



FEDERATION OF ASSOCIATIONS OF FORMER INTERNATIONAL CIVIL SERVANTS
FÉDÉRATION DES ASSOCIATIONS DES ANCIENS FONCTIONNAIRES INTERNATIONAUX
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Virtual Meeting

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ABBREVIATIONS

ACABQ	Administrative Committee on Administrative and Budgetary Questions
ASHI	After-service health insurance and
CE	Certificate of entitlement
CEB	UN System Chief Executives Board
CEPA	Chief Executive for Pension Administration
CET	Central European Time
FSALMC	Fund Solvency and Assets and Liabilities Monitoring Committee
GWG	Governance Working Group
HLCM	High-level Committee on Management
MOSAIC	Consultant group, also referred to as the “external entity”
IOM	Office of Investment Management
OIOS	Office of Internal Oversight Services
RSG	Representative of the Secretary General for the investment of The assets of the UNJSPF
SPC	Staff Pension Committee
UN	United Nations
UNFCU	United Nations Federal Credit Union
UNICEF	United Nations International Children’s Emergency Fund
UNJSPB	United Nations Joint Staff Pension Board
UNJSPF	United Nations Joint Staff Pension Fund
WFP	World Food Programme
WHO	World Health Organization

REPORT OF THE SESSION

Introduction

1. The forty-ninth session of the Council of the Federation of Associations of Former International Civil Servants (FAFICS) took place from 7 to 9 December 2020 in a virtual setting. The normally scheduled July Council had been postponed until now as a result of the Covid pandemic.
2. The Council opened on 7 December 2020 at 2:00 pm Central European Time (CET). Over the past year the FAFICS Bureau had been meeting regularly, for the first time in February in-person, and later, virtually to discuss possible Council arrangements in light of the ongoing pandemic. In October of this year, the Bureau recommended to the Council that it hold a virtual Council session with a limited agenda and e-elections before the end of the year and had been focusing since then on the technical modalities of virtual meeting arrangements. Bureau reports were issued regularly during this period and were posted on the FAFICS website.

Opening session

3. Pierre Sayour, Secretary of FAFICS, opened the first virtual FAFICS Council which was enabled by the web software platform ZOOM. He confirmed that Council was quorate and met the requirements set out in Rule 3.10 of the Federation's Rules of Procedure. On 7 December, the first day of the Council, 36 associations were represented, 32 on the second day and 31 the last day. Approximately 95 participants attended on each of the three days. He drew attention to the full list of participants (attached as Appendix 1).
4. FAFICS President Marco Breschi welcomed participants. He remarked that FAFICS was making history with its first virtual Council. He was cognizant of the particular difficulties which a virtual meeting posed for a global Federation, primarily the need to accommodate the diverse time zones and parts of the world where Internet access was not always reliable, but he was confident that the Council would be able to carry out its planned agenda successfully. He noted that in establishing the agenda and setting the hours, the Bureau had attempted to identify potential problems and trusted that Council proceedings would run smoothly.

Agenda item 1: Adoption of the agenda

5. Council considered the provisional agenda (document 49/2020/D.1) which was submitted together with the provisional schedule of work.
6. Prior to the adoption of the agenda, comments were made with reference to a single item, revision to the FAFICS Rules of Procedure, not included by design in the draft agenda. One delegation head noted that while he understood that the time available was limited, he did not agree to postpone the item until an in-person meeting could be held. He therefore requested that a special FAFICS Council be organized and devoted to this single agenda item early next year, a request supported by two other delegations. In response to this proposal, another delegate said that in his experience face-to-face meetings provided a more effective setting in which to carry out and complete this particular task. He recalled that he had been part of the original working group some years back when changes to the original rules had been made under a previous FAFICS President. That working group had invested considerable time and effort and held long, late-hour meetings upon conclusion of the Council sessions, but it was a process that had worked well in the end. Still another delegate said that his background in industrial relations had afforded him a perspective on the importance of procedural rules in general. He observed that current FAFICS rules raised a number of conceptual questions, and pointed to the paucity in current rules on financial procedures and the way gender was reflected. He said that at an appropriate time Council would need to set aside sufficient time for this exercise.
7. The President reassured Council that the Bureau had begun to discuss the modalities for the presentation of the revised rules at its pre-pandemic February meeting when it still fully expected that the matter would be taken up at an in-person Council in July. After the onset of the pandemic, the Bureau met seven times virtually to decide on the best way to handle the agenda, including whether a virtual meeting, in the event the pandemic continued, could provide a suitable environment for discussion of the revision to the rules, a subject bound to involve delicate and intricate negotiations. After a full consideration of the pros and cons, the Bureau had unanimously concluded that a subject of this importance could not be dealt with effectively in a virtual meeting. The reasoning is included in the Bureau reports posted on the FAFICS website. The President had already informed the Bureau at its recent December meeting that he was extending the mandate of the Working Group on the revision to the rules and that Jerry Barton (ARICSA-Vienna), the Convener on the work completed to date, had agreed to continue to chair it. In response to requests from participants asking to be added to the Working Group, the President informed Council that the Working Group was already seated, and unless some members dropped out, it would continue as already constituted. The Convener would liaise with the members of the Working Group to ascertain their continued interest and availability. The President stressed that the working group was not intended to be globally or geographically representative and cautioned that it should not supplant the Council. In fact, a limitation on the

size of the group was important so as to maximize efficiency which an overly large working group on this particular topic could hamper. One delegation reminded the Council of her association's keen interest in the topic and pointed to the need to establish a timetable to afford the opportunity for all associations to comment before any new rules were adopted. A Member Association had proposed that an individual member (Mr. Carlos Santos-Tejada) from AFICS/Panama be added as a member of the Working Group reviewing the FAFICS Rules of Procedure. The FAFICS President stated that request would be left to the discretion of its Chair, Mr. Jerry Barton. The same delegation stressed the need for Associations to be given the opportunity to comment on the Working Group's proposals for possible changes to those Rules before the Working Group submits its final draft report to the FAFICS Bureau. The President reminded Council that the Working Group would need additional time to address the gaps in the rules which the pandemic had brought to light. Noting the limited reaction to the proposal of a special virtual FAFICS session to address the rules, he reaffirmed his wish to see the revisions to the rules considered by Council.

8. A delegate commented that the work programme under agenda item 7.c, Proposed budget for 2021, should be "for approval", instead of "by circulation. Another delegate referred to agenda item 6, "Tribute to 75 Years of International Civil Service", and wished to inform and share with the Council, time-permitting, a video his own association had prepared on the occasion of the 75th anniversary. The President agreed to take it up under Other business together with the previously stated proposal by a delegation to hold a special session of the Council on the revision to the rules early next year.
9. **The agenda was adopted with the aforementioned additions under *Other business*. Council also noted the list of Council documents attached as Appendix 3.**

Agenda item 2: Election of the Presiding Officer and Rapporteur

10. The President announced that the Bureau had proposed Marashetty Seenappa (President, AFUNPI, India and past FAFICS Vice-President) for Presiding Officer, and Linda Saputelli (FAFICS President Emeritus) for Rapporteur. Two other nominations for Rapporteur were proposed and a query was posed as to the need for a Rapporteur to be part of an association's delegation. One delegate considered that ideally a rapporteur should be independent, not necessarily a member of a delegation; in his view what was important was that the report reflect accurately the work of the Council. It was pointed out that the former Rapporteur of many years standing had not been part of his association's delegation. In response to a suggestion that appointing a rapporteur from an AFICS association would serve to increase overall participation, the President replied that drafting a Council report was a difficult task, requiring writing skills, but also thorough knowledge of and familiarity with the work of FAFICS; absent previous direct experience, it was not a function

that could easily be undertaken by a newcomer to FAFICS. He added that Linda Saputelli had accepted the assignment at his insistence.

11. On behalf of the Council the President thanked Peter Lilly who had served FAFICS as Rapporteur so ably over many years, but was unable to continue at this time. The Council was very grateful to him for his service, wished him well and sent him warmest regards. After discussion, the other two nominations for Rapporteur were not maintained.
12. **Council approved the nominations of Marashetty Seenappa as Presiding Officer and Linda Saputelli as Rapporteur.**

Agenda item 3: Report of the President

13. In the introduction to his report (document 49/2020/D.3, annexed as Appendix 4) the President observed that for the first time the Council was not being hosted in a city that was seat to an AFICS association. Council participants found themselves geographically separated and obliged to link into Council proceedings from their various domestic locations. He referred to communications he had received from some members who considered that more attention should be given to the views of associations from their specific regions, and stressed that the Federation was above all global in character and international in concept. Hence, giving priority to regional/local interests and even to internal Council issues such as revision to the rules, while certainly important, should not take precedence at the present juncture in light of the changes taking place in the outside world, and especially the current issues before the UNJSPB, some of which posed a serious threat to FAFICS.
14. He asked the Council to observe a moment of silence for all the lives lost over the past year, either to Covid or other causes. Two figures important to FAFICS had left us just this past year, Pierre Adama Traoré (Burkina Faso, past FAFICS Vice-President and Special Adviser), who had worked so diligently to bring new associations into the Federation, and Aurelio Marcucci (Italy), President Emeritus of FAFICS. He asked the Council to stand in tribute to them and all of the members no longer with us. Recalling a happier moment, he congratulated the World Food Programme (WFP) on its Nobel peace prize granted in October.
15. Reporting very briefly on the virtual Pension Board held in July 2020, he characterized the outcome as partially positive in that for the first time in recent years all of the senior management positions in the Fund had already been or would soon be filled. He reminded Council that the Secretary had asked that questions on agenda items be sent to him in advance. The Chief Executive of Pension Administration (CEPA), the Representative of the Secretary-General for the investment of the assets of the Fund (RSG) and the Secretary of the Board would be addressing Council the next day and would answer questions after their presentations. With respect to channels of communication, the President stressed the importance of maintaining harmony and order and therefore asked associations to route their queries and grievances in future

through the Secretary, in particular when communicating with the Fund so that he could better manage the correspondence and keep the President informed.

16. The President next called attention to a matter raised by a Bureau member who had requested the support of FAFICS with respect to the pandemic. She proposed that the President write to the Secretary-General, copied to the UN System Chief Executives Board (CEB) to request him to press governments in countries where vaccine supplies might be limited and ensure that vaccines were provided to retirees and their families, as well as to the UN serving system staff. A number of European countries were making the vaccine available through their national health plans and excluding UN staff as they were covered under other plans and had no access to national schemes. Vaccine distribution was presently foreseen through the World Health Organization (WHO) and the United Nations International Children's Emergency Fund (UNICEF), but it was important that the vaccines be sufficient in quantity and reach all parts of the world. The President would be asking Council to endorse this proposal.
17. Lastly, the President strongly supported the statement by a delegate who on another topic asked FAFICS members to bear in mind the adage, "United We Stand, but Divided We Fall". He encouraged the Federation to make this a priority and stand together in solidarity behind its common goal to improve retiree conditions. He thanked all those who had been working on the organization of the Council and especially the Bureau for the considerable time and energy it had devoted to it over the past several months.
18. In reaction to the President's report, several delegates noted that even at this early stage the current meeting was already proving that FAFICS was capable of using modern technology and creating synergies. One delegate took the floor to express his delegation's regret, however, that FAFICS had not supported its grievance with respect to what they and others heretofore dependent on the services of the Geneva office of the Pension Fund (roughly half of the total number of retirees) perceived to be a decline in client service resulting from the downgrading of that office and the transfer of certain posts and functions to New York. He called for improved coordination and communication between AAFI/AFICS-Geneva and FAFICS in future. In response to this point the Presiding Officer said he expected the Chief Executive for Pension Administration to address the matter in her upcoming presentation. With respect to the proposal on Covid vaccines, one delegate asked associations to share their strategies. Another delegate said that in his association many members had contracted Covid and some had died, so he strongly supported the proposal that every effort be made to obtain vaccines through the most appropriate source. A delegate observed that the architecture of the Pension Board was under review, posing possible serious consequences for FAFICS if direct elections were to be imposed; moreover, this was happening at the same time that the FAFICS architecture was also being challenged by revision to the rules of procedure. Vigilance was needed as FAFICS faced a legal quagmire which could weaken its members, threaten its associations and undermine the entire Federation. Regarding the FAFICS delegation to the Pension Board, the President proposed that the Council should confirm only the composition of the FAFICS delegation to the February

2021 Special Pension Board Session as this one is an extension of the 2020 July Pension Board meeting. He proposed to defer the appointment of the FAFICS delegation beyond that until after the anticipated end-December 2020 adoption of the UN General Assembly Resolution on the UN Pension System.

19. Council thanked the President and took note of his report.

Agenda item 4: Pension issues

(a). Emergency Fund

20. The Chair of the Standing Committee on Pension issues, Gerhard Schramek, introduced the report on the Emergency Fund (document 49/2020/D.4.a) which was presented to the Council for information. He reported that between 1 January 2018 and 31 December 2019 there had been 284 requests for assistance, 106 of which were awarded payments. The amount disbursed in this period was 7% lower than in the previous biennium, although the number of cases had increased by 5%. He stressed the importance FAFICS has attached to the Emergency Fund over many years and expressed the Federation's gratitude to the Fund for its consideration, as well as for the processing and disbursement of emergency assistance to the affected United Nations retirees.
21. In response to a query about coverage for Covid-related expenses, such as funerals. Gerhard Schramek replied that although the Pension Board had not specifically discussed them in relation to Covid, the rules already covered financial difficulties, including for funerals.
22. **Council took note of the status report on the Emergency Fund.**

(b). Report on the work of the Pension Board Governance Working Group

23. In introducing the report (document 49/2020/D.4.b), Gerhard Schramek apologized for its length, but felt it was important that the Council have before it a comprehensive account of the work of the Governance Working Group (GWG) since its inception, together with the related decisions taken by the involved parties, FAFICS, the Pension Board and the General Assembly. He stressed that the GWG had been working under time constraints from the outset. First, the Board had taken a decision to establish the GWG without deciding in advance on the size, composition or even the membership of the Working Group. It had then taken seven months from the time of its establishment to agree on the membership and approve the Terms of Reference. This left the GWG with a scant four months to carry out a heavy workload and report back to the Board.

24. He reported on two related issues important to FAFICS that had been considered by the GWG. The first one concerned the General Assembly resolution on direct elections of retiree representatives, a modality which FAFICS had indicated in the past would create a number of problems. Direct elections of retirees had been considered previously by the Pension Board in 2007, which at that time concluded that it could not organize worldwide direct elections for retirees given the complexity of the related issues involved and the lack of resources. The GWG had examined the modalities for directly electing retiree representatives to the Board and concluded that direct election of retiree representatives from a retiree/beneficiary population living in some 190 countries would be a complex exercise involving expensive logistics. Given that about 20 per cent of the beneficiaries are over 80 years of age, and that many retirees and beneficiaries do not use or have access to the Internet, elections would have to be conducted by postal mail which would be a lengthy and costly process. The GWG recommended that the current modalities for indirect elections should continue. The Pension Board, given the legal considerations, as well as the complex and expensive logistics involved in worldwide elections, decided to maintain the current electoral arrangements. The General Assembly, however, was not only silent on the matter but, unbeknown to FAFICS until later, had left the issue of direct elections of retiree representatives pending, awaiting the appointment of an “independent external entity” to review the governance and make its recommendations.
25. The second issue relating to FAFICS concerned the attendance of alternates to the Board. The GWG, following a recommendation of the General Assembly recommended that alternates should no longer attend Board sessions unless the principal members could not. When the Pension Board sent the matter back to the GWG for further review, the General Assembly overruled postponement of the matter and directed that the no-alternates policy take immediate effect at the July 2020 Board. In anticipation of the new policy which could also apply to FAFICS, the FAFICS representatives had persuaded the GWG, in light of a 63% increase in the number of beneficiaries, that FAFICS representation should be increased to six representatives with no alternates, thereby replacing the current arrangement of four representatives and two alternates. However, the adoption of the FAFICS recommendation would not increase the current size of the FAFICS delegation to the Board and it would have no financial impact for the Fund. The Board did not approve the recommendation and referred the matter back to the GWG for further review.
26. In July 2020, the Pension Board referred a number of items back to the GWG which is currently in the process of reviewing the recommendations of the external entity, the Mosaic consultants, as well as the comments received from the SPCs on the Mosaic recommendations. The GWG had recently addressed a series of questions to the Mosaic consultants and asked to meet with them to learn more, in particular the rationale for their recommendations. The progress report of the GWG would be discussed in February 2021 at the Special Session of the Pension Board. A final GWG report will be submitted to the Pension Board in July 2021. In the meantime, the Fifth Committee was meeting and might decide on the Mosaic recommendations by year’s end, the main issue before it being the size and composition of the Board. One of the Mosaic

recommendations is a reduction in the size of the Board from a 33-member Board to a 15-member Board which would include only two retiree representatives, and as part of its transition strategy, a 15-member “transition” Board. If adopted, this would be a dramatic change for all stakeholders and would have a significant detrimental impact on FAFICS.

27. One delegation member congratulated the FAFICS representatives on the GWG, Gerhard Schramek and Warren Sach, for their work and agreed with the FAFICS statement on the Mosaic report to the July 2020 Pension Board that there was no need to fix what was not broken. Another delegation pointed out that a 15-member Board would require retirees to share representation with the participants’ representatives whose numbers would also be drastically decreased, despite the fact that the tripartite structure appeared to remain unchanged. Most of the delegates who spoke saw the key flaw in the Mosaic report to be the non-comparability of the peer group which the consultants had chosen for a benchmark. One member said that if the General Assembly were to decide on a smaller Board, FAFICS would have to insist on voting rights, which in turn implied the designation of seats.
28. A delegate also applauded and appreciated the work of the FAFICS representatives on the GWG for their excellent work in outlining the evolution and presenting the current situation with regard to the composition and governance of the Board and its possible impact on the participation of FAFICS representatives at future Pension Board meetings. It appeared that the report prepared by the Mosaic consultants had failed to meet its core terms of reference, to identify the best practices of other pension fund governance structures. No pension operator in the Mosaic report comes close to the complex operations of the UN Pension Fund with its global staff participation and multiple currency operations. It was critical that the governance structure of the Board be decided in consultation with the core stakeholders and in accordance with established practice of the UN system.
29. Another delegate was also critical of the comparators chosen by the consultants, only the World Bank could be considered suitable in his view, while all of the others identified were national schemes; organizations like the European Union, NATO, etc. would have had more credibility as peers. He also considered that the Mosaic report failed to understand the realities of the governance dynamic between the Pension Board which came under the authority of the General Assembly; the General Assembly would not yield authority to the Board. In the past, Fifth Committee members had served on the Board, but today’s members were not necessarily the same ones currently serving in the Fifth Committee. He pointed further to the legal aspects involved, with the observation that all changes, if accepted, would require action by the General Assembly after the recommendations had been made, at which point they would be sent back to the Board.
30. Another delegate referred to a question that had been raised at the 42nd Council in 2013 about the possible introduction of an annual “bonus” for beneficiaries, for example, in the form of a so-called thirteenth month. Although he recalled that the CEO at the time had replied that a bonus of this nature would call for major changes in the principles governing the Fund and in the

plan design, noting also in this context that child benefits accounted for some 13% of all benefits, he was again raising the possibility of giving consideration to the matter.

Election update

31. At this point in the proceedings, at 5:20, CET, Jerry Barton (ARICSA-Vienna) who had been responsible for organizing the e-voting, reminded Council of the campaign email sent to participants on 5 December providing instructions on casting their votes and drew their attention to the curricula vitae of the candidates nominated for election (document 49/2020/D.8.a). After providing additional detail on the e-voting process, he turned the floor over to Polling Officer Veronique Whalen who declared the Polls open and announced that they would remain open for 24 hours. The Presiding Officer pointed out that in cases where there was a single candidate only, it was Council practice to declare the winner by acclamation. He proposed therefore that the President, Secretary and Treasurer, who were all running for reelection unopposed, be declared winners by acclamation. The Polling Officer reported that, accordingly, the ballot would be adjusted to remove the three names from the e-voting ballot. She informed Council that by the morning of 9 December, roughly half of the electors had confirmed receipt of the campaign email. The other half needed help to register to vote as they either had not received the email or had difficulty accessing the voting website and required assistance.
32. **Council agreed to the above proposal**, after which the Presiding Officer adjourned the meeting for the day. It was further agreed that pension agenda items 49/2020/D.4 c. and D.4 d. be deferred until after the presentations by the senior Pension Fund officials.

Presentation by the CEPA

33. Rosemarie McClean, the Chief Executive of Pension Administration (CEPA), said it was a pleasure and honour to address FAFICS. She reported that in 2020, the year of Covid, Fund staff in both New York and Geneva had been successfully working from home since March. Some staff had returned to the office, but most were now home again. She stressed that despite this, pension payments had not been affected. She observed that a key lesson learned from the pandemic had been that there was now less need to rely on paper-based processing and more use could be made of e-documentation.
34. She introduced a slide presentation (attached as Appendix 5) showing that over 95% of cases were currently being processed within the established benchmark of 15 days. She was also pleased to report that following the introduction last year of functional reporting which delegated processing of all cases formerly handled by the Geneva office to New York, there had been an improvement in processing from a figure of 79% of cases in 2019 to 88% as of now.
35. Rosemarie McClean outlined the three pillars of her strategic plan: the simplification of client experience, the modernization of pension services and

the development of a strong global partnership network. The last pillar, global partnership, was particularly relevant to FAFICS. She emphasized that documents, including Certificates of Entitlement (CEs), can now be submitted digitally through the member self-service portal. She encouraged retirees to create a self-service identity, stressing that use of the portal is an option, not a requirement and would not replace paper-based submissions.

36. In presenting the figures in the Inventory of deferred and active cases, she wished to stress that although some 4,000 cases had been erroneously reported as constituting a “backlog”, she wished to make clear that 80% of them were deferrals requested by the staff member with no action required at the present time. The real number currently awaiting action was about 150 cases, 85 in process and 71 for review.
37. The CEPA then presented a short video designed by the Fund to illustrate how retirees will be able to submit their CEs through creation of a digital identity and biometric facial identity mobile app. Implementation of this new technology was foreseen for 2021. Although it had been envisaged as a phased approach that would have affected the timing of its introduction for retirees, that was no longer the case and retirees would be able to avail themselves of the app early next year at the same time as it was being made available to others.
38. Rosemarie McClean grouped her answers to the written questions submitted in advance around specific topics, starting with the CEs. She said that the first and second mailings of the CEs had been completed and while the Fund continued to rely on the UN pouch and postal system, she advised that the best option going forward was to use the UN portal. She indicated that 1,000 CEs had not yet been mailed out because of unreliable postal services in some places, but stressed that payments in these cases would not be suspended so long as the beneficiary sent some word to the Fund. She encouraged retirees to look at the Fund website and regretted that retiree registration for the portal remained rather low at present, some 30% of the total number. In response to a question from the Geneva delegation regarding the impact on retirees served by the Geneva office of the Fund by the loss of the D-1 post in Geneva and its transfer to New York, she stressed that it had been done in conformity with functional reporting as agreed by the General Assembly last year. She emphasized that there had already been an improvement in the turnaround time for processing since then and clarified that New York staff had been assigned responsibility for different areas. She encouraged those formerly dependent on the Geneva office to write directly to her and Maria (Kissa) O'Donnell in New York if problems persisted.
39. One delegation thanked the CEPA for the prompt payment of pensions and applauded the push to go digital, but feared that in the process the old and infirm might fall through the cracks. He asked if the Pension Fund had an institutional solution to that problem and encouraged the CEPA to continue to draw on the expertise of retiree representatives. The CEPA acknowledged the observations with respect to older retirees, and reaffirmed that paper processes would continue to be in use, as would other channels such as telephone. She emphasized that the “the Fund is here” for retirees and that FAFICS had been

a critical partner in the past, would be in future and that she would indeed continue to rely on them.

40. Another delegate recalled that the Pension Fund was a 2020 finalist in the Garnter Eye on Innovation Awards for Government for its digital CE solution. Garnter awards were made by industry peers to recognize excellence, with finalists selected by benchmarking against world-class performance standards. He asked how digital signatures worked for those using fingerprints and whether a regional Fund office would open in Addis Ababa. The CEPA replied that no signature at all was required on the digital CE and no office was foreseen in Addis for the time being.
41. In closing, Rosemarie McClean stressed that the Pension Fund was open for business 16 out of 24 hours for those with queries. She thanked FAFICS for the opportunity to address its Council and looked forward to continuing close cooperation.

Presentation by the RSG

42. Pedro Guazo, Representative of the Secretary-General for the investment of the assets of the United Nations Joint Staff Pension Fund (RSG), began by wishing FAFICS a happy 45th anniversary. His news was brief and good. He announced that the financial markets had made a surprising recovery since last March and that the value of the Pension Fund was now \$79.5 billion dollars as of last week (chart attached as Appendix 6). The Fund had increased in value by some 10.3 % this year with a real rate of return of 8.5%. He stressed the importance of remaining cautious and conservative, warning that although there was light at the end of the tunnel, the tunnel still needed to be traversed. He pointed out that with a value of \$79.5 billion dollars there was a liability of \$63 billion.
43. He addressed the issue of derivatives which he acknowledged had evidently appeared to elicit alarm in some quarters. He stressed, however, that like knives, they could be put to good use which is why knives are not normally banned. The Office of Investment Management (OIM) had a proposal before the General Assembly this year to use derivatives for hedging purposes. He explained that hedging was necessary to limit risk, especially the risk associated with currency exchange. Through hedging, the Fund could avoid currency devaluation of the US dollar, in which it was invested. He added that derivatives were a tool in wide use by other pension funds to minimize risk, and that if the General Assembly approved their use, he would ensure a very conservative approach.
44. In replying to a written question, he clarified that the impact of the dollar exchange rate devaluation when most other currencies were increasing in value was not a determining factor for the Fund, as the main factor came from the fixed-income portfolio in US dollars. One delegate expressed the view that alternative investments should not become a large part of the portfolio and be limited as much as possible, although he did not agree with those who totally

opposed them. Another delegate said she felt reassured after a period of anxiety and wanted to know what his sources of investment advice were, to which the RSG replied that the main source was the Investment Committee. He recalled that the Investment Committee had been created in 1948 by the General Assembly which had approved its new membership in 2020, the first year of full membership in many years and had an adequate gender representation of five women and four men with a mix of skills. Additionally, there were advisors for the different asset classes. Another delegate was also reassured by the status of the Fund and while economists were wont to say that their responsibility was to make a profit, it was important that UN investments reflect UN values and that the Fund not borrow from the future generation. The RSG said that the study conducted every four years by the Fund Solvency and Assets and Liabilities Monitoring Committee (FSALMC), had just been completed and had reported the percentages invested in each asset class and the assumptions concerning Covid-19. He said that the asset side of the findings would have to be revisited, especially the fixed-interest rates, to ascertain if they had to be changed. Pedro Guazo concluded by saying that the impact of the declining dollar had been minimal in that the focus remains at all times on the 3.5% real rate of return.

Presentation by the Secretary to the Pension Board

45. Jan De Preter, Secretary of the Pension Board, the position newly-created by the General Assembly in 2019, said he was happy to meet for the first time with FAFICS at its Council. He mentioned having spoken in the recent past with Warren Sach and Gerhard Schramek. He provided an overview (attached as Appendix 7) of his activities and priorities as: 1) facilitating cooperation, referring in that regard to his work with Marco Breschi in the Audit Committee; 2) assistance to the Pension Board Chair and; 3) collaboration with stakeholders on documentation to the Board. His goal was to build trust and strengthen the focus on advance planning. He said that he had gleaned from responses to the survey on the July 2020 virtual Board that while there was a willingness to continue virtual meetings of the Board, many responders also said that they missed the opportunities for human contact offered by in-person meetings. He saw this as the main challenge for the February 2021 Special Session of the Board.
46. In response to a query from a delegate as to how the Fund's technical reports would be prepared from now on, he confirmed that a professionalized Secretariat was required to ensure that documents, which were increasingly complex, met the criteria imposed by UN Conference Services and answered to the highest standards. He clarified that the Secretariat would not take over from the substantive committees, stressing the separation of process and substance. Further, in terms of direct servicing, OIM would be responsible for continuing to service the Fund's audit and actuarial activities.
47. The FAFICS President intervened at the end of the presentations to thank the CEPA for expressing her very positive views concerning the role of FAFICS retirees in the work of the Fund, the RSG for sharing his optimistic outlook on

the investment status and the Board Secretary for explaining the functions of this newly-created role. He thanked the speakers for their effective contribution to enhancing Council's understanding of the pension matters falling under their respective responsibilities. He recalled that although it had been agreed in advance that oral questions would be limited, he could not deny that including them after all had made the meeting livelier.

(c). Comprehensive review of the UNJSPF Governance

(d). Voting rights for retiree representatives

48. In view of time constraints, Gerhard Schramek presented documents 49/2020/D.4.c and 49/2020/D.4.d together. He summarized paragraph 4 from document 4.c and pointed out that in its final report, the Mosaic consultants had submitted a recommendation to the General Assembly which the Board had not seen previously in the Mosaic power point presentation, the only form of the study available while the Board was in session. He recalled that Mosaic's main recommendations related to the size and composition of the Board and its rotation policy, and that most of the recommendations stemmed from that main one, they were all interlinked. He further recalled that not all Governing Body and Executive Head representatives opposed a smaller Board. The participants' representatives from the Specialized Agencies took note of the recommendations, but stated that they needed more time to digest the report and its recommendations. The UN participants' representatives endorsed the Mosaic recommendations with some reservations. FAFICS had made a lengthy statement on the Mosaic power point presentation and insisted that its views be placed on the record and reflected in full in the Board report.
49. Gerhard Schramek stressed that peer comparisons were a key element of the Mosaic report. He remained convinced that a report of this nature could not be properly analyzed in the short time it had been given. For him, the lack of a basis or rationale to buttress the recommendations was a striking omission. He emphasized that voting rights for retirees under the proposal for a smaller Board were moreover quite different from those that might be recommended for a Board of the current size. Furthermore, it was deeply problematic that a transition strategy was being proposed when no decision had yet been taken on the Board size. Warren Sach pointed out that to date the GWG had held 10 meetings with still more scheduled before the February Special Session of the Board and a great deal of work remained to be done.
50. One delegate characterized the size and composition of the Board as an existential threat to FAFICS and called for caution in addressing the matter. He pointed to the need to look at all options before the Federation, stressing the need for knowledgeable Pension Board participants and calling attention to how few true investment specialists served on the Board. Another delegate characterized the Mosaic report as "not very good", and termed the peer group ill-defined. She called attention to the politics involved, characterizing them as comparable to those of Brexit. She hoped that the FAFICS members of the

GWG would be able to extricate retirees from the muddle and in this regard considered that the FAFICS members of the GWG, numbering only two, would benefit from a small secretariat to support them in their work which was considerable. At the same time FAFICS needed to work more closely with the staff unions, although she understood that the FAFICS mandate clearly differed from that of a labor union. Still another delegate objected to the badly conceived comparator group and that the Mosaic consultants had ignored the General Assembly request to submit its report through the Pension Board, as had the UN participants' representatives who had made a special submission to the Assembly and could conceivably prevail in pushing forward their agenda. He concluded that this might be the time to obtain voting rights for FAFICS in that he considered that FAFICS was already in an anomalous situation by not having them. Some delegates agreed with him on having voting rights should the Board size change and FAFICS representation be decreased. Others also believed there was a need to drive home the point that the peer comparatives were inadequate and one delegate considered that there should be no difference in the positions of participants' representatives in the Board and those of their members in the Fifth Committee.

51. Gerhard Schramek emphasized that it was because the Board had not heretofore reached a concrete decision on the governance of the Board that the General Assembly had tasked the special entity with reviewing Board governance once again. In the end the matter of voting rights of retirees might not be referred to FAFICS because of the competing proposal for worldwide elections. In short, the outcome remained unknown at this point. The position of FAFICS heretofore had long been that it had no need to vote. If, however, the Board were to be reduced in size along with a concomitant reduction of the number of FAFICS representatives, FAFICS would become part of the tripartite structure, thus requiring voting rights.
52. **Council took note of the reports and thanked Gerhard Schramek for the comprehensive information and the work that had gone into them.**

Election update

53. At this point in the proceedings the Presiding Officer reminded Council that closing time was approaching. He proposed taking up agenda item 5 on After-Service Health Insurance (ASHI) and reverting to questions on pension issues after that.
54. The Polling Officer took the opportunity to announce that the Polls would soon close, in roughly half an hour at 5:00 pm, CET.

Agenda item 5: After-Service Health Insurance (ASHI)

55. Georges Kutukdjian, Chair of the Standing Committee on ASHI introduced document 49/2002/D.5 which he had prepared. He thanked his Co-Chair Katia Chestopalov for her input and said that he would be very brief in the interest of time. He first called attention to the five main areas covered in the paper which were: Covid-related medical expenses and Covid vaccinations; the representation of retirees on health insurance management bodies; ASHI coverage under the medical insurance plan MIP; health insurance for long-term care and; the political declaration adopted by the General Assembly on Universal Health Coverage.
56. Georges Kutukdjian then summarized the conclusions which were that: the pay-as-you-go system for the after-service health insurance system is maintained; the entitlement accrual mechanism previously proposed, but opposed by FAFICS, could be applied to staff recruited after 1 January 2022; projections would be provided for staff in peacekeeping operations who might be entitled to ASHI benefits; consideration be given to other cost containment proposals expected at the seventy-fifth session of the General Assembly and; so far FAFICS had not been involved in the next steps of the consultation process to comply with the requests contained in part II of the 2019 resolution 73/279 B in spite of an exchange since July 2019 of related correspondence thereon between the FAFICS President and the relevant senior UN officials.
57. With regard to the availability of the Covid vaccines, he pointed out that in the United States the entire population would be covered free of charge, in accordance with the phased priorities established by the authorities. To take the example of France, the government pledged to vaccinate also the entire population, according to priorities set out by the sanitary authorities. There is no indication so far that this campaign would encompass persons covered under the UNESCO health scheme, unless covered by the French national health scheme. He therefore reiterated on behalf of the ASHI Standing Committee the request to the FAFICS President to write to the Secretary-General in his capacity as Chair of the CEB to ensure that the CEB was fully aware of the request to press governments in all parts of the world to make vaccines available to all retirees and their families, in addition to UN system serving staff.
58. **Council took note of the report and endorsed the request to the Secretary-General regarding Covid vaccine distribution to retirees and their families.**

Election update

59. The Polling Officer announced that by early afternoon of 8 December 2020, all but 2 electors had voted and asked that the closing time of the Polls be extended by 15 minutes, to 5:15 pm, CET, in a last attempt to accommodate two members who had been experiencing difficulty.

Agenda item 4: Pension issues (cont.d)

60. Upon resumption of this item an animated debate ensued. One delegate considered that an argument pertaining to the uniqueness of the UN Pension Board should not be advanced, that if Council believed FAFICS could lose ground as a result of the Mosaic recommendations, it should come forward now with a plan B that included possible stipulations regarding voting rights. Another delegate disagreed, as FAFICS was currently faced with two ongoing processes simultaneously, the consideration by the Fifth Committee of the Mosaic report and that of the GWG which was still working on its response to the Mosaic recommendations; in other words, two parallel activities were taking place which required FAFICS to decide if it wished to wait for the General Assembly resolution before proposing a best way forward.
61. Reacting to the proposal for a plan B at this time, Gerhard Schramek agreed with the assessment of the previous speaker who had clarified the dilemma FAFICS faced, which is that we are presently working in a vacuum with no real inkling as to what the General Assembly may decide and that its resolution expected by year end could materially change any approach we might take at this time. The only thing that is known now is that the Fifth Committee has expressed willingness to take decisions on the Mosaic recommendations. He stressed that FAFICS has always endeavoured to be constructive, refrain from criticism and, in fact, was virtually the only stakeholder which had produced documents reflecting its positions and arguments over the years. He did not see the utility in devising a plan B before there was a resolution, also because FAFICS needs to come back later to its constituents for approval. His recommendation at this point was that no action was the best course, that if the Board were to continue more or less as is, it would not be necessary for FAFICS to insist on voting rights, but on the other hand the FAFICS views on voting could change if the General Assembly were to take a decision that affected FAFICS representation.
62. The FAFICS President intervened to underscore the dilemma outlined above which was whether to attempt to intervene now or wait for the outcome from the General Assembly which might be too late. He regretted that the pandemic had made it difficult to enable FAFICS to make its views known directly to Fifth Committee members as in the past. His view was that the UN culture of consensus which made voting a rare occurrence complicated the dilemma. He pointed to the track record of influence which FAFICS had in the Pension Board, and its long-standing caution on the subject of voting. He feared that voting could come at the expense of the influence FAFICS enjoyed at present and could jeopardize FAFICS representation in the committees in which FAFICS was active— all this in exchange for voting, a procedure that was rarely implemented. In this connection, he noted that while some tended to focus on the delegation to the Pension Board, the work performed by FAFICS representatives outside the Board, on Board working groups and committees, could not be underestimated.
63. The Chair of the FAFICS Standing Committee on ASHI matters briefly recounted the history of the committees. They had started out as open-ended working groups composed principally of the Chairs and Vice-Chairs with

voluntary attendance by members who had particular interest/expertise in pension and ASHI matters. The working groups had met one day prior to the opening of the official Council and reported their views to Council. When over time it became apparent that most Council participants were attending the open-ended working groups, the groups were institutionalized and transformed into Standing Committees at which time participation by all Council members became the norm; the Standing Committees continued like the former Working Groups to meet prior to Council. The Chair of the Standing Committee on pension matters concurred with the history just provided, adding that the Standing Committees were established in 2011, the original idea behind them had been that they would function as expert advisory bodies to the Council. However, due to the limited response to a request for nominations of focal points on pension matters from FAFICS member associations, FAFICS decided to replace the working groups with standing committees open to all Council participants.

64. Two Council participants argued for taking a decision now on a possible plan B. One delegate said that in the event of an eventual reduction to two FAFICS representatives with voting rights, the two members should be decided now on the understanding that the Pension Board ensure the recognition of FAFICS as the sole representative of all retirees.
65. The Presiding Officer concluded that the majority view was to await the outcome of the General Assembly resolution and revert, as needed, to Council after the Special Session of the Board in February. With respect to voting rights of retirees he proposed a text which would serve as a mandate for the FAFICS representatives on the GWG: *Considering that the recommendation by the external entity Mosaic to create a smaller Pension Board which would affect the representation of FAFICS on the Board, is under review by the Fifth Committee of the General Assembly, Council decided to retain the current status provided under Rule A.10 of the Fund's Rules of Procedure that FAFICS representatives "Shall be accorded the rights of members, except the right to vote".* In short, the issue of voting rights of FAFICS representatives would be reviewed in light of the General Assembly decisions on the Mosaic report.
66. With respect to how critically the Mosaic recommendations, if adopted, could impact FAFICS and the possible serious repercussions it could have on the Federation's representation, Gerhard Schramek said he had reflected further. He considered that so far FAFICS had been fortunate to be part of the GWG where it was able to make its input, input which it would continue to offer. Participating in the GWG facilitated FAFICS in bringing Council's position to the GWG. In the meantime, the General Assembly would be issuing its resolution which might require further consultation with Council to discuss the FAFICS delegation's position at the Special Session of the Pension Board in February 2021.
67. Warren Sach endorsed his colleague's views and underlined the need for FAFICS to continue its work in the GWG and Succession Planning Committees to reinforce the overall positions of FAFICS on the Mosaic report. He pledged to continue working towards a good outcome between the Fifth Committee and FAFICS.

68. The Presiding Officer thanked the FAFICS members of the GWG, Gerhard Schramek and Warren Sach, on behalf of Council and all retirees, for monitoring developments and keeping constituents so well informed.
69. **Council agreed to endorse the proposed mandate to the GWG as reflected in paragraph 65 above.**

Election outcome

70. The Presiding Officer then reported the election results communicated by the Polling Officer as follows:

71. Election Results

Position	Elected	Association	Vote Number	% of Total
President	Marco Breschi	FFOA-Rome	elected by acclamation	
Secretary	Pierre Sayour	AAFI-AFICS-Geneva		
Treasurer	Wolfgang Milzow	AAFI-AFICS-Geneva		
Vice-President	Makane Faye	AFICS-Senegal	25	18%
Vice-President	Deborah Landey	AFICS/NY	25	18%
Vice-President	Odette Foudral	AAFI-AFICS-Geneva	22	16%
Vice-President	Carlos Santos-Tejada	AFICS-Panama	22	16%
Vice-President	Werner Blenk	ARICSA-Vienna	18	13%
	Not elected	Association		
Vice-President	A.K. Masood Ahmed	AFUNSOB-Bangladesh	13	10%
Vice-President	Nanjundappa Srinivasan	AFUNPI-India	11	8%

72. He declared the five elected Vice-Presidents to be Makane Faye, Deborah Landey, Odette Foudral, Carlos Santos-Tejada and Werner Blenk.
73. The Presiding Officer thanked the IT facilitator Jerry Barton and Polling Officer Veronique Whalen for their able assistance in meeting and overcoming the technical challenges posed by this first time experience for FAFICS with e-voting. Out of the 34 registered associations, 32 associations had actually voted with two unable to do so due to Internet connectivity problems. **Council noted the outcome of the elections for the officers of the Federation.**
74. Newly reelected FAFICS President Marco Breschi thanked Council for its confidence in him and pledged to continue to advance the interests of retirees. He congratulated the newly elected Bureau with whom he looked forward to working, and thanked the outgoing Bureau members who had provided invaluable support to him over the last 16 months.
75. The Presiding Officer then gave the floor to the FAFICS President who had been unable to complete his remarks the previous day for lack of time. The President again thanked the outgoing Vice Presidents for their past cooperation: Masood Ahmed (AFUNSOB-Bangladesh) for his teamwork, Jerry

Barton (ARICSA-Vienna) who had termed out and Warren Sach (AFICS/NY) whose association had not supported his nomination. He said that he was looking forward to working with the new Vice Presidents and wished to remind all of them at the outset that their elections had conferred on them a status, Officers of the Federation, that was now different from their former ones, Officers of the Federation. Consequently, from now on their principal responsibility would be to carry out and support the collective work of the Federation and that of its crucial organ, the Bureau. He stressed that whatever responsibility Vice Presidents may consider they have to their individual associations, going forward they should no longer see themselves primarily as their associations' ambassadors because they are now accountable to the larger Federation and to retirees in their totality, just as the FAFICS representatives to the Pension Board represent the views of all retirees in receipt of a pension, not only the individual views of their respective home associations. He recalled that when he was elected President his association had asked him to resign his position as General-Secretary to make clear that he did not take orders from the Rome AFICS association and he had complied. He wished to send a similar strong message to the Vice Presidents that their commitment and allegiance are first to the agenda of FAFICS, not to the agendas of their home associations or geographical regions. He hoped therefore that at the next Council any double designations and possible divided loyalties could be avoided. He reminded the Vice Presidents that a lot of work lay ahead and asked the newly elected Bureau to meet with him briefly at the end of Council as per usual practice to establish a tentative future agenda and work plan.

Agenda item 5: After Service Health Insurance (ASHI) (con.t)

76. The Chair of the Standing Committee on ASHI invited comments on agenda item 5, the ASHI report presented the day before. One delegation considered that the proposed letter from the FAFCS President to the Secretary-General asking that retirees and families be covered in Covid vaccination programmes could be misinterpreted in local settings and seen as elitist, reflecting UN privilege. The Presiding Officer, speaking in his personal capacity, said that on the contrary in his country all UN organizations had been strongly advocating on behalf of UN staff coverage and had influenced the government to ensure that all senior citizens would benefit from the vaccine where ever they worked and this had become policy. The Chair of the Standing Committee on ASHI said that the concern regarding privilege had been examined in the Bureau and largely discounted as it would then apply also to active staff members and was not a matter of privilege. Rather, in some countries there would be a decision to vaccinate all senior citizens, but not necessarily those who were non-citizen residents. It was more important to advocate for the principle that all retired civil servants must be able to benefit from the facilities offered to UN field staff throughout the world. He agreed with the delegate who had asked for the appointment of a MIP focal point given the limited protection afforded and increased cost to retirees covered by MIP as they aged. Another delegate said that his country was Covid-free like Taiwan, but recognized the need for

coordinated action. He believed that the UN Secretary-General was well placed to provide this coordination and that FAFICS representatives were in an excellent position to follow up and organize a FAFICS response. On this, a delegate said in response that in the Federation's apparent eagerness to focus on rules, it must not lose sight of the fact that in the end FAFICS works for its individual members. He considered that the approach taken in the Presiding Officer's country showed it was on the right road. FAFICS has ageing members spread throughout the world and needs to find the ways and means for building practical solidarity and platforms for interactions among those who are isolated.

77. Another delegate reaffirmed that UNICEF was the main body procuring vaccinations for 90% of the world's countries. Because of its broad infrastructure, UNICEF is the coordinator for the entire UN system. The UN Controller was coordinating the efforts for UN staff, especially in field offices and in that connection the request to write to the Secretary-General to include retirees and their families in Covid vaccinations was the correct approach. Another delegate referred to a member of her association who had been a Regional Director of WHO before retirement and who now regularly advised the government; her association's members were most appreciate of this effort.
78. To conclude, the ASHI Standing Committee Chair expressed his appreciation to participants for sharing their views and comments. He said that he had taken due note of them and possible future objectives. He affirmed that the Bureau would examine how coordination could best be achieved and identify other areas where FAFICS could intervene to help the retiree community.
79. **Council concurred that the Secretary-General should be asked to write governments with respect to the provision of Covid vaccines for retirees and their families along the lines discussed.**

Agenda item 6: Tribute to 75 years of International Civil Service

80. The President of AAFU/AFUS-Paris introduced the Tribute to the International Civil Service on the occasion of its 75th anniversary (document 49/2020/D.6) which his association had drafted, solicited comments on and was now presenting to Council for approval. He stressed that the Tribute was intended for *humankind* at the global level. For those who had asked about the date, he clarified that on 11 April 1949 the International Court of Justice had provided a definition of agents serving international organizations; the definition was very broad, but it had created jurisprudence and continued to serve. The final paragraph of the Tribute (attached as Appendix 8) recommended that the FAFICS President read out the Tribute in the General Assembly on the occasion of its 75th anniversary in 2020. This opportunity would likely present itself at the resumed session of the General Assembly in spring 2021, at which time the FAFICS President pledged to arrange for it.
81. **Council approved the Tribute by acclamation.**

Agenda item 7: Administrative and financial questions

(a) Report of the Auditors for the accounts ended 2019

(b) Interim report on the management of the budget for 2020

(c) Proposed budget for 2021

(d) Appointment of the Auditors

82. FAFICS Treasurer Wolfgang Milzow briefly introduced the above-cited documents (49/2020/D.7.a, 7.b, 7.c and 7.d). He said that the audited accounts for 2019 had been found highly satisfactory due in large part to contributions from UNFCU over the past several years. Replying to some comments already received in writing on the proposed interim budget for 2020, he understood that several associations wished to see more funds dedicated to communication and outreach in 2021 and while he acknowledged that more money could be put towards a specified purpose to stimulate action, it was not necessarily guaranteed that such action would be taken or succeed in “fixing” the problem. He noted that for the current year there was a large travel surplus resulting from Covid which had kept expenditure down in that category.
83. One delegate, referring to the balance of \$5,516.47 under liabilities as of 31 December 2019 and as attached to the Auditors’ report, sought clarification. He asked whether this was a write off for uncollected account receivables (A/R) from prior years, noting that the A/R in 2018 was only \$2709.22. Additional disclosure on this should be made in order to improve the presentation of the financial statement. Regarding the 2020 budget proposal, he questioned allocating large amounts for travel to Bureau meetings, including travel of other participants such as the Standing Committee Chairs, Special Advisors and the Rapporteur. Noting that FAFICS Rule 5.1 defines the Bureau as the President, Vice-Presidents, Treasurer and Secretary, he was of the view that Bureau meetings should be limited to these officers. Further, he objected to the proposal for allocating \$2,600 under hospitality to cover luncheons for the Pension Board members and requested clarification as to whether such hospitality was covered in the past.
84. A delegate read out a letter addressed by her association to the President and Treasurer covering agenda items 7.a.b and c. Her association was critical of the inadequate amount of dedicated funding for communication and outreach as well as what it saw as unnecessary travel expenditure. It made specific proposals as to where it wished to see changes in the budget so as to improve these areas. Her delegation would like to see a greater dissemination of information and more support for the greater overall participation of Federation members. Further, her association believed that strengthening accountability and incentivizing more active member engagement and participation was not

an exclusive responsibility of the Treasury, but of the entire FAFICS Bureau. Her statement was endorsed by another delegation.

85. Several delegates agreed that more funding was needed for communication and upgrading of the website. One delegate considered that FAFICS had so far done a good job with its virtual Council, showing it could work, but there was a need to learn still more about the technology for virtual meetings. He congratulated the Presiding Officer on his capable management of a difficult meeting. He opposed approving budgets by circulation, insisting that they must be subject to discussion. He asked about the policy on unpaid contributions and about outreach measures to identify new members. He agreed on the need to include arrangements for virtual work and virtual meetings in the revised rules of procedure. Covid had certainly changed working habits and this required FAFICS to change. For example, he considered that in future, Bureau meetings should normally be virtual and travel to Bureau and working group meetings should not be subsidized. He also pointed to the need to improve the FAFICS website.
86. Another delegate proposed that one of the Vice Presidents could be given responsibility for directing communications. Another delegate said that FAFICS should conduct a cost/benefit analysis of the work and ascertain the benefits of physical versus virtual meetings. He and others were not opposed to an annual physical meeting per se, but generally agreed that the productivity of both types of meetings could be improved.
87. A delegate observed that thanks to Covid, business as usual had been disrupted, but that modern IT tools would help FAFICS to overcome the limitations imposed by its budget. Another delegate said that the silver lining of Covid was the opportunity it offered to make better use of the website and introduce training for better use of technology. Several delegates considered that a more strategic approach to in-person meetings was needed and that in general travel subventions needed to be rethought as they could threaten the independence of those being subsidized by their local associations.
88. Towards the end of the discussion, one delegate took the floor to commend Jerry Barton and others for the strides made that had enabled FAFICS to hold this virtual meeting. Having said this, he cautioned that IT could not solve every problem and did not address the numerous intangibles attaching to meetings. He pointed out that the Bureau had held more virtual meetings since Covid than in the days of in-person meetings. However, holding virtual meetings just because they were possible and no travel cost was involved did not necessarily guarantee productivity. He felt strongly that the capability for virtual meetings in no way relieved FAFICS of the need to hold in-person ones because the problems that pulled a Federation apart would always require the most appropriate modality to keep it knitted tightly together. He thus called for whatever approach best fostered the kind of communication that enhanced unity and discouraged divisiveness. He believed it was wrong to draw conclusions based on a rigid prescriptive approach and false premises – travel and hospitality are bad, communication and outreach are good, etc. FAFICS needed to look more pragmatically at the problems it is trying to solve, and in the end, it was his view that a hybrid system combining in-person meetings,

when these were the most appropriate for the subjects being treated, and virtual ones when the agenda lent itself to them, seemed to be a more reasonable *modus operandi*. FAFICS needed to adopt a flexible system, one adapted to the particular needs of the subjects it was considering as it was such an approach that would truly enrich the FAFICS experience.

89. A number of delegates agreed that a hybrid approach to meetings was eminently sensible and could serve as a road map for the way forward. One speaker recalled a physical Council held in Geneva several years ago that had enabled her association's members to listen in, a possible example of a hybrid approach that could be updated and reconsidered in light of new emerging technology. She believed that possibilities should be offered for all associations to attend Councils in one way or another, but emphasized that some issues would always require face-to face discussion.
90. The Treasurer replied in general terms to the comments that had been made. First, he cautioned against a narrow definition of communication which was also a matter of terminology and in fact was already being responsibly carried out by FAFICS in a number of ways. For instance, internal communication among Council and Bureau members between meetings had always been intensive and ongoing by email; much of the correspondence related to outreach with members. For him travel also fell under the rubric of communication. He recalled that in the first year of his tenure the FAFICS President had travelled to Geneva to personally meet members of AAFI-AFICS, the largest AFICS association, and consult with them on various matters. At all Council and Bureau meetings the President and other Bureau members always took the opportunity to meet and communicate with their counterparts in other associations, as did all Council participants who attended physical meetings. In recent years, the President travelled several times to New York to meet with members of ACABQ and the Fifth Committee in an attempt to influence the outcome of the resolution on pensions, once to address the Fifth Committee on ASHI and to represent FAFICS at the Pension Board in Nairobi. On the latter, he wished to emphasize that Council had met in Vienna prior to the Nairobi Pension Board meeting because a majority of Associations indicated they did not wish to travel to Nairobi for a Council meeting. As a result, members of the FAFICS delegation had been obliged to travel overnight to reach Nairobi in time for meetings upon arrival. In his view these travel expenditures constitute an important part of communication and outreach as they enable those travelling to express the positions of AFICS to the outside world in a personal manner. He recognized however that communication meant different things to different people and believed moreover in budgetary flexibility. He was open to and willing to discuss which budget lines could be relocated and realigned to accommodate the desire for enhanced communication.
91. A discussion followed on which budget lines could be reallocated to which functions. There was general agreement that the amount of \$1,800 currently budgeted for communication in 2021 could be doubled by reducing travel amounts. Another source to draw upon was the amount currently earmarked for hospitality which had been under-utilized.

92. The President concluded the discussion by assuring Council that he had heard their message that the future lay in IT technology. He had no doubt that the whole world was by now sensitized to using more modern communication methods, entire families were even organizing regular ZOOM calls, perhaps the only positive fallout from the pandemic. He noted in this respect that although actual expenditure for communication was reflected as a zero dollar amount, there had been costs associated with the virtual Council which should be made known. After listening carefully to all the comments on meetings, he wished to support a hybrid approach to them for the near future, an approach which he noted was endorsed by a number of other speakers. He was aware that the FAFICS website was a key communication tool and regretted that past attempts to improve it had not worked well. He was willing to commit the resources to improving communication and outreach once it was determined what was needed to bring about the tangible differences some members were calling for. Acknowledging that UN managers often had a bad habit of asking for resources before planning their work and that work was then planned to fit the funding received, he said he believed in a reverse order. He intended also to discuss the functions of a communications officer with the Bureau as soon as possible to define them, set clear objectives and prioritize the work that would be involved.
93. Council approved the balance sheet and the income and expenditure statement of the Federation for the year ended 31 December 2019. Council took note of the interim report on the management of the budget for 2020. Having taken into consideration the various comments in the expectation that the proposed changes would be made to the 2021 budget to reflect them, Council approved the budget for the year 2021. Council also agreed to extend the tenure of the auditors, Messrs. Ventura Garcia Garnateo and Mohammed Rharha.

Agenda Item 8: Elections Procedures / Results

(a): Elections of FAFICS Officers

Please refer to the paragraph "Election outcome".

(b): Elections of Chairs/Vice-Chairs of the Standing Committees on ASHI and Pension matters

94. The President referred to his consultations with Bureau members and others on the appointments of the Standing Committees, recalling that the nominations were supported by associations. He wished to reconfirm the nominations of George Kutukdjian and Katia Chestopalov for Chair and Vice-Chair, respectively of the Standing Committee on ASHI, and also those of Gerhard Schramek and Warren Sach for Chair and Vice-Chair, respectively of the Standing Committee on Pension matters. **Council reelected them by acclamation for terms of two years.**

(c): Appointment of FAFICS representatives to the regular session of the Pension Board in July 2021

95. The President stressed the difference between the arrangements for officers of the Standing Committees and the delegation to the Pension Board. Standing Committee officers were elected by Council to work with the Bureau and support the Council. Their roles were different from the delegation to the Pension Board which was a team appointed by the President to work in close collaboration with him. He had always held the strong view that FAFICS Presidents should continue to have the latitude to appoint their own delegation so as to ensure a compatible group which worked well and in harmony with one another. He noted that although it was not the practice to call for nominations to the delegation, he had received one this year. He explained that he would try to accommodate the nominee at the appropriate time, but now was not the moment given the uncertainty surrounding the size of the future FAFICS delegation to the Pension Board, as reflected earlier in the discussion about the Mosaic recommendations. **Council concurred with the remarks of the President regarding the determination of the composition of the delegation to the regular session of the Pension Board in July 2021.** In conformity with the proposal contained in the President's Report (as circulated to all Associations prior to the start of the 49th FAFICS Council), the Council agreed to retain, unchanged, the 2020 FAFICS delegation for the February 2021 Special Pension Board Session and deferred taking any action on the composition of that delegation thereafter.

Agenda item 9: Date and place of the 50th session of the Council

96. The President recalled the changes that had come about in the arrangements for the July 2020 Council as a result of Covid. Given the ongoing pandemic, he was obviously not in a position to make a recommendation for next year at the present time. He projected a possible hybrid meeting for FAFICS in 2021 and in that regard might review Council's 2015 experience when it met in Geneva. He continued to believe that Council should meet in the same location as the Pension Board session. If a physical meeting were envisaged for the Pension Board in 2021, he would insist on following that practice as he would not want to repeat the experience of 2019 when Council members had been obliged to travel long hours from Vienna to Nairobi on top of the travel from their home countries. That said, he nonetheless appreciated the invitation of the newly elected Vice-President from AFICS-Senegal to hold a Council session in Dakar and would certainly bear it in mind for the future. He would keep Council apprised of all developments.

Agenda item 10: Other business

97. Before taking up the agenda items, the President noted that he had inadvertently left pending his intention to appoint Linda Saputelli and Warren

Such as his special advisers until the next Council meeting. **Council agreed to the President's appointments of his special advisers.**

98. A member restated the proposal by her delegation to request that the composition of the FAFICS delegation for the February and July 2021 sessions of the Pension Board be taken up and decided as soon as possible. She suggested that the matter be added to the agenda of the special session of FAFICS proposed by her delegation to be devoted to the revision of the rules of procedure. Her delegation recognized the need for rotation and adherence to the principle of indirect elections, but was calling nonetheless for the election of FAFICS representatives to the Pension Board and wished to see a new process established going forward.
99. The Presiding Officer appealed to Council not to reopen the matter as it had already been discussed at length and decided. **Council so agreed.**
100. Tedla Teshome, President of AFICS-Addis Ababa, had requested inclusion of an item to read his departing message to Council (attached as Appendix 8). In it, he reviewed his long relationship with FAFICS, now in its 22nd year. He would be leaving the presidency of AFICS-Addis Ababa after the present Council and turning it over to his successor who was present, but he wanted Council to know how meaningful FAFICS had been to him and how much he would miss it.
101. The Presiding Officer thanked the outgoing President of AFICS-Addis Ababa for his past service and said that the Federation looked forward to working with the new President. A delegate suggested that in view of his long service, Council consider bestowing on Tedla Teshome an honorary status, such as Emeritus. The Presiding Officer said this was a matter for the FAFICS President and Bureau to consider, but the President replied that he lacked previous experience with such matters. A President Emeritus intervened to say that honorific titles had been decided in the past by Council, not the Bureau. One delegate asked for clarification on the request and the issues involved. Another observed that since most emeriti were former Presidents of FAFICS, or had held other official offices, this was a matter that would require study by the Bureau and she opposed a decision on the matter until criteria had been established. Other speakers agreed that in the absence of criteria it would be difficult to take a decision. As debate continued, one delegate intervened to object to continuing the discussion in the presence of the proposed recipient as he found it tactless. He proposed it be continued outside the present forum. The Presiding Officer called for the deferral of further consideration pending the establishment of criteria. **Council so agreed.**
102. In light of the late hour, the delegate who had requested time to show his delegation's video on the 75th anniversary of the UN agreed to have the link to it posted on the FAFICS website.

Closing

103. The President of AFICS/NY reminded Council of the invitation from his association to celebrate the 50th anniversary of his association at 7:00 pm, CET following the conclusion of Council. Everyone was invited to attend the programme which would take approximately 90 minutes and include musical interludes.
104. Several delegates made statements at the end to thank the Presiding Officer for his skillful management of the meeting which had enabled Council to complete its agenda. They also expressed appreciation to the organizers and conveyed the views of their associations on the proceedings.

Council adjourned at 6:00 pm, CET.

Appendix 1

List of participants

Title		Name
President		Marco Breschi
Presiding Officer		Marashetty Seenappa
Secretary		Pierre Sayour
Treasurer		Wolfgang Milzow
Rapporteur		Linda Saputelli
NB. Attendance limited to 3 participants per delegation on a given day.		
Association	Country / City	Name
AAFI-AFICS	Geneva	Katia Chestopalov
		Samuel Mbele-Mbong
		Jean-Paul Menu (not present on 8 December)
		Barbara Fontaine (present on 8 December)
AAFIB	Brazil	Maria Angelica Gomez
		Maria Etelvina Reis De Toledo Barros
		Giovanni Quaglia
AAFICS	Australia	Jennifer Ashton
		Mary Johnson
AAFNU-BF	Burkina Faso	Marcel Bonzi
AAFNU-MR	Mauritania	Moussa Sall
AAFNU-N	Niger	Ari Toubou Ibrahim
		Kadri Tankari
		Jean-Marie Trapsida
AAFU/AFUS	Paris	Georges Kutukdjian
		Jacques Rao
		Josiane Taillefer
ACAFNU	Congo	Touloum Dadhet
AEFNUP	Peru	Amalia Pecos Oroza de Cuba
		Rosario Guevara
		Haydée Olcese (not present on 8 December)
		Iliana Giuria (present on 8 December)

AEFSNU-AFICS	Ecuador	Nelson Herera
AFICS	Addis Ababa	Tedla Teshome
		Ayele Afework
	Argentina	Mirta Roses
		Isabel Kantor
		Alejandro Henning
	Chile	Adriana Gomez Saguez
		Diane Almeras
		Mario La Fuente
	Japan	Junko Sato
		Noriko Nagayoshi
	Mauritius, Seychelles, Comoros	Michael Atchia
	Myanmar	Kyi Kyi Nein
		Kathleen Khin San Aye
		Nyunt Nyunt Yi
	Netherlands	Lucien Bäck
		Ton Broek
	New York	John Dietz
		Deborah Landey
		Jay Karia
	Panama	Juan Antonio Casas-Zamora
		Miguel Cuellar
		Carlos Santos Tejada
	Philippines	Edmundo Ortega
		Marlene Arduo
		Ruth Batten
	Sri Lanka	Nimal Hettiaratchy
		K.M.D Gunaratne
		George A. Michael
	Uruguay	Jan Steverlink
		Gustavo Casas
		Annie Bourgeois
AFIJUB	Spain	Angel Escudero de Paz
AFNU	Madagascar	Farah Juliette Razafiarisoa
AFPNU	México	Adriana Romero
		Maria Luz Diaz-Marta
		Teresa Hurtado Badiola

AFUNCS	Nigeria	Shobayo Kayode
AFUNO	New Zealand	Gillian Mellsop
		Doug Higgins
		Andrew Bruce
AFUNPI	India	Marashetty Seenappa
		Nanjundappa Srinivasan
		Magdalene Chand
AFUNSOB	Bangladesh	Kazi Ali Reza
		Ahmed Hussain
		Tim Nurunabbi Khan
AMAFINU	Mali	Christine Dolo
APEFONU/AFICS	Paraguay	Luis Talavera
APNU	Costa Rica	Jorge Rivera
		Enrique Bru
		Warren Crowther
ARCISA	Vienna	Werner Blenk
		Elisabeth Swaton
		Karin Burmester
ASAFI	Senegal	Makane Faye
ASOPENUC	Colombia	Helene Hasselbalch
		Jorge Rincon Mantilla
		Enita Zirnis
BAFUNCS	United Kingdom	Robert England
		Claudine Pichon
		Alnoor Nathoo
CAFICS/ACAFI	Montreal	Jacques Daoust
		Nayiri Dolabian
		Roy Croxen
FFOA	Rome	Edward Seidler
		Alan Prien
		Angelika Wolf
FOA	Turin	Valeria Morra
IAFICS	Israel	Michael Suess
Title		Name
President emeritus		Andrés Castellanos del Corral

President emerita		Linda Saputelli
Assistant secretary emerita		Lydia Ontal
Ex Officio Bureau members		Marco Breschi
		Jerry Barton
		Odette Foudral
		Ahmed K. Masood
		Mariam Ndiaye Coulibaly
		Warren Sach
		Pierre Sayour
		Wolfgang Milzow
Chairs of Standing Committees		Gerhard Schramek
Pension Board Representative		Mohammed Sebti
Polling officer		Véronique Whalen



Appendix 2

1 December 2020

FORTY-NINETH SESSION Virtual Council meeting 7 to 9 December 2020

Council 49/2020/D.1

PROVISIONAL AGENDA

1. Adoption of the Agenda
2. Election of the Presiding Officer and the Rapporteur
3. Report of the President
4. Pension issues
 - 4.a Pension – Emergency Fund
 - 4.b Pension – Governance Working Group
 - 4.c Pension – Mosaic Report
 - 4.d Presentations by the CEPA, the Secretary of the Pension Board of the UNJSPF and the RSG for Investments
5. After-Service Health Insurance (ASHI)
6. Approval of FAFICS statement prepared by AFUS "Tribute to 75 years of International Civil Service"
7. Administrative and financial questions
 - (a) Report of the Auditors for the accounts ended 2019
 - (b) Interim report on the management of the budget for 2020
 - (c) Proposed budget for 2021
 - (d) Appointment of the Auditors
- 8(a) Elections of the FAFICS Officers
- 8(b) Elections of Chair/Vice-Chair of the Standing Committees on ASHI and Pensions
- 8(c) Appointment of FAFICS representatives on the regular session of the Pension Board planned in July 2021
9. Date and place of the 50th session of the Council
10. Other business

Appendix 3

List of documents

Presentations by the CEPA, RSG and PB Secretary

Provided during Council and attached as Appendices 5, 6 and 7

Pre-session documents (D series)

Council 49/2020/D.1	Provisional Agenda
Council 49/2020/D.4.a	Pension issues; 4 (a) – “Status Report on the Emergency Fund”
Council 49/2020/D.4.b.1	Pension issues; 4.b – Report on the work of the Pension Board Governance Working Group
Council 49/2020/D.4.c	Pension issues; 4.c – Comprehensive review of the UNJSPF Governance
Council 49/2020/D.5	Report on After-Service Health Insurance (ASHI)
Council 49/2020/D.6	STATEMENT - Tribute to 75 years of International Civil Service
Council 49/2020/D.7.a	Report of the Auditors
Council 49/2020/D.7.a. Ann.1	Statement of income and expenditure for the year ended 31 December 2019
Council 49/2020/D.7.a. Ann.2	Balance sheet as of 31 December 2019
Council 49/2020/D.7.b	Interim report on the management of the budget for 2020
Council 49/2020/D.7.b. Ann.2	Comparative Budget 2021
Council 49/2020/D.7.c	Proposed budget for the year 2021
Council 49/2020/D.8.a	Election of Officers; Officers Candidates CVs

Appendix 4

President's report

I usually open my remarks with compliments to the beautiful city that hosts us, be it Vienna, Geneva, Paris, Rome, New York, Nairobi. This time I can't do that but I can refer to the beautiful cities in which we are all located representing the social, cultural richness of our international community including Africa, Europe, North and South America, Asia and the Pacific regions. I am proud of welcoming you to the first in history virtual Council meeting of FAFICS. I am confident that thanks to you this, for us unusual, meeting will be a fruitful and successful event in our lives.

One minute of silence for the losses due to the COVID pandemic and others

Our thoughts go to those retirees and active participants who lost their lives due to the COVID pandemic. At the end of last year, we lost our good friend and esteemed colleague Pierre Adama Traoré. He was a great supporter of FAFICS and a loving son of his country and his African region. He was a very active and effective special adviser always ready to embark in new initiatives. A true gentleman. Allow me to say that, among other things, I am personally grateful to him as one of my main supporters in my work for FAFICS.

This year also marked the passing away of Mr Aurelio Marcucci Vice President of FFOA in Rome and Vice President Emeritus of FAFICS. We received numerous messages of condolences recalling Aurelio's remarkable participation in the work of the Pension Board. These messages can be found in our web page and were also sent to his family.

Nobel Prize to WFP

On a positive note, I would like to send the congratulations of this Council to the colleagues of the World Food Programme, the UN/FAO programme based in Rome, that provides food wherever is needed in the world especially in vulnerable communities stricken by war, social and political unrest, famine and other plagues. As you know WFP this year has been awarded the prestigious Nobel Prize for Peace. On behalf of us all, I sent a message of congratulations to WFP on the day of the award. If you have not seen it yet you can find my message of congratulations to Mr Manoj Juneja, Assistant Executive Director of WFP and his courteous reply on our web page. Grateful for your round of applause for WFP.

Tribute to the 75 years of International Civil Service

I would like to thank **AFUS France** and praise its President and dear colleague **Georges Kutukdjian** for the initiative of writing a paper titled "Tribute to the 75 years of International Civil Service". The purpose of this paper is to celebrate a clutch of anniversaries that occur in 2020 including the seventy-fifth anniversary of the United Nations, the seventieth anniversary of the UNJSPF, the forty-fifth anniversary of FAFICS and the centenary of the League of Nations. I encourage all to read this document if not done so already. Other anniversaries include the AFICS New York

and the FFOA in Rome being celebrated this year. Our best wishes and congratulations go to all colleagues in these two associations who were, together with AFI/AFICS Geneva, the founding fathers of FAFICS in 1975.

A Virtual FAFICS Council or not?

Turning to the present time, you will recall our frequent exchange of correspondence during the first COVID wave last spring in which we debated what to do in those exceptional circumstances in which in-person events were banned internationally. We felt totally unprepared procedurally, technically and legally. Our rules are totally silent about virtual meetings and more importantly virtual elections. Some of you encouraged me to undertake the avenue of launching the first ever virtual Council in time for the Pension Board virtual session scheduled for July. Together with my colleagues in the Bureau, we resisted the idea of a virtual session, convinced as we were, and still are, of how difficult it is to hold a fully fledged event where an exchange of views, interaction and on-the-spot consultation are not possible. We were hoping that we could meet in person under usual arrangements by the year end.

I made sure this was a democratic process with a decision taken in full consultation with the Bureau and all of you as members of Council. For this reason, I consulted all associations in writing and the overwhelming majority informed the Secretary of your intention to wait for better times to hold the 2020 Council.

I believe this was yet another occasion when we followed our rules in full respect for the democratic nature of FAFICS and its clear, well established governance structure where the President, the Bureau and Council play a key role in directing the Federation in our traditional, long-established gentlemanly and friendly manner where mutual respect and understanding prevail to legalistic, bureaucratic proceedings.

Pension Board Outcome

You have in front of you some excellent documents prepared by Gerhard Schramek and Warren Sach on several important pension issues. These documents provide a comprehensive overview of developments from the beginning. Without the benefit of personal interaction allowed by a traditional Council session, our delegation to the Pension Board could benefit from the cumulative knowledge you can find in these papers and also from inputs by the Bureau as well as individual associations regarding many issues of major concern to FAFICS. A series of emails, phone and WhatsApp calls partially substituted the lively dialogue we usually entertain in an in-person event. Thanks to this, and the input received from the various PB Working Groups and SPC's, our delegation was well placed to conduct its mission of defending the interests of UN retirees and participate very actively in the PB debate and decisions. The Pension Board in July was a partial success despite all the difficulties inherent in a global event held virtually.

Among the most important results achieved, we can point to the appointment of the Deputy CEPA and, for the first time, the Secretary to the Pension Board. The two new appointments, together with the appointment by the Secretary-General of the

new RSG Mr Pedro Guazo earlier in the year, marked the conclusion of a very long period, in which the Fund was left without a clear leadership and guidance due to difficulties, known to you, in filling key positions on a timely basis. My recent experience in various committees (Audit Committee) and working groups, showed a marked improvement in the internal relations within the bifurcated structure of the Fund and a much more harmonious way of working together for the good of the Fund and its retirees. We can look forward to further improvements in the way the Fund is led to become more and more a modern organization. I am pleased to say that the new UNJSPF executives have accepted the Bureau invitation to make a brief presentation to Council. We will be honored to host them tomorrow.

The key area of great interest to the PB was the reform of its own governance. The Board received the report of the independent consultant hired at the request of the General Assembly specifically to review and make recommendations on the governance of the Board. The time available was limited and soon it became apparent that conclusions on the review could not be reached last July. After a series of non conclusive meetings, including several with the Firm Mosaic, it was decided that an extended session of the Board was necessary to complete the review and, as you know, an extension is now scheduled for February 2021 in which, as requested by the Chair Ms Marta Helena Lopez, all the July delegations are requested to participate (this include our six delegates).

The governance working group (GWG, in which two colleagues take part, Warren Sach and Gerhard Schramek) could not reach clear conclusions on some of the most controversial recommendations such as the drastic reduction in the size of the Board itself and the so-called Transition Board meant to oversee the migration from the old to the new Board. Among the main issues at stake are the level of representation in the Board, including the size of the FAFICS delegation, whether we should be given the right to vote, and seeking a new balance between the influence of the UN proper and that of the independent UN organizations (agencies). At the time of drafting this paper, it was still unclear if the Fifth Committee will decide to wait to receive the final recommendations of the February Board or adopt positions on these issues for final endorsement by the General Assembly by the year-end. The outcome of this process is of great concern to all of us. The GWG is now closely following the situation to ensure the February Board session will be given an opportunity to fully review all the key issues and reach common conclusions. Our colleagues directly involved in the GWG will be able to provide Council with an update on this key issue.

Another area of significant debate at the Board was the budget of the Fund. While the working group on budget (including our colleague from Latin America, Ms Adriana Gomez and from India Marashetty Seenappa carefully examined the budget proposals in both the Administration and Investments offices and largely supported them, we are now informed that the GA committees may take a more stringent approach. Details may become known soon.

An issue related to the budget review is the transfer of the financial function from Geneva to New York in the context of the functional reporting introduced by the new CEPA. As most of you know, there are differing views on this subject within the Federation and this should be regarded as a positive circumstance of internal

democracy. One position is based on the need to leave the Fund with an adequate degree of independence and latitude in taking managerial decisions not implying policy or strategy. The other positions require FAFICS to defend the size and level of staff complements as well of incumbents, implying that our Federation should have a say in any related decision.

The Board decided to further analyze the matter and placed this item on pause for further review in July 2021. FAFICS will continue to support its initial views and as done for over a year it will continue to convey the concerns of the Geneva colleagues to the CEPA (as previously to the Acting CEPA). In this regard, I would like to stress the need for a united approach to any issue we want to address to the Pension Fund or in general to the outside world. Having one or more associations taking an individual stand and writing directly to the Fund Executives without consulting the President or the Bureau undermines our image as a cohesive, united Federation representing the interest of all UN retirees and not only those of one or two individual associations. Differing views must be reconciled internally without recourse to external sources. I hereby engage in supporting the point of view of all, reminding us all that my duty is to compose different internal views into one overall position to be represented outside as per Rule of Procedure 5.3.

FAFICS Bureau

My sincere gratitude and respect also go to the Bureau colleagues for their hard work under the capable chairmanship of Georges Kutukdjian, work that went often beyond a normal call of duty, in setting up all the unusual arrangements required for a virtual session and more critically for virtual elections. Please believe me that as I write this report to you, the Secretary and all colleagues in the Bureau are frantically exchanging emails and messages concerning the technicalities behind virtual elections. New processes for accepting and managing proxies, the timing for the electronic elections, defining the new arrangements for the Polling Officer, Ms Veronique Whalen from Vienna, (our sincere thanks to Veronique) arrangements in case of a tie in the vote, the Zoom arrangements. Finally, our special thanks go to the Secretary Pierre Sayour and ARICSA President Jerry Barton for their unprecedented efforts to put up these technical arrangements.

We had to strike a balance between following our rules which do not foresee virtual events and the need to go on with our work. It was an extenuating exercise, but my colleagues in the Bureau and I feel that we have achieved a reasonable balance between the need to adhere to the rules or the lack of rules and the need to proceed. I would like to stress here that by participating in this Council session you are endorsing the arrangements and procedures we are forced to follow in such unusual circumstances.

Elections of officers of the Federation

Our current set of rules stipulates that nominations of officers of the Federation are made by all (63) associations for election by the Council. Our current rules recognizes that officers of the Federation are an integral part of its governance architecture and as such should be nominated by the individual associations in recognition of their qualifications, experience, competency, specific sensitivity that

each group may have, as well gender balance and where possible, geographical priorities. This year, due to unusual circumstances dictated by COVID we are following a virtual process designed to follow as much as possible the letter and the spirit of our manual elections procedure. The aim here is to preserve the democratic nature of our elections.

Pension Board delegation

This year we have unusual circumstances regarding the 2020 Pension Board which was extended to February 2021 to allow the conclusion of the review of several governance issues addressed in the Mosaic report and reviewed by the Governance Working Group during a series of meetings before and after the July session of the Pension Board. The February 2021 Pension Board session is an extension of the 2020 session and as such it does not require a new designation for the FAFICS delegation. It is essential that colleagues who have followed the developments of the work on governance are allowed to complete the job in February.

Later on, during this Council you will hear the significant changes being proposed as a result of the Mosaic report and the Governance review by the General Assembly. We will then examine options for the nomination of the July 2021 delegation bearing in mind that we expect significant changes with regard to the size and composition of the FAFICS delegation in the new Pension Board scenario.

COVID Vaccinations

The Bureau has reviewed the current situation regarding the upcoming vaccination campaigns around the world (at the time of writing this note news arrived that one country in Europe has cleared the start of their national campaign and several others will come soon). The Bureau considered that our mandate is to protect the interests of UN retirees around the world including the right to good health. UN retirees residing in many parts of Europe, Asia, North and South America and Africa are likely to be able to benefit from these national vaccination campaigns, unlike retirees residing in other parts of the world where such campaigns may not exist or may not be far reaching as necessary. In this regard, I expect guidance by the Council as to whether the President should write a letter to the Secretary-General requesting what initiatives the UN intends to take to ensure that all governments or the UN itself provide adequate coverage for all UN retirees.

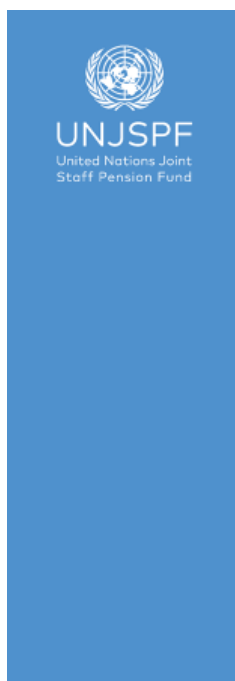
Closing remarks

Before closing, I would like to thank Marashetty Senappa for accepting to be our Presiding Officer, a task that is never easy, and Linda Saputelli for accepting to be our Rapporteur, again not an easy task especially in the new difficult environment of a virtual event.

Finally, I would like to appeal to our sense of solidarity and desire for mutual support, values we inherited from a long prestigious and successful past. Within this tradition, I wish to encourage all of us to continue in this path, with the intention to preserve our unity and relevance in the UN Pension world for us and colleagues to come. United we stand!

Appendix 5

Presentation by the CEPA



Update on the UNJSPF

8 December 2020

Rosemarie McClean

Chief Executive of Pension Administration

COVID-19 – BUSINESS CONTINUITY



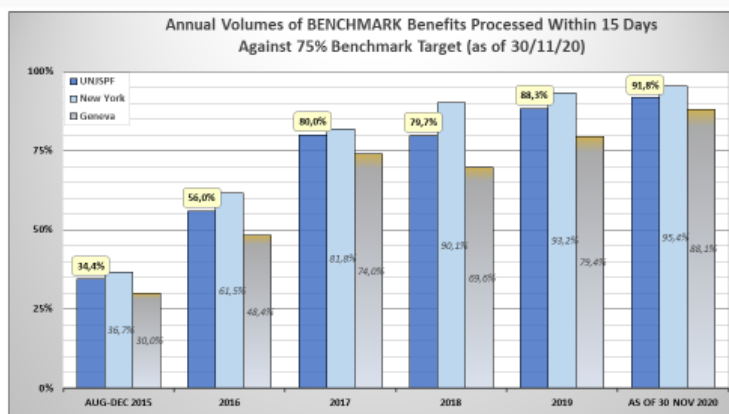
- All staff have successfully worked remotely since March- receipt/sending of mail and checks have been executed by essential staff from the office.
- Limited number of staff returned to the office since June (Geneva) and August (New York).
- Due to worsening of COVID-19 pandemic situation in Europe, Geneva staff resumed full-time telecommuting on 4 November.

3

COVID-19 – BUSINESS CONTINUITY



- Performance maintained at a high level – over 90% of new pension cases are processed within 15 business days. Pension payrolls have been processed on time.



4

Inventory of deferred and active cases



Breakdown of Cases	As at 25 November 2020		As at 31 December 2019	
	NUMBER	%	NUMBER	%
No payment due at all				
Possible Re-employment under Article 21	18	0.4%	101	2%
No immediate payment due				
Deferred Retirement Benefit - Art.30 (payment not due until retirement age or from early retirement age)	351		499	
Deferment of Choice - Art.32 (benefit election/payment deferred by the beneficiary up to 36 months)	3145		3615	
Total	3496	80%	4114	76%
Not ready for payment				
Cases reviewed but require more information/clarification	676	16%	900	17%
For payment (case inventory)				
Cases in progress	85		86	
Cases scheduled for review	71		181	
Total	156	3.6%	267	5%
Total	4346		5382	

PAYMENTS DUE TO SEPARATED PARTICIPANTS



- Over the past few years, there has been an improvement in the amount of time it takes for a member organization to get the separation documents to the Fund. The average time in 2018 was between 28 to 35 weeks.
- The Fund has been working closely with the UN family organizations and through closer collaboration with our partners in these organizations, the average in 2020 is now 6 - 10 weeks.

COVID-19 – LESSONS LEARNED

- Business continuity planning is key
- Previous investments in technology paid off and further investment will be needed
- Paperless is now a must, without compromising the integrity of our controls
- The digitalization documentation process has been accelerated – digital separation documents and payment instructions now being accepted

7

A NEW STRATEGY 2021-2023



8

THE STRATEGIC PILLARS



- **Simplify the Client Experience:** Client service and satisfaction will become the priority. It will move the Fund to become a paperless organization
- **Modernize Pension Services:** Innovation, business transformation, including mapping existing processes, testing Robotic Process Automation and upscaling skills will be the backbone of the modernization
- **Develop a Strong, Global Partnership Network:** Becoming a data-driven organization and building partnerships with staff, member organizations, and decision makers/stakeholders, enhancing transparency and accountability will improve trust and confidence in the Fund

9

MODERNIZATION OF THE PENSION FUND



- All separation documents will be accepted in electronic format on a permanent basis
- New functionalities introduced in Member Self-Service (MSS): members can now submit documents such as payment instructions and Certificates of Entitlements to the Fund, in digital format, using the MSS portal
- Documents submitted through MSS will be considered in lieu of original documents
- The digital certificates of entitlement will be offered as an option via a mobile app in 2021.

10

THE DIGITAL CERTIFICATE of ENTITLEMENT



11

MODERNIZATION OF THE PENSION FUND

- The continuous improvement programme has been launched to drive innovation to enhance efficiency and effectiveness.
- Three pilot projects were initiated to engage staff and explore opportunities for improvement.
- A Center of Excellence will manage the continuous improvement programme with toolkit and standards.
- Dedicated resources were requested in the budget submission.

12

WE NEED YOUR ASSISTANCE



- Cooperation with stakeholders is key to the success of the Fund's Strategy for 2021-2023.
 - UNJSPF website for both PA and OIM is being renovated.
 - Customer satisfaction survey is being revised.
 - The transition to a paperless Fund and other initiatives require excellent collaboration between Member Organizations and the Fund, FAFICS and local AFICS.
 - We will need your help to explain digital process to retirees and beneficiaries.
-

PREPARATION OF THE UN GENERAL ASSEMBLY RESOLUTION



- ACABQ (Advisory Committee on Administrative and Budgetary Questions) has provided their report, including their views on the 2021 administrative budget proposal.
- The 5th Committee meetings have started.
- UN General Assembly resolution expected in December 2020.

THANK YOU FOR YOUR ATTENTION !

Appendix 6

Presentation by the RSG

Market value of the portfolio as of 4-December-2020
US Dollars




Report: Total Fund MV_Weekly Website Report Title: Daily Returns Reference Date: 12/04/2020 Last Refreshed: 12-07-2020 07:47:53 AM
Benchmark: Primary Benchmark

Group/Account	MV Latest Date	ROR			
		1 Week	MTD	QTD	YTD
United Nations	79,448,590,029	0.96	1.55	7.12	10.26
Total Public Equity	47,333,990,518	1.57	2.59	12.16	15.93
Private Equity	3,929,855,134	0.18	0.16	0.20	2.31
Real Estate	5,271,830,430	0.29	0.26	0.80	0.41
Real Assets	140,960,520	0.00	0.00	-1.29	-10.02
Total Fixed Income	21,395,117,236	-0.01	0.00	0.50	4.75
Investment Cash	1,104,816,953	0.00	0.00	0.02	0.63
Treasury & Operational Cash	272,019,238	0.04	0.04	0.34	-0.20

Monthly Evolution

Group/Account	MV
United Nations	
10/31/2020	72,718,138,973
09/30/2020	73,764,787,606
08/31/2020	75,142,465,283
07/31/2020	72,830,709,293
06/30/2020	70,238,403,954
05/31/2020	68,963,811,682
04/30/2020	66,854,404,599
03/31/2020	63,838,542,566
02/29/2020	68,732,982,744
01/31/2020	71,568,615,320

Actuarial Value of Accrued Benefits as of 31 December 2019 (millions)

If Future Pension Payments Are Made Under Regulations With Pension Adjustments ^b

Actuarial Value	Funded Ratio
\$63,343.0	107.1%

Appendix 7

Presentation by the PB Secretary

Pension Board Secretariat Work plan October 2020 to July 2021



UNJSPF
United Nations Joint
Staff Pension Fund

	Oct. 2020	Nov. 2020	Dec. 2020	Jan. 2021	Feb. 2021	Mar. 2021	Apr. 2021	May 2021	June 2021	July 2021
Pension Board					2-5 Feb. Special Board					22-30 July
Audit Committee		16-17 Nov.				Mid March			Mid/end June	
Committee of Actuaries								Early May Joint meeting w/IC	Mid June	
Fund Solvency and Assets and Liabilities Monitoring Committee		TBC / Chair Committee of Actuaries TOR ALM Study		TBC / Chair Investments	Mid Feb		ALM Study		Early June	
Governance WG	1, 29	16, 17, 20 Nov	2 or 3 Meetings	2 or 3 Meetings	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Standing Committee						TBC				20 July
Succession Planning Committee										
Budget WG/Committee							Finalize documents		early June	Daily during PB
Investments Cte.	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
OTHER:										
Fifth Committee		Introduction	Adoption							
ACABQ	8 Oct.	Issuance of Report								

Appendix 8

Tribute to 75 years of International Civil Service

The Federation of Associations of Former International Civil Servants (FAFICS),

- a) Considering that the Federation of Associations of Former International Civil Servants (FAFICS) is celebrating its 40th anniversary in 2020,
- b) Considering also that the United Nations and many of its specialized agencies and institutions are celebrating their 75th anniversary similarly in 2020,
- c) Recalling that a first true international civil service was established following the creation of the League of Nations a century ago,
- d) Noting that the Administrative Tribunal of the International Labour Organization (ILOAT), the United Nations Administrative Justice system (UNAT), the United Nations Joint Staff Pension Fund (UNJSPF) and the International Civil Service Commission (ICSC) were established respectively 75, 70 and 45 years ago,
- e) Recognizing the paramount role played by the international civil servants of the UN system since 1945 in defending, upholding and implementing the purposes and principles enshrined in the Charter of the United Nations,
- f) Appreciating their invaluable contribution in promoting peace, mutual understanding and international cooperation throughout the world and mindful of the need to preserve their institutional memory,
- g) Acknowledging their unswerving commitment over these years to secure the highest standards of efficiency, competence and integrity in the discharge of their responsibilities as international officials responsible only to the UN Organization and its specialized agencies,
- h) Commending their active participation in the delivery and execution of programmes of the UN system for the betterment of humanity in all parts of the world,
- i) Remembering also those who lost their lives in the line of duty and in the service of the noble goals of the United Nations,
- j) Emphasizing that the UN and its specialized agencies embody the highest aspirations of the peoples of the world, that the international civil service bears responsibility for translating these ideals into reality and that international civil servants have a special calling to serve the ideals of peace, respect for fundamental rights, economic and social progress, and international cooperation,

Hereby,

1. Pays tribute to the international civil servants who have dedicated their lives over the past 75 years and are doing so in serving the UN system with competence, integrity, impartiality and independence;
2. Praises their loyalty, dedication, commitment and professionalism in the discharge of their duties around the world;
3. Recognizes that the international community must guarantee the security and safety of the international civil servants serving around the world, especially in hardship duty stations;
4. Expresses its gratitude for all their achievements in the delivery of UN mandates, programmes and activities, thereby proving the relevance of the UN system in a globalized world;

5. Reaffirms its belief that true international cooperation among nations can only be reached with a strong and dedicated international civil service;
6. Reaffirms also its full adherence to the highest Standards of Conduct for the UN international civil service which are integrity, loyalty, independence, impartiality, tolerance and respect for diversity, since the international civil service can be exemplary for a just and peaceful world;
7. Stresses the need to further ensure that all the UN membership is fairly represented in the UN common system staff in order to attain its highest universal character;
8. Supports the enhancement of gender equality in strengthening the international civil service;
9. Calls for the proclamation of an International Civil Servants Day by the General Assembly of the United Nations to be celebrated each year throughout the UN system on 11 April;
10. Requests the President of FAFICS to bring this Declaration to the attention of the UN Secretary-General inviting him to share it with the heads of UN specialized agencies and institutions in the UN System Chief Executives Board for Coordination (CEB);
11. Recommends that this Tribute to international civil servants be read out by the President of FAFICS in the General Assembly of the United Nations following its 75th anniversary.

Appendix 9

Letter from Tedla Teshome

Read at FAFICS Council 2020

Came on Board of FAFICS Council in July 1999, representing AFICS (Ethiopia), that is 21 years ago

Since then, I have participated regularly all the annual FAFICS Sessions, the present Virtual session being my 22nd.

I believe that makes me one of the longest, if not the longest, serving member FAFICS Council.

In the earlier years, my Association AFICS(ETH) being the only association from Africa region, in regular attendance, by default, I was considered as the spokesperson for Africa thereby assuming the heavy responsibility of safeguarding the interests of retirees of the region. For that matter, Asia and LA were also in similar situation. I recall that Asia was in effect represented by Bangalore (INDIA) Association under the able leadership of my good friend and comrade-in-arms, Janikiram (JANY); Latin America by Argentina and Brazil, led by the distinguished delegates, the late Oscar Larghi of Argentina and Eduardo Albertal of Brazil. The latter, Albertal was later made Vice President Emeritus in recognition of his long and dedicated service for FAFICS along with Aurelio Marcucci, who was, exceptionally granted the title of President Emeritus. All three are no longer with us. May their souls rest in eternal peace.

If I may say so, the TRIO regional representatives, Africa, Asia, Latin America, through their respective Head of delegation had served as the collective voice of the Third World Associations to bring about changes in the conduct and thinking of the Council.

At that time, FAFICS was unfortunately perceived by smaller Associations as an exclusive Federation of the long established and wealthy Associations of Europe and America, and members appeared to have acted accordingly. Representation from the rest of the world, especially Africa and Asia, was accorded little or no attention. Decision making process was dominated by representatives of the big associations. The Associations of the Third World thus felt very much marginalized. In fact, at one point, the Latin American Group threatened to form their own Regional Federation. Africa was also toying with the same Idea. Had that materialized, it would have led to the disintegration of FAFICS. Fortunately, reason prevailed. The Council began to appreciate the concerns of the disenfranchised groups. In the end, a consensus was reached to incorporate the universal principle of equal representation –i.e. One association ONE vote- regardless of size or financial standing as well as geographical representation in the revised Statutes of the Federation. The rationality of inclusiveness in sharing the management responsibility of the Federation was

also increasingly appreciated and recognized. Accordingly, positions of vice presidency reflecting a broader representation of member associations were created. Furthermore, unlike the earlier years, efforts were made to share bureau responsibilities. However, the issues surrounding the designation of FAFICS representatives to the Pension Board still remain not satisfactorily resolved. While the decision that members should be elected but not appointed is a significant step on the right direction, the expectation that the potential candidate must possess in-depth knowledge of the pension issues and have extensive familiarity with the functions of the Pension Board, still remain a serious impediment to the full realization of the intended improvement. It is important that this issue is resolved amicably in order to avoid any feeling of marginalization. After all, here, we are not talking about nuclear science. It must be remembered, to learn swimming one must be fully immersed in the water. Practice makes perfect.

Hence, to ensure continuity and broaden the representation, the criteria for nomination of candidates in this respect must be relaxed and conscious effort made to ensure rotation of the membership.

It is gratifying to note that significant increase in the representation of the Third World. Africa and Asia has now some six Associations each on board; likewise LA. FAFICS has thus become to better reflect the diversity of its constituencies and improve its image as a representative of all UN retirees. I am proud and much honored to witness and is closely associated with the evolution and growth of FAFICS over the last 21 years. During the last two decades, not only did I actively attend all the Council's Meetings, but also had the honor to serve as Vice President for nine years and member of the delegation of the FAFICS representatives to the Pension Board for 8 years, during which I had the privilege to participate actively in the Budget and Finance and Appeal Committees of the Pension Board.

I also had had the honor and privilege at one point to serve as a Presiding Officer of this August Council's session.

I had a unique opportunity to work with five different FAFICS Presidents, the present one being the 6th and enjoyed their leadership and cooperated well with them.

I am confident, with the increasing diversity of its constituents, and the proactive implementation of the cardinal principles mentioned earlier, FAFICS will be able to assert its position as the sole representative of the global community of retirees.

There is time for everything: time to come and time to go. I believe the time has now come for me to leave and bid farewell, as head of my Association's delegation, to this august assembly. This is my last session and I already started missing it. But I am prepared to continue cooperating with FAFICS both at individual and other levels.

During my association with FAFICS, I was fortunate to have made very many good friends, whose warm friendship I will always cherish. I certainly enjoyed my interactions in the Council's deliberations. Especially, I will always fondly remember the wonderful fellowship at the traditional dinner often hosted by the host associations and all the fun associated with it.

I now have the pleasure to introduce to the Council my colleague and President Elect of AFICS (AA), Dr. Afework Ayele, who was a former staff member of UNICEF. I sincerely hope distinguished members will extend to him your cooperation and support that you have so generously and graciously accorded to me, for which I remain ever grateful. Dr. Afework, I am sure, will have a word to say in due course.

Lastly, being human, I might have, albeit unintended, caused some displeasure to some members in the course of my numerous interventions over the years, If I did, I am sorry and wish to offer sincerest apologies for my short comings and pray I will be forgiven.

I wish you all long life with good health and lots of blessings.

May FAFICS continue to grow and blossom and fully realize its cardinal mission of safeguarding the interests of all UN retirees.

THANK YOU!!!

TEDLA TESHOME

(Outgoing President, AFICS-AA)