



UNITED NATIONS STAFF PENSION COMMITTEE  
PARTICIPANT REPRESENTATIVES

Thursday 24 January 2019

Dear Secretary-General,

As you may be aware, the General Assembly last month passed Resolution 73/264 on the Pension System. The resolution largely backed the OIOS governance audit (A/73/341) and was far-reaching in its decisions, calling for “unflinching accountability” by members of the Pension Board, and seeking to restore good governance and integrity to the Fund.

We know that you are personally committed to addressing the many governance problems faced by our Fund and have taken many important actions in the past for which we would like to thank you.

We therefore trust you will act through your representatives to the Board to join us in supporting the resolution and reminding the Board of the General Assembly’s (to quote the resolution) “existing prerogative... on matters pertaining to the Fund”. To this end we note the following with regards to the resolution:

- It requires that the positions of CEO and Deputy CEO be abolished and replaced as of 2020 by the positions of Pension Benefits Administrator and Secretary to the Board. Yet the Succession Planning Committee, in which you have representation, is reportedly considering whether to advertise the soon-to-be extinct positions of CEO and Deputy CEO and to this end has sought the support of the Office of the Legal Adviser. We believe that the Standing Committee of the Board should formally agree the terms of reference and grade classification of the Pension Benefits Administrator and Secretary to the Board and then ask the Succession Planning Committee to advertise these new positions.

Mr. Antonio Guterres  
Secretary-General  
United Nations

- It requires that the governance working group, which will examine Board composition and other issues, adhere to the Fund's tripartite structure. Yet, despite this, the Acting CEO has convened a meeting which includes a fourth group, the FAFICS retiree federation, as members, making the group quadripartite. This is in direct contradiction to the resolution, and we hope your representatives will take a stand on this.
- It does not endorse the majority position of the Board to refer OIOS to the Independent Audit Advisory Committee and instead "emphasizes that the Office of Internal Oversight Services shall remain the sole internal oversight body of the Fund's secretariat and investments." It is important that through your representatives the UN is seen to support OIOS in their much-needed task.
- It does not support the majority Board position to withdraw the Fund from the jurisdiction of the UN Appeals Tribunal, which would have created a legal vacuum and increased risks to the integrity and sustainability of the Fund; it instead asks for further justification. This matter will return to the 66th session of the Board and we hope your representatives will support continued UNAT jurisdiction.
- It decides to reconstitute the executive office of the Fund, within existing resources. This requires the return of two staff members to the Fund secretariat. Yet the Acting CEO has refused to do this, instead continuing to advertise for temporary replacements, costing the Fund, and by extension its participants, money. We hope the Department of Management, Strategy, Policy and Compliance can intervene on this matter.
- We note that the former CEO, Sergio Arvizu, who stopped coming to work after his contract was extended for three years instead of the five he requested, recently left the Fund and was awarded a disability benefit. Yet Arvizu's case for disability was never presented for review and approval to the UN Staff Pension Committee, as required by the Fund's regulations, making any payments illegal and raising questions of veracity. We understand that despite this, the payments were quietly signed off by Arvizu's former deputy shortly before he himself left the Fund, and Fund staff are now pressured to make payments that they know to be incorrect. You may wish to investigate this serious breach of the Fund's rules, for which normal UN staff are not exempted when it comes to processing and calculating their pensions. Our requests for more information on this matter have yet to receive an answer.
- Lastly we note that the Acting CEO recently told staff representatives that the Pension Fund's rules are guidelines to be interpreted flexibly. We hope you will remind the Acting CEO of the importance of operating according to the UN's legal framework.

We trust you will agree that UN Pension Fund provides a valuable and essential benefit to staff, who otherwise would be without social benefits beyond their retirement age. It behoves us to ensure its proper governance and long-term sustainability. To this end we look forward to the support of your representatives in ensuring that the General Assembly resolution is properly implemented.

Yours sincerely,

*(Signed)*

*Mary Abu Rakabeh*

*Ibrahima Faye*

*Ndeye Aissatou Ndiaye*

*Bernadette Nyiratunga*

*Ian Richards*

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cc:

Ms. Maria Luiza Viotti, Chef de Cabinet

Ms. Heidi Mendoza, USG, OIOS

