

**FAFICS 2024**  
**April SESSION**  
**Bureau meeting on 18 April 2024**

**In attendance:** *Delia Barcelona (Secretary), Jerry Barton (President), Suzanne Bishopric, Juan Casas-Zamora, Jayantilal Karia, Deborah Landey, Romesh Muttukumar (Treasurer), Marashetty Seenappa, Nancy Hurtz-Soyka (Rapporteur)*

**Absent with notice:** *Abou Khadre Diahkate, Pierre Sayour*

**Actions/decisions taken by Bureau at this meeting:**

1. Justification papers (TOR and justification on why there should be two new Standing Committees) to be drafted by MS and JC for the establishment of new Standing Committees on Membership/Revitalization and Communications for a decision to be taken by the Council. Justification statements to be prepared and discussed at next Bureau meeting in May.
2. President to talk to those that have been put forward as FAFICS representatives to the Pension Board and Committees to ensure their willingness to serve (Werner Blenk and Clemens Adams who have already been informed will begin their work in May).
3. Terms of Reference of the Standing Committee on Pension Issues to be shared with the Bureau at its next meeting.
4. President to talk to Jay Pozenel concerning the Co-Chair position of the SC on Pension Issues.
5. A formal letter to be sent to all Associations asking for nominations for vacant posts will now be issued jointly, that is from both the President and Secretary (as required under the Rules) -including all points listed in last month's Minutes, particularly on succession planning and including the need to be willing to sign the Declaration of Principles and to be made aware of work expectations.
6. At the request of the CEPA and RSG, Bureau members to provide a list of subjects (by the end of April) that retirees might be interested in for a town hall meeting specifically organized for retirees in May/June.
7. Next Bureau meetings scheduled for 15 May (new date) and 20 June.

**Agenda 1. Approval of agenda for meeting**

1. The agenda was adopted as presented.

**Agenda item 2. Approval of the Minutes of the meeting**

2. The draft Minutes of the Bureau's 22 March meeting were accepted as presented.

**Agenda item 3. Review of decisions/action points from the 22 March meeting**

3. The President reviewed the eight decision/action points that were taken during the last Bureau meeting. The Bureau took note that three had been completed and took note of the remaining five pending actions as follows. All completed except for point 1.:
  1. SB and RM should discuss situation of UBS accounts. *To be done*
  2. The Bureau confirmed that the membership of UPU would be put forward to the FAFICS Council. *The President to draft document.*
  3. The President to contact Jay Pozenel to discuss with him possibility of serving as Co-Chair of the FAFICS Standing Committee on Pension Issues. *To be done and carried over to current meeting's action points. See above*
  4. The issue of multiple surviving spouses (not currently on the Pension Board's agenda) should be tabled pending receipt of results of the PRG deliberations. Currently, more background is needed on this issue to present a coherent input to the Pension Board and Pension Administration. *Completed for now.*
  5. The President to write to associations by end of April for nominations for open FAFICS positions. *Letter to be sent out by end of April. See actions/decisions from this meeting listed above.*

**Discussion**

4. During the discussion of the pending issues, the President requested the Chairs of the Membership/Revitalization Committee and Communications Committee to draft justification papers with terms of reference for the elevation? of their committees to Standing Committees of the Council. These

papers should be submitted and discussed by the Bureau at its next meeting in May.

5. As regards the nominating letter to be issued by the President, Marashetty Seenappa added that it would be useful for those considering running for an office to know exactly what was entailed in serving as a FAFICS officer. The President concurred and said this information would be included in his letter.

#### **Agenda item 4. Updates on FAFICS four pillars**

### **Pension Issues**

#### **Issues around the two -track system**

6. The President explained the following:
  - the two-track system became an issue starting last July when a new statistical evaluation of the benefits was introduced and led to more countries being suspended – some last July and now more in April.
  - The President added that this new method was better than the previous one which was more subjective and reported that there was a document in front of the Pension Board showing some of the statistics on how this new method has led to more suspensions. However, the point raised by FAFICS with the Pension Administration was that most of the apparent results are long in the past - going back 30 years - to see if the two track results were comparable to present ones. This new method means taking back half of the pensions of those retirees in their eighties. He thought that it would better to see if twenty-five years might be more relevant resulting in fewer suspensions.
  - Currently, there are eighty countries suspended out of 190, so close to half of all countries are suspended. This could seem like a bad optic as if the Pension Administration were trying to remove the two-track system
  - He noted that the FAFICS delegation to the PB would be discussing the statistical method in more detail and would be putting forward comments at the April's Board session saying that this is a good system

but may need some fine tuning to avoid some of the issues arising from the suspensions.

- Suzanne Bishopric said that it may be better to go back twenty years since that was when the euro was added which added challenges to fairness of the two-track system.
- The President added that FAFICS has changed this item to an information item (from “Consent” with no discussion) so FAFICS can make comments on it at the Pension Board meeting.
- The President reported that the heads of the Pension Administration have been holding town halls meetings and are willing to hold a town hall meeting specifically for retirees. They, however, requested from FAFICS what topics retirees would most like to be briefed on. Therefore, the President requested the Bureau to provide him with some subjects they thought retirees would like to hear about from the CEPA and the RSG. These subjects would be submitted to the two Heads for a meeting of retirees to be held in May/June.

#### **Follow-up action on suspension of benefits due to non-submission of CE**

7. The President reported that all Associations had received the list of those whose pensions were being suspended due to lack of submission of the Certificate of Entitlement. He added that Associations and Human Resource staff were reviewing the list. He did not think that any action was needed to be taken by FAFICS at this time.

#### **Brief on the upcoming Pension Board meeting (virtual 25,26 April)**

8. The next Pension Board meeting scheduled for 25 and 26 April was seen as a preparatory one for the July session. The CEPA and RSG would be providing briefings, and the President was pleased to report that the RSG had agreed to provide more information in his briefing.
9. The issue of the small pension thresholds is on the Pension Board’s agenda and members have been asked for comments on the issue. He noted that FAFICS introduced this item in February and had been willing to work with the Pension Administration. However, so far there has not been any specific result. FAFICS will continue to work with the Pension Administration to

develop proposals which would go towards a more robust system that would adjust threshold amounts based on cost-of-living adjustments, so that small pensions would not stay the same for decades as they have now. He hoped that by July there would be something that FAFICS could report on to the Council. He also noted that only some 800/900 people have their pensions adjusted according to these thresholds and considering the \$90 billion of assets in the Pension Fund, increasing small pensions would make little difference overall.

### **Standing Committee on Pension Issues**

10. The President reported that the draft Terms of Reference for the Standing Committee on Pension Issues were ready and could be shared at the next Bureau meeting. In terms of adding members to the Core Team, he suggested that he could write to all Associations asking them to contact their SPCs to ensure that there were retirees serving on the SPC in various organizations and then to see if they were aware of any SPC members from retiree associations willing to serve on the SC on Pension Issues in order to expand its membership as these are members who are already involved with the Pension Fund and who already were briefed, knew the rules, and who would be good candidates for succession planning, be part of the Committee and then be willing to take on a more active role. He was sure that Suzanne Bishopric would appreciate having a Vice-Chair who was active and who could take over the arranging of meetings, organizing and drafting reports. He noted that the original idea was to have Jay Pozenel, but it was the President's understanding from Suzanne Bishopric that he was very busy and highly involved in other activities. He added that what was needed was someone who had good organization skills as opposed to someone who was proficient in the investment side of the Fund and someone who could serve more like an Executive Secretary. The President hoped to have more progress on this for the next Bureau meeting so something would be set up by the summer for reporting to the Council in July.

11. Following a question from a Bureau member concerning the Standing Committee vs. the Core Team, the President explained that he was looking to expand the Core Team , not the SC as previously mentioned, with active members that should meet regularly and discuss internally and then present issues to the Bureau to be discussed and without the pressure of a Board meeting coming up, This would be akin to the SC and Core Team of ASHIL.
12. Following on the President’s comments concerning Jay Pozenel’s activities, Deborah Landey and Jay Karia thought that it would be best if the President contacted Jay Pozenel directly to see if he was overloaded with work or could be helpful and interested in the Vice-Chair position noting that he has already been tapped to serve on the Pension Fund’s Governance Working Group The President concurred and said he would talk to Jay Pozenel directly about his varied responsibilities and whether or not he would be available for this Co-Chair position.

## **ASHIL**

13. The Chair of the Standing Committee on ASHIL, Jay Karia, provided the following updates:
  - Results of the general survey: Good overall response rate with thirty-one associations responding – almost half of all associations.
  - The SC is in the process of drafting a report on the results of the survey The report is analysing the responses to the five questions in the survey and these responses will be key for the preparation of the report to the Council.
  - As for the survey sent to African Associations, the response rate was not as good as the general one. The date for replies was extended so the number of replies was still to be ascertained.
  - It can already be noted, though, that both surveys indicated the challenges facing retirees with their medical plans with more challenges in the African region.
  - As far as benefits, most retirees were happy with the benefits as well as the third part administrators (TPAs).

- One issue brought up in the surveys was the need for long-term care. However, as there would be significant cost implications, this issue will need to be further reviewed to see how to best to pursue this need.
- On the MIP, the survey shows that there are real challenges for retirees.
- However, some positive actions on the MIP programme have been recently taken up by the UN Secretariat with the establishment of a Working Group tasked with dealing with some of these challenges.
- However, the UN's Health and Life Insurance Section is severely stretched and understaffed and it is important that they are supported in any way possible.
- In conclusion, the Chair reported that the Standing Committee was meeting monthly and their workplan objectives were being met as well as the recommendations approved by the Council last year which would be so reported to this year's Council.

## **Discussion**

14. Marashetty Seenappa reported that the UN's HLIC was organizing an information session this month which would be in person and virtual. Jay Karia added that they would also be doing that for the insurance renewals which are renewed every July. He was also asking them to organize a specific session for retirees to which all Associations could be invited. He added that under the MIP Plans, even though most were administered by CIGNA, some MIP plans were different as regards benefits making this a challenge for all. He noted that the JIU report was recommending aligning some of the benefits as it did not make sense to have such varying benefits between subscribers. Some had minor financial implications and could not be a to be a continued reason for not aligning benefits. The Chair noted that FAFICS may have to push Organizations to align their benefits.

## **Communications**

### **Brochure**

15. The Chair of the Communications Committee, Juan Casas, provided updates on the new FAFICS brochure as well as the revamping of the website. The brochure which has now been printed in E/F/S would be distributed at the Council's session with some brochures being provided to the President and others if required. However, the digital version would become available only after its introduction at the Council session in July.

### **Website**

16. The Chair then provided the timeline for the revamping of the website... Currently the provider is reviewing the architecture and including some content and then will commence the review of all content. This would be the second milestone and the second tranche when the next payment is due. A subcommittee had been organized to review the content and the Chair expressed the need to receive inputs from the SC on ASHIL and the Membership/Revitalization Committee. His main goal would be that by the end of May the website would be published (live and available for the users in general) allowing the month of June and part of July to include any changes before its presentation to the Council in July. The Chair also hoped that the scheduling of this item at the Council would be early enough to allow him, who would be attending virtually, to introduce the new website. The Chair then presented some pictures included on the website but suggested that there be more interactive photos of working groups, or outings or other Associations' activities. There would be an all-member area and an area for the public. Content would need to be filled in over time. The site would be available for consulting and suggestions and the provider will continue to manage the website for two years according to their contract.
17. The Secretary added that the architecture was being built with a restructuring of the current website. It was hoped that in the next five weeks when

migrating from the current website to the new one was completed that all the Associations would have the opportunity to add to the website photos of their activities as well as the inclusion of updates and images along with their directory. Marashetty Seenappa suggested that a notice board be included on the website and should be live on a day-to-day basis. Links to other Associations website should also be maintained.

18. The President expressed his appreciation of the work and the progress made so far on the website as well as the brochure.

### **Membership/Revitalization Committee**

19. The Co-Chair of the Membership/Revitalization Committee, Marashetty Seenappa, reported that Nigeria was not ready to take up their tasks, but he was pleased to say the Resident Coordinator was ready to help. As for Liberia he added that they have been in touch with the Ghana group, and they have confirmed that they are working together. So, both Ghana and Liberia may be eligible to participate in the next Council session (2025). In addition, he added that next month the Co-Chairs would be able to submit their paper on the creation of the Standing Committee which would also include their workplan including training.
20. In reply to a question from the President concerning the dissemination of the letter by the Resident Coordinator, Deborah Landey said it had not yet been sent out. She, though, was following up on this matter on a regular basis.

### **Agenda item 5. Treasurer's updates**

21. The Treasurer reported that FAFICS had received some good news with the Auditors providing a clean audit report for 2023. However, they did raise some issues as follows:
  - First, they opined that some services like translations of the Council report should be part of the cost of the Council not part of Communications.

- Second, they queried membership numbers asking why Russia (with 328 members and with only three receiving pensions in Russia) and Ukraine (30 members with one member receiving a pension in Ukraine) are still considered as members. The Treasurer said it was not just dues, but it was also conversations and support for them even though right now there were no conversations. If this was to be done, then the membership number would have to be reduced by some 350 members.
  - Third, they queried the use of the accrual system for income not received in a year – about \$2,000/\$3,000 year. The Treasurer pointed out to them that the accrual should be continued as that helps FAFICS to issue reminders among other communications with such Associations.
  - Fourth, as concerns the Solidarity Reserve - the Auditors noted that while FAFICS had tried to set up a reserve for humanitarian situations, they noted that there had been a pushback by the Council. They remarked that some Associations have a humanitarian reserve and were perplexed by the pushback given to FAFICS in this regard. The Treasurer questioned whether FAFICS should revisit this idea of having a humanitarian reserve.
22. The Treasurer then announced the other good news which was the \$10,000 contribution received in March from UNFCU.
- 23 As concerned the subsidy for travel for delegates to the Council session, the Treasurer reported that with the capacity of subsidizing four associations for travel to the 54<sup>th</sup> Council session, so far requests have been received from Bolivia and Myanmar. There was still an opportunity for another international Association preferably from Africa and one from Asia. He noted that there was a request from Pakistan, however, they had already received a subsidy in a previous year. He queried if both Ghana and Liberia would be candidates but was informed that they are only prospective candidates but could be full members in 2025.
22. In discussing the points raised by the Auditors, Bureau members were of the mind that as concerns the accrual basis, it was best to continue with this means of accounting.

### Agenda item 6. Updates on FAFICS 54

23. The Secretary provided the following updates on FAFICS 54:

**a. Feedback/questions coming in from Member Associations.**

- The most recent feedback came from Niger who inquired about their need for visas which could not be obtained online but had to be obtained by traveling to the closest embassy which was in Dakar, Senegal and which would mean travel costs of about \$1,000. **The Secretary said she would inquire with the Thailand Embassy in the US and reply to Niger with that response.**
- Some Associations inquired about the number of participants as some wanted more than four. It was decided that there should continue to be a limit (virtually there could be more attending) but as far as speakers were concerned there should be the head of delegation who would be considered the main speaker who then can delegate to the two or three other registered delegates.

**b. Status of online registration on INDICO/registration period**

- As of today's meeting date, there were twenty registrations from 9 Associations.
- Some technical complaints (e.g. ARICSA) have been received but most complaints were quickly cleared up

**c. Elections**

**1. Positions to be elected this year** - list has been created.

**2. Nominations letters** – prepared and ready to be sent out by the end of April.

**3. Polling Officer**

- may have to be revisited at next Bureau meeting as Veronique Whalen is not available during the Council's session.
- It may be useful to have someone from NY as Veronique Whalen is in NY and would need to train the designated Polling Officer.
- A decision would be needed by the end of May for training in June
- Proxy issued raised as far as the need for verifying that proxy was valid. **The Secretary to prepare a proxy form.**

**d. Updated list of documents for FAFICS 54 –**

- an updated list of all documents was sent out by the Secretary
- Finance documents are all completed.

- The deadline for receipt of documents is July 1<sup>st</sup> for dissemination
- Any feedback on the list of documents should be directed to the Secretary for updating before the next may Bureau meeting
- The 53<sup>rd</sup> Council report to be approved but not as part of the 54<sup>th</sup> Council session
- The agenda to be updated with a separate item to be included for the creation of two new Standing Committees
- The certificate of appreciation certificate is being prepared for Douglas Helland for his many years of work on the current FAFICS website
- Whether or not there should be a position paper on divorced spouses (initiative of FFOA) should first be discussed by the Standing Committee on Pension Issues and reported to the Bureau. Suzanne Bishopric said she would take another look at the issue to see whether it should go on to the FAFICS delegation to the Pension Board.
- The President confirmed that any of his documents, particularly his President's report, would require the input and review by the Bureau and hoped that the Bureau would assist him in writing some of the reports and providing feedback.
- The Treasurer pointed out the need to incorporate wherever possible FAFICS thanks to UNFCU for their generous contribution.

**e. Hotel reservations**

- all Bureau members have made their reservations at the designated hotel.

**f. Council assistance for Delia**

- approved for 3 months for a part-time virtual assistant, contract, and Declaration of Principles to be signed.

**g. Pre-retirement seminar on Friday after the Council session**

- Marashetty Seenappa would be the point person for the pre-retirement seminar and will draft the agenda.

**Agenda item 7. Schedule of next Bureau meetings leading up to FAFICS 54**

24. The next Bureau meeting is now scheduled for 15 May with the usual start time of 9.30 (EST Time)

**Agenda item 8. Any other business**

25. There were no issues discussed under this item.