years had been introduced for both Nairobi and Addis Ababa.
- 66. One member association pointed out that it was not merely a matter of information flowing between the Fund and staff/beneficiaries. A third player could be incorporated in the exchange: the Federation and its member associations that stood ready to provide information and advice to retirees, actual and potential, in their respective countries. The associations had the advantage of having members in situ who were familiar with the problems that staff faced on retirement. A note to that effect could be inserted in the Annual Letter of the CEO.
- 67. Responsiveness, as one member association pointed out, was also a crucial factor in the operations of the Emergency Fund; it might well benefit

from expediting its procedures and introducing more flexible guidelines. In that context, it was also asked whether the Emergency Fund, which had provided some relief in the wake of the natural disasters in the Philippines and Thailand, had done the same for Nepal. The CEO agreed with the need to introduce process improvements in the Emergency Fund. As for Nepal, natural disasters were dealt with by client services in New York: he would follow up on the matter.

- 68. It was reported that at the Pension Board in 2013,the Budget Working Group had not given priority to funding the Fund's operations and client services, which had since been subsumed under IPAS. In the biennium 2016-2017, however, more resources would be forthcoming for the core business of client servicing. As a powerful intuitive tool, a fully operational IPAS should yield faster and more knowledgeable responses.
- 69. One member association asked specifically whether IPAS would take account of the very old retirees, who constituted an ever growing proportion of the retiree population. The assurance was given that as the Fund matured, the Pension Fund Secretariat was becoming increasingly mindful of the difficulties that older beneficiaries faced. IPAS, for example, was very much a paperless function with soft [digital] copies. Retirees with access to the internet could opt on screen for the paperless function, all other retirees would continue to receive hard [paper] copies. The whole undertaking was very much a balancing act; success hinged on having staff fully committed to the Fund.

#### Certificates of entitlement

- 70. Beneficiaries had experienced difficulties with the return of their certificates of entitlement (CEs), resulting in the suspension of payments. The CEO explained that steps were being taken to simplify matters. If the plan went through, retirees on the dollar track would be able to avail themselves of a digital bar-code system. Retirees on the two-track system would have to continue with the postal procedure; delivery to and receipt at the postal address was used as proof of residence.
- 71. Member associations had also experienced problems when trying to locate retirees who had not returned their CEs. Whereas in one year the Pension Fund Secretariat had supplied the associations with full addresses, the following year that had not been the case. The CEO explained the limitations imposed by the confidentiality clause, but he would consult the Legal Officer on the matter as the proposal appeared reasonable. In the case of the United Kingdom, for example, people could be traced on the strength of part of the address, such as the number of the house, plus the postal code: hardly a breach of confidentiality.

### Memorandum of Understanding

- 72. In response to questions about the MoU, the CEO explained that as things stood there would be no change in the MoU, hence there was no need to dwell on the topic. However, the unhealthy climate had led to a loss of initiative. The Pension Fund secretariat would not insist on a revised MoU, but a proper human resource framework was needed. He spoke of four flexibilities that were needed. One that would allow staff to grow and progress and another that would permit extension of contracts beyond retirement age for people with specialised expertise. He also sought a more flexible application of the mobility requirement that would permit key staff to remain with the Fund rather than go into the field. Finally, he sought flexibility in hiring resources in close cooperation with OHRM. The CEO wished to see the Fund as the employer of choice.
- 73. In any other sector, the allegations made against the CEO would be cause for lawsuits. Moreover, the Office of Internal Oversight Services (OIOS) had shown all claims to be baseless. The Secretariat had received a 'clean' audit opinion, not least due to its internal and financial controls and disclosure practices. The OIOS refutation of the allegations would be circulated and it had already been posted on the AFICS-New York website.
- 74. Concern was expressed over the slow response to the allegations that had been levelled at the CEO in the context of the MoU. It was suggested that it might be strategically sound to appoint a spokesperson authorised to reply to charges and counter-charges that emanated from all angles, including campaigning communities such as Avaaz<sup>1</sup>. As the CEO pointed out, the availability of financial resources to fund such a post might pose a problem.

#### Inflation factor and consumer price indices

- 75. One member association pointed to apparent discrepancies in the calculation of the rate of inflation in Colombia. Another member association expressed concerns over the fact that the rate of inflation in Myanmar was much higher than in Washington D.C. and asked whether it could be reimbursed retroactively. The CEO expressed sympathy for both cases that would be addressed outside the conference room.
- 76. The procedure for establishing the rate of inflation was explained; it was the responsibility of United Nations Statistical Division (UNSD) to calculate the definitive figure for each country on the basis of data received from government sources. Given that the countries provided the CPI data to

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<sup>&</sup>lt;sup>1</sup> Avaaz: a global civil-society organization launched in 2007 that promotes activism on issues such as climate change, human rights, corruption, poverty and conflict with a claimed membership of 30 million in 194 countries.

ILO, which published them three months prior to UNSD, one member association suggested that delays could be reduced by drawing on the data when they were published by ILO. It was explained that ILO had been approached on the issue three years previous in an endeavour to streamline matters.

#### **Communications**

- 77. Attention was drawn to the ruckus caused by the Pension Fund Secretariat's letter to retirees dated 29 April 2015 referring to IPAS. Regrettably, it was issued solely in English, unlike the follow-up letter that was issued in English, French and Spanish. Clearly meant to be reassuring in tone, the first letter had been misinterpreted by many recipients. It was an instance of a lack of clarity, compounded by the lack of other language versions.
- 78. The issuance of the very informative booklets was also rather erratic in terms of the languages used. Whereas all ten were available in English and French, only five or six were available in Spanish. On the UNJSPF website, it was claimed, certain issues were addressed solely in English. Three languages [English, French and Spanish] should be the absolute minimum.
- 79. In his reply, the CEO conceded the errors that had been made and gave an assurance that attempts would be made to rectify the situation. He pointed out that the subject of the letter, IPAS, was at a very crucial stage in its development. The system was currently undergoing parallel testing. That meant that certain adjustments could not be made at present, such as standardising the payment of benefits that were currently made either in arrears or in advance, re-routing transfers to India and Pakistan or adjusting matters in West Africa to the benefit of recipients. The ultimate aim was to have a transparent system that ensured the delivery of pensions on time.
- 80. While recognising that language, clarity and user-friendliness were of paramount importance, one member association asked what fate would befall those who did not have access to internet. The Secretariat, it was suggested, would be well advised to use the good offices of FAFICS and its member associations rather than attempting to reassure those affected in a somewhat abrupt manner.

# Payment of lump sum in a currency other than US dollars

81. A question was raised about lump sum payments in a currency other than US dollars at the (invariably disadvantageous) spot bank rate rather than at the UN official rate. It was explained that such payments had to be converted at a bank rate that incurred no costs to the Pension Fund. The Fund's bank, JPMorgan Chase, was a trustworthy bank on a par with UBS

and Standard Chartered Bank; however, like all banks it had a swathe of rates that varied in relation to the amount being converted. It was suggested that it might be better for clients to ask their own bank what its rate was. For its part, the Fund was bound by the rules to pay the lump sum in US dollars.

82. In closing the exchange, the Presiding Officer thanked the CEO/Secretary of the Fund and his team for their patience and detailed, eloquent replies.

#### (c) Emergency Fund

- (i) Interim status report on the Emergency Fund
- 83. Council took note of the interim status report on the Emergency Fund (document Council 44/2015/D.5c(i)) that had been issued for information purposes. The report was a summary of the note prepared by the CEO/Secretary of the Fund on the Emergency Fund that had been submitted to the 62<sup>nd</sup> session of the Pension Board as document JSPB/62/R.17. Gerhard Schramek (ARICSA), who had prepared the document, drew attention to the fact that in 2014 the Emergency Fund had paid out \$38,329 representing 27 disbursements.
- 84. In that same year 38 new cases were received and 68 cases had been brought forward from previous years. The Fund had not been able to process 62 of those cases for want of adequate information. 4 cases were under review during the period and 3 cases had been rejected as not being covered by the Emergency Fund guidelines. Of the 106 claims considered, the largest number of applications came from Asia (36), Europe (27), Africa (23), North America (11), Middle East (4) and South America (3); the lowest number came from Australia, Central America and the Caribbean (1 each). The figures contrasted markedly with the disbursements in the period 2012-2013 during which significant amounts were disbursed as payments for claims relating to the floods in Thailand (end 2011) and the typhoon in the Philippines (November 2013). To date no claims had been received relating to the Ebola outbreak in West Africa (2014) and the earthquake in Nepal (2015), but they would be reported on more fully at the 2016 session of the Pension Board.
  - (ii) Dissemination of information about the UNJSPF Emergency Fund
- 85. Dr Antonio Pio (AFICS-Argentina) introduced the paper that had been prepared by AFICS-Argentina (document Council 44/2015/D.5c(ii) Rev. 1) which focused on the performance of the Emergency Fund over recent years and the role of FAFICS.

- 86. In a PowerPoint presentation, he stressed the need to intensify the efforts to circulate information on the Emergency Fund in the wake of the increase in the Emergency Fund budget. He pointed to the proactive client-friendly approach recently adopted by the Pension Fund and the impact of its booklets, available in English, French, Spanish and Arabic, as well as the supplementary information posted on the UNJSPF website and provided in the Annual Letter. Despite the appreciable increase in requests over the past three years, the number of grants had remained comparatively low, with the largest proportion of financial assistance going to beneficiaries in high-income countries. For all the efforts of the Pension Fund, the results were still inadequate, especially in the low- and middle-income countries.
- 87. Dr Pio recalled the findings of the questionnaire on the Emergency Fund that the Federation had circulated to all member associations. Only 17 associations had responded, 10 of which had reported that they did not encourage their members to apply for assistance from the Emergency Fund. He concluded that the endeavours to promote the Emergency Fund had yielded little, especially among retirees on small pensions in Africa and Asia, many of whom did not understand the administrative procedures couched as they were in English that demanded a good command of the language and the terminology.
- 88. He felt that at the level of the individual associations, steps could be taken to complement the information provided by the Pension Fund. Those complementary activities could include providing translation into local languages of supplementary information and developing visual aids. Meetings at the association level should include an item on the Emergency Fund as a permanent feature of the agenda. Members should be on hand to assist applicants in preparing their submissions and gathering supporting documents. The associations might also be permitted to submit the applications on the applicants' behalf to the Pension Fund and/or the Staff Pension Committees.
- 89. At the Federation level, the Bureau could disseminate publicity material on the scope and rules of the Emergency Fund and support the member associations in the design of prototype material for use in newsletters, circulars and websites, as well as in pre- and in-retirement seminars. The Bureau could also encourage member associations to report on their experience in assisting applicants, while an analysis of ways and means of simplifying the application process could be undertaken jointly with the Pension Fund Secretariat, as had been done in the case of natural disasters. Attention could be paid to broadening the criteria for the award of grants with a view to augmenting the use of Emergency Fund resources. In closing, Dr Pio recalled that the art of communication was the language of leadership.

- 90. In thanking both authors, the Presiding Officer remarked on an 'alarming' number of non-receivables and the disproportionate number of applications from developed countries.
- 91. In the ensuing discussion, it was confirmed that requests could still be submitted in respect of the Ebola outbreak and the earthquake in Nepal. It had to be recognised, however, that the number of applications relating to the Ebola outbreak would be limited as the Emergency Fund was aimed at General Service staff with more than 15 years of service. That limitation hardly applied to the medical staff and professional assistants who had been called in at short notice to provide relief over a period of months.
- 92. One member association, which reported that it did not encourage its members to apply for funding, explained that it had received the questionnaire a year after the association's establishment. At the time, it was still unfamiliar with the issue. It had since changed its opinion and recognised the importance of publicising the Emergency Fund.
- 93. Some associations pointed out that the provision of translations and sample applications were more within the remit of the Pension Fund. It was stressed that emergencies could hit anybody regardless of their country of residence. The statistics did not point to discrimination, but were a reflection of actual fact.
- 94. The irony of increasing the financial resources of the Emergency Fund at a time when those resources were not being used to the full was remarked upon. It was essential that the reasons for the low level of utilisation be established. Given the major delays and the fact that FAFICS never knew what happened to individual files, it was suggested that FAFICS be permitted to attend the Pension Fund Secretariat meetings that reviewed the applications. It was countered that involvement of FAFICS might well hamper the process.
- 95. Furthermore, some applicants, it was felt, might not take kindly to the suggestion that FAFICS transmit files on their behalf, as they would not want their cases to be discussed in their respective associations. In the case of Burkina Faso, the Ministry of Social Affairs had provided support, while the association sought as one of its basic criteria to establish whether the data provided by applicants were indeed correct. In any event, associations should be knowledgeable, if they were to help effectively; they should also not lose sight of ethical considerations when encouraging retirees to submit applications to the Emergency Fund. One member association suggested that at future sessions, matters relating to the Emergency Fund should be taken up during the discussions with the Secretary/CEO of the Pension Fund.

- 96. In concluding, Council agreed with the recommendation that member associations should assume a more active role in: (i) formulating and disseminating information on the Emergency Fund; (ii) assisting applicants in completing the application forms and submitting the requisite supporting documents; and (iii) coordinating, under the guidance of the Pension Fund Secretariat, applications to the Emergency Fund in cases of natural disasters affecting a greater number of retirees (see paragraph 13 of document Council 44/2015/D.5c(ii) Rev 1).
- 97. Council also agreed that the FAFICS Bureau take steps to disseminate: (i) material on the aims and objectives of the Emergency Fund that the member associations could incorporate in their newsletters, circulars and websites; and (ii) reports by member associations on their experience in assisting applicants with their submissions to the Emergency Fund (see paragraph 14, sub-paras. (a) and (b), of document Council 44/2015/D.5c(ii) Rev 1). The suggestion relating to cooperation between FAFICS and the Pension Fund Secretariat in the event of natural disasters (see paragraph 14, sub-para. (c), of document Council 44/2015/D.5c(ii) Rev 1) had already been taken up in the Pension Board. FAFICS would pursue the matter at the upcoming session of the Board.

# (d) UNJSPF Appeal Procedures

- (i) Status report on the review of UNJSPF appeal procedures
- 98. Gerhard Schramek (ARICSA) introduced the information note on the status of the review of the UNJSPF appeal procedures (document Council 44/2015/D.5d(i) Corr. 1) which provided a synopsis of developments over the past two years. The Pension Board had been informed at its 61<sup>st</sup> session that the Pension Fund Secretariat would continue its work on improving the appeal procedures as well as the working methods of the Standing Committee in close consultation with FAFICS. The Pension Fund Secretariat would present a report with recommendations to the Board at its 63<sup>rd</sup> session.
- 99. As things stood, the comparative studies showing the practice in national jurisdictions with respect to insurance/pension claims processes were still in process. Upon completion of that groundwork the Pension Fund Secretariat would invite FAFICS to provide inputs to and comments on the draft proposals for improving the current appeal procedures as well as the working methods of the Standing Committee. The Pension Board was to consider the revised appeal procedures as well as improved working methods of the Standing Committee at its 63<sup>rd</sup> session in July 2016. The

Council would have an opportunity to review the revised appeal procedures at its 45<sup>th</sup> session in 2016 and formulate a FAFICS position.

- (ii) Judgements on pension issues by the United Nations Appeals Tribunal, 2010-2014
- 100. Dr Antonio Pio (AFICS-Argentina) introduced with a PowerPoint presentation the note prepared by AFICS-Argentina (document Council 44/2015/D.5d(ii)), that offered a detailed history of the United Nations Appeals Tribunal (UNAT) over the first four years of its work (2010-2014). UNAT had taken up 24 cases challenging decisions taken by the United Nations Joint Staff Pension Board (UNJSPB) or its Standing Committee which had: exceeded their competence or jurisdiction; failed to exercise the jurisdiction vested in them; erred on a question of law; committed an error of procedure or erred on a question of fact. The paper itemised no fewer than nine lessons to be learnt from experience of the judgements emanating from the United Nations Appeal Tribunal (UNAT) to date, together with some general considerations. For retirees whose former organisations came under UNAT jurisdiction, it was essential that certain procedures such as adherence to deadlines be observed and the opportunity taken to draw on legal counsel from the UN Office of Staff Legal Assistance, which had offices in New York, Addis Ababa, Beirut, Geneva and Nairobi.
- 101. In the ensuing discussion, remarks were made about the apparently unequal treatment meted out to appellants in terms of their participation in the process and lack of a proper hearing. The UNAT could agree to see both parties or neither party, whereas in the UNJSPB Standing Committee management was present throughout the deliberations and the appellant absent.
- 102. In bringing the debate to a close, the Presiding Officer observed a similarity of approach in the two documents before Council. The paragraph in the information note on the current status of the comparative studies showing the practice in national jurisdictions with respect to insurance/pension claims processes and the draft proposals for improving the current appeal procedures as well as the working methods of the UNJSPB Standing Committee (see paragraph 13 of document Council 44/2015/D.5d(i) Corr. 1) dovetailed neatly with the recommendation in the summary of UNAT judgements over the period 2010-2014 that the FAFICS Bureau might propose to the Pension Board that an analysis of the benefits to be derived from publishing the UNJSPB Standing Committee's decisions be taken up within the context of the consultations with FAFICS on the review of the Standing Committee's appeal procedures and working methods (see paragraph 36 of document Council 44/2015/D.5d(ii)).

103. Council agreed to merge the two proposals and endorsed the suggestion that the Federation seize the opportunity to: (i) provide inputs to and comments on the draft proposals for improving the current appeals procedures as well as the working methods of the UNJSPB Standing Committee; and (ii) include an analysis of the benefits to be derived from publishing the UNJSPB Standing Committee's decisions during the consultations with FAFICS on the review of those current appeal procedures and working methods.

# (e) Situation of the former UNJSPF participants in the former USSR, Ukrainian SSR and Byelorussian SSR

- 104. Mikhail Gunar (AFICS-Moscow) introduced the paper on the situation facing the former UNJSPF participants from the former USSR, Ukrainian SSR and Byelorussian SSR (document Council 44/2015/D.5e.) that his association had prepared.
- 105. After a description of the retirees' endeavours to seek a solution in all three successor states, the attention of the participants was drawn to certain persistent problems such as the former staff members who had completed service before 1981 never receiving any compensation for pensions lost. An abortive attempt had been made to reinstate the item on the agenda of the General Assembly and two letters to the Secretary-General had remained unanswered.
- 106. That notwithstanding, the paper proposed that a letter be sent to the Russian President in his capacity as defender of the Russian Constitution requesting that the concessions granted to those former staff members who had entered the Fund on or after 1 January 1981 be extended to those former international civil servants who had served in the United Nations prior to that date. It was also suggested that a letter be sent to the United Nations Secretary-General requesting him to: (i) raise the issue with President Putin and the presidents of the other two countries when deemed appropriate; and (ii) instruct the General Assembly to place the issue on the agenda under the item on the United Nations Pension System as in 2002. A letter, it was suggested, could also be sent to the Pension Fund seeking the reinsertion of the issue on the agenda of the upcoming session of the Fifth Committee.
- 107. Mikhail Gunar thanked Katia Chestopalov for her unstinting efforts. It was further reported that FAFICS had submitted a note to the Pension Board at the recently concluded session.
- 108. In the ensuing discussion, it was reported that in the previous year, support for the Federation's endeavours had been palpable at the Pension Board. Furthermore, at the current year's session, a representative of the Governing Bodies who worked for the Russian Ministry of Foreign Affairs had

assured Katia Chestopalov that he would make an especial effort to find a way of moving forward on the issue. It was pointed out that the Russian Ministry of Foreign Affairs had always been supportive. Appeals for support, some member associations felt, should go to President Putin.

- 109. In Bangladesh, the UN Resident Coordinator had been instrumental in bettering the lot of retirees in that country. He had since been posted to the Ukraine and was sure to do his utmost to help retirees there. The member association in Bangladesh would alert the UN Resident Coordinator to the situation in the Ukraine. Mikhail Gunar pointed to the deteriorating relations between the Russian Federation and Ukraine. Whereas the UN Resident Coordinator might be able to help retirees in Ukraine, he would have no impact on the Russian Federation.
- 110. It was suggested that it might be better to go to the UNAT Tribunal and lodge an appeal against the original transfer agreement. The UNJSPF Emergency Fund could not provide relief in such instances and UN retirees were of no interest to Russian authorities, while the Pension Fund had no mandate to intervene.
- 111. In concluding the agenda item, Council agreed that the Federation should pursue the matter in the Pension Board. It entrusted the Bureau with the task of developing a strategy or multi-pronged approach, including the legal approach. Council congratulated the retirees in the former USSR, Ukrainian SSR and Byelorussian SSR on their perseverance and upheld the principle of solidarity with their former colleagues in those countries.
- 112. At the closing session on the final day, Mikhail Gunar (AFICS-Moscow) spoke of the need to ensure that all UNDP offices had a list of the FAFICS member associations in their respective countries. In the case of Moscow, contacts had been maintained over the years. In that connection, he spoke of the unstinting support that George Saddler, Wytold Zyss, Andres Castellanos, Linda Saputelli, Katia Chestopalov and Lydia Ontal had lent over so many years and thanked them all wholeheartedly.

#### Agenda item 6: Report of the President

- 113. The President presented her report (document Council 44/2015/D.6 (see Appendix 4).
- 114. She opened her statement by thanking Odette Foudral, the President of AAFI-AFICS, for the lengths to which she and her association had gone to ensure the success of the Council session. She also extended her thanks to Katia Chestopalov for the assistance and wise counsel she had given as Special Advisor throughout the year.

- 115. Over the past year, the main issues had been: the Memorandum of Understanding (MoU) between the OHRM and the Pension Fund; the procedures governing the issuance of the Council reports; and human resource issues, primarily after-service health insurance and long-term care (ASHIL). The position of the Federation differed sharply from that of the staff representatives in both the Pension Fund secretariat and the United Nations, who were vocal in their opposition to the MoU, attributing to it levels of authority that it did not have. The Federation's position was that the MoU was an administrative human resource tool and as such had no ability to bring about structural change in the Pension Fund. The Fund was protected by a complex series of checks and balances that did not allow the Secretary/CEO of the Pension Fund to take over the investments side of the operation and the RSG had gone on record stating that she had no intention of increasing the Fund's exposure to hedge fund investments. There had never been any risk to the security of pensions or the safety of the assets of the Fund. Nonetheless, the MoU was an internal administrative matter that called for swift settlement. Given the inability of the parties concerned to come to an agreement, FAFICS looked to the Secretary-General for leadership in a matter that was long overdue.
- 116. Another important factor had been the statement of the Under-Secretary-General for Management on 10 July 2015 in which he stated that more work was needed to sensitise staff and retirees alike to the purpose of the proposed MoU and to disavow any remaining misconceptions. He had also stressed that the MoU was a tool that would allow the Pension Fund Secretariat to operate in a more responsive and efficient manner and, as such, it did not have the ability to change the structure of the Pension Fund. Because of the elaborate system of checks and balances, there had never been any risk for the security of pensions or the safety of the Fund's assets. As the CEO/Secretary of the Pension Fund had reported the previous day, a subsequent memorandum from the Under-Secretary-General for Management had changed everything. The Pension Fund Secretariat would no longer insist on a revision of the MoU, although a proper human resource framework was needed.
- 117. Another issue was the procedures governing the issuance of Council reports that had been the subject of time-consuming and voluminous correspondence among many parties. A satisfactory solution would emerge in the course of the current Council. The High-Level Committee on Management (HLCM)<sup>2</sup> Working Group on After-service Health Insurance (ASHI) had also been at the centre of the Federation's interest. Although the greatest 'noise' had been about pensions, equal vigilance was necessary

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 $<sup>^2</sup>$  The HLCM is a system-wide committee comprising senior administrative managers from the member organisations of the United Nations system.

where ASHI was concerned, as its defence was one of the Federation's two main concerns.

- 118. The President commended Pierre Adama Traoré on his commitment to helping the Federation to increase its membership both in terms of the number of member associations and in terms of the number of members in the individual associations
- 119. Although ageing was not in the prominent position it previously enjoyed, FAFICS would continue to attend the most important meetings on the subject, such as the forthcoming Open-Ended Working Group on Ageing. The President also looked ahead to a reallocation of roles within the Bureau to ensure that it was a truly collaborative executive group. She also looked forward to a redesign of the Federation's website as it could take over the role of the intermittent *FAFICS Matters* as the main channel of communication.
- 120. The Federation was maintaining a holding pattern with respect to its continued membership in the Conference of Non-Governmental Organisations in Consultative Relationship with the United Nations (CoNGO). In the draft budget for 2016 no funds had been earmarked for membership in CoNGO.
- 121. The financial situation remained healthy, but remained dependent upon membership dues. Increasing membership thus became a major challenge.
- 122. In the ensuing discussion, many member associations spoke of an excellent report.
- 123. The President's clarification of the problems pertaining to the MoU and its status as an administrative tool had been most useful. In her reply, the President stressed that with the postponement of the negotiations on the MoU, the matter was dead. She urged that the text of the unsigned MoU be released. That notwithstanding, the noise would continue until the parties involved signed or refused to sign the document. The whole issue had taken on a life of its own.
- 124. In responding to a question about the Federation's maintenance of relations with staff associations, the President replied that FAFICS maintained formal relations with the global Federation of International Civil Servants' Associations.
- 125. Some member associations expressed the hope that issues relating to ageing would not be totally de-emphasised. Given the six-fold increase in the number of retirees over the age of ninety, the Federation should participate

more in the process and take the lead. Its commitment to the issue of ageing should not be allowed to flag. In Bangladesh, for example, AFUNSOB was organising a special event on 1 October 2015 to celebrate the International Day of Older Persons.

- 126. In replying to the issue, the President informed Council that FAFICS was always present at the deliberations of the Open-Ended Working Group on Ageing. Given that a convention on ageing was unlikely and other initiatives, such as an agency on ageing, had come to naught, member associations should specify what form involvement in the issue should take.
- 127. It was suggested that a closer relationship should be developed between the Pension Fund and older retirees or their surviving spouses. FAFICS should be the link between the ageing retiree population and the Fund. An annual report to the Council on ageing-related issues might be one possibility or, more specifically, reports by the individual associations on their outreach to older members and participation in ageing-related meetings. In that connection, one member association suggested that an expert on the rights of older persons be invited to give a presentation on the consideration of ageing-related issues in the United Nations at the Council session in 2016.
- 128. It was also suggested that as the representative of retirees' interests at the Pension Board, FAFICS should revamp its website as a vehicle for briefing its members on ageing-related developments.
- 129. It was recognised that Roger Eggleston had been a hard act to follow. Linda Saputelli was commended for having taken up the baton in such an impressive and determined manner.
- 130. In concluding the agenda item, Council took note of the President's report with appreciation.

Agenda item 7: After-service health insurance and long-term care (ASHIL) issues

- (a) Review of after-service health insurance (ASHI)
- (b) Report of the FAFICS representatives on the High-Level Committee on Management (HLCM) Working Group on ASHI
- (c) Report of the Working Group on Self-Managed Health Insurance Plans
- 131. Given the close linkage between the three agenda sub-items, it was decided to merge them so as to permit a comprehensive debate. Gerhard Schramek (ARICSA) introduced the review of after-service health insurance (document Council 44/2015/D.7a) that focused on developments following the submission to the General Assembly in August 2013 of a report by the

Secretary-General on *Managing after-service health insurance liabilities* (document A/68/353). The review summarised the deliberations of the Pension Board, the International Civil Service Commission (ICSC), the Advisory Committee on Administrative and Budgetary Questions (ACABQ), the Fifth Committee and the Working Group on ASHI set up by HLCM. He drew attention to key developments in those bodies. For example, he reminded Council that the ICSC had recommended to the General Assembly that the current apportionment of health insurance premia between the Organization and both active and retired staff in United States and non-United States health insurance plans be maintained at their existing ratios. The General Assembly had approved that recommendation. For its part, the ACABQ was of the view that the proposal for a system-wide approach to after-service health insurance merited further study and consultation among all organisations of the United Nations system.

- 132. The terms of reference of the HLCM Working Group on ASHI had been expanded to include the study of system-wide opportunities to improve efficiency and cost-effectiveness of the management of ASHI as well as of the growing ASHI liabilities. FAFICS had three representatives on the HLCM Working Group, plus one on the Working Group's Steering Committee. In its comments on the draft terms of reference of the Working Group, FAFICS had requested that the terms of reference be expanded to include items on legal implications and human resource considerations. Health insurance matters, including ASHI, were primarily a human resource issue and the HR Network should be accorded an important role in the review of ASHI. FAFICS had also raised the issue of acquired rights and the fact that ASHI was an essential part of a staff member's conditions of employment. Statements to that effect were to be found in the report on *Managing after-service health insurance liabilities* (document A/68/353).
- 133. Katia Chestopalov (AAFI-AFICS-Geneva) introduced the report on behalf of the FAFICS representatives on the HLCM Working Group on ASHI (document Council44/2015/CRP 2). The Working Group was to deliver a comprehensive and descriptive analysis of the commonalities and differences in the approaches to the definition, funding and management of ASHI and the ASHI liabilities, including an assessment of potential alternative arrangements. Its analysis was focused on four pillars: pillar A cost analysis and administrative arrangements; pillar B the United Nations system ASHI framework; pillar C determination and disclosure of liabilities; and pillar D funding alternatives for the liabilities
- 134. The Working Group had been meeting via video-conference between New York, Geneva, Rome, Paris and Vienna. Given the complexity of the issue and the fact that Geneva was the only location with major self-managed health insurance plans, a two-day workshop had been held there in mid-June 2015. A second workshop, to be held in Rome, had been

scheduled for the end of August 2015. To date, the Working Group had drawn up a detailed questionnaire in order to elicit information from commonsystem organisations and had identified gaps and data discrepancies in the responses received. A second complementary set of questions had been sent to the organisations.. It was, thus, very useful to have highly knowledgeable FAFICS representatives in Geneva and New York, as well as in Vienna, where two different health plans were in operation, and Paris, where the health insurance plan was self-insured, but not self-administered..

- 135. The Working Group had also reported to the Pension Board on its conclusions regarding the administration of ASHI benefits by the Fund. It had concluded that there were no scenarios where the Pension Fund could use its existing capabilities to carry out any ASHI business proper. The Pension Fund systems could not be leveraged as the UNJSPF infrastructure was very specific to the management of pension benefits and related funds. Although there was significant overlap, the populations served by the Pension Fund and the ASHI population were not identical. Moreover, the eligibility criteria for determining participants, spouses and dependants applied by the Pension Fund differed from those used in connection with ASHI.
- 136. The Pension Board had subsequently established that it would not be advisable to broaden the mandate of the Fund and the IMD to include the administration of ASHI benefits, noting that such an option could jeopardise the Fund's operational viability and negatively affect the long-term sustainability of the Fund. It was expected that the General Assembly would consider the report of the HLCM Working Group at its resumed session in March 2016.
- 137. Georges Kutukdjian (AAFU/AFUS) introduced the report of the Working Group on Self-Managed Health Insurance Plans (document Council 44/2015/7c). He reported that at its first meeting on 14 November 2014 the Working Group had discussed draft terms of reference. The primary objective of the Working Group was to exchange information and share experience among retiree associations whose parent organisations had self-insurance schemes, in which many of their members were enrolled. Despite the absence of key stakeholders, viz. the administrations, the executive secretaries and staff representatives of the executive committees of the self-managed health insurance schemes, the Working Group agreed to embark on discussions. The focus would be on issues of direct relevance to retirees covered by self-insurance schemes. The Working Group considered matters relating to ASHIL in general or the overall management of health insurance plans to be beyond its remit.
- 138. In the ensuing discussion, one member association drew attention to the findings of the FAFICS health insurance survey, which had shown that WHO had the best plan. Whereas ASHI could be costed, ageing could not.

Discussion also focused on the issue of acquired rights that should be reaffirmed as a matter of principle. In that context, the concept of acquired rights derived from the fact that retirees had paid their contributions throughout their active service life. The Secretary-General's report to the General Assembly on the management of ASHI liabilities had not spoken of acquired rights, but of the contributions that staff members made to plans that included health insurance. Furthermore, as pointed out in the review of ASHI (document Council 44/2015/7a), changes in ASHI coverage, benefits or contribution levels would inevitably give rise to the issue of acquired rights.

- 139. Another member association argued that organisations did not need to accord new staff members health insurance as an acquired right. As the ILO Administrative Tribunal had pointed out, health insurance and increases in contributions were a financial issue. It was suggested that in the ultimate analysis any general system-wide health insurance scheme ran counter to the interests of retirees. The lowest common denominator rather than the highest common factor would be the outcome. Benefits and coverage could well diminish over time, there being no guarantee that retirees would continue to enjoy the same level of coverage ad infinitum. Inadequate reimbursement and increases in premia could well outstrip the financial capacity of the individual, particularly that of national staff. A careful watch should be kept on the impact that mergers of major health insurance providers might have on the coverage provided, cf. the acquisition of CIGNA by Anthem.
- 140. The HLCM Working Group was being driven by the need to finance liabilities, while FAFICS was trying to inject human resources and legal aspects into the debate. The study being undertaken was to consider all aspects of health insurance throughout the system, as well as the variances and common traits among organisations with self-managed, self-insured and outsourced plans. It was thus too early to provide an answer to the question raised by one member association whether a system-wide plan could coexist with the plans currently enjoyed by retirees.
- 141. The HLCM Working Group was addressing liabilities as its major priority: a focus that was regrettable. The FAFICS representatives considered that a human resource component was essential and staff representatives should be alerted to developments. Associations spoke of liabilities opening a Pandora's box and pointed out that retirees had effectively contributed in excess of their liabilities. FAO, for example, was reported to be mooting a reduction in health-insurance related costs.
- 142. Council was reminded that health insurance had never been a common system issue. In its consideration of the report of the ICSC in 2014, the ACABQ had noted that 'health insurance coverage had originally been a local benefit and not part of the offerings of the common system.' That

notwithstanding and unlike the ICSC recommendation that spoke solely of maintaining existing ratios and the current apportionment of health insurance premia between the Organisation and both active and retired staff members, the ACABQ had adopted a new tack. It currently spoke of a common system approach to medical insurance, including ASHI, based on the best prevailing conditions at each duty station, being a desirable long-term goal for the United Nations system. If such an approach were implemented, Council was convinced that it would result in a new plan design and the concomitant loss of both identity and flexibility. The diversity of the current system should be maintained and sight not lost of continuing the current pay-as-you-go system. Time, however, was of the essence.

### 143. In conclusion, Council adopted the following text.

Council welcomed the decision of the Pension Board on the Pension Fund's inability to provide system-wide health insurance services. At the same time, the Federation should exercise particular care when stating where its interests lay. Despite their having contributed large amounts of funds to health insurance plans in the course of their careers, retirees were but minor parties in the operations of the various plans.

Whatever changes might ultimately be made, it was essential the same standard of care be maintained for staff and retirees alike. It was of paramount importance that cost-sharing formulae were not diluted to the detriment of retirees. The Federation should seek common cause with staff representatives and alert them to dangers looming large. Furthermore, organisations should be held to fulfil their promise and recognise their social responsibilities: an appropriate pension plan and adequate health insurance schemes were the quid pro quo for work done over years of service.

The Federation should assume a stronger voice in and greater distance from the debate in the HLCM Working Group, if they were to avoid being caught up in the momentum of the process. Ultimately, the Federation should draft a statement of approach over and above the present debate in the Working Group. However, that statement should first be drawn to the attention of Ms. Irina Bokova, Chair of the HLCM. The FAFICS members on the HLCM Working Group should endeavour to meet Ms. Bokova and draw her attention to specific issues, such as the exclusion of active staff from the debate.

The Federation regretted the fact that ASHI was seen purely as a financial issue. FAFICS should ensure that there be a competent human resource component throughout the debate. Council commended the

FAFICS representatives on the HLCM Working Group on their factual and timely inputs into the debate.

144. Council also agreed that developments in the HLCM Working Group took precedence over the work of the Working Group on Self-Managed Health Insurance Plans. The deliberations of the latter group would in the meanwhile thus be held in abeyance.

# Agenda item 8: Strategy for establishing new member associations

- 145. Pierre Adama Traoré (AAFNU-BF) introduced the report (document Council 44/2015/D.8). The report provided an historical background, described the more specific experience in Burkina Faso, pointed to the lessons learnt and suggested the way forward.
- 146. The author recalled that over the period 2008-2013, 15 new member associations had joined the Federation. Over the same period, a number of local associations had been established, but had not joined the ranks of FAFICS. Reasons for not joining varied from non-compliance with the spirit and rules of the Federation or a failure to adapt association statutes to instances of force majeure, such as the outbreak of Ebola fever. Spain was the sole association to have met the requirements for admission in the current year.
- 147. Over the years, AAFNU-BF had worked closely with the FAFICS Presidents and Secretaries in contributing to the establishment of new associations. In the course of those activities, it emerged that key factors were the identification of focal points in the respective countries, visits during personal or mission travel to encourage local retirees to set up an association, the provision of prompt responses to requests for information and the involvement of senior staff members on retirement in establishing national associations. Cases in point were Benin, Togo and Senegal, while travel on mission to Guinea, Cameroon and Côte d'Ivoire had offered the President of AAFNU-BF an opportunity to press for the establishment of national associations in those countries. Rapid responses to enquiries from potential associations had also proved a most effective tool, as had discussions with senior United Nations staff members close to retirement who were encouraged to set up associations in their home countries. Madagascar and Gabon were cases in point.
- 148. It was cautioned that the number of local staff was often ignored in the calculation of the critical mass needed to set up an association. Furthermore, membership was open to all United Nations retirees without any discrimination based on nationality. Clearing an association's draft statutes and regulations prior to establishment guarded against later delays.

- 149. The author outlined a three-phase plan of action: (i) development by the Bureau of clear guidelines: (ii) identification by the Bureau, in cooperation with member associations, of the appropriate approach to the associations and the securement of their membership in the Federation; and (iii) adoption by all member associations of a commitment to ensuring the growth of the Federation and the submission of regular reports to the Secretary who would submit a comprehensive information note to Council at its annual sessions.
- 150. In the ensuing discussion, numerous member associations commended Pierre Adama Traoré (AAFNU-BF) on his initiative. In the words of the Presiding Officer, he had shown everybody the way. In fact, as was pointed out, where there was a will, there was a way.
- 151. It was of paramount importance that the member associations grow in terms of numbers and the membership in the individual associations increase as that would strengthen the 'representativity' of the Federation. It might ultimately lead to FAFICS being granted a vote in the Pension Board.
- 152. The section of the report devoted to lessons learnt was found to be most instructive, in particular the need to maintain close links with the President and Secretary of FAFICS. The list of lessons learnt could be regularly expanded. For example, one could also add the need for synergy effects between various associations and the benefits offered by the Pension Fund Secretariat in the form of letters seeking new members being distributed to all retirees in any one country. The latter blanket approach had yielded good results in many instances. It would also be helpful were organisations to alert the associations of the return of prospective retirees to their respective home countries.
- 153. It was also not to be forgotten that membership had to be open to all UN retirees in a country irrespective of nationality and grade. BAFUNCS spoke of Ireland being in the offing and AFICS-Kenya spoke of the potential offered by contiguous countries. Not only should the Federation's website be kept up to date, but member associations should be seen to offer prospective members distinct benefits. In the case of AFICS-Kenya, the association offered the services of liaison officer who helped reduce the burden on the United Nations Office in Nairobi. For its part, the association had benefited from improved office facilities. It had also hired an assistant who was funded from membership contributions. All that notwithstanding, the retirees' ID cards did not open doors in other duty stations.
- 154. Lydia Ontal (AFICS-Philippines) described the manner in which the association had grown from a core group to an association that already boasted more than 200 members. The association held regular social events and the Executive Committee met monthly. Miguel Espinar-Sierra (AFIJUB) described the decisions that his association had taken relating to the form of

membership and the compilation of statutes. In that connection, it was recalled that the Ghanaian association had still not adapted its statutes to meet FAFICS requirements.

- 155. Attention was drawn to the fact that UNHCR was running preretirement seminars in East and West Africa which offered a good opportunity for member associations to plug the benefits of membership. Seizing the opportunity of trips to other countries to generate interest in setting up an association there should not be underestimated.
- 156. The continued involvement of the member associations was essential, a goal to which the use of social media and new technologies as channels of information could contribute.

# 157. In concluding the highly informative debate, Council decided that:

- (a) The Bureau should develop clear guidelines that could be used by all those involved in FAFICS development activities; (b)The Bureau should seek out those associations that had not yet joined FAFICS and identify appropriate ways and means of approaching them and securing their membership in the Federation: an undertaking to which member associations should be invited to contribute;
- (c) On the basis of the guidelines it had developed, the Bureau should urge all member associations to include the task of ensuring the growth of FAFICS in their work programmes. Member associations should submit regular reports to the Secretary who would prepare a comprehensive information note to Council; and
- (d) All member associations should make efforts to increase their membership, promote the inclusion of General Service retirees in their ranks and seek out all UN retirees in their countries as potential members, irrespective of their nationality.

# Agenda item 9: Proposal for the publication of memoirs of former United Nations staff members

158. Michael Atchia (AFICS-Mauritius) introduced the paper (document Council 44/2015/CRP 3). To date, he had received contributions from 21 former staff members. A number of alternative titles for the publication had been suggested and the current working title was *Glimpses of life in the service of the United Nations*. The project was designed as a forum for former staff members to share with others their personal experiences of the

most varied kind while serving with the United Nations. The publication could also serve to heighten awareness of the United Nations, its charter and the importance of its work. As Editor, he was pleased to announce that Georges Kutukdjian (AAFU/AFUS) and Jean Bacon (CAFICS/ACAFI-Canada) had already agreed to serve the project as members of an Editorial Advisory Board.

- 159. In the ensuing discussion, the initiative was welcomed as it would help, inter alia, to heighten the visibility of the Federation. It became apparent that several members associations, such as AFUNSOB, BAFUNCS, AFUS, the Former Officials' Section of the ILO Staff Union and AFICS-New York, had undertaken or were undertaking similar projects. It also became apparent in the course of the discussion that the preferred format would be an on-line publication in at least the three working languages of the Federation: English, French and Spanish. Having the publication on-line permitted an open-ended and flexible process without strict deadlines. However, clear criteria were absolutely essential so as to avoid contention and denigration (implied or otherwise) of any person or institution.
- 160. A small consultative group, comprising Georges Kutukdjian (AAFU/AFUS), Jean Bacon (CAFICS/ACAFI-Canada) and Michael Atchia (AFICS-Mauritius) was set up.
- 161. Council adopted a set of criteria and other proposals submitted by the consultative group, including one concerning the advisability of using legal disclaimers, and requested the Bureau to develop the project further.

#### Criteria for the selection and editing of submissions

The submissions can be critical, but should not have a negative impact on the reputation of the United Nations, its agencies and agents. They can cover personal memories and anecdotes, but should not be used as an opportunity for self-promotion or settling old scores. The narrative should be written in a personal style using language that shows sensitivity towards other cultures.

Articles may be submitted in English, French or Spanish. The articles submitted in French or Spanish will be translated into English in order to have a publication in English as a first step.

Editors will organise the presentation according to duly developed themes such as peace and security, human rights, sustainable development and environmental protection, other possible themes being health and sanitation, food and agriculture or education and culture.

#### Agenda item 10: Election of FAFICS Officers

- 162. 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 44/2014/D.10 Rev.1). He introduced the slate of candidates and oversaw the election process.
- 163. Linda Saputelli was elected President by acclamation.
- 164. Following the withdrawal of Abu Khaled Masood Ahmed, seven Vice-Presidents were elected by acclamation:

Michael Atchia
Katia Chestopalov
Adriana Gomez
Ari Toubo Ibrahim
Warren Sach
Junko Sato
Marashetty Seenappa

- 165. Jayaraman Sundaresan and Wolfgang Milzow were elected by acclamation to the post of Secretary and Treasurer, respectively.
- 166. The newly elected members would assume office immediately.
- 167. Council then turned to the Chairs and Vice-Chairs/Rapporteurs for the two Standing Committees.
- 168. For the Standing Committee on Pension Issues, Council elected:

Chair: Gerhard Schramek

Vice-Chair/Rapporteur: Warren Sach

- 169. As for the Standing Committee on ASHIL Issues, Council noted that the Chair, Georges Kutukdjian, and the Vice Chair/Rapporteur, Katia Chestopalov, were beginning the second year of their two-year terms.
- 170. In closing the elections, the Presiding Officer wished those elected every success in their endeavours on behalf of FAFICS

#### Agenda item 11: Administrative and financial questions

(a) Report of the Auditors

- 171. The Treasurer introduced the Auditors' report for the year ended 31 December 2014 (document Council 44/2015/D.11a) and pointed to the Auditors' recommendation that the Council approve the balance sheet and the income and expenditure statement.
- 172. The Treasurer pointed to the excess of income over expenditure in the order of \$ 13,700 and the small number of receivables (fees outstanding). It was suggested that the surplus could be used to fund activities relating to the promotion of membership and requirements emanating from the work on ASHI. That suggestion was taken up during the discussion of the proposed budget.
- 173. Council took note of the report for the year ended 31 December 2014 and thanked the auditors for the scrupulous and conscientious manner in which they had undertaken their task.
- 174. 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 2014.

#### (b) Proposed budget for 2016

- 175. The Treasurer introduced the proposed budget for the year 2016 (document Council 44/2015/D.11b). He recalled that it had been decided in 2008 that budget proposals should be balanced and the rate of contributions should be adjusted to cover expenditures in order to avoid future deficits. An adjustment to the rate of contributions had been approved at the Council session in 2013. The proposed budget before Council was balanced and provision had been made for contingency expenditures. The budget followed the structure of the budget for 2015. A new budget line entitled Representation (\$4,300) had been created that could be used for travel in connection with the establishment of new member associations. No provision had been made for membership in CoNGO for 2016.
- 176. An extensive discussion ensued on the various budget proposals and the use of the surplus that had accrued over the previous biennium. Several member associations felt that a reserve would be very useful and the surplus from previous years could be drawn on for that purpose. Furthermore, amendments were suggested in respect of certain descriptors of the budget lines.
- 177. It was regretted that despite the recommendation in the previous Council report, no comparative table had been presented showing the budget allocations for 2014, the budget allocations and current expenditures for 2015 and the proposals for 2016.

- 178. Various suggestions were made for reducing travel costs, such as a modest provision for greater use of modern technologies, viz. video-conferencing and webcasts. The inclusion of a budget line to cover the use of such new technologies would permit those member associations unable to afford the costs of travelling long distances to follow the debate in real time.
- 179. The Treasurer summarised the rationale governing the allocation of travel funds and explained the apparent discrepancy between the amount of travel funds expended in 2014 and the amount budgeted for 2016. The Pension Fund currently financed the travel costs of four FAFICS representatives attending the Pension Board meetings and a tentative provision had been made for six FAFICS representatives in the next biennium. That provision, however, had yet to be approved by the ACABQ/General Assembly, thus making it necessary to include an allocation for possible additional costs in the proposed budget. Furthermore, a growing amount of travel funds would be needed to ensure FAFICS representation at all ASHI-related meetings.
- 180. A plea was also entered for an increase in secretarial assistance in the FAFICS office in Geneva to cover the increase in work as the Federation grew in strength and professionalise the operation. While drawing heavily on volunteers, some member associations were finding it essential to secure the services of team assistants. That applied particularly to the additional services required at Council sessions.
- 181. Questions were also raised about the manner in which requests for funds were approved and a suggestion was made that financial rules should be drafted. It was explained that as things stood requests for funds required the prior approval of the President, Treasurer and Secretary, in consultation with the Bureau. That process made it all the more necessary that in future budgets, more precise explanations be given in respect of the proposed use of resources under the various budget lines. Thought might also be given to drafting appropriate financial procedures.
- 182. Taking into account the proposals made in the course of the debate under the agenda item, Council decided that:
  - (i) The Secretary submit to the Bureau a fully substantiated proposal for secretarial assistance in the FAFICS office in Geneva which would be considered at the next meeting of the Bureau;
  - (ii) A reserve be included in the FAFICS accounts;
  - (iii) The use of resources under the various budget lines be more fully explained in all future budget proposals; and

- (iv) A portion of the surplus from 2014 be used to a reasonable extent to cover the cost of travel associated with the promotion of membership and representation at ASHI-related meetings.
- 183. In the light of the above and given those provisos, Council took note of the proposed disbursements and approved the budget for 2016. (see Appendix 5).
  - (c) Interim report on the management of the budget for 2015
- 184. Council regretted the absence of an interim report on the management of the budget for 2015.

## (d) Appointment of the Auditors

185. Council was informed that the Auditors, Messrs. Ventura Garcia Garnateo and Mohammed Rharha, had expressed their willingness to accept re-appointment. Council expressed its gratitude.

## (e) Council report

- 186. In opening the agenda item, the Presiding Officer spoke of the excellence of the Council reports that had served the Federation well in the past. They more than bore comparison with those of much larger organisations with far greater resources.
- 187. The President introduced the note by the Bureau on the issuance of the report of the Council's proceedings (document Council 44/2015/D.11e Annex 1) that described the current procedure and the relevant observations of the Working Group on improving the functioning of the FAFICS Council that had been accepted at the Council session in 2011. She focused on the procedure for producing the Council report as recommended by the Bureau, while adding the suggestion that the Presiding Officer also be involved in the clearance process of the report.
- 188. Dr Antonio Pio (AFICS-Argentina) presented a paper proposing procedures for the approval of FAFICS Council meeting reports (document Council 44/2015/D.11e Annex 2) that had been proposed by APNU-Costa Rica and endorsed at a video-conference of ten member associations in Latin America in March 2015. He emphasised that the Federation had no rules of procedure for the issuance of the Council report other than the recommendation of the Working Group on improving the functioning of the FAFICS Council that the report be issued 'as swiftly as possible'. That recommendation, however, did not preclude the circulation of a draft for comment and amendment to those associations that had attended the Council session.

- 189. Practice at the technical and administrative meetings of the commonsystem organisations and agencies varied in terms of the procedures for
  approving reports. In some instances, final reports were distributed at the
  meetings to which they referred. Cases in point were the General Assembly
  at which decisions and resolutions were approved word-for-word or the
  Pension Board where the report was adopted at the final meeting. In bodies
  that held meetings at regular intervals, approval of reports invariably ensued
  at the next regular meeting. In all other instances, participants' approval was
  sought via e-mail. Dr Pio concluded his statement by suggesting
  modifications to the procedure proposed by the Bureau.
- 190. Distribution of the draft report for comment would ensure factual accuracy. It was also important to record the fact that all associations present at the session had approved the final report. The member associations participating in the video-conference in Latin America had requested a specific procedure for the approval of Council reports that included prior distribution of the draft to the heads of delegations that attended the session with a request for comment and corrections within a deadline no shorter than five days.
- 191. The ensuing discussion focused on the wording of the procedure proposed by the Bureau and alternative phrases were suggested.
- 192. In the ultimate analysis, Council agreed to adopt the following procedure:
  - 1. The draft report as prepared by the Rapporteur is first reviewed by the President, the Presiding Officer and the Secretary, whereafter it is circulated to associations participating in the session;
  - 2. Participating associations may request corrections within a deadline of no more than two weeks should the draft report contain factual errors;
  - 3. The report is then cleared by the President, the Presiding Officer and the Secretary; and
  - 4. The final report is distributed to all Member Associations.

#### (f) FAFICS information dissemination, including the FAFICS website

- 193. The Secretary, Jayaraman Sundaresan, introduced the report (document Council 44/2015/CRP 4) and extended his thanks to Katia Chestopalov and Doug Helland for their contribution to the website.
- 194. He spoke first of the problems associated with interception of e-mail traffic by third parties. To a certain extent, the use of blind copies could help

reduce the risk of spam attacks or other sinister abuse. In any event, however, documents to member associations should go to all member associations. Alternative methods of communication should be sought, possibly with financial implications. Skype had also proved useful, particularly for internal communications.

- 195. The FAFICS website had long been hosted by AAFI/AFICS-Geneva. It was, however, becoming an increasingly complicated task owing to administrative formalities within UNOG that were not always favourable to the Federation's needs. That having been said, FAFICS was most grateful to UNOG and Information Communication Technology Services (ICTS).
- 196. The FAFICS website featured two major components: (i) the publicly accessible component that required no identification or password; and the restricted area open exclusively to all persons enrolled in FAFICS member associations that required a log-in process. Confidentiality was an uppermost concern.
- 197. The Secretary proceeded to demonstrate on screen the various interactive components of the website, the starting point being the opening page of the public site. The left frame provided access to documents and the centre frame highlighted the main features of the site. Restricted access was initiated by clicking on the relevant rubric on the lower left frame of the public site.
- 198. In the course of time, the Federation would have to develop a web contents and language policy, as well as ensure adequate support and maintenance for the site and, at a later stage, a multimedia site.
- 199. In the ensuing discussion, Jerry Barton (ARICSA) pointed out that given the stringent security requirements of the IAEA in Vienna, the association had found it easier to maintain and develop a website via a commercial site at minimal cost. It had the added advantage of no longer being a site under constant threat of being hacked.
- 200. The links as demonstrated were seen to be comprehensive and it was suggested that in the photo gallery, thumbnail icons might be used. Although the website was structured along the lines of the Federation, thought might be given to simplifying matters in terms of access to content by using different headings, viz. pensions, after-service health insurance, history of the Federation and research with key words. The aim should be to have a site that was neat and uncluttered, as well as one with simple access for older people.
- 201. Interactivity called for regular exchange between associations. For example, one member association distributed its newsletter to all member

associations, yet received only one in return. Questions were also raised about access to Pension Board documents and other sources of information. Only when submissions could be made in all three working languages of the Federation, could it be said that a prime requirement had been well and truly met.

- 202. It should also be ensured that documents posted on the website did not run counter to the principles of the Federation, to which the rider was that they should also comply with policies pertaining to staff and retirees at large.
- 203. Member associations that had suggestions for upgrading the site should submit their detailed proposals to the Bureau.
- 204. It was agreed that the website was 'on the right road'. That notwithstanding, a clear website policy was needed. It was stressed that the website was very much 'a work in progress'.
- 205. Council thanked Jayaraman Sundaresan, Katia Chestopalov and Doug Helland for their efforts to date. It also endorsed the need to upgrade the website and clarify the language policy.

# Agenda item 12: Appointment of FAFICS representatives to the Pension Board in 2016

- 206. Council appointed the following persons to represent the Federation in their capacity as representatives at the Pension Board in 2016:
  - Linda Saputelli
  - Katia Chestopalov
  - Gerhard Schramek
  - Warren Sach
  - Marashetty Seenappa
  - Louis-Dominique Ouedraogo

## Agenda item 13: Date and place of the 45<sup>th</sup> session of the Council

207. The date and place of Council sessions were governed by the venue and date selected for the session of the Pension Board. The Pension Board would be meeting at the International Atomic Energy Agency in Vienna; the Federation would thus meet early in July 2016 **immediately prior to** the Pension Board. In anticipation of those dates, meeting rooms and other amenities had already been booked. Given the pressure on conference space in the Vienna International Centre at that time, subsequent changes would not be countenanced.

208. Council agreed to schedule the Council session as follows:

Friday, 8 July 2016: Meetings of the Standing Committees

Monday, 11 July until Wednesday, 13 July 2016: Plenary session of the Council

209. AOMS-Geneva announced that it was organising a seven-day cruise down the Danube for its members. It would terminate in Vienna on 7 July and an invitation was extended to all member associations to join the cruise. Details of the route and costs would be sent to the Secretary for distribution.

## Agenda item 14: Other business

- 210. Two issues were raised under the agenda item.
  - (a) Limitations on earnings in retirement
- 211. Josianne Taillefer (AFUS) drew attention to the ceiling on the amount that retirees could earn in any one calendar year (\$22,000) and the sixmonth limit set for their service. Given the changing circumstances, she believed that the policy should be reconsidered.
  - (b) New technologies
- 212. Odette Foudral (AAFI/AFICS-Geneva) returned to the issue of the Federation making greater use of new technologies. A case in point was the current Council session, in the course of which an audio link had been set up on a trial basis so that some selected members of the AAFI-AFICS Executive Committee and Roger Eggleston could follow, but not intervene in, the deliberations. She suggested that thought be given to adopting the same procedure at future Council sessions so as to enable those associations that were unable to attend the Council sessions to follow proceedings in real time.

#### Closure of the session

213. In a series of valedictory statements, thanks to those who had served the Federation so well in the past were expressed, as were congratulations to those who had been elected. Best wishes were extended to Presidents Emeriti Amir Ali, Witold Zyss and Roger Eggleston, who had been facing health problems.

- 214. Pierre Adama Traoré (AAFNU-BF) thanked his colleagues for the support they had lent him over the years and he wished his successor every success. Similarly, Ahmed Hussain (AFUNSOB-Bangladesh) spoke of his gratitude to his colleagues in the Bureau, in which he had served under two FAFICS Presidents.
- 215. The Presiding Officer was commended on the tact and skill he had displayed throughout the session; it had greatly contributed to the successful outcome. The President was thanked for her swift response and the understanding she had shown throughout the year for the problems that member associations faced. For her part, the President thanked the participants for their contribution to the success of the meeting.
- 216. The Presiding Officer placed on record his gratitude to AAFI-AFICS, the host association, for the hospitality and support extended towards the participants throughout the session. It was, in his words, a great pleasure to have been in Geneva. He thanked everybody for having ensured a positive outcome to the debate. After announcing that a brief meeting of the new Bureau would be held immediately following the closure, he declared the session closed at 4.45 p.m. on 29 July 2015.

## **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 2016

#### LIST OF PARTICIPANTS

President Linda Saputelli

Presiding Officer Federico Riesco

**Secretary** Jay Sundaresan

Treasurer Wolfgang Milzow

Rapporteur Peter Lillie

Administrative Support Elisabeth Kaytar

**AAFI-AAFICS**-Geneva Odette Foudral

Katia Chestopalov Samuel Mbele-Mbong

Fabio Bigi

Sue Block-Tyrrell Abdoulaye Diallo Roger Fontana David Hume Jean-Paul Menu Pauline Nicholls

Dev Ray

Mohammed Sebti

AAFIB-Brazil Rene Vossenaar

AAFNU-BF (Burkina Faso) Adama Pierre Traoré

Louis Dominique Ouedraogo

AAFNU-N (Niger) Ari Toubo Ibrahim

AAFU/AFUS-Paris Georges Kutukdjian

Josianne Taillefer

AFICS-Addis Ababa Lakew Assefa

**AFICS**-Argentina Antonio Pio

Isabel Kantor Linda Wirth **AFICS**-Benin Albert Alain Peters

AFICS-Santiago (Chile) Mario La Fuente

Adriana Gomez

AFICS-Japan Junko Sato

AFICS-Kenya Jessica Kazina

**David Hastie** 

AFICS-Kiev Aleksey Kostomarov

AFICS-Mauritius Michael Atchia

AFICS-Moscow Mikhail Gunar

AFICS-Myanmar U Hla Min

Khin San Aye Kyi Kyi Nyein

AFICS-New York Warren Sach

**AFICS**-Netherlands Anton Kruiderink

Marjanne Van Zwol

AFICS-Philippines Lydia Ontal

**AFIJUB-**Spain Miguel A. Espinar-Sierra

**AFUNPI**-Bangalore Marashetty Seenappa

AFUNSOB-Bangladesh Abu Khaled Masood Ahmed

Mah Jabeen Masood

Ahmed Hussain Kazi Ali Reza

ARICSA-Vienna Jerry Barton

Gerhard Schramek Marie Odile Dorer

**ASOPENUC**-Colombia Helene Hasselbalch

**BAFUNCS**-UK Andrew J. Flatt

CAFICS/ACAFI-Canada Jean Bacon

FFOA-Rome Marco Breschi

IAFICS-Israel Michael Suess

President Emeritus Andres Castellanos

## **PROXIES**

<u>ASSOCIATIONS</u> <u>FOR</u>

AAFI-AFICS Geneva AAFICS-Australia

AFUNO-New Zealand

AAFNU-Burkina-Faso AMAFINU-Mali

AFICS-Argentina APNU-CR Costa Rica

AFICS-Colombia AEFNUC-Cuba

AEFSNU-Ecuador

AFICS-Santiago AEFNUP-Peru

AFICS-Bolivia

FFOA-Rome FOA-Turin

#### Agenda

- 1. Adoption of the agenda
- Election of the Presiding Officer and Rapporteur
- 3. Nomination of Roger Eggleston as President Emeritus
- 4. Admission of new members
- Pension issues
  - (a) Presentations by the RSG for Investments with Q&A
  - (b) Presentation by the Secretary/CEO with Q&A
  - (c) Emergency Fund
    - (i) Interim status report on the Emergency Fund (Note by Gerhard Schramek)
    - (ii) Dissemination of information about the Emergency Fund (Note by AFICS Argentina)
  - (d) UNJSPF Appeal Procedures
    - (i) Status report on the Review of UNJSPF Appeal Procedures (Note by Gerhard Schramek)
    - (ii) Judgements by the UN Appeal Tribunal on Pension Issues, 2010-2014 (Note by AFICS Argentina)
    - (e). Situation of the former UNJSPF participants in the former USSR, Ukrainian SSR and Byelorussian SSR
- 6. Report of the President
- 7. After-service health insurance and long-term care (ASHIL) issues
  - (a) Review of ASHI
  - (Note by Gerhard Schramek)
  - (b) Report of the FAFICS representatives on the HLCM Working Group on ASHI
  - (c) Report of the Working Group on Self-Managed Health Insurance Plans (Note by Georges Kutukdjian)
- 8. Strategy for establishing new member Association (Note by Pierre Traoré)
- Proposal for publication of Memoirs of Former UN Staff (Note by Michael Atchia)
- 10. Election of FAFICS Officers
- 11. Administrative and Financial Questions
  - (a) Report of the Auditors
  - (b) Proposed budget for 2016
  - (c) Interim report on the management of the budget for 2015

- (d) Appointment of the Auditors
- (e) Council report

(Notes by the Bureau and APNU-CR, Costa Rica)

- (f) FAFICS information dissemination including FAFICS Website (Note by the Secretary and Katia Chestopalov with Doug Helland)
- 12. Appointment of FAFICS Representatives to the Pension Board in 2016
- 13. Date and place of the 45th session of the Council
- 14. Other business

NOTE: Since this year the FAFICS Council is meeting after the Pension Board session, the Standing Committee on Pension Issues will take up all of its items in plenary. Because of time constraints, ASHIL matters will also be considered in plenary.

#### List of documents

Council 44/2015/CRP 1 Corr3 -List of participants

Council 44/2015/CRP 2- Working Group on ASHI

Council 44/2015/CRP 3-Glimpses of Life by Michael Atchia

Council 44/2015/CRP 4- Information dissemination

Council 44/2015/D.1 Rev 1 - Provisional Agenda

Council 44/2015/D.5(c) (i) - Interim status report on the Emergency Fund

(Note by Gerhard Schramek)

Council 44/2015/D.5c(ii) rev1 Dissemination of information about the

Emergency Fund (Note by AFICS Argentina)

Council 44/2015/D.5(d) (i) - Corr1- Status report on the Review of UNJSPF

Appeal Procedures (Note by Gerhard Schramek)

Council 44/2015/D.5(d) (ii) - Judgements by the UN Appeal Tribunal on

Pension Issues, 2010-2014 (Note by AFICS Argentina)

Council/44/2015/D.5(e) - Situation of the former UNJSPF participants in the

former USSR, Ukrainian SSR and Byelorussian SSR

Council 44/2015/D.6 Report of the President

Council 44/2015/D.7(a) - Review of ASHI (Note by Gerhard Schramek)

Council 44/2015/D.7 (c) Report of the Working Group on Self-Managed

Health Insurance Plans (Note by Georges Kutukdjian)

Council 44/2015/D.8 Strategy for establishing new member Associations

(Note by Pierre Traoré)

Council 44/2015/D.10 Election of FAFICS Officers (candidates)

Council 44/2015/D.11(a) - Report of the Auditors

Council 44/2015/D.11(b) Proposed budget for 2016 (2015-08-03)

Council 44/2015/D.11e - Council report

Council 44/2015/D.11e Annex 1 - Note by the Bureau

Council 44/2015/D.11e Annex 2 - Note by APNU-CR, Costa Rica

#### REPORT OF THE PRESIDENT

## Dear Colleagues,

I would first like to thank AAFI-AFICS, for hosting the 44<sup>th</sup> FAFICS Council. Special acknowledgement is due to Odette Foudral, President of AAFI-AFICS, for her efforts towards making our stay in Geneva a productive one professionally and a pleasant one socially. We look forward to interacting with AAFI-AFICS members in the days ahead and thank them too for their contribution in making our stay in Geneva enjoyable. I would also take this occasion to extend a personal thank you to Katia Chestopalov who assisted me this year as Special Adviser. Katia's institutional memory of both AAFI-AFICS and FAFICS, along with her wise counsel, has been invaluable.

I am pleased to see such a robust turnout this year. Welcome to you all, especially those attending a FAFICS Council for the first time. A special greeting to the newest AFICS association, Spain, whose membership FAFICS has anticipated for many years. We are very pleased to see it has come to fruition at last.

My report will be very brief. The time since the last Council has been dominated by two main issues, the Memorandum of Understanding (MoU) between OHRM and the Pension Fund, and the report of the Council and the HR issue. On the MoU, you know by now that this year has been a waiting game for all parties and the matter has been fraught with multiple twists and turns in the process. The Pension Board expected the long-delayed MoU to be signed by the end of September 2014. Instead, we are approaching another September of another year and the MoU has not been signed.

Since last year, the staff representatives, both in the Pension Fund secretariat and the UN, and joined by some retirees have been very vocal in their opposition to the MoU, attributing to it levels of authority which it does not have, and as a simple HR instrument, cannot have. Relatively recently, on 29 June the FICSA President, reversed his long-held position on the Federation and came out in opposition to the MoU; up until then he had advised his constituents not to sign the petitions being sent to the Secretary-General to oppose it.

Having been in New York and "on the ground" so to speak as this matter evolved and taking into account the positions of all parties, mine as President of FAFICS has been consistent; the MoU is an administrative HR tool and as such has no ability to bring about structural change in the Pension Fund which is protected in

this respect and others by a complex series of checks and balances. It cannot and does not allow the CEO of the Fund to take over the investments side, and the Representative of the Secretary-General (RSG) for the investments of the Fund has informed us and has also said in public statements that she has no intention of increasing the Fund's exposure to hedge fund investments. officials at the highest levels, including the Secretary-General's Chef de Cabinet, the Under-Secretary-General for Management and the Assistant Secretary-General for the Office of Human Resources Management (OHRM) provided assurances that the MoU contained four specific flexibilities, approved by the Pension Board at its 2014 session and later endorsed by the General Assembly, and did not alter the bifurcated structure of the Fund, with the Chief Executive Officer in charge of contributions and benefits and the RSG in charge of investments. After consulting the FAFICS Bureau, I sent a letter to the Federation dated 8 May 2015, in which I said: "The MoU is an internal administrative matter for the Pension Fund and it is now incumbent upon the CEO and RSG, together with OHRM, the Legal Office and the Fund's own staff to resolve it promptly within the existing provisions of the UN and UNJSPF regulations and rules. Since these parties have so far been unable to agree, FAFICS looks to the leadership of the Secretary-General on this already long overdue matter."

As already reported to you, the UN Under-Secretary-General for Management issued a statement on 10 July saying that "more work is needed in sensitizing staff and retirees alike to the purpose of the proposed MOU and to disavow any remaining misconceptions". He also reassured staff that staff and retirees that "the MoU is a tool to allow it to operate in a more responsive and efficient manner, and as such, does not have the ability to change the structure of the Pension Fund. Because of the elaborate system of checks and balances, there has never been any risk for the security of pensions or the safety of the assets of the Fund". Since this was written before the Pension Board had met and discussed the matter, the outcome on the Board's discussion on this and matters will be reported to the Council.

On other pension related matters, I am pleased to report that we continue to have a healthy and cooperative working relationship with Pension Fund colleagues who stand ready to assist retirees with their queries. FAFICS members participate actively in the Pension Board and also serve on the Board's various committees.

## **Council reports**

This year the other burning issue which involved time-consuming and voluminous correspondence among many parties has been that of the Council report. In response to the discussions with AFICS-Argentina on last year's report, the Bureau has submitted a document with a recommended procedure for the production of the report. You also have before you a document submitted by the

Latin American associations. I expect that we will have a fruitful discussion and that the decision taken will satisfy all parties.

#### Council agenda

The Council agenda speaks for itself and follows its usual pattern of covering pensions and after-service health care matters annually. For a number of reasons, mostly having to do with scheduling difficulties and a UN holiday, the Council is meeting after the Pension Board this year. We therefore dispensed with separate meetings of the Standing Committees on pensions and ASHI and are taking up their agendas in plenary. We expect that next year we will revert to the normal practice of meeting before the Pension Board does.

An important new topic for FAFICS this year has been the Working Group on ASHI. The Chief Executives Board (CEB) secretariat had originally offered FAFICS two places on the Working Group, but we have since managed to increase this representation to four, one of whom also represents FAFICS on the Working Group's Steering Committee. Under discussion is a proposal by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) to unify ASHI health plans under a single plan managed by the Pension Fund. When this proposal was first made, it seemed unlikely that it could be pursued because of fundamental, indeed seemingly irreconcilable, differences among the plans. However, the proposal is still alive and the report of the Working Group will update you on where matters stand, though it is worth noting, that the ASHI Working Group has already concluded that the Pension Board would not be the appropriate administrator should a single plan or other arrangement be adopted. Here I would like to stress that while the greatest "noise" this year has been about pensions, retirees must remain no less vigilant about the future of ASHI. FAFICS must continue to defend ASHI as one of the two main pillars of retiree entitlements.

On membership, I am pleased to announce that Vice-President Pierre Traoré has continued to be very active and effective in helping us to grow FAFICS. We have at this session the concrete example of Spain as the latest association to join the Federation this year. Forming new associations normally takes time and in the case of Spain, discussions went on over several years and between prior Presidents of FAFICS before the statutes were drafted in final. There are several potential new associations currently in the pipeline and you will have a report on progress later.

You may have noted that for the time being we have placed the topic on ageing which had been under discussion for the past couple of years on the back burner. This does not mean that we will abandon the subject. The Federation shall continue to send representatives to cover the most important meetings on ageing, including on the forthcoming Open-Ended Working Group on Ageing and

to draft reports which can be shared with associations for publication in their newsletters

## Role of the Bureau

FAFICS is fortunate to have at its service seven Vice Presidents to assist in the work of the Council. We have been trying over the past several years to strengthen the role of the Vice-Presidents and make them more effective by assigning them specific tasks and responsibilities according to their individual interests and expertise. Let me say that at this point we have been only partially successful as it seems that the same two or three people continue to do most of the work, some not even elected VPs. I believe we must continue to pursue the goal of making the Bureau a truly collaborative enterprise with active contributions from all Vice Presidents. I would urge those of you standing for election to think about what you would like your role in the Bureau to be and in which areas you could be most effective. We will begin to follow up as soon as the first Bureau meeting following the Council.

The Council has seen the reports of the Bureau which, increasingly, resemble those of the Board in scope and depth. As an executive body the Bureau should be able, when necessary, to take decisions on behalf of the Federation.

#### **FAFICS MATTERS**

As you must all be sadly aware by now, not a single issue of *FAFICS Matters* has been issued this year. I have spoken with several people who I thought might take on this task, but so far have not found anyone willing to do it. It is indeed a big undertaking and the Council may wish to discuss whether we want to let the matter drop or try somehow to revive it. One idea would be to replace it by publishing new information more regularly on the FAFICS website. This in turn requires a modernized and more dynamic website. Since the issue of the website is also on our agenda, I look forward to a lively discussion and suggestions on ways to improve it.

## **FAFICS and CoNGO**

Last year, the former President reported that in 2013 the Bureau had concluded that FAFICS should withdraw from CoNGO, the Conference of NGOs in consultative status with the United Nations. The Bureau came to this conclusion because of disappointing reports on the quality and functioning of CoNGO. It was decided to leave the matter pending for another year with a final decision to be taken as to whether the Federation should continue to belong and pay dues.

#### **Financial matters**

Our financial situation continues to be healthy, but remains dependent on membership dues to support it. For many reasons, not least of which is that retirees are no longer dependent on AFICS associations alone for information, increasing membership in our associations continues to remain a major challenge. We might give some thought not only to this, but perhaps also to other ways of raising funds and ensuring that our coffers remain at a level sufficient not only to support but also increase our activities.

As already mentioned, FAFICS has representatives on the ASHI working group which has been meeting for the most part by video conference. Recently, however, a meeting was held in Geneva requiring travel. It is essential that FAFICS participate in these working groups that affect retirees which is why I would like to see a budget line added for emergency meetings of pension and ASHI working groups as well as others that may arises.

With this, I wish you all a successful meeting and a pleasant stay in Geneva. Linda Saputelli
July 2015

## Approved budget for 2016

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#### Introduction

- 1. In accordance with article 5.9 of the Rules of Procedure stipulating that budget proposals shall be sent to member associations at least three months prior to the annual Council session, the proposed budget for 2016 is submitted in the present document.
- 2. The Council, at its 37<sup>th</sup> 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 42<sup>nd</sup> session in 2013, the Council approved an increase in the contribution rate from USD 1.35 to USD 1.50, to be applicable as of 2014.

#### Budget overview

4. The Secretary and the Treasurer have prepared this budget proposal for 2016 in line with the above.

#### Income estimate for 2016

Income item	USD
Member contributions (18,200 X USD 1.50)	27,300
Interest income	300
Total estimated income	27,600

#### Observations

#### 5. Membership contributions

The estimate of contributions by member Associations is based on preliminary membership data as at 1 January 2015, and as declared by the Associations. Some of the membership data relate to previous years. The income is calculated using an estimate of total membership of 18,200.

#### 6. Bank interest

The estimate for interest earnings in 2016 is maintained at USD 300. This reflects historically low interest rates that are not expected to rise soon, given the statements made by the U.S. Federal Reserve.

#### Expenditure estimates for 2016

Expenditure item	USD
Travel	8,000
Participation in meetings	9,700
Representation	4,300
Hospitality	1,200
Secretarial assistance	2,000
Equipment	1
Office supplies	600
Bank charges	400
Communications	200
Contributions	300
Miscellaneous	900
Total estimated expenditure	27,600

#### Observations

7. First introduced for the budget year 2014, the former budget line "Travel expenses" has again been split into three lines, "Travel", "Participation in meetings", and "Representation" in order to increase transparency and clarity of the proposal for this major expenditure item.

#### 8. Travel

This budget line covers the travel and partial daily subsistence allowance of the President, the Secretary and, if necessary, the Treasurer attending the 45<sup>th</sup> session of the FAFICS Council as well as the 2016 mid-term meeting of the Bureau. It is assumed that in 2016 the Council will again be held at the same location as the session of the Pension Board.

#### 9. Participation in meetings

USD 6,400 are budgeted to support Vice-presidents attending the mid-term Bureau meeting, and another USD 3,300 for those FAFICS representatives attending the Pension Board whose travel is not paid by the Pension Fund.

#### 10. Representation

This new budget line meets the cost of participation in advocacy activities of importance to FAFICS.

#### 11. Hospitality

This item will cover the traditional annual lunch offered by FAFICS to the CEO of the UNJSPF and his senior staff as well as some hospitality extended to the FAFICS auditors. The budget provides for a dinner offered to Bureau members at the mid-term session. It may also cover some hospitality offered by the President.

#### 12. Secretarial assistance

This item is intended to cover temporary assistance during the 2016 Council session.

## 13. Equipment

Purchase of equipment is not planned for 2016.

#### 14. Office supplies

This item covers the cost of stationary.

#### 15. Bank Charges and Communications

The amounts are budgeted in line with current expenditure figures.

#### 16. Contributions

The budget item covers FAFICS contributions to FICSA.

#### 17. Miscellaneous

The budget line has been introduced following a proposal made at the 43<sup>rd</sup> session of the FAFICS Council in Rome. It will cover unforeseen expenditures that cannot be funded under the other budget items.

18. A comparative table showing budgets and actuals of prior years will be issued as an addendum to the present document.

## Annex 1: FAFICS MEMBERSHIP AS AT 1 JANUARY 2015

(Based on data at hand on 16 April 2015. An asterisk indicates that the figure is from 2014 or earlier)

AFICS-Argentina	147	
AAFICS-Australia	248	*
ARICSA-Austria	1182	
AFUNSOB-Bangladesh	187	
AAFNUB-Benin	26	*
AFICS-Bolivia	50	*
AAFIB-Brazil	150	
AAFNU-Burkina Faso	97	
CAFICS/ACAFI-Canada	663	
AFICS-Chile	530	
ASOPENUC-Colombia	147	
ACAFNU-Brazzaville-Congo	200	*
ARNUC-Kinshasa-Congo	65	*
ACEFUN-Costa Rica	45	
AEFNUC-Cuba	46	
AFICS-Cyprus	77	
AEFSNU-Ecuador	49	*
AFICS-Egypt	56	*
AFICS-Addis Ababa	460	*
AAFU/AFUS-France	1500	
APUNG-Greece	61	*
AFUNPI-Bangalore-India	407	*
UNPA-New Delhi	398	
AFUNPR-Indonesia	95	
IAFICS-Israel	22	
FFOA-Rome-Italy	2228	
FOA-Turin-Italy	115	
AFICS-Japan	69	
AFICS-Kenya	41	*
AFICS-Lebanon	50	*
AFICS-MSB Malaysia, Singapore and Brunei	57	*
AMAFINU-Mali	75	
AFICS, Mauritius	30	*
AFPNU-Mexico	83	
IGFICS-Myanmar	45	*
RUNSAN-Nepal	62	
AFICS-Netherlands	186	
AFUNO-New Zealand	46	

Nicaragua	20	*
Niger	48	
AFUNCS-Nigeria	64	*
PAFICS-Pakistan	74	
APEFONU-Paraguay	30	*
AEFNUP-Peru	61	
AFICS- Philippines	93	
AFICS-Russia	9	(230 members receive no UN pension)
AFICS-Sri Lanka	50	
AAFI-AFICS-Geneva	3462	
UNAPATA-Tanzania	52	*
AFICS-Thailand	320	*
ATAFONU-Togo	47	*
AFICS-Kiev Ukraine	3	(28 members received no UN pension)
BAFUNCS-United Kingdom	790	
AFICS-New York	2929	
AFICS-Uruguay	105	*
Associated Members		
ARICSCAM, Cameroon	19	
UNPAS, Somalia	67	*
Provisional total	18238	•