

# Regulations, Rules and Pension Adjustment System of the United Nations Joint Staff Pension Fund



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# Regulations, Rules and Pension Adjustment System of the United Nations Joint Staff Pension Fund\*

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\* \* \*

*The Regulations of the United Nations Joint Staff Pension Fund were adopted by the United Nations General Assembly by resolution 248 (III), effective 23 January 1949, and have been amended by the Assembly a number of times since then, following recommendations by and consultation with the United Nations Joint Staff Pension Board.*

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\* The text as well as amounts in this booklet of the Regulations, Administrative Rules, Pension Adjustment System as well as the Rules of Procedure are those in force as of 1 January 2018 and are subject to change. The most updated text can always be found on the Fund's website: [www.unjspf.org](http://www.unjspf.org). In respect of flat rate benefits specified in articles 28(e), (f), 33(d), 34(c)/35, 34(c) (i)/35, 34(d)/35, 36(d), please refer to the latest memorandum on the website, which reflects the movement of the United States CPI under the Pension Adjustment System.

# REGULATIONS OF THE UNITED NATIONS JOINT STAFF PENSION FUND

## ***SCOPE AND PURPOSE OF THE FUND***

The United Nations Joint Staff Pension Fund is a fund established by the General Assembly of the United Nations to provide retirement, death, disability and related benefits for the staff of the United Nations and the other organizations admitted to membership in the Fund.

## ***PART I. DEFINITIONS AND INTERPRETATION***

### Article 1 **DEFINITIONS**

In these Regulations, and in the Administrative Rules, unless the context otherwise requires:

- (a) "*Actuarial equivalent*" and "*equivalent actuarial value*" shall mean the equivalent determined according to the actuarial tables adopted by the Board under article 11.
- (b) "*Administrative Rules*" shall mean the rules made by the Board under article 4.
- (c) "*Benefit*" shall include a withdrawal settlement under article 31, and a residual settlement under article 38.
- (d) "*Board*" shall mean the United Nations Joint Staff Pension Board.
- (e) "*Child*" shall mean a child existing on the date of separation or death in service of a participant and shall include the step-child or adopted child of a participant, and a child *in utero* upon its birth; in the event of uncertainty as to whether adoption has taken place, the matter shall be decided by the Board.
- (f) "*Commute*" shall mean cause to be converted and paid in a lump sum part or the whole of a benefit otherwise payable at periodic intervals, according to the actuarial tables of the Fund.
- (g) "*Dollars*" shall mean dollars of the United States of America.
- (h) "*Final average remuneration*" shall mean the average annual pensionable remuneration of a participant during:
  - (i) The thirty-six completed calendar months of highest pensionable remuneration within the last five years of a participants contributory service; or
  - (ii) If the contributory service was less than five years, the thirty-six completed calendar months of highest pensionable remuneration within the actual period of such service; or
  - (iii) If the contributory service contained less than thirty-six completed calendar months, the actual number of such months within the contributory service; or
  - (iv) If the contributory service contained no completed calendar month, the actual period of such service.

- (i) "*Fund*" shall mean the United Nations Joint Staff Pension Fund.
- (j) "*General Assembly*" shall mean the General Assembly of the United Nations.
- (k) "*In pay status*" shall mean that a participant is entitled to remuneration from a member organization under the terms of his or her appointment.
- (l) "*Interest*" shall mean interest compounded annually at the rates specified in article 11(c).
- (m) "*Member organization*" shall mean the United Nations and any specialized agency or other organization admitted to membership in the Fund in accordance with article 3.
- (n) "*Normal retirement age*" shall mean age 60, except that it shall mean age 62 for a participant whose participation commences or recommences on or after 1 January 1990 but before 1 January 2014, and age 65 for a participant whose participation commences or recommences on or after 1 January 2014.
- (o) "*Own contributions*" shall mean the contributions, not exceeding the percentage of his or her pensionable remuneration specified in article 25(a), column B, made to the Fund by or on behalf of a participant in respect of contributory service under article 22, with interest, provided that, in respect of service in a member organization prior to its admission to membership in the Fund, which has been recognized as contributory, it shall mean:
  - (i) The amount transferred on account of the participant from the Provident Fund of such member organization at the time of its admission, without interest; or
  - (ii) The amount, not exceeding 12 per cent of his or her pensionable remuneration, received by the participant from the Provident Fund of such member organization on separation prior to its admission and repaid to that organization, upon re-employment, for the purpose of recognition of such service as contributory, without interest.
- (p) "*Participant*" shall include a former participant.
- (q) "*Pensionable remuneration*" shall mean the remuneration, at its equivalent in dollars, defined in article 51.
- (r) "*Restoration*" shall mean the inclusion in contributory service of the prior contributory service of a former participant who again becomes a participant.
- (s) "*Secondary dependant*" shall mean the mother or father, or an unmarried brother or sister under the age of twenty-one, who was dependent on the participant at the date of the participant's death in service, or from the date of the participant's separation from service to the date of the participant's death if he or she died after separation. The Board shall prescribe in the Administrative Rules the meaning of "dependent" for the purpose of this definition.
- (t) "*Secretary-General*" shall mean the Secretary-General of the United Nations.
- (u) "*Separation*" shall mean ceasing to be in the service of a member organization otherwise than by death.

(v) "Service" shall mean employment as a full-time member of the staff of a member organization.

(w) "Validation" shall mean the inclusion in contributory service of a period of non-contributory service which occurred prior to the commencement of participation.

Article 2  
**INTERPRETATION**

The Board shall, to the extent required to give effect thereto, interpret these Regulations and the Administrative Rules.

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| <b><i>PART II. MEMBERSHIP AND ADMINISTRATION</i></b> |
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Article 3  
**MEMBERSHIP**

(a) The member organizations of the Fund, on the date of entry into effect of these Regulations, are the United Nations and the following:

*European and Mediterranean Plant Protection Organization*  
*Food and Agriculture Organization of the United Nations*  
*International Atomic Energy Agency*  
*International Centre for Genetic Engineering and Biotechnology*  
*International Centre for the Study of the Preservation and the Restoration of Cultural Property*  
*International Civil Aviation Organization*  
*International Criminal Court*  
*International Fund for Agricultural Development*  
*International Labour Organization*  
*International Maritime Organization*  
*International Organization for Migration*  
*Inter-Parliamentary Union*  
*International Seabed Authority*  
*International Telecommunication Union*  
*International Tribunal for the Law of the Sea*  
*Special Tribunal for Lebanon*  
*United Nations Educational, Scientific and Cultural Organization*  
*United Nations Industrial Development Organization*  
*World Health Organization*  
*World Intellectual Property Organization*  
*World Meteorological Organization*  
*World Tourism Organization*

(b) Membership in the Fund shall be open to the specialized agencies referred to in Article 57, paragraph 2, of the Charter of the United Nations and to any other international, intergovernmental organization which participates in the common system of salaries, allowances and other conditions of service of the United Nations and the specialized agencies.

(c) Admission to membership in the Fund shall be by decision of the General Assembly, upon the affirmative recommendation of the Board, after acceptance by the organization concerned of these

Regulations and agreement reached with the Board as to the conditions which shall govern its admission.

#### Article 4

##### **ADMINISTRATION OF THE FUND**

(a) The Fund shall be administered by the United Nations Joint Staff Pension Board, a staff pension committee for each member organization, and a secretariat to the Board and to each such committee.

(b) The administration of the Fund shall be in accordance with these Regulations and with Administrative Rules, including Financial Rules for the operation of the Fund, consistent therewith which shall be made by the Board and reported to the General Assembly and the member organizations.

(c) The Board may appoint a Standing Committee which shall have the power to act on behalf of the Board when it is not in session and may, subject to article 7, delegate its powers under these Regulations to the staff pension committees of the member organizations.

(d) The assets of the Fund shall be used solely for the purposes of, and in accordance with, these Regulations.

#### Article 5

##### **UNITED NATIONS JOINT STAFF PENSION BOARD**

(a) The United Nations Joint Staff Pension Board shall consist of:

- (i) Twelve members appointed by the United Nations Staff Pension Committee, four of whom shall be from the members and alternate members elected by the General Assembly, four from those appointed by the Secretary-General, and four from those elected by the participants in service in the United Nations; and
- (ii) Twenty-one members appointed by the staff pension committees of the other member organizations in accordance with the Rules of Procedure of the Fund, seven of whom shall be from the members and alternate members chosen by the bodies of the member organizations corresponding to the General Assembly, seven from those appointed by the chief administrative officers of the member organizations and seven from those chosen by the participants in service.

(b) Alternate members may be appointed by each staff pension committee.

#### Article 6

##### **STAFF PENSION COMMITTEES**

(a) The United Nations Staff Pension Committee shall consist of four members and four alternate members elected by the General Assembly, four members and two alternate members appointed by the Secretary-General, and four members and two alternate members, who shall be participants in the Fund and on the staff of the United Nations, elected by the participants in service in the United Nations by secret ballot.

(b) The elected members and alternate members of the United Nations Staff Pension Committee shall hold office for four years or until the election of their successors, and they shall be eligible for re-election; in the event that such an elected member or alternate member ceases to be a member of the Committee, another member or alternate member may be elected to hold office during the remainder of the term.

(c) The staff pension committees of the other member organizations shall consist of members and alternate members chosen by the body of the organization corresponding to the General Assembly, its chief administrative officer, and its participants in service, in such a manner that the number representing each shall be equal and, in the case of the participants, that the members and alternate members shall themselves be participants in the service of the organization. Each member organization shall make rules for the election or appointment of the members and alternate members of its staff pension committee.

#### Article 7

##### **SECRETARIAT OF THE UNITED NATIONS JOINT STAFF PENSION BOARD**

(a) The Chief Executive Officer of the Fund and a Deputy shall be appointed by the Secretary-General on the recommendation of the Board.

(b) The Secretary-General shall appoint such further staff as may be required from time to time by the Board in order to give effect to these Regulations.

(c) The Chief Executive Officer shall perform that function under the authority of the Board and shall certify for payment all benefits properly payable under these Regulations. The Chief Executive Officer shall also serve as Secretary of the Board. In the absence of the Chief Executive Officer of the Fund, the Deputy Chief Executive Officer shall perform these functions.

#### Article 8

##### **SECRETARIATS OF STAFF PENSION COMMITTEES**

(a) The secretariat of the Board shall serve as the secretariat of the United Nations Staff Pension Committee.

(b) A secretary to the staff pension committee shall be appointed by the chief administrative officer of each other member organization on the recommendation of the committee.

#### Article 9

##### **COMMITTEE OF ACTUARIES**

(a) A committee consisting of five independent actuaries shall be appointed by the Secretary-General upon the recommendation of the Board.

(b) The function of the committee shall be to advise the Board on actuarial questions arising out of the operation of these Regulations.

Article 10  
**CONSULTING ACTUARY**

A consulting actuary to the Board shall be appointed by the Secretary-General upon the recommendation of the Board for the purpose of providing actuarial services to the Fund.

Article 11  
**ADOPTION OF ACTUARIAL BASES**

(a) The Board shall, on the advice of the Committee of Actuaries, adopt, and revise when appropriate, service, mortality and other tables and shall decide upon the rates of interest to be used in the periodic actuarial valuation of the Fund.

(b) At least once in every three years the Board shall have an actuarial investigation made into the service, mortality and benefit experience of the participants and beneficiaries of the Fund and shall determine whether the actuarial bases of the Fund should be modified.

(c) The rates of interest which, without prejudice to the power of the Board to establish rates under (a) above for the purpose of actuarial valuation, shall be used in all calculations required in connection with these Regulations shall be 2.5 per cent per annum until 31 December 1957, 3 per cent per annum from 1 January 1958 to 31 March 1961 and 3.25 per cent per annum thereafter, until changed by the Board.

Article 12  
**ACTUARIAL VALUATION OF THE FUND**

(a) The Board shall have an actuarial valuation made of the Fund at least once every three years by the consulting actuary.

(b) The actuarial report shall state the assumptions on which the calculations are based; it shall describe the method of valuation used, and state the results, as well as the recommendations, if any, for appropriate action.

(c) The Board shall, in the light of the report, recommend such action to the member organizations as it deems desirable; the recommendations to the General Assembly shall be transmitted through the United Nations Advisory Committee on Administrative and Budgetary Questions, which shall also be provided with a copy of the actuarial report.

Article 13  
**TRANSFER OF PENSION RIGHTS**

The Board may, subject to the concurrence of the General Assembly, approve agreements with Member States of a member organization and with intergovernmental organizations, with a view to securing continuity of pension rights between the governments of such States or organizations and the Fund.

Article 14  
**ANNUAL REPORT AND AUDIT**

(a) The Board shall present to the General Assembly and to member organizations, at least once every year, a report, including financial statements, on the operation of the Fund, and shall inform each member organization of any action taken by the General Assembly upon the report.

(b) There shall be annual audits of the operations of the Fund, in a manner agreed between the United Nations Board of Auditors and the Board. An audit report on the accounts of the Fund shall be made every year by the United Nations Board of Auditors; a copy of the audit report shall be included in the report under (a) above.

Article 15  
**ADMINISTRATIVE EXPENSES**

(a) Expenses incurred by the Board in the administration of these Regulations shall be met by the Fund.

(b) Biennial estimates of the expenses to be incurred under (a) above shall be submitted to the General Assembly for approval during the year immediately preceding the biennium to which the said estimates relate. Supplementary estimates may similarly be submitted in the first and/or the second year of the biennium to which the budget relates.

(c) Expenses incurred in the administration of these Regulations by a member organization shall be met by that organization.

Article 16  
**TERMINATION OF MEMBERSHIP**

(a) Membership in the Fund may be terminated by decision of the General Assembly, upon the affirmative recommendation of the Board, following application for termination by a member organization or continued default by a member organization in its obligations under these Regulations.

(b) In the event of such termination, a proportionate share of the total assets of the Fund at the date of termination shall be paid to the former member organization for the exclusive benefit of its staff who were participants in the Fund on such date, pursuant to an arrangement mutually agreed between such organization and the Board.

(c) The amount of the proportionate share shall be determined by the Board after an actuarial valuation of the assets and liabilities of the Fund on the date of termination, provided that no part of the assets which are in excess of the liabilities shall be included in such share.

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| <b><i>PART III. ASSETS AND INVESTMENT</i></b> |
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Article 17  
**ASSETS OF THE FUND**

The assets of the Fund shall be derived from:

- (a) The contributions of the participants;
- (b) The contributions of the member organizations;
- (c) The yield from the investments of the Fund;
- (d) Deficiency payments, if any, under article 26; and
- (e) Receipts from any other source.

Article 18  
**PROPERTY IN THE ASSETS**

The assets shall be the property of the Fund and shall be acquired, deposited and held in the name of the United Nations, separately from the assets of the United Nations, on behalf of the participants and beneficiaries of the Fund.

Article 19  
**INVESTMENT OF THE ASSETS**

(a) The investment of the assets of the Fund shall be decided upon by the Secretary-General after consultation with an Investments Committee and in the light of observations and suggestions made from time to time by the Board on the investments policy.

(b) The Secretary-General shall arrange for the maintenance of detailed accounts of all investments and other transactions relating to the Fund, which shall be open to examination by the Board.

Article 20  
**INVESTMENTS COMMITTEE**

The Investments Committee shall consist of nine members appointed by the Secretary-General after consultation with the Board and the Advisory Committee on Administrative and Budgetary Questions, subject to confirmation by the General Assembly.

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| <b><i>PART IV. PARTICIPATION, CONTRIBUTORY SERVICE AND CONTRIBUTIONS</i></b> |
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Article 21  
**Participation**

(a) Every full-time member of the staff of each member organization shall become a participant in the Fund:

- (i) Upon commencing employment under an appointment for six months or longer or upon accepting such an appointment while in employment; or,
- (ii) Upon completing, in the same or more than one member organization, six months of service without an interruption of more than thirty days,

whichever is earlier, provided that participation is not expressly excluded by the terms of staff member's appointment.

(b) Participation shall cease when the organization by which the participant is employed ceases to be a member organization, or when he or she dies or separates from such member organization, except that participation shall not be deemed to have ceased where a participant resumes contributory service with a member organization within 36 months after separation without a benefit having been paid.

(c) Notwithstanding the provisions of (b) above, a participant is deemed to have separated when he or she has completed (i) a consecutive period of three years on leave without pay without concurrent contributions having been paid in accordance with article 25(b). To re-enter the Fund, such former participant would have to satisfy the requirements for participation set out in (a) above.

## Article 22

### **CONTRIBUTORY SERVICE**

(a) Contributory service shall accrue to a participant in pay status from the date of commencement to the date of cessation of participation. For the purposes of articles 28(b) and (c) and 29(b), separate periods of contributory service shall be aggregated except that in such aggregation no account shall be taken of periods of service in respect of which a withdrawal settlement was paid and which were not subsequently restored.

(b) Contributory service may accrue in respect of leave without pay if contributions are received by the Fund in accordance with article 25(b).

(c) Additional contributory service may accrue to a participant if prior service is validated or restored in accordance with article 23 or 24, or if service in a member organization prior to its admission to membership has been recognized as contributory.

## Article 23

### **VALIDATION OF NON-CONTRIBUTORY SERVICE**

(a) A participant may elect, within one year of the commencement of participation, to validate prior service during which he or she was not eligible under these Regulations for participation, provided that (i) participation succeeded the ending of such service within two years, (ii) the service was the most recent prior to participation and had not been interrupted by a break of more than one year, (iii) participation had not, during such service, been expressly excluded by the terms of appointment, and (iv) the totality of the period open to validation is elected.

(b) A beneficiary of the participant under these Regulations, other than the recipient of a residual settlement, may, if the participant died before the expiry of the period within which the election may be made under (a) above, make the election on the participant's behalf within such period.

(d) Validation shall be subject to receipt by the Fund of contributions in accordance with article 25(c).

Article 24

**RESTORATION OF PRIOR CONTRIBUTORY SERVICE**

(a) In certain circumstances, a participant may elect, within one year of the recommencement of participation, to restore his or her most recent period of contributory service. A participant re-entering the Fund on or after 1 April 2007, who previously had not, or could not have, opted for a periodic retirement benefit following his or her separation from service, may, within one year of the recommencement of participation, elect to restore his or her most recent period of prior contributory service. Furthermore, and under the same terms and conditions, restoration of the most recent period of contributory service may also be elected if, before 1 April 2007, a participant had elected under article 30, or was deemed to have elected under article 32, a periodic deferred retirement benefit that was not yet in payment at the time of election to restore.

(b) Notwithstanding the provisions of (a) above, if the recipient or former recipient of a disability benefit again becomes a participant in pay status, the contributory service, for which the participant has not received a benefit, preceding the commencement of the disability benefit, shall be restored. Furthermore, in such a case the disability benefit period will be recognized as contributory service, without the payment of any contributions, and the participant shall retain the date of commencement of participation that was applicable preceding the commencement of the disability benefit.

(c) A beneficiary of the participant may make the election under (a) above, under the same conditions as a beneficiary under article 23(b).

(d) Restoration under (a) above shall be subject to receipt by the Fund of contributions in accordance with article 25(d).

Article 25

**CONTRIBUTIONS**

(a) Contributions by the participant and by the employing member organization shall be payable to the Fund concurrently with the accrual of contributory service under article 22(a) at the percentage rates of pensionable remuneration specified below:

| A   | B                           | C  |
|---|-----------------------------|--|
| For periods of contributory service               | Participant<br>(percentage) | Employing<br>member organization<br>(percentage) |
| Before 1984 . . . . . As                          | 7.00                        | 14.00  |
| from 1 January 1984 to 30 June 1988 . . . . .     | 7.25                        | 14.50  |
| As from 1 July 1988 to 30 June 1989 . . . . .     | 7.40                        | 14.80  |
| As from 1 July 1989 to 31 December 1989 . . . . . | 7.50                        | 15.00  |
| As from 1 January 1990 . . . . .                  | 7.90                        | 15.80  |

(b) (i) Contributions for the purpose of article 22(b) in respect of a period of leave without pay shall be at a percentage rate of the pensionable remuneration of the participant equal to the applicable rates specified in (a) above as payable by the participant and by the employing member organization, combined. Such contributions shall be

payable concurrently with such leave, by the participant in full or by the organization in full, or in part by the participant and in part by the organization;

- (ii) Notwithstanding the provisions of (i) above, payments in respect of a period of leave without pay during which a disability benefit was being paid under article 33 may be made, but only on the cessation of entitlement thereto, or within 12 months of the resumption of pay status by the participant.

(c) Contributions for the purpose of validation under article 23 shall be payable, with interest, by the participant and the organization in the amounts which would have been payable respectively by each had service during the period been contributory.

(d) Contributions for the purpose of restoration under article 24(a) shall consist of the lump-sum payment received by the participant in respect of the previous participation, together with the refund, if any, received by the employing member organization in respect of such participation under article 26 of the Regulations in force on 31 December 1982, with interest from the date of payment of the benefit or refund.

(e) In any case in which a period of contributory service accrues, or is deemed to accrue, to a participant otherwise than in accordance with article 22, contributions shall be payable, with interest, by the participant in the amount which would have been payable had service during such period been contributory, and by the organization in an amount sufficient to meet any additional obligations to be borne by the Fund resulting therefrom.

#### Article 26

#### **DEFICIENCY PAYMENTS**

(a) In the event that an actuarial valuation of the Fund shows that its assets may not be sufficient to meet its liabilities under these Regulations, there shall be paid into the Fund by each member organization the sum necessary to make good the deficiency.

(b) Each member organization shall, subject to (c) below, contribute to this sum an amount proportionate to the total contributions which each paid under article 25 during the three years preceding the valuation date.

(c) The contribution of an organization admitted to membership less than three years prior to the valuation date shall be determined by the Board.

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| <b><i>PART V. BENEFITS</i></b> |
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#### Article 27

#### **ENTITLEMENT TO BENEFITS**

(a) A participant who is not eligible for a retirement benefit under article 28 or a disability benefit under article 33 may elect on separation to receive an early retirement benefit or a deferred retirement benefit or a withdrawal settlement if he or she satisfies the conditions of article 29, 30 or 31 respectively.

(b) Retirement, early retirement and deferred retirement benefits shall be payable at periodic intervals for life.

Article 28  
**RETIREMENT BENEFIT**

(a) A retirement benefit shall be payable to a participant whose age on separation is the normal retirement age or more and whose contributory service was five years or longer.

(b) The benefit shall, subject to (d), (e) and (f) below, in respect of any period or periods of participation commencing on or after 1 January 1983, be payable at the standard rate obtained by multiplying:

- (i) The first five years of the participant's contributory service, by 1.5 per cent of the final average remuneration;
- (ii) The next five years of contributory service, by 1.75 per cent of the final average remuneration;
- (iii) The next 25 years of contributory service, by 2 per cent of the final average remuneration; and
- (iv) The years of contributory service in excess of 35 and performed as from 1 July 1995, by 1 per cent of the final average remuneration, subject to a maximum total accumulation rate of 70 per cent.

However, in respect of a participant with a prior period of contributory service of five years or longer ending between 1 January 1978 and 31 December 1982, the standard annual rate specified above shall be calculated by taking into account as periods of contributory service for the purpose of subparagraphs (i), (ii) and (iii) above the period of contributory service before 1 January 1983.

(c) The benefit shall, subject to (d), (e) and (f) below, in respect of any period of participation commencing prior to 1 January 1983, be payable at the standard annual rate obtained by multiplying:

- (i) The first 30 years of the participant's contributory service, by 2 per cent of the final average remuneration;
- (ii) The years of contributory service in excess of 30, but not exceeding five, by 1 per cent of the final average remuneration; and
- (iii) The years of contributory service in excess of 35 and performed as from 1 July 1995 by 1 per cent of the final average remuneration, subject to a maximum total accumulation rate of 70 per cent.

- (d) (i) However, except as provided in (ii) below, the benefit otherwise payable at the standard annual rate in accordance with the applicable provisions of (b) or (c) above to a participant at a level above D-2, top step, of the scale of pensionable remuneration indicated in article 51 (see appendix B below), shall not exceed, as at the time of the participant's separation, the greater of:
  - (A) 60 per cent of the participant's pensionable remuneration on the date of separation; or
  - (B) The maximum benefit payable under the provisions of (b) or (c) above to a participant at the level D-2 (top step for the preceding five years) separating on the same date as the participant;

- (ii) However, for a participant separating at the level of Under-Secretary-General, Assistant Secretary-General or their equivalent level, to whom the provisions of (i) above are applicable, the benefit payable shall not be less than the benefit that would have been payable at the standard annual rate if the participant had separated from service on 31 March 1986; for participants separating at other levels above D-2, top step, in the scale of pensionable remuneration in appendix B below, to whom the provisions of (i) above are applicable, the benefit payable shall not be less than the benefit that would have been payable at the standard annual rate if the participant had separated from service on 31 March 1993; for participants who entered or re-entered the Fund at an ungraded level before 1 April 1993, the provisions of (i) above shall not be applicable.

(e) The benefit shall however be payable at the minimum annual rate which is obtained by multiplying the years of the participant's contributory service, not exceeding 10, by the smaller of 180 dollars subject to subsequent adjustments in accordance with the movement of the United States CPI under the Pension Adjustment System ([Click here](#))<sup>2</sup> or 1/30 of the final average remuneration, if the benefit so calculated would be greater than the amount under (b) or (c) above.

(f) The annual rate of the benefit shall nevertheless not be less, when no other benefit is payable on account of the participant under these Regulations, than the smaller of 300 dollars subject to subsequent adjustments in accordance with the movement of the United States CPI under the Pension Adjustment System ([Click here](#))<sup>2</sup> or the final average remuneration of the participant.

(g) A benefit payable at the standard annual rate may be commuted by the participant into a lump sum subject to the following limitations and to supplementary article D, where applicable:

- (i) If the rate is 300 dollars or more, the amount of the lump sum may not exceed the smaller of:
  - (A) The actuarial equivalent of one third of the benefit; or
  - (B) The actuarial equivalent of one third of the maximum benefit that would be payable to a participant retiring at the normal retirement age, on the same date as the participant, with a final average remuneration equal to the pensionable remuneration on that date for the top step of level P-5 on the scale of pensionable remuneration in appendix B below;
- (ii) Nevertheless, if the amount calculated under (i) above is less than the amount of the participant's own contributions, then the benefit may be commuted to the extent of the latter amount;
- (iii) If the rate is less than 1000 dollars, the benefit may be commuted to the extent of its full actuarial equivalent; if a participant is married, the prospective benefit payable to his or her spouse may also be commuted at the standard annual rate of such benefit.

(h) A benefit payable at the minimum rate under (e) or (f) of this article may be commuted into a lump sum as in (g) above, if the participant elects to receive it instead at the standard annual rate.

Article 29  
**EARLY RETIREMENT BENEFIT**

*Participation in the Fund has commenced or recommenced prior to 1 January 2014:*

(a) An early retirement benefit shall be payable to a participant whose age on separation is at least 55 but less than the normal retirement age and whose contributory service was five years or longer.

(b) The benefit shall be payable at the standard annual rate for a retirement benefit, reduced for each year or part thereof by which the age of the participant on separation was less than the normal retirement age (60 or 62), at the rate of 6 per cent a year, except that:

- (i) If the contributory service of the participant was 25 years or longer but less than 30 years, the standard annual rate would be reduced by 2 per cent a year in respect of the period of contributory service performed before 1 January 1985, and 3 per cent a year in respect of the period of such service performed as from 1 January 1985; or
- (ii) If the contributory service of the participant was 30 years or longer, the standard annual rate would be reduced by 1 per cent a year;

provided however that the rate in (i) or (ii) above shall apply to no more than five years.

*Participation in the Fund has commenced or recommenced on or after 1 January 2014:*

(c) An early retirement benefit shall be payable to a participant whose age on separation is at least 58 but less than the normal retirement age and whose contributory service was five years or longer.

(d) The benefit shall be payable at the standard annual rate for a retirement benefit, reduced for each year or part thereof by which the age of the participant on separation was less than the normal retirement age (65), at the rate of 6 per cent a year, except that:

- (i) If the contributory service of the participant was 25 years or longer, the standard annual rate would be reduced by 4 per cent a year; and
- (ii) The rate in (i) above shall apply to no more than five years.

(e) The benefit may be commuted by the participant into a lump sum to the extent specified in article 28(g) for a retirement benefit.

Article 30  
**DEFERRED RETIREMENT BENEFIT**

(a) A deferred retirement benefit shall be payable to a participant whose age on separation is less than the normal retirement age and whose contributory service was five years or longer.

(b) The benefit shall be payable at the standard annual rate for a retirement benefit and shall commence at the normal retirement age, or, if the participant so elects, at any time once the participant becomes eligible to receive an early retirement benefit from the Fund, provided that in such event it shall be reduced in the same manner and under the same conditions as specified in article 29.

(c) The benefit may only be commuted by the participant into a lump sum if the rate of the benefit at the normal retirement age is less than 1000 dollars. Such commutation shall be equivalent to the full actuarial value of the benefit.

#### Article 31

##### **WITHDRAWAL SETTLEMENT**

(a) A withdrawal settlement shall be payable to a participant whose age on separation is less than the normal retirement age, or if the participant is the normal retirement age or more on separation but is not entitled to a retirement benefit.

(b) The settlement shall consist of:

- (i) The participant's own contributions, if the contributory service of the participant was less than five years; or
- (ii) The participant's own contributions increased by 10 per cent for each year in excess of five up to a maximum of 100 per cent, if the contributory service of the participant was more than five years.

#### Article 32

##### **DEFERMENT OF PAYMENT OR CHOICE OF BENEFIT**

(a) The payment to a participant of a withdrawal settlement, or the exercise by a participant of a choice among available benefits, or between a form of benefit involving payment in a lump sum and another form, may be deferred at the participant's request for a period of 36 months.

(b) A participant who deferred a choice under (a) above shall, if the choice is not made within the period by submitting applicable payment instructions, be deemed to have chosen a deferred retirement benefit if his or her age on separation was less than the normal retirement age. .

#### Article 33

##### **DISABILITY BENEFIT**

(a) A disability benefit shall, subject to article 41, be payable to a participant who is found by the Board to be incapacitated for further service in a member organization reasonably compatible with his or her abilities, due to injury or illness constituting an impairment to health which is likely to be permanent or of long duration.

(b) The benefit shall commence on separation or, if earlier, on the expiration of the paid leave due to the participant and shall continue for as long as the participant remains incapacitated, provided that incapacity shall be deemed to be permanent once the former participant reaches an age seven years less than that when he or she would have been entitled to receive a normal retirement benefit, except in cases where the normal retirement age is 60, in which case the period shall be five years less than the normal retirement age.

(c) The benefit shall, if the age of the participant on entitlement is the normal retirement age or more, be payable at the standard or the minimum annual rate for a retirement benefit as the case may be; if the age of the participant is less than the normal retirement age, the benefit shall be payable at the rate of the retirement benefit which would have been payable had the participant remained in service until the normal retirement age and had the final average remuneration remained unchanged.

(d) The annual rate of the benefit shall, notwithstanding (c) above, not be less, when no other benefit is payable on account of the participant under these Regulations, than the smaller of 500 dollars subject to subsequent adjustments in accordance with the movement of the United States CPI under the Pension Adjustment System ([Click here](#))<sup>2</sup> or the final average remuneration of the participant.

(e) A benefit which is discontinued shall, if a participant who has been separated does not upon such discontinuance again become a participant, be converted at his or her option to a deferred retirement benefit or a withdrawal settlement, calculated as at the date of commencement of the disability benefit.

(f) The Board may prescribe the extent to which and the circumstances in which a disability benefit may be reduced when the beneficiary, although remaining incapacitated within the meaning of this article, is nevertheless in paid employment.

#### Article 34

#### **WIDOW'S BENEFIT**

(a) A widow's benefit shall, subject to article 41 and to (b) below, be payable to the surviving female spouse of a participant who was entitled to a retirement, early retirement, deferred retirement or disability benefit at the date of his death, or who died in service, if she was married to him at the date of his death in service or, if he was separated prior to his death, she was married to him at the date of separation and remained married to him until his death.

(b) A benefit shall nevertheless not be payable if the participant had commuted his widow's prospective benefit under article 28 or 29.

(c) The benefit shall, if the participant died in service or during entitlement to a retirement, early retirement or disability benefit, be payable at the standard annual rate of half the retirement or disability benefit which would have been payable to the participant had he become entitled thereto at the date of his death, or of half of his retirement, early retirement or disability benefit including such part thereof as may have been commuted, as the case may be, provided that the rate shall not be less than the smaller of:

- (i) 750 dollars subject to subsequent adjustments in accordance with the movement of the United States CPI under the Pension Adjustment System ([Click here](#))<sup>2</sup> or
- (ii) Twice the standard annual rate above.

(d) The annual rate of the benefit shall, notwithstanding (c) above, not be less, when no other benefit is payable on account of the participant under these Regulations, than the smaller of 500 dollars subject to subsequent adjustments in accordance with the movement of the United States CPI under the Pension Adjustment System ([Click here](#))<sup>2</sup> or the final average remuneration of the participant.

(e) The benefit shall, if the participant died after the commencement of a deferred retirement benefit which had not been commuted under article 30(c), be payable at half the annual rate of such benefit and, if he died before its commencement, at the rate of half the actuarial equivalent at the date of death of the annual rate of the benefit at the normal retirement age.

(f) The benefit shall be payable at periodic intervals for life, provided that a benefit payable at an annual rate of less than 600 dollars may be commuted by the widow into a lump sum which is the actuarial equivalent of the benefit at the standard annual rate under (c) above, or the annual rate under (e) above, as the case may be.

(g) The benefit shall, where there is more than one surviving spouse, be divided equally between the spouses, and upon the death of each such spouse shall be equally divided among the remainder.

(h) Notwithstanding the provisions of (a) and (f) above, with respect to a surviving spouse who had remarried prior to 1 April 1999 the benefit under (a) above shall be payable as from 1 January 2001, subject to recovery (with interest) of the lump sum payment that had been made to that surviving spouse upon remarriage, as provided in the Regulations then in effect.

Article 35  
**WIDOWER'S BENEFIT**

A widower's benefit, at the rates and under the conditions applicable in article 34 to a widow's benefit, shall be payable to the surviving male spouse of a participant.

Article 35 *bis*  
**DIVORCED SURVIVING SPOUSE'S BENEFIT**

(a) Any divorced spouse of a participant or former participant, separated on or after 1 April 1999, who was entitled to a retirement, early retirement, deferred retirement or disability benefit, or of a participant who died in service on or after that date, may, subject to the provisions of article 34(b) (applicable also to widowers), request a former spouse's benefit, if the conditions specified in paragraph (b) below are fulfilled.

(b) Subject to paragraph (d) below, the divorced spouse is entitled to the benefit set out in paragraph (c) below, payable prospectively following receipt of the request for a divorced surviving spouse's benefit, if, in the opinion of the Chief Executive Officer of the Fund, all of the following conditions are fulfilled:

- (i) The participant had been married to the former spouse for a continuous period of at least ten years, during which contributions were paid to the Fund on account of the participant or the participant was awarded a disability benefit under article 33 of the Regulations;
- (ii) The participant's death occurred within 15 years of the date when the divorce became final, unless the former spouse proves that at the time of death the participant was under a legal obligation to pay maintenance to the former spouse;
- (iii) The former spouse has reached the age of 40. Otherwise the benefit entitlement shall commence on the day immediately following the day that age is reached; and
- (iv) Evidence is provided that a divorce settlement does not have an express renunciation of UNJSPF pension benefit entitlements;

(c) A former spouse who, in the opinion of the Chief Executive Officer, has met the conditions set out in paragraph (b) above shall be entitled to the widow's or widower's benefit under article 34 or 35 as the case may be; however, if the participant is survived by both one or more such former spouses and/or by a spouse entitled to a benefit under article 34 or 35, the benefit payable under article 34 or

35 shall be divided between the spouse and former spouse(s) in proportion to the duration of their marriages to the participant.

(d) Article 34(f) and (g) shall apply *mutatis mutandis*.

(e) The divorced spouse of a former participant who separated before 1 April 1999 and, in the opinion of the Chief Executive Officer, met all the other eligibility conditions in paragraphs (a) and (b) above shall be entitled to a benefit equal to twice the minimum surviving spouse's benefit under article 34(c), payable as of 1 April 1999 or from the first day of the month succeeding the death of the former participant, whichever is later, subject to the proviso that the amount of such benefit cannot exceed the amount payable to a surviving spouse of the former participant.

#### Article 35 *ter*

#### **SPOUSES MARRIED AFTER SEPARATION**

(a) A former participant receiving a periodic benefit may elect to provide a periodic benefit for life in a specified amount (subject to paragraph (b) below) to a spouse who was not married to him or her at the date of separation. Such election shall be made within one year of the date of marriage and shall become effective 18 months after the date of marriage. The benefit shall be payable as of the first day of the month following the death of the former participant. When the election becomes effective, the benefit payable to the former participant shall be reduced in accordance with actuarial factors to be determined by the Fund's Consulting Actuary. An election under this subsection may not be revoked after it becomes effective, except by an explicit request in writing by the former UNJSPF retiree who has divorced the new spouse or by the death of the spouse, in which case it will be considered terminated as from that date. The UNJSPF retiree may rescind his or her decision to provide a periodic benefit for life to a spouse married after separation by providing the Fund with a final divorce decree issued by a competent national court. Payments made for the annuity before such a cancellation will not be refunded to a UNJSPF retiree, neither do such payments convey to the divorced spouse a benefit entitlement from the Fund.

(b) Any election made under paragraph (a) shall be subject to the following:

- (i) The amount of the periodic benefit payable to the former participant, after reduction owing to elections made pursuant to paragraph (a) above, shall be at least one half of the benefit that would have been payable without any such elections; and
- (ii) The amount of the benefit payable to the spouse shall not be larger than the amount of the benefit payable to the retired participant after reduction for the elections.

#### Article 36

#### **CHILD'S BENEFIT**

(a) A child's benefit shall, subject to (b) and (c) below, be payable for each child of a participant who is entitled to a retirement, early retirement or disability benefit or who has died in service, while the child remains under the age of 21.

(b) A benefit shall be payable for a child who is over the age of 21 if the child is found by the Board to have been incapacitated by illness or injury for substantial gainful employment:

- (i) On reaching the age of 21, if immediately prior thereto a child's benefit was payable;  
or

- (ii) At the time of the death in service or entitlement to a benefit of the participant.

A benefit payable as above shall continue for as long as the child remains incapacitated.

(c) A child's benefit shall, notwithstanding (a) above, not become payable, if the participant has chosen an early retirement benefit, until the participant dies or reaches the normal retirement age, except to a child under the age of 21 found by the Board to be disabled.

(d) The benefit shall, during the continuance of any periodic benefit resulting from retirement, early retirement, disability or death in service, but subject to (e) and (f) below, be payable at the annual rate of one third of the benefit payable to the participant or, if the participant died in service, one third of the retirement or disability benefit which would have been payable if the participant had become entitled thereto at the date of death, subject to a minimum of 300 dollars per annum subject to subsequent adjustments in accordance with the movement of the United States CPI under the Pension Adjustment System ([Click here](#))<sup>2</sup> and a maximum of 600 dollars subject to subsequent adjustments in accordance with the movement of the United States CPI under the Pension Adjustment System. ([Click here](#))<sup>2</sup>

(e) The benefit, if no other periodic benefit is payable and there is no surviving parent able, in the opinion of the Board, to support the child, or if the other periodic benefit payable is to a surviving spouse who is not a natural or adoptive parent and does not have custody of the child, and further subject to (f) below, shall be payable at the rate in (d) above increased by the greater of:

- (i) 300 dollars subject to subsequent adjustments in accordance with the movement of the United States CPI under the Pension Adjustment System ([Click here](#))<sup>2</sup> or one quarter of the retirement, early retirement or disability benefit from which it is derived, if one child's benefit is payable; and
- (ii) 600 dollars subject to subsequent adjustments in accordance with the movement of the United States CPI under the Pension Adjustment System ([Click here](#))<sup>2</sup> or half the retirement, early retirement or disability benefit from which it is derived, and divided by the number of eligible children, if more than one such benefit is payable.

(f) The total benefits payable under (d) above shall nevertheless not exceed an annual rate of 1,800 dollars subject to subsequent adjustments in accordance with the movement of the United States CPI under the Pension Adjustment System ([Click here](#))<sup>2</sup> nor shall the total benefits under (d) or (e) above, added to any retirement benefit payable under article 28(b), (c), (d) or (e), early retirement benefit under article 29(b), disability, widow's or widower's benefit exceed the final average remuneration of the participant added to the total annual children's allowances that were payable by the member organization at the time the participant was separated.

(g) Benefits payable under this article shall be recalculated as may be required to achieve the purposes of (e) and (f) above.

#### Article 37

#### **SECONDARY DEPENDANT'S BENEFIT**

(a) A secondary dependant's benefit shall, subject to article 41 and to (b) below, be payable to not more than one surviving secondary dependant of a participant who was entitled to a retirement, early retirement, deferred retirement or disability benefit at the date of death, or who died in service.

- (b) A secondary dependant's benefit shall nevertheless not be payable:
  - (i) Where a benefit is or was payable to a child or to the surviving spouse, including to a divorced spouse, of the participant; and
  - (ii) In the case of a brother or sister, where the benefit payable to the participant was a deferred retirement benefit.
- (c) The benefit shall be payable at the following rates:
  - (i) In the case of a mother or father, at the rates and under the conditions applicable in article 34(b), (c), (d), (f) and (h) to a widow's or widower's benefit;
  - (ii) In the case of a brother or sister, at the rate applicable in article 36(d) to a child's benefit and shall be payable or shall continue to be payable beyond the age of 21 under the conditions of article 36(b).
- (e) In the event that more than one person is eligible under this article, the benefit shall be payable to the person designated by the Board.

#### Article 38

#### **RESIDUAL SETTLEMENT**

- (a) A residual settlement shall be payable if, upon the death of a participant and the exhaustion, as the case may be, of any entitlements due under these Regulations to his or her survivors, the total amount of the benefits paid to and on account of the participant is less than the participant's own contributions.
- (b) The settlement shall be payable to a beneficiary designated by the participant and alive when the payment is due; failing such beneficiary, the settlement shall be paid to the estate of the participant.
- (c) The settlement shall consist of the participant's own contributions at the date of his or her separation or death in service, reduced by the total amount of the benefits paid to and on account of the participant.

#### Article 39

#### **LIMITATION OF ENTITLEMENTS DURING LEAVE WITHOUT PAY**

- (a) Entitlement to a disability benefit or to a benefit payable in case of death, during a period of leave without pay granted for the performance of military service, shall instead be to a withdrawal settlement calculated as of the day immediately preceding the commencement of such leave, in accordance with article 31.
- (b) In the event that a participant becomes entitled to a retirement, early retirement or deferred retirement benefit on separation during a period of leave without pay, a widow's, widower's, child's or secondary dependant's benefit shall not be payable unless entitlement thereto would have existed had the participant died on the day immediately preceding the commencement of such leave.

Article 40  
**EFFECT OF RE-ENTRY INTO PARTICIPATION**

(a) If a former participant who is entitled to a retirement, early retirement or deferred retirement benefit under these Regulations again becomes a participant, entitlement to such benefit or to a benefit derived therefrom shall be suspended and no benefit shall be payable until the participant dies or is again separated.

(b) Such a participant who again becomes a participant and is again separated after at least five years of additional contributory service shall also be entitled, at the time of such subsequent separation, in respect of such service and subject to paragraph (d) below, to a retirement, early retirement or deferred retirement benefit, or a withdrawal settlement under article 28, 29, 30 or 31, as the case may be.

(c) Such a participant, who again becomes a participant and is again separated after less than five years of additional contributory service, shall, in respect of such service, become entitled to:

- (i) A withdrawal settlement under article 31; or
- (ii) Subject to (d) below, a retirement, early retirement or deferred retirement benefit, as the case may be, under article 28, 29 or 30, based on the length of such additional contributory service; provided, however, that such benefit may not be commuted into a lump sum, in whole or in part, and shall not be subject to any minimum provisions.

(d) Payment of benefits under (b) or (c) (ii) above shall commence on the date of the resumption or commencement, as the case may be, of payment of benefits suspended under (a) above. In no event shall the total benefits payable to or on account of a former participant in respect of separate periods of contributory service exceed the benefits which would have been payable had the participation in the Fund been continuous.

(e) Article 40 shall apply mutatis mutandis to the ungraded officials who are appointed or elected irrespective of whether they join the Fund again during their tenure as elected officials. There is no retroactive payment of suspended UNJSPF benefits that may have been accrued from previous participation in the Fund.

***PART VI. GENERAL PROVISIONS***

Article 41  
**MEDICAL EVALUATION**

(a) Every staff member of each member organization who fulfils the requirements of article 21(a) for participation in the Fund and is determined to be medically fit for employment by the member organization shall be accepted as medically fit for participation in the Fund.

(b) A participant who knowingly fails to disclose relevant medical information, or who falsifies information, shall not be entitled to receive a disability benefit under article 33(a) unless the condition giving rise to the disability is determined medically to be unrelated to the information that was not disclosed or was falsified.

Article 42

**INFORMATION FROM PARTICIPANTS AND BENEFICIARIES**

(a) A participant or beneficiary may be required to supply information, and to furnish documentary or other proof thereof, in respect of any matter on which information or proof is deemed desirable by the Board for the purposes of these Regulations.

(b) Failure to supply such information or proof, or the omission or misrepresentation of any material fact therein shall enable the Board to redetermine the entitlements of the participant or beneficiary under these Regulations, provided that entitlement to participation or to a benefit shall not be less favorable than if the information or proof had been supplied or truly represented.

Article 43

**RECOVERY OF INDEBTEDNESS TO THE FUND**

The Board may deduct from any benefit payable under these Regulations to a participant, or on his or her account, the amount of any indebtedness to the Fund by the participant or by any beneficiary or third person to whom payment has been made otherwise than in accordance with these Regulations, including interest and costs, where appropriate.

Article 44

**INTEREST ON UNPAID BENEFITS**

The Fund shall not be liable for interest on any due but unpaid benefits.

Article 45

**NON-ASSIGNABILITY OF RIGHTS**

(a) A participant or beneficiary may not assign his or her rights under these Regulations. Notwithstanding the foregoing, the Fund may, to satisfy a legal obligation on the part of a participant or former participant arising from a marital or parental relationship and evidenced by a final and executable order of a court or by a settlement agreement incorporated into a divorce or other court order, remit a portion of a benefit payable by the Fund to such participant for life to one or more former spouses and/or a current spouse from whom the participant or former participant is living apart. Such payment shall not convey to any person a benefit entitlement from the Fund or (except as provided herein) provide any rights under the Regulations of the Fund to such person or increase the total benefits otherwise payable by the Fund.

(b) To be acted upon, the requirement under the court order must be consistent with the Regulations of the Fund, as determined by the Chief Executive Officer of the Fund to be beyond any reasonable doubt, and on the basis of the available evidence. Once implemented, the assignment shall normally be irrevocable; however, a participant or former participant may request, upon satisfactory evidence based on a court order or a provision of a settlement agreement incorporated into a court decree, a new decision by the Chief Executive Officer that would alter or discontinue the payment or payments. Furthermore, such payment or payments shall cease following the death of the participant or former participant. If a designee predeceases the participant or former participant, the payments shall not commence, or if they have commenced, shall cease upon the designee's death. In the event that the payment or payments have been diminished, discontinued, or have failed to commence or

have ceased, the amount of the benefit payable to the participant or former participant shall be duly adjusted.

Article 45 *bis*

**DISPOSITION OF PENSION BENEFITS IN CASE OF CONVICTION FOR FRAUD  
AGAINST EMPLOYING ORGANIZATION**

(a) Pursuant to Article 45 as described above, a participant or beneficiary may not assign his or her rights under these Regulations. Notwithstanding the foregoing, upon the request of a member organization, the Fund may remit a portion of a benefit payable to such participant to his/her former employing member organization, provided the participant is subject of a criminal conviction for fraud against that employing organization, evidenced by a final and executable court order issued by a competent national court. Such payment shall not convey to the employing organization a benefit entitlement from the Fund or (except as provided herein) provide any rights to the organization under the Regulations of the Fund or increase the total benefits otherwise payable by the Fund.

(b) The deduction may be applied to a benefit payable to a participant under these Regulations, including a withdrawal settlement or a lump sum commutation. The assignment shall normally be irrevocable; however, such payments shall cease following the death of the participant. The assignment shall not apply to a survivor's benefit under article 34, 35, 35 *bis* and 35 *ter* of the Regulations.

Article 46

**FORFEITURE OF BENEFITS**

(a) The right to a withdrawal settlement or residual settlement shall be forfeited if for two years after payment has been due the beneficiary has failed to submit payment instructions or has failed or refused to accept payment.

(b) The right to a retirement, early retirement, deferred retirement or disability benefit, widow's or widower's benefit, divorced surviving spouse's benefit, child's benefit or secondary dependant's benefit shall be forfeited if, for five years after the first payment has been due, the beneficiary has failed to submit payment instructions or has failed or refused to accept payment.

(c) The right to continued periodic payments of a retirement, early retirement, deferred retirement or disability benefit, widow's or widower's benefit, divorced surviving spouse's benefit, child's benefit or secondary dependant's benefit shall be forfeited if, for two years after a periodic payment has been due, the beneficiary has failed to submit payment instructions, or has failed or refused to accept payment, or has failed to submit the duly signed Certificate of Entitlement.

(d) The right to a benefit shall nevertheless not be forfeited under (a), (b) or (c) above if its exercise has been prevented by circumstances beyond the control of the beneficiary.

(e) The Board may, if in its opinion there are circumstances which so warrant, restore the right to any benefit which has been forfeited.

Article 47  
**CURRENCY**

- (a) Contributions under these Regulations shall be calculated and remitted to the Fund in dollars.
- (b) Benefits shall be calculated in dollars and shall be payable in any currency selected by the recipient, at the rate of exchange for dollars obtained by the Fund on the date of payment.

Article 48  
**JURISDICTION OF THE UNITED NATIONS APPEALS TRIBUNAL**

- (a) Applications alleging non-observance of these Regulations arising out of decisions of the Board may be submitted directly to the United Nations Appeals Tribunal by:
  - (i) Any staff member of a member organization which has accepted the jurisdiction of the Tribunal in Joint Staff Pension Fund cases who is eligible under article 21 of these Regulations as a participant in the Fund, even after his or her employment has ceased, and any person who has succeeded to such staff member's rights upon his or her death;
  - (ii) Any other person who can show that he or she is entitled to rights under these Regulations by virtue of the participation in the Fund of a staff member of such member organization.
- (b) In the event of a dispute as to whether the Tribunal has competence, the matter shall be settled by a decision of the Tribunal.
- (c) The decision of the Tribunal shall be final and without appeal.
- (d) The time-limits prescribed in article 7 of the Statute of the Tribunal are reckoned from the date of the communication of the contested decision of the Board.

***PART VII. AMENDMENT AND ENTRY INTO FORCE***

Article 49  
**AMENDMENT**

- (a) The Board may recommend amendments to these Regulations to the General Assembly, which may amend these Regulations after consultation with the Board.
- (b) The Regulations so amended shall enter into force as from the date specified by the General Assembly but without prejudice to rights to benefits acquired through contributory service prior to that date.

Article 50  
**ENTRY INTO FORCE OF THE PROVISIONS OR THEIR AMENDMENT**

No provision shall be construed as applying retroactively to participants in the Fund prior to the date of its entry into effect, unless expressly stated therein or specifically amended to such effect by the General Assembly with due regard to the provisions of article 49.

## **PART VIII. PENSIONABLE REMUNERATION**

### Article 51

#### **PENSIONABLE REMUNERATION**

(a) In the case of participants in the General Service and related categories, pensionable remuneration shall be the equivalent in dollars of the sum of:

- (i) The participant's gross pensionable salary, as determined on the occasion of comprehensive salary surveys and subsequently adjusted between such salary surveys, in accordance with the methodology approved by the General Assembly and set out in appendix A to these Regulations;
- (ii) Any language allowance payable; and
- (iii) In the case of a participant who became entitled to a pensionable non-resident's allowance prior to 1 September 1983, and for as long as he or she continues to be entitled thereto, the amount of such allowance.

(b) In the case of participants in the Professional and higher categories, the scale of pensionable remuneration, shall be as set out in the ICSC website (see appendix B hereto). It shall be adjusted on the same date as the net remuneration amounts of officials in the Professional and higher categories in New York are adjusted. Such adjustment shall be by a uniform percentage equal to the weighted average percentage variation in the net remuneration amounts, as determined by the International Civil Service Commission.

- (c) (i) In the case of participants who are appointed or elected as ungraded officials on or after 1 April 1995, their pensionable remuneration shall be established by the competent legislative organ which determines their other conditions of service, in accordance with the methodology recommended by the International Civil Service Commission and endorsed by the General Assembly, and shall be subsequently adjusted in accordance with the procedure in (b) above;
- (ii) In the case of participants who were ungraded officials on 31 March 1995, their pensionable remuneration shall be maintained, without adjustment, until surpassed by the level of pensionable remuneration derived from application of the methodology referred to in (i) above.

(d) In the case of participants in the United Nations Field Service category, the scale of pensionable remuneration shall be as set out in the OHRM website (see appendix C hereto), and shall be subsequently adjusted in accordance with the procedure in (b) above.

(e) No step increments beyond the top step of the gross pensionable salary scale or the scale of pensionable remuneration established according to the methodology approved by the General Assembly on the recommendation of the International Civil Service Commission shall be recognized for participants entering or re-entering the Fund on or after 1 January 1994. Nevertheless, any step increments awarded in conformity with the provisions of the appropriate staff regulations or rules of a member organization to a staff member in service in that organization before 1 January 1994 shall be recognized by the Fund for pension contribution and benefit calculation purposes.

## **PART IX. SUPPLEMENTARY ARTICLES**

### **Supplementary article A PART-TIME EMPLOYMENT**

The provisions of these Regulations and of the Administrative Rules shall apply equally to members of the staff of each member organization whose employment is for at least half the time of full-time members of the staff, except that:

- (a) The entitlement to and the amount of benefits resulting from such employment shall be reduced in the ratio which it bears to full employment; and
- (b) Such employment prior to 1 January 1975 shall not be open to validation or be taken into account for any other purpose.

### **Supplementary article B PARTICIPATION OF OFFICIALS WHO ARE NOT STAFF MEMBERS**

The provisions of these Regulations and of the Administrative Rules shall apply to officials covered by the Conventions on the Privileges and Immunities of the United Nations and of the Specialized Agencies who perform such functions for the member organization of the Fund which, if provided by their staff members, would be considered as full-time or part-time employment for the purpose of these Regulations.

### **Supplementary article C TRANSITIONAL MEASURES IN RESPECT OF FINAL AVERAGE REMUNERATION**

(a) Effective 1 April 1987, notwithstanding the provisions of article 1(h), the final average remuneration of a participant in the Professional or higher categories who was in contributory service on 31 March 1987, had at least 36 completed calendar months of such service as of that date and whose pensionable remuneration was lowered by the scale of pensionable remuneration effective 1 April 1987, shall be calculated under both article 1(h) and paragraph (b) of this article, with the participant being entitled to that method of calculation which results in the higher benefit at the standard annual rate.

- (b) (i) The highest final average remuneration to which the participant would have been entitled in accordance with article 1(h) if he or she had separated from service on 31 December 1984 or on any later date preceding the actual date of separation shall be applied to the participant's contributory service up to and including the date on which that final average remuneration was first attained;
- (ii) The final average remuneration calculated in accordance with article 1(h) shall be applied to the participant's contributory service after such date; and
- (iii) The benefit payable at the standard annual rate under the provisions of article 28(b) or (c) shall be calculated by adding to the benefit based on the contributory service in (i) above the benefit based on the contributory service in (ii) above, subject to article 28(d) where applicable.

(c) Nevertheless, and notwithstanding the provisions of article 28(d), the benefit payable to a participant at the standard annual rate in accordance with paragraph (b) above shall not be less than

the benefit to which he or she would have been entitled if separated on the date the highest final average remuneration was first attained.

Supplementary article D  
**TRANSITIONAL MEASURES IN RESPECT OF LUMP-SUM COMMUTATION**

Notwithstanding the provisions of article 28(g), a participant in contributory service on 31 March 1987 may commute a retirement benefit payable into a lump sum to the extent of the greater of:

- (a) The amount calculated under article 28(g); or
- (b)
  - (i) If the participant's age on 31 March 1987 was less than 55, the actuarial equivalent of one-third of the benefit that would have been payable if separated on 31 March 1987 and had been aged 60 on that date;
  - (ii) If the participant's age on 31 March 1987 was 55 or more, the actuarial equivalent of one-third of the benefit that would have been payable to the participant, had he or she retired on 31 March 1987 and had attained on that date the age at his or her actual date of separation.

## Appendix A

### GROSS PENSIONABLE SALARY FOR THE GENERAL SERVICE AND RELATED CATEGORIES

#### 1. Methodology for determining the gross pensionable salary

(a) Effective 1 April 1994, and subject to (b) below, the methodology for determining the gross pensionable salary for participants in the General Service and related categories on the occasion of comprehensive salary surveys shall be as follows:

- (i) 66.25 per cent of the net pensionable salary, determined in accordance with the procedure approved by the International Civil Service Commission\*, is calculated at each grade and step;
- (ii) the amounts in (i) above are grossed up, using the applicable staff assessment rates;
- (iii) the amounts in (ii) above, divided by 0.6625 and expressed in local currency, constitute the gross pensionable salary.

(b) The methodology in (a) above shall be applied to the occasion of the first adjustment due to the application of the interim adjustment procedure for net salaries on or after 1 April 1994, should such adjustment take place before a comprehensive salary survey.

#### 2. Adjustment of the gross pensionable salary between comprehensive salary surveys

The gross pensionable salary shall be adjusted on the same day and by the same percentages as the net pensionable salary of participants in the General Service and related categories is adjusted.

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\* Under the methodology approved by the International Civil Service Commission, the net pensionable salary is the net salary in the salary scales less the non-pensionable component, if any, with the latter being shown separately in the salary scales.

Appendix B

PENSIONABLE REMUNERATION FOR STAFF IN THE PROFESSIONAL AND HIGHER CATEGORIES

<http://icsc.un.org/secretariat/sad.asp?include=prs>

Appendix C

PENSIONABLE REMUNERATION FOR STAFF IN THE FIELD SERVICE CATEGORY

[http://www.un.org/Depts/OHRM/salaries\\_allowances/salary.htm](http://www.un.org/Depts/OHRM/salaries_allowances/salary.htm)

## Annex I

# ADMINISTRATIVE RULES OF THE UNITED NATIONS JOINT STAFF PENSION FUND

## INTRODUCTION

(a) The Board has, in terms of article 4(b) of the Regulations, made these Administrative Rules, which enter into force and supersede all previous Rules with effect from 1 January 2017.

(b) The Board, or the Standing Committee on its behalf, may amend these Rules from time to time as it deems desirable, and shall interpret them to the extent required to give effect thereto.

(c) In accordance with article 1 of the Regulations, the terms defined in that article shall bear the same meaning where they appear in these Rules.

(d) "*Dependent*", for the purpose of article 1(s) of the Regulations, shall mean in receipt of financial support from the participant in an amount sufficient to meet the financial criteria established for payment of a secondary dependant's allowance under the staff regulations and rules of the member organization by which the participant was employed immediately prior to separation or death in service, whether or not such allowance was in fact payable.

(e) "*In the name of the United Nations*", for the purpose of article 18 of the Regulations, shall include the holding of assets in the name of a nominee or nominees of custodians for the United Nations.

(f) "*Part-time employment*", for the purpose of supplementary article A of the Regulations, shall mean employment under conditions requiring attendance for duty during at least half the normal weekly working hours prescribed by the member organization for the duty station at which the employment takes place.

(g) "*Commencement or recommencement of participation*" within the meaning of article 1 (n) (normal retirement age) refers to participation, or a new participation, in the Fund under article 21 of the Regulations and Section B of the Administrative Rules. The normal retirement age is determined by the date the participant began his or her contributory service as a participant with the Fund, regardless of the effective date of his or her appointment with his or her employing organization. Therefore, if a staff member is appointed by a member organization of the Pension Fund before 1 January 1990 or 1 January 2014, as applicable, but his or her participation in the Fund under the Regulations of the Fund only commences or re-commences on or after 1 January 1990 but before 1 January 2014, or on or after 1 January 2014, the normal retirement age of the participant is 62 or 65, respectively. Validation of prior non-contributory service under article 23, and/or restoration of prior contributory service under article 24 does not change the date of participation in the Fund and, therefore, does not alter the normal retirement age of the participant.

**SECTION A**  
**ADMINISTRATION MANUAL**

A.1 The Chief Executive Officer of the Fund shall be responsible, under the authority of the Board, for ensuring the observance of the Regulations and these Rules by the member organizations and the participants; the Chief Executive Officer shall be empowered to issue, and revise from time to time as may be necessary, an Administration Manual in which shall be prescribed, to the extent that they are not contained herein, the procedures and forms which shall be used for the administration of the Fund.

**SECTION B**  
**PARTICIPATION**

B.1 Each member organization shall, upon fulfillment by a member of its staff or by one of its officials of the conditions of article 21 of the Regulations, register that person's admission to the Fund as a participant by furnishing to the secretary of the staff pension committee of the organization such information with respect to that person as the secretary may require, including the terms of appointment; the organization shall thereafter notify the secretary of any changes which occur therein.

B.2 The information shall normally include the name of the participant and the date of commencement of participation, date of birth, sex and marital status, and, as the case may be, the names and dates of birth of the participant's spouse, children under the age of 21, and secondary dependants; the organization shall verify, to the extent possible, the accuracy of the information furnished.

B.3 (a) The participant shall be responsible for providing the information in rule B.2 above and for notifying the organization of any changes which occur therein; the participant may be required to submit documentary or other proof of such information to the organization or the secretary of the committee. No change shall be accepted after the date of the participant's separation in respect of records pertaining to the following: a) the date of birth of a participant or that of each of his or her prospective beneficiaries; or b) the report of his or her prospective beneficiaries.

(b) In accordance with article 25 (e), failure by a member organization to correctly report the personal status of a participant of the Pension Fund prior to his or her separation or death in service that is attributable to the member organization, shall result in additional actuarial costs to the member organization in an amount sufficient to meet the additional obligations to be borne by the Fund arising from such an omission or mistake. In all cases, where there is a retroactive correction to the personal status of a participant after his or her separation from service, the actuarial value of a child's benefit payable and/or surviving spouse's benefit will be calculated and the member organization shall be fully liable to compensate the Fund for all of the additional actuarial costs for the Pension Fund benefit that shall be paid to the applicable beneficiary or beneficiaries.

B.4 (a) Information provided by or in respect of a participant or beneficiary under the Regulations or these Rules shall not be disclosed without written consent or authorization by the participant or beneficiary concerned, except in response to a court order or a request from a judicial or civil authority in the context of divorce or family maintenance obligations. In such case the Chief Executive Officer shall immediately notify the participant or beneficiary of the order or request. If after 30 days the participant or beneficiary has not acted in response to the court order or request, the Chief Executive Officer may supply the following information:

- (i) amount of benefits received and in payment for a beneficiary;
- (ii) accrued entitlements for an active participant; and
- (iii) address of the beneficiary.

b) The information in (a) above shall be provided by the Chief Executive Officer in a manner that clearly reflects that it is being provided on a voluntary basis and without waiver of the privileges and immunities of the organization with respect to any such order or request from the judicial or civil authorities.

c) Notwithstanding this confidentiality rule, the staff pension committees may, through the secretariat to such committees, provide the UNJSPF member organizations with relevant pension information of a participant or beneficiary that is considered necessary in the administration of staff members and their entitlements in their employing organizations.

B.5 The participant shall, as soon as practicable after the commencement of participation, specify in writing, on a form provided for the purpose by the secretary of the committee, the person whom he or she designates as the beneficiary in the event of a benefit becoming payable under article 38 of the Regulations by reason of the participant's death in service without a surviving spouse, including a divorced spouse, child, or secondary dependant, entitled to a benefit; any changes thereafter in such designation shall similarly be specified by the participant in writing. A new designation must be completed for each new participation in the Fund.

B.6 (a) A participant who is separated from the service of one member organization and enters the service of another without an interruption in the continuity of employment shall, subject to article 21 of the Regulations, remain a participant in the Fund; where such continuity has been interrupted, participation shall be in accordance with article 21 of the Regulations.

(b) A participant who is separated from the service of a member organization and who again becomes a participant in the Fund in accordance with article 21(a) of the Regulations within 36 months after such separation and without a benefit having been paid shall continue in participation in accordance with article 21(b). In calculating the period between the dates of separation and re-entry into participation under article 21(a) no recognition shall be given to any intervening non-contributory service even if subsequently validated under article 23.

## **SECTION C MEDICAL EVALUATION**

C.1 In accordance with article 41(a) of the Regulations, a medical evaluation shall be carried out of each participant prior to or as early as may be practicable after the commencement of participation.

C.2 The evaluation shall be conducted in such manner as to determine whether or not the participant is medically fit for participation in the Fund and may be waived if the participant has undergone a medical evaluation within twelve months prior to the commencement of participation the results of which are acceptable to the medical officer.

C.3 A participant who refuses to undergo a medical evaluation to determine fitness for employment and fulfils the requirements under article 21(a) of the Regulations, and for whom the findings of an earlier medical evaluation are not accepted, shall not, until completion of five years of contributory service be entitled to a disability benefit under the Regulations, nor shall a widow's, widower's or

secondary dependent's benefit be payable.

C.4 A participant whose entitlements are restricted under rule C.3 above shall, upon undergoing the medical evaluation provided for in rules C.1 and C.2 above, be accorded his or her full entitlements.

## **SECTION D CONTRIBUTIONS AND INTEREST**

D.1 Contributions as specified in column B in article 25(a) of the Regulations shall be deducted monthly by the member organization from the salary and emoluments of each of its participants in pay status and remitted in dollars to the Fund; however, to the extent required for the payment of benefits in local currencies, the Chief Executive Officer may accept that a member organization remit its monthly contributions in a specific local currency rather than in dollars (applying the United Nations operational rate of exchange in effect when the organization's contribution is remitted). The contributions of a participant in partial pay status shall be on the basis of his or her full pensionable remuneration.

D.2 Contributions for the purpose of validation, restoration, or the accrual of contributory service during leave without pay shall be made in dollars in accordance with sections E, F and G below.

D.3 (a) Interest shall accrue each year or part of a year on a participant's contributions to the Fund; interest shall not, however, accrue in any year on contributions made during that year.

(b) For the purpose of accrual of interest under article 25(b), (c), (d) or (e), article 31 and article 38(c) of the Regulations, the interest shall be calculated to the end of each financial year and compounded annually at that date.

(c) In the calculation of interest, periods of less than one calendar month shall, if they amount to fifteen days or more, be treated as one month, and if they amount to less than fifteen days, be disregarded.

(d) For the purpose of calculating monthly installments, including interest, for the amortization of amounts due under article 25(d), the interest shall be compounded annually.

D.4 Remittance of the contributions under article 25 shall be made monthly and received by the Fund not later than on the second working day of the following month.

D.5 The Fund shall be compensated for any loss resulting from delays in receipt of the contributions under D.4 above.

D.6 The financial year of the Fund shall be the period 1 January to 31 December inclusive.

## **SECTION E VALIDATION OF NON-CONTRIBUTORY SERVICE**

E.1 A participant who elects to validate non-contributory service under article 23(a) of the Regulations shall give notice in writing of such election to the secretary of the staff pension committee of the member organization by which he or she is employed, not later than one year after the commencement of participation and in any case prior to the date of separation if earlier. The

participant shall state in such notice the total period or periods of service which to his or her knowledge are open to validation.

E.2 (a) The secretary of the committee, if satisfied that the conditions of article 23(a) have been fulfilled, shall notify the participant in writing of the contributions which would have been payable by the participant had the service been contributory, with interest to the date of the notice of election.

(b) The contribution of the member organization shall be twice the amount under (a) above.

E.3 The participant shall remit the amount due under E.2 above in a lump sum to the member organization within ninety days of the date of the notification, or prior to the date of separation if earlier, failing which the right to validate shall be deemed to be cancelled.

E.4 (a) A beneficiary who elects to validate on behalf of a deceased participant under article 23(b) of the Regulations shall give notice in the manner and within the period specified in rule E.1 above; such beneficiary shall be notified of the amount due in accordance with rule E.2 and shall remit such amount in a lump sum to the member organization within ninety days of the date of notification.

(b) In the event that a participant dies after having elected to validate under E.1 above, but before the amount due has been remitted under rule E.3, a beneficiary empowered to make an election on behalf of the participant under article 23(b) shall be entitled, upon notice in writing to the secretary of the committee prior to payment of the benefit, to make such remittance in a lump sum within ninety days of the date of notification to such beneficiary by the secretary of the amount due.

(c) Failure by a beneficiary to comply with the provisions of (a) or (b) above shall be deemed to cancel his or her rights under article 23(b).

E.5 A former participant who, during a period of participation, does not validate the non-contributory service then open to validation shall not, by virtue of a new period of participation, be entitled to validate such service.

## **SECTION F**

### **RESTORATION OF PRIOR CONTRIBUTORY SERVICE**

F.1 A participant who elects to restore prior contributory service as a former participant under article 24(a) of the Regulations shall give notice in writing of such election to the secretary of the staff pension committee of the member organization by which he or she is employed not later than one year after the re-commencement of participation and in any case prior to the date of separation if earlier.

F.2 (a) The secretary of the committee, if satisfied that the conditions of article 24(a) have been fulfilled, shall ascertain from the Chief Executive Officer the periods of prior contributory service of the participant, together with the amount of the lump-sum payment received by the participant in respect of the previous participation and the interest thereon to the date of the notice of election, and shall notify the participant in writing of the total amount due.

(b) The amount due from the member organization shall be the amount of the refund, if any, received by it under article 26 of the Regulations in force on 31 December 1982 with interest as in (a) above.

F.3 The participant shall make, or commence, payment of the amount within ninety days of the date of the notification by the secretary under rule F.2 above, either

(a) In full in a lump sum; or

(b) In equal monthly installments, with interest, over a period no longer than half the length of the prior contributory service elected to be restored, provided that the total amount due shall be payable prior to the date of the participant's separation.

F.4 (a) Payment shall be made, in accordance with the method selected by the participant under rule F.3 above, by remittance to the organization within the time-limits applicable.

(b) In the event of default in the payment of a lump sum or the first payment of an installment, the right of the participant to restoration shall be deemed to be cancelled; in the event of default thereafter, the participant shall be given notice in writing by the secretary of the committee to effect payment within ninety days, failing which the right to restoration shall similarly be deemed to be cancelled.

(c) A participant whose right to restoration is cancelled shall be refunded forthwith the payments already made, with accrued interest, and shall forfeit any further right to such restoration.

F.5 A beneficiary who elects to restore on behalf of a deceased participant under article 24(c) of the Regulations, or to make or complete the remittances due by a participant who had so elected prior to his or her death, shall be bound, *mutatis mutandis*, by the provisions of rule E.4 above.

F.6 To the extent required for benefit calculation purposes, the notional pensionable remuneration for the entire disability benefit period recognized as contributory service pursuant to article 24 (b) of the Regulations shall be deemed to be the same as that on the day immediately preceding the commencement date of the disability benefit.

## **SECTION G**

### **LEAVE WITHOUT PAY**

G.1 A participant who wishes contributory service to accrue in terms of article 22(b) of the Regulations in respect of leave without pay shall make arrangements with the member organization by which he or she is employed for the full contributions to be remitted to the Fund concurrently with such leave in the same manner as contributions due in respect of a participant in pay status.

G.2 A participant to whom the provisions of article 25(b)(ii) apply shall remit to the organization the amounts due in respect of a period of leave without pay prior to the date of separation and, in any case, not later than within one year after the resumption of pay status.

G.3 At participant's request, notification of the amount due under rule G.2 above shall be provided by the secretary of the staff pension committee of the organization from which he or she was granted leave without pay.

G.4 The provisions of section G of the Administrative Rules in force on 31 December 1982 shall continue to apply to leave without pay which commenced prior to 1 January 1983.

G.5 However, participants whose leave without pay commenced prior to 1 January 1983 may, at their option, pay contributions concurrently for the unexpired portion of such leave remaining after 1 January 1983.

G.6 Participants who avail themselves of the option under rule G.5 above may, at the same time, choose to pay the amounts due for the prior period of leave without pay.

G.7 Extensions of leave without pay which commenced prior to 1 January 1983 granted after 1 January 1983 shall be treated in accordance with the provisions applicable to leave without pay commencing after that date.

## **SECTION H**

### **DETERMINATIONS OF INCAPACITY AND INABILITY TO ENGAGE IN GAINFUL EMPLOYMENT**

#### **General**

H.1 (a) The determination of incapacity for the purpose of disability benefits under article 33(a) and (b) of the Regulations and of children's and secondary dependants' benefits under article 36(b) and (c) shall, by virtue of powers hereby delegated in accordance with article 4(c), be made in each case by the staff pension committee of the organization by which the participant is employed, subject to the provision that, failing unanimity, a determination with respect to a disability benefit shall be referred to the Standing Committee for decision.

(b) For entitlement to a disability benefit, the incapacity for further service must be found to exist or to have existed on the participant's date of separation.

H.2 In each case in which a staff pension committee has determined that a participant or a child is incapacitated, or in which a determination with respect to a disability benefit has been referred to the Standing Committee for decision, the medical officer of the organization shall transmit a report on the medical aspects of the case to the Medical Consultant, who shall in turn report thereon as may be required by the Secretary of the Board.

#### **Disability benefits (article 33)**

H.3 A request for a determination by the staff pension committee under article 33(a) of the Regulations shall be made by the organization:

(a) Whenever during, or on the expiry of, the appointment of a participant there is reason to believe that he or she may be incapacitated within the meaning of article 33(a); or

(b) Whenever a participant is placed, or is proposed to be placed, on leave without pay for reasons of health; or

(c) Whenever the appointment of a participant is terminated, or is proposed to be terminated, for reasons of health.

H.4 A determination under article 33(a) shall be made by the staff pension committee at the request of a participant:

(a) Whenever the organization has not acted in accordance with rule H.3 above; or

(b) Whenever a participant alleges that on the date of separation he or she was incapacitated within the meaning of article 33(a).

H.5 (a) The request shall be in writing, addressed to the secretary of the committee, and in the case of a participant shall be made not later than four months after the date of separation or commencement of leave without pay, unless in the opinion of the committee there are exceptional circumstances justifying submission of the request at a later date.

(b) The request shall state the material facts on which the organization or the participant relies and the conclusions which are deduced therefrom, and shall be accompanied where practicable by a report from the medical officer of the organization, or a medical practitioner retained by the participant, as the case may be.

(c) The organization or the participant submitting the request, may be required by the committee to provide further evidence or information thereon prior to a determination being reached.

H.6 (a) A determination that a participant is incapacitated within the meaning of article 33(a) shall be reviewed by the committee from time to time for the purpose of establishing the participant's continued eligibility for a disability benefit, in accordance with article 33(b) until the participant reaches an age seven years less than that when he or she would have been entitled to receive a normal retirement benefit, except in cases where the normal retirement age is 60, in which case the period shall be five years less than the normal retirement age.

(b) The date for each such review shall be set up by the committee, having regard to the opinion of the medical officer of the organization on the prospects for the participant's recovery, and in such manner that the interval between reviews does not normally exceed five years to a maximum of ten years in exceptional circumstances as determined by the committee based on reasonably established medical criteria concerning which the medical officer has provided guidance to the committee; the committee may nevertheless review a determination at an earlier date than that set for the review if there is reason to believe that the participant is no longer incapacitated.

(c) The participant shall be informed in writing by the secretary of the committee of the date or interval set for the review in each case and shall, as and when required, submit to a medical examination by the medical officer, or a medical practitioner designated by the medical officer, for the purpose of providing evidence enabling the committee to reach a further determination on the continuance or otherwise of the participant's incapacity.

(d) Upon review, the committee shall continue a disability benefit if it determines that the participant remains incapacitated; it may suspend or discontinue a benefit if the participant has failed to submit to a medical examination when required to do so, or if the results of a medical examination are inconclusive; it may impose on the participant the fulfillment of a condition precedent to the continuation of a benefit or the removal of a suspension; and it shall discontinue a benefit when the evidence before it shows beyond reasonable doubt that the participant is no longer incapacitated, provided that a benefit so discontinued may be re-instated by the committee if it is satisfied, upon further evidence, that the participant was in fact incapacitated.

H.7 (a) A disability benefit which is suspended or discontinued shall cease to be paid at the end of the third complete month after the month in which the decision was taken.

(b) A disability benefit which is re-instated after suspension or discontinuance shall re-commence from the date on which it ceased to be paid, unless the committee, after a review of the circumstances of the case, decides that it shall re-commence from a later date.

### **Disabled children's (and brother's or sister's) benefits [article 36(b) and (c)]**

H.8 A determination under article 36(b) or (c) of the Regulations shall be made by the staff pension committee whenever the child, or the brother or sister, of a participant, eligible in other respects for a child's or secondary dependant's benefit, claims, or is claimed, to be incapacitated by illness or injury for substantial gainful employment:

(a) Upon reaching the age of 21, if immediately prior thereto a child's or a secondary dependant's benefit was payable, as the case may be;

(b) Upon the death in service or entitlement to a retirement or disability benefit of the participant, if the child is then over the age of 21;

(c) Upon the entitlement of the participant to an early retirement benefit. However, a child under the age of 21 shall be considered to be disabled only if the child would have been considered to be such had he or she been 21 years of age on the date of the participant's separation;

(d) Upon the death of a participant entitled to a retirement, early retirement, or disability benefit, if a brother or sister is then over the age of 21 and is claimed to have been incapacitated at the date of the participant's separation.

(e)

i) A staff pension committee may accept a request for a disabled child's benefit under Article 36(b) or secondary dependant's benefit under Article 37(c) (ii) that is made more than two years but less than five years after separation from service. In such case, if the benefit is awarded regardless of the reasons for the delayed request or other circumstance of the case, payment of the benefit shall commence on the day after the date of the staff pension committee's decision, with no retroactive payment.

ii) A staff pension committee shall not consider a request for a disabled child's benefit under Article 36(b) or a secondary dependant's benefit under Article 37 (c) (ii) that is made more than five years from a) the date that the participant became eligible to receive a retirement, early

retirement or disability benefit from the Fund and no child or secondary dependant's benefit was previously in payment; or b) the participant's death in service. Nevertheless, a staff pension committee may consider such a request where the Medical Consultant concludes that the medical condition was in existence at the time of the participant's separation from service but could not have been diagnosed prior to the time of the request.

H.9 The claim shall be made in writing, addressed to the secretary of the committee, by or on behalf of the child or secondary dependant, and shall be accompanied by a report from a medical practitioner on the nature of the illness or injury and the extent, if any, to which gainful employment is possible; in the case of rule H.8 (b) above, the report shall be submitted by the medical officer of the organization.

H.10 A determination that a child or secondary dependant is incapacitated within the meaning of article 36(b) or (c) shall be reviewed, *mutatis mutandis*, in accordance with the provisions applicable to disability benefits in rules H.6 and H.7 above, save that the intervals between for those cases involving a medical condition that is not likely to improve over time may be increased to ten years. The committee may nevertheless review a determination at an earlier date than that set for the review if there is reason to believe that the beneficiary is no longer incapacitated within the meaning of article 36(b).

## **SECTION I ENTITLEMENT TO BENEFITS**

I.1 Entitlement to a benefit shall, subject to rules I.3 and I.4 below but without further action by an organ of the Fund other than as may be required to determine eligibility for a disability or incapacitated child's benefit under these Rules, vest in a participant and in the child of a participant on the day succeeding the last day of contributory service; it shall vest in the widow, widower, secondary dependant, designated beneficiaries or estate of a participant on the day succeeding the day of the participant's death in service, and on the first day of the month succeeding the death if the participant died while in receipt of a periodic benefit.

I.2 Entitlement to a benefit under article 36(a) of the Regulations shall continue to the end of the month in which the child or reaches the age of twenty-one.

I.3 Entitlement shall be subject to certification by the Chief Executive Officer of the Fund, in accordance with article 7(c), that the conditions for payment of the benefit have been fulfilled; the Chief Executive Officer shall refer to the Standing Committee for decision any case which is not so certified.

I.4 Where, in the case of a disability benefit, a period of leave in pay status has succeeded a period of leave without pay for reasons of health, entitlement to the benefit shall vest as though the paid leave of the participant had been continuous.

I.5 In no circumstances shall more than one child's benefit under article 36 be payable in respect of any one child. Where entitlement to more than one child's benefit under these Regulations would otherwise exist in respect of a child, the child's benefit that is largest shall be payable.

**SECTION J**  
**COMPUTATION AND PAYMENT OF BENEFITS**

J.1 The member organization by which a participant is employed shall, upon separation, inform the secretary of the staff pension committee of the participant's last day of service and shall furnish such further information as the secretary may require for the purpose of computing the entitlements under the Regulations.

J.2 (a) The participant shall specify in writing, on a form provided for the purpose by the secretary of the committee, the benefit and any commutation thereof elected in accordance with the Regulations, instructions with respect to the method, currency and the banking or other institution, if such be the case, to which payment should be made on account of the participant. Subsequent changes in the election of benefits by the participant shall not be accepted unless no payment has yet been made by the Fund.

(b) Payment of the periodic benefits of participants and of their beneficiaries shall be made monthly in arrears.

(c) In the case of a participant whose remuneration under the terms of appointment was expressed in a currency other than dollars and who selects such currency for the payment of a withdrawal settlement under article 31(b)(i), the Chief Executive Officer shall be authorized [as an incident of making payment under article 47(b)] to make such payment at a rate of exchange which will ensure that the amount paid to the participant shall not be less than the amount deducted from his remuneration for the purpose of article 25, without interest.

(d) In the event of a discrepancy in the amount of a benefit paid in full in a lump sum, whether due to an error or to amendment or revision in data reported to the Fund, a correction shall be made if the discrepancy exceeds 25 dollars.

(e) Benefits payable under the Regulations to the children of a participant shall, unless there are exceptional circumstances, be paid on their behalf to the participant and, upon the participant's death, to the surviving parent or legal guardian of each child, in accordance, *mutatis mutandis*, with (a), (b), (c) and (d) above.

J.3 The participant shall at the same time, where there is a prospect that a benefit may become payable under article 38 of the Regulations, specify similarly the person designated as the beneficiary; in the absence of such designation, payment shall be made in accordance with the designation of the participant under rule B.5 above.

J.4 The contributory service of a participant which is used as a multiple to obtain the rate or amount of any particular benefit shall be calculated in years and fractions of years, each complete calendar month being deemed equal to one twelfth of a year, and the total number of days comprised in the incomplete calendar months being apportioned by the addition of one month for each thirty days or part thereof of fifteen days or longer; a residual period of less than fifteen days shall be disregarded.

J.5 The contributory service of a participant which is used to determine eligibility for a benefit shall be calculated according to the actual years, months and days comprised therein; for the purpose of

determining the final average remuneration, incomplete months shall be disregarded except as provided in article 1(h).

J.6 The contributory service of a participant shall not include unused annual leave accrued at the date of separation, for which compensation is paid, or any period in respect of which payment is made in lieu of notice of termination.

J.7 The age of a participant shall be calculated in years and fractions of years from the date of birth to the date of separation, in accordance with the method prescribed for the calculation of contributory service in J.4 above; a participant shall nevertheless not be considered to have reached age fifty-five, age fifty-eight, age sixty, or age sixty-two or age sixty-five until his or her fifty-fifth, fifty-eighth, sixtieth, or sixty-second or sixty-fifth birthday, as the case may be, shall have elapsed.

J.8 The participant, and any person entitled through the participant to a periodic benefit from the Fund, shall be required from time to time to furnish, to the satisfaction of the Chief Executive Officer, proof that the participant, and any person on whose behalf a benefit is paid, remains alive; the Chief Executive Officer may, in his or her discretion, suspend payment of a benefit pending the receipt of such proof.

J.9 (a) Any payments made by the Fund to a participant, beneficiary of a participant or third person otherwise than in accordance with the Regulations of the Fund may be deducted from any future benefits payable to or on account of the participant under these Regulations or may be recovered directly from the person or estate of the person to whom any such payments were made. The Chief Executive Officer may, where such an overpayment had been attributable to the submission of incorrect information to the Fund, recover interest, as well as administrative costs of 10 per cent of the overpayment.

(b) The Chief Executive Officer may, where appropriate, waive recovery of all or part of an indebtedness to the Fund.

(c) Two years after discovery by the Fund that any such payments were made, the Chief Executive Officer, in accordance with procedures in the Administration Manual, may deem that the amounts of such payments are unrecoverable and may authorize that such amounts be written off as uncollectible indebtedness to the Fund.

## **SECTION K REVIEW AND APPEAL**

### **General**

K.1 The staff pension committee of each member organization shall, at the instance of any person who is entitled to submit an application under article 48 of the Regulations, review any decision taken by it or by its secretary in the exercise of powers conferred by the Regulations or these Rules.

K.2 The Standing Committee, acting on behalf of the Board, shall in like manner review any decision taken by it under rule H.1 above in which the medical conclusions are in dispute, any decision referred to it under rule K.6 below, and any decision by the Secretary of the Board which is not otherwise subject to review.

K.3 The decision shall, upon review, be either confirmed, rescinded, or varied to the extent necessary to bring it into conformity with the Regulations and these Rules.

K.4 An appeal shall lie to the Standing Committee, acting on behalf of the Board, from the decision of a staff pension committee taken upon review, and to the United Nations Appeals Tribunal, in accordance with article 48 of the Regulations, from the decision of the Standing Committee taken either upon appeal as above or upon review under rule K.2 above.

### **Procedure for review**

K.5 A review shall be initiated by delivery to the secretary of the staff pension committee, or to the Secretary of the Board if the review is by the Standing Committee, within ninety days of receipt of notification of the disputed decision, of a notice in writing stating the points of fact or of law contained in the decision which are disputed, and the grounds upon which the request for the review is founded; the staff pension committee, or the Standing Committee as the case may be, may nevertheless, upon good cause shown, accept for review a request notice of which was delivered after the expiry of the period prescribed above.

K.6 A review by a staff pension committee shall, unless rule K.7 below applies, be completed within sixty days of the delivery of the notice prescribed under rule K.5 above, failing which the request shall be referred by the secretary to the Secretary of the Board and the review shall thereupon be made instead by the Standing Committee on behalf of the Board.

K.7 (a) Where the outcome of the review turns in whole or in part on the medical conclusions on which the disputed decision was based, the staff pension committee, or the Standing Committee as the case may be, shall obtain the advice of a medical board or request a review by an independent medical practitioner on the correctness or otherwise of such conclusions before proceeding with the review.

(b) The medical board shall consist of a medical practitioner selected by the participant or person requesting the review, the medical officer of the organization or a medical practitioner designated by him or her, and a third medical practitioner selected in agreement by the former two who shall not be the medical officer of a member organization; the board shall undertake such further examination of the medical conclusions at issue, and/or of the person who is the subject of the review, as it considers desirable, and shall report its conclusions in writing to the staff pension committee or the Standing Committee, as the case may be, which shall thereupon proceed with the review. Where the Committee determines that the review shall be undertaken by an independent medical practitioner, he or she shall be identified by the medical officer of the organization and agreed to by the participant or beneficiary.

(c) If the decision resulting from the review varies the disputed decision, the medical fees and expenses of the medical board shall be borne by the Fund; if the disputed decision is confirmed, the medical fees and expenses of the practitioner selected by the participant or person requesting the review and half the medical fees and expenses of the third practitioner shall be borne by the applicant and the remainder by the Fund; indebtedness by a participant under this rule may be recovered in accordance with article 43 of the Regulations. In cases where the review is undertaken by an independent medical practitioner, the cost shall be borne by the Fund.

## **Procedure for appeal**

K.8 (a) An appeal to the Standing Committee, acting on behalf of the Board, from the decision of a staff pension committee taken upon review shall be initiated by delivery to the Secretary of the Board, within sixty days of notification of the decision appealed against, of a notice in writing stating the points of fact or of law contained in the decision which are disputed, and the grounds upon which the appeal is founded; the Standing Committee may nevertheless, upon good cause shown, agree to consider an appeal notice of which was delivered after the expiry of the period prescribed above.

(b) An appeal to the United Nations Appeals Tribunal from the decision of the Standing Committee, acting on behalf of the Board, shall be in accordance with the Statute and Rules of the Tribunal.

## **SECTION L TRANSFER AGREEMENT**

L.1 A participant in the Fund may avail himself or herself of the provisions of any agreement entered into by the Fund for the purpose of securing continuity of pension rights under article 13 of the Regulations of the Fund, in accordance with the terms of the relevant agreement.

## **Annex II**

# **FINANCIAL RULES OF THE UNITED NATIONS JOINT STAFF PENSION FUND<sup>1</sup>**

### **SECTION A GENERAL PROVISIONS APPLICABILITY AND AUTHORITY**

**A.1** These financial rules are promulgated by the Board in accordance with article 4 (b) of the Regulations of the Fund with effect from 1 January 2017. Subject to the provisions of the Regulations of the Fund and to resolutions and decisions of the General Assembly pertaining to the financial operations of the Fund, these financial rules shall govern the financial management and administration of the Fund and should be read in conjunction with the Administrative Rules. In regard to any matter not specifically covered by these rules, the appropriate provisions of the Financial Regulations and Rules of the United Nations shall, *mutatis mutandis*, apply.

**A.2** The Chief Executive Officer may issue or revise from time to time such specific written procedures and forms as are necessary for the financial management of the Fund in accordance with the Regulations of the Fund and the Administrative Rules, including these financial rules.

**A.3** If in applying or ensuring the observance of these financial rules or in issuing or revising procedures or forms necessary for the financial administration of the Fund any action by the Chief Executive Officer concerns, or is likely to concern, the responsibility of the Secretary-General under article 19 of the Regulations of the Fund to decide upon the investment of the assets of the Fund, the Chief Executive Officer shall consult with the Secretary-General or the Representative of the Secretary-General before any such action is taken and concerning what appropriate action should be taken. In such cases, the Chief Executive Officer shall take no such action without the prior concurrence of the Representative of the Secretary-General.

**A.4** The Chief Executive Officer may delegate, by written instruction, authority for specified aspects of these financial rules to other officials of the Fund or, in the case of common services provided by the United Nations, to designate in writing, officials of the United Nations Secretariat. Such administrative instructions will state whether the delegated official may assign aspects of this authority to other officials.

**A.5** In the application of these financial rules, officials of the Fund shall be guided by the principles of effective and efficient financial management and the exercise of economy.

### **AMENDMENTS**

**A.6** These financial rules may only be amended by the Board in accordance with articles 4 and 49 of the Regulations of the Fund. Any amendment to Section H – Auditing - External audit or amendment to any other section on any matter concerning external audit shall be made with the

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<sup>1</sup> Pursuant to article 4 (b) of the Fund's Regulations, these Financial Rules were approved by the United Nations Joint Staff Pension Board at its 63<sup>rd</sup> session in July 2016 (Annex VIII of A/71/9).

agreement of the United Nations Board of Auditors in accordance with article 14 (b) of the Regulations of the Fund.

## **DEFINITIONS**

**A.7** In the interpretation and application of these financial rules, the definitions set out in article 1 of the Regulations of the Fund and the following definitions shall apply:

- (a) “Advisory Committee” shall mean the Advisory Committee on Administrative and Budgetary Questions of the General Assembly of the United Nations;
- (b) “Assets of the Fund” shall mean all amounts derived from the sources set forth in article 17 of the Regulations of the Fund;
- (c) “Audit Committee” shall mean the Audit Committee of the Board;
- (d) “Chief Executive Officer” shall mean the Chief Executive Officer of the Fund appointed in accordance with article 7 of the Regulations of the Fund;
- (e) “Chief Financial Officer” shall mean the Chief Financial Officer of the Fund appointed in accordance with article 7 of the Regulations of the Fund;
- (f) “Deficiency payment” shall mean the sum payable by member organizations to the Fund in accordance with article 26 (a) of the Regulations of the Fund;
- (g) “Financial rules” shall mean the present financial rules of the United Nations Joint Staff Pension Fund;
- (h) “Regulations of the Fund” shall mean the Regulations of the United Nations Joint Staff Pension Fund;
- (i) “IFRS” shall mean the International Financial Reporting Standards;
- (j) “IPSAS” shall mean the International Public Sector Accounting Standards;
- (k) “Officials of the Fund” shall mean the Chief Executive Officer, the Deputy Chief Executive Officer, the Representative of the Secretary-General and all other staff of the Fund as are required by the Board and appointed in accordance with article 7 (b) of the Regulations of the Fund, and secretaries of staff pension committees of the member organizations of the Fund appointed in accordance with article 8 (b) of the Regulations of the Fund;
- (l) “Participant” shall have the meaning set forth in articles 1 and 21 of the Regulations of the Fund and in section B of the Administrative Rules of the Fund;
- (m) “Representative of the Secretary-General” shall mean the Representative of the Secretary-General for the Investment of the Assets of the Fund appointed by the Secretary-General in accordance with General Assembly resolution 68/247 B of 9 April 2014.

**SECTION B**  
**CONTRIBUTIONS**  
**CONTRIBUTIONS AND RECORDS BY MEMBER ORGANIZATIONS**

**B.1** Each member organization shall submit summary contribution statements and remit contributions to the secretariat of the Fund on a monthly basis in accordance with the Regulations of the Fund and section D of the Administrative Rules of the Fund. Each member organization shall maintain an individual record for each of its participants in the Fund specifying all information required to be maintained by the member organization in accordance with the Regulations and Administrative Rules of the Fund. In addition to any other required information, such record shall specify, in particular, the contributions collected from and made by the member organization in respect of each such participant and paid to the Fund in accordance with the prevailing scales of pensionable remuneration applicable to the current financial year. By 31 January of each calendar year, each member organization shall submit to the Fund records for each of its participants for the preceding financial year.

**SECTION C**  
**PAYMENT OF BENEFITS AND OTHER UTILIZATION OF FUNDS**  
**EXPENDITURES**

**C.1** The assets of the Fund shall be expended to meet the Fund's liabilities to pay benefits due in accordance with the Regulations of the Fund, the Administrative Rules, including the present financial rules, the pension adjustment system of the Fund or the terms and conditions approved by the Board for the use of the Emergency Fund of the United Nations Joint Staff Pension Fund.

**C.2** The assets of the Fund shall also be expended to meet the administrative expenses of the Fund incurred in accordance article 15 (a) of the Regulations of the Fund.

**C.3** Without the express authorization of the Board, the assets of the Fund may not be expended for purposes other than those specified in financial rules C.1 to C.2.

**Certification and controls**

**C.4** The Chief Executive Officer and the Representative of the Secretary-General, within their respective authority under the Regulations of the Fund and in consultation with the Chief Financial Officer, are responsible for:

(a) Establishing procedures for ensuring that all payments and disbursements are properly payable on the basis of supporting documents for payments under the Regulations, Administrative Rules and pension adjustment system of the Fund, or are properly payable for services or goods actually received by the Fund in accordance with the terms of contract or other agreement governing the provision of such goods or services to the Fund;

(b) Designating the officials of the Fund who may receive money or assets, enter into commitments and make payments or disbursements on behalf of the Fund and, in the case of services provided to the Fund by the Secretariat of the United Nations in accordance with section F of the present financial rules, designating the officials of the Secretariat of the United Nations, who may in turn delegate such responsibilities to Secretariat staff, who

may receive money or assets, enter into commitments and make payments or disbursements on behalf of the Fund;

(c) Establishing and maintaining a system of internal controls designed to provide reasonable assurance regarding the reliability of financial reporting and assurance that the Fund's resources and assets are safeguarded in accordance with the Regulations of the Fund, the Administrative Rules and the present financial rules.

#### **AUTHORIZATION OF ENTITLEMENTS AND PAYMENT OF BENEFITS**

**C.5** The Chief Executive Officer shall be responsible for certifying all expenses of the Fund made pursuant to financial rule C.1. Utilization of funds for such certification requires prior authorization of the Chief Executive Officer in a form of the establishment of an entitlement and the payment of benefit.

#### **Checks and balances**

##### **Authorization to establish an entitlement to a benefit**

**C.6** Notwithstanding bank signatory functions assigned in accordance with financial rules D.1 and D.2, the authorization of entitlements to benefits arising from contributory service as a participant in the Fund under the Regulations, Administrative Rules and pension adjustment system of the Fund require at least three authorizing signatures, in either conventional or electronic form.

**C.7** Pursuant to financial rule C.6, the Chief Executive Officer shall designate one or more officials of the Fund to act under the authority of the Chief Executive Officer in the following capacities for the authorization to establish an entitlement to benefits:

(a) The verifying officer(s) will review the existence and measurement of an entitlement to a benefit. A verifying officer cannot exercise the certifying functions assigned in accordance with financial rule C.7 (c);

(b) The benefit officer(s) will "release" the existence and measurement of an entitlement to a benefit. A benefit officer cannot exercise the certifying functions assigned in accordance with financial rule C.7 (c);

(c) The certifying officer(s) will provide the final authorization to an entitlement to a benefit. A certifying officer cannot exercise the verifying functions, the releasing functions or the approving functions assigned in accordance with financial rules C.7 (a), C.7 (b) and C.9 (c), respectively.

##### **Authorization to pay a benefit**

**C.8** Once the entitlement is established in accordance with financial rule C.7, payments against entitlements to benefits can be authorized. All benefits certified under financial rule C.7 (c) (including withdrawal settlements, lump sum or periodic arrear benefit payments as well as periodic benefit payments) must be approved for the execution of payments by a duly designated

approving officer in accordance with financial rule C.9 (c). In addition, and notwithstanding bank signatory functions assigned in accordance with financial rules D.1 and D.2, the creation and updating of a periodic benefit payment in a monthly payroll as well as other payment processing require at least three authorizing signatures, in either conventional or electronic form.

**C.9** Pursuant to financial rule C.8, the Chief Executive Officer shall designate one or more officials of the Fund to act under the authority of the Chief Executive Officer in the following capacities to authorize the payment of periodic benefits in a monthly payroll as well as other payment processing of any other benefits as follows:

(a) The payroll officer(s) will sign and release the periodic benefits scheduled for payment through the payroll process as well as one-time or ad hoc payments once they have ensured that payments are properly due. A payroll officer in the Payments Unit cannot exercise the certifying functions or the approving functions assigned in accordance with financial rules C.9 (b) and C.9 (c);

(b) The certifying officer(s) will sign and “certify” the batch payments of periodic benefits for a given payroll. A certifying officer cannot exercise the releasing functions or the approving functions assigned in accordance with financial rules C.9 (a) and C.9 (c);

(c) The approving officer(s) are designated to approve the execution of benefit payments (including withdrawal settlements, lump sum or periodic arrear benefit payments as well as payroll and one-time or ad hoc benefit payments) once they have ensured that entitlement to a benefit has been authorized and duly certified. An approving officer cannot exercise the certifying functions assigned in accordance with financial rule C.7 (c) or financial rule C.9 (b), or the bank signatory functions assigned in accordance with rule s D.1 and D.2.

**C.10** The authority and responsibility for officials of the Fund designated in accordance with financial rule C.7 or C.9 is assigned on a personal basis and cannot be delegated. Such designated officials of the Fund must maintain detailed records and must be prepared to submit any supporting documents, explanations and justifications requested by the Chief Executive Officer.

### **Appropriations against the administrative budget**

**C.11** The assets of the Fund shall be expended to meet the administrative expenses of the Fund incurred as follows:

(a) Administrative expenses of the Fund may be incurred up to the amounts authorized by the Board and appropriated by the General Assembly therefor and only for the purposes so authorized and appropriated. No officials of the Fund shall transfer appropriations between the Fund secretariat part and the investment part of the Fund’s administrative budget without approval by the Board and authorization by the General Assembly;

(b) Appropriations for such administrative expenses of the Fund shall be available for commitment during the budget period to which they relate and for 12 months thereafter if and to the extent that they are required to discharge commitments in respect of goods

supplied and services rendered to the Fund during the budget period and to liquidate any other outstanding legal obligations incurred during the budget period;

(c) At the end of the budget period or the end of the 12-month period thereafter, as applicable, the remaining balance of any appropriations for the administrative expenses of the Fund that have been retained will be surrendered to the Fund, and if a commitment remains valid at the end of the 12-month period following the budget period, such commitment shall be cancelled and funded from the current appropriations for the administrative expenses of the Fund;

(d) The Chief Executive Officer or the Representative of the Secretary-General, within their respective administrative budgets, may enter into commitments of administrative expenses of the Fund for future budget periods provided that such commitments are for administrative activities that have been approved by the Board and authorized by the General Assembly and that are expected to continue beyond the end of the current budget period. All commitments of expenses for future budget periods shall be disclosed in a note to the Fund's financial statements in accordance with IPSAS, and such commitments shall constitute first charges against relevant appropriations made by the General Assembly.

### **Authorization for administrative expenses**

**C.12** The Chief Executive Officer and the Representative of the Secretary-General, within their respective administrative budgets, shall be responsible for certifying all administrative expenses of the Fund incurred in accordance with financial rule C.2. The utilization of all funds requires the prior authorization of the Chief Executive Officer or the Representative of the Secretary-General, as the case may be. Such authorization may take the form of (a) an allotment of funds or other authorization to incur commitments and expend specified funds for specified purposes during a specified period or (b) an authorization to employ staff against a staffing table approved by the Board and authorized by the General Assembly.

**C.13** Notwithstanding bank signatory functions assigned in accordance with financial rules D.1 and D.2, all commitments, disbursements and expenses require at least two authorizing signatures, in either conventional or electronic form. Expenses recorded against an established, certified commitment do not require additional certification, provided that they do not exceed the amount committed by more than 10 per cent or 4,000 dollars, or its equivalent in other currencies, whichever is lower. Expenses that do not exceed 4,000 dollars, or its equivalent in other currencies, for which the recording of a commitment is unnecessary, require both certification and approval.

**C.14** The Chief Executive Officer and the Representative of the Secretary-General, within their respective authority under the Regulations of the Fund and in consultation with the Chief Financial Officer, shall cooperate in order to designate as follows one or more officials of the Fund or, in the case of services provided to the Fund by the Secretariat of the United Nations in accordance with section F of the present financial rules, one or more officials of the Secretariat of the United Nations:

(a) The certifying officer(s) for the account(s) pertaining to a section or subsection of an approved budget for the administrative expenses of the Fund. Such certifying officers shall be responsible for managing the utilization of resources of the Fund in accordance with: (i)

the Regulations of the Fund and the Administrative Rules, including these financial rules;(ii) the purposes for which resources, in particular resources for the administrative expenses of the Fund, were approved by the Board and authorized by the General Assembly; and (iii) the principles of efficiency and effectiveness;

(b) Approving officers acting under the authority of the Chief Executive Officer or the Representative of the Secretary-General, as the case may be, to approve the entry into the accounts of the Fund's administrative budget with respect to commitments, disbursements and expenses relating to contracts, agreements, purchase orders and other forms of undertaking after verifying that they are in order and have been certified by a duly designated certifying officer in accordance with financial rule C.14 (a). Such approving officers are also responsible for approving the making of payments once they have ensured that they are properly due, confirming that the necessary goods and services have been received by or on behalf of the Fund in accordance with the contract, agreement, purchase order or other form of undertaking by which they were ordered and, if the cost exceeds 4,000 dollars or its equivalent in other currencies, in accordance with the purpose for which the relevant financial commitment was established.

**C.15** The designated certifying and approving officers must maintain detailed records and must be prepared to submit any supporting documents, explanations and justifications requested by the Chief Executive Officer, the Representative of the Secretary-General or the Chief Financial Officer, as appropriate.

**C.16** Approving authority and responsibility under financial rule C.14 (a) cannot be exercised by the same person or persons exercising the certifying functions assigned in accordance with financial rule C.14 (b) or the bank signatory functions assigned in accordance with financial rules D.1 and D.2.

### **Administration of commitments**

**C.17** A commitment must be based on a formal contract, agreement, purchase order or other form of undertaking, or on a liability recognized by the Fund. All commitments must be supported by an appropriate commitment document.

**C.18** Apart from the employment of staff as officials of the Fund against an authorized staffing table and consequential commitments under the Staff Regulations and Rules of the United Nations and any relevant understandings between the Fund's secretariat and the Secretariat, no undertaking, including by contract, agreement or purchase order, for an amount exceeding 4,000 dollars, or its equivalent in other currencies, shall be entered into until the appropriate credit(s) has (have) been reserved in the accounts of the Fund's administrative budget by the certifying officer. This shall be done through the recording of commitments against which relevant payments or disbursements may be made. A commitment shall remain open until such point as it is liquidated, cancelled or recommitted in accordance with financial rule C.2, as appropriate.

**C.19** If, in the time that elapses between the establishment of a commitment and the processing of final payment, the cost of the relevant goods or services has increased by less than 4,000 dollars, or its equivalent in other currencies, or 10 per cent of the amount of commitment, whichever is lower, no change need be made to the amount of the original commitment. Otherwise, the original

commitment shall be revised to reflect the increase in requirements and further certification is required. All increases in commitments shall be subject to the same procedures as apply to the incurring of original commitments.

**C.20** Outstanding commitments shall be reviewed periodically by the responsible certifying officer(s). If a commitment is determined to be valid but cannot be liquidated during the period set forth in financial rule C.2, the provisions of financial rule C.2 shall, as appropriate, be applied. Commitments that are no longer valid shall be cancelled from the accounts forthwith and the resulting credit surrendered to the Fund. When any commitment previously recorded in the accounts of the Fund is, for any reason, reduced (other than by payment) or cancelled, the certifying officer shall accordingly ensure that appropriate adjustments are recorded in the accounts of the Fund.

**SECTION D**  
**BANKING, CUSTODY AND INVESTMENT OF THE ASSETS OF THE FUND**  
**DESIGNATION OF BANK ACCOUNTS**

**D.1** Except for bank accounts relating to the custody of the assets of the Fund designated by the Representative of the Secretary-General in accordance with financial rule D. 4, the Chief Executive Officer shall designate those banks in which the monies of the Fund shall be kept and shall establish all such official bank accounts required for the transaction of the Fund's activities. The Chief Executive Officer shall designate those Officials of the Fund to whom signatory authority is delegated for the operation of those bank accounts. The Chief Executive Officer shall also authorize all bank account closures except those relating to the custody of assets under rule D.4. The Fund's bank accounts shall be opened and operated in accordance with the following guidelines:

- (a) Bank accounts shall be designated in the name of the United Nations for the benefit of the United Nations Joint Staff Pension Fund;
- (b) All cash or other negotiable instruments held in such bank accounts shall be, as far as possible, held as assets in the name of the United Nations for the benefit of the Fund, and the relevant authority shall be notified that such bank accounts are exempt from all taxation;
- (c) Banks shall be required to provide prompt statements;
- (d) Two signatures, or their electronic equivalent, shall be required on all cheques and other withdrawal instructions, including electronic modes of payment;
- (e) All banks shall be required to recognize that the Chief Executive Officer is authorized to receive, upon request or as promptly as is practicable, all information pertaining to official bank accounts of the Fund.

**D.2** Bank signatory authority and responsibility, as designated by the Chief Executive Officer, shall be assigned on a personal basis and cannot be delegated by the official of the Fund so designated. Bank signatories cannot exercise the certifying or approving functions assigned in accordance with financial rules C.7 and C.9. Designated bank signatories must:

(a) Ensure that there are sufficient funds in the bank account when cheques and other payment instructions are presented for payment;

(b) Verify that all cheques and other payment instructions are made to the order of the named payee, are approved by an approving officer designated in accordance with financial rule C.9 (c) or C.14 (b) and are prepared in accordance with all applicable banking laws, regulations and standards;

(c) Ensure that cheques and other banking instruments are properly safeguarded and that when they are obsolete they are destroyed in accordance with financial rule G.8.

**D.3** Without any exception, the Chief Financial Officer shall ensure that all financial transactions, including bank charges, fees and commissions, are reconciled with the information submitted by the Fund's banks. This reconciliation must be performed by officials of the Fund playing no actual part in the receipt or disbursement of funds.

#### **Designation of custodians and the master record keeper**

**D.4** The Representative of the Secretary-General shall designate the banks or other depository institutions to serve as custodians in which the assets of the Fund shall be kept in trust in the name of the United Nations for the benefit of the United Nations Joint Staff Pension Fund and shall establish in such banks or other depository institutions such accounts as may be required for all transactions relating to the investment of the assets of the Fund.

**D.5** The Representative of the Secretary-General shall designate a master record keeper to aggregate all relevant information concerning, to account for and to report to the Fund on all transactions relating to the investment of the assets of the Fund.

#### **Currency exchange and liquidity**

**D.6** The Representative of the Secretary-General or officials of the Fund designated by the Representative of the Secretary-General shall be responsible for exchanging currencies required by the Fund or pertaining to the investment of the assets of the Fund. Officials of the Fund responsible for the operation of the Fund's bank accounts, other than assets held in the Fund's custody accounts, shall not be authorized to exchange one currency for another, except to the minimum extent necessary for the transaction of official business and for currency management. For the purposes of financial rules C.1 to C.3, the Chief Executive Officer and the Representative of the Secretary-General, together with the Chief Financial Officer, shall consult and agree on procedures for the proper management of currencies and exchanges thereof, and the Chief Executive Officer shall report on such consultations, as needed, to the Audit Committee.

**D.7** The Chief Executive Officer and the Representative of the Secretary-General, together with the Chief Financial Officer, shall consult with one another and agree on the level of liquid funds in the form of cash or negotiable instruments that will be held in the Fund's bank accounts, except those relating to the custody of assets under rule D.4, to the extent required for the payment of the expenses of the Fund in accordance with financial rules C.1 to C.3, including such amounts as may be required for purposes of business continuity and disaster recovery. All other cash and negotiable

instruments shall be made available to the Representative of the Secretary-General/Investment Management Division for investment.

### **Cash and disbursements**

**D.8** Petty cash advances and Cashier's Fund advances may be made only by and to officials of the Fund designated for this purpose by the Chief Executive Officer. The relevant accounts shall be maintained on an imprest system and the amount and purpose of each advance shall be defined by the Chief Executive Officer in consultation with the Representative of the Secretary-General and the Chief Financial Officer. The Chief Executive Officer may approve other cash advances as may be permitted by the Staff Regulations and Rules and administrative instructions of the United Nations and as the Chief Executive Officer may otherwise authorize. A payee's written receipt shall be obtained for all disbursements of cash advances. Officials of the Fund to whom cash advances are issued shall be held personally accountable and financially liable for the proper management and safekeeping of cash so advanced and must be in a position to account for these advances at all times. They shall submit monthly accounts unless otherwise directed by the Chief Executive Officer.

**D.9** All disbursements made in accordance with financial rules C.1 to C.3 shall be made by electronic funds transfer, by wire transfer or by cheque except to the extent that cash disbursements are authorized by the Chief Executive Officer. Disbursements shall be recorded in the accounts of the Fund as at the date on which they are made.

### **Investment of the assets of the Fund**

**D.10** In accordance with article 19 (a) of the Regulations of the Fund, the Representative of the Secretary-General, acting under the authority of the Secretary-General, shall make and prudently manage the investment of the assets of the Fund.

**D.11** In consultation with the Investments Committee and in light of observations and suggestions from the Board and criteria established by the General Assembly (safety, profitability, liquidity and convertibility), the Representative of the Secretary-General shall establish an investment policy as well as investment guidelines to ensure that investment decisions are taken in the best interest of the Fund on behalf of the participants and beneficiaries of the Fund.

**D.12** All investment transactions, including the withdrawal of invested resources, shall require the authorization and signature of two Officials of the Fund designated for that purpose by the Representative of the Secretary-General.

**D.13** Fees, commissions, or other similar amounts paid by the Fund on the authorization of the Representative of the Secretary-General to brokers or dealers in securities, to discretionary investment advisers or managers, or otherwise incurred on the authorization of the Representative of the Secretary-General in connection with a transaction carried out for the investment of the Assets of the Fund shall not constitute expenditures of the assets of the Fund within the meaning of financial rules C.1 to C.3. Rather, such amounts shall be regarded as constituting transactional costs relating to the investment of the Assets of the Fund and shall be accounted for by the Representative of the Secretary-General, in accordance with article 19 (b) of the Regulations of the Fund, as elements of transactions regarding the investment of the assets of the Fund.

## **Accounting for investment of the assets of the Fund**

**D.14** The Representative of the Secretary-General shall maintain detailed accounts of all investments and other transactions relating to the Fund, which shall be open to examination by the Board.

### **SECTION E**

#### **BUDGETING FOR ADMINISTRATIVE EXPENSES**

##### **PRESENTATION, CONTENT AND METHODOLOGY OF THE ADMINISTRATIVE BUDGET**

**E.1** In accordance with article 15 (b) of the Regulations of the Fund, the Board shall submit to the General Assembly for approval biennial estimates of the expenses to be incurred in the administration of the Regulations. The proposed administrative budget for each budget period shall be prepared by the Chief Executive Officer in consultation with the Representative of the Secretary-General, who shall propose the resource requirements for the part of the administrative budget that concerns the activities and resources required for the investment of the assets of the Fund. The budget period for the proposed budget for the administrative expenses of the Fund shall consist of two consecutive calendar years, the first of which shall be an even year.

**E.2** The Chief Executive Officer and the Representative of the Secretary-General, for their respective operations, shall decide on the content and resource allocation of the proposed budget for the administrative expenses of the Fund to be submitted to the Board for endorsement and to the General Assembly for approval. Budget proposals for the forthcoming budget period shall be prepared and submitted to the Board at such times, in such manner and in such detail as the Board may prescribe and shall be prepared, where applicable, in accordance with the methodology used by the Secretariat of the United Nations under the Financial Regulations and Rules of the United Nations and, as applicable, the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (ST/SGB/2000/8).

**E.3** The proposed budget for the administrative expenses of the Fund shall cover income and expenditures for the budget period to which it relates and shall be presented in United States dollars. Programme narratives shall set out the outputs, objectives and accomplishments expected during the budget period being presented. The proposed budget shall be preceded by a statement explaining the main changes made in the content of the activities being programmed and the volume of resources allocated to it in relation to the previous budget period. The proposed budget for the administrative expenses of the Fund shall be accompanied by a performance report on the actual versus planned administrative expenses of the Fund for the current budget period, together with such information, annexes and explanatory statements as may be requested by or on behalf of the Board and such further annexes or statements as the Chief Executive Officer, the Representative of the Secretary-General, or both may deem necessary and useful.

**E.4** In accordance with article 15 (c) of the Regulations of the Fund, expenses incurred in the administration of the Regulations of the Fund by a member organization shall be met by that organization. As the secretariat of the Fund acts as the staff pension committee for the United Nations, the United Nations shall reimburse the Fund for the expenses it has incurred in providing services in that capacity. The amount of the expenditure and the level of reimbursement for the

provision of such services shall be agreed upon between the Board and the General Assembly as part of the budget for the administrative expenses of the Fund.

### **Review and approval**

**E.5** In the second year of a budget period, the Chief Executive Officer and the Representative of the Secretary-General shall submit the proposed budget for the administrative expenses of the Fund for the following budget period to the Board for review and endorsement. The Board shall submit its proposed budget for the administrative expenses of the Fund to the General Assembly, through the Advisory Committee, which may make comments or recommendations.

**E.6** In accordance with article 15 (b) of the Regulations of the Fund, the General Assembly shall, in the second year of a budget period, approve the budget for the administrative expenses of the Fund for the following budget period after consideration of the proposed budget for the administrative expenses of the Fund, endorsed by the Board, as well as the report of the Advisory Committee thereon.

**E.7** The Chief Executive Officer and the Representative of the Secretary-General may prepare supplementary estimates of the administrative expenses of the Fund in a form consistent with the approved budget for the administrative expenses of the Fund and shall submit such supplementary estimates to the Board for approval. If approved by the Board, the Board shall transmit such supplementary estimates of the administrative expenses of the Fund to the General Assembly through the Advisory Committee, which shall review such supplementary estimates and report thereon.

## **SECTION F**

### **ADMINISTRATIVE SERVICES PROVIDED BY THE UNITED NATIONS SECRETARIAT**

**F.1** The Chief Executive Officer and the Representative of the Secretary-General, within their respective areas of authority, employ the services of the United Nations Secretariat and shall, within their respective areas of authority, designate officials of the Secretariat - who might in turn delegate such responsibilities to Secretariat staff - with authority to undertake certifying or approving authority in accordance with financial rule C.14 or to enter into commitments on behalf of the Fund. The Fund and the United Nations may specify with a written undertaking the manner of providing such services.

**F.2** When undertaking services for the procurement of goods or services for the Fund or for the management of the property, plant and equipment of the Fund, such officials of the Secretariat of the United Nations shall act in accordance with the Financial Regulations and Rules of the United Nations and relevant administrative issuances and policies and procedures, provided that any such action does not contradict the Regulations of the Fund and the Administrative Rules, including the present financial rules.

## **SECTION G**

### **ACCOUNTING**

**G.1** The Chief Executive Officer and the Representative of the Secretary-General shall be responsible for the accounts of the Fund within their respective authority under the Regulations of the Fund and shall establish accounting policies and systems for the accounts of the Fund in compliance with IPSAS and International Accounting Standard 26 (IAS 26). The Chief Financial Officer shall oversee the accounting policies and systems of the Fund to ensure consistency with IPSAS, IAS 26 and the Regulations and Administrative Rules of the Fund, including the present financial rules. The financial period for the accounts of the Fund shall be the calendar year.

**G.2** Pursuant to article 14 (a) of the Regulations of the Fund, the financial statements of the Fund shall be reported annually in United States dollars in accordance with the Regulations of the Fund and the Administrative Rules, including the present financial rules, with decisions of the Board and the General Assembly and with IPSAS and IAS 26, “Accounting and reporting by retirement benefit plans”, of the International Financial Reporting Standards. The financial statements of the Fund consist of the following:

- (a) A statement of net assets available for benefits;
- (b) A statement of changes in net assets available for benefits;
- (c) A statement of cash flows;
- (d) A statement showing a comparison of the Fund’s administrative budget and actual amounts expended on the basis of the budget;
- (e) A note disclosing the actuarial present value of defined retirement benefits, distinguishing between vested benefits and non-vested benefits;
- (f) Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory notes.

**G.3** All financial transactions of the Fund shall be recorded in the Fund’s accounts on an accrual basis in compliance with IPSAS and IAS 26.

**G.4** The financial statements shall be accompanied by a statement of internal control signed by the Chief Executive Officer and the Representative of the Secretary-General, in a form approved by them in consultation with the Audit Committee. The financial statements shall be certified by signature of the Chief Financial Officer of the Fund.

**G.5** The annual financial statements of the Fund shall be transmitted to the Board of Auditors and to the Board following certification in accordance with financial rule G.4 and no later than four months following the end of the relevant financial period. The Board shall present the Fund’s audited financial statements to the General Assembly through the Advisory Committee.

**G.6** The accounts of the Fund shall be presented in United States dollars. Transactions may be recorded in both the transaction currency and the United States dollar. Non-United States dollar

denominated currency transactions are translated using the spot exchange rate between the United States dollar and the non-United States dollar denominated currency at the date of the transaction. For the Fund's pension administration activity, the United Nations operational rate of exchange established in accordance with the Financial Regulations and Rules of the United Nations shall be used as the spot exchange rate for recording such transactions of the Fund, except for those instances when the use of an alternative rate of exchange is specified in the Regulations of the Fund, Rules and pension adjustment system. For the Fund's investment activity, commercial rates of exchange are used as the spot exchange rate. Receipts and payments in currencies other than the United States dollar shall be recorded at the spot exchange rate prevailing on the transaction date. Any difference between the actual amount of exchange and the amount that would have been obtained at the spot exchange rate shall be accounted for as loss or gain on exchange.

**G.7** The Chief Executive Officer or the Representative of the Secretary-General, in respect of their areas of responsibility, may, after investigation, authorize the impairment of assets, including but not limited to receivables, property, plant and equipment, inventories and intangible assets, in accordance with IPSAS. The following statements shall be provided to the Board and to the Board of Auditors as a note accompanying the Fund's financial statements:

- (a) Write-off of losses of assets, including cash, receivables and property, plant and equipment, inventories and intangible assets;
- (b) Ex gratia payments;
- (c) Cases of fraud and presumptive fraud.

**G.8** Accounting and other financial records and all supporting documents shall be retained for established periods in accordance with policies established in accordance with financial rule G.1, after which, on approval of the Chief Executive Officer in consultation with the Chief Financial Officer, they may be destroyed.

## **SECTION H AUDITING INTERNAL AUDIT**

**H.1** Subject to the approval of the General Assembly, the Board shall employ internal auditors to conduct independent internal audits of the Fund's accounts and operations in conformity with generally accepted auditing standards. The Office of Internal Oversight Services of the Secretariat shall perform the internal audit function with respect to the activities of the Secretary-General concerning the investment of the assets of the Fund in accordance with article 19 of the Regulations of the Fund. The Office of Internal Oversight Services conducts its internal audit activities in accordance with General Assembly resolution 48/218 B and regulation 5.15 of the Financial Regulations and Rules of the United Nations. The Fund's internal auditors shall review, evaluate and report on the use of financial resources and on the effectiveness, adequacy and application of internal financial control systems, procedures and other relevant internal controls established in accordance with financial rules C.7, C.9 and C.14. Internal audits shall also assess the following elements:

(a) Compliance of the Fund's financial transactions with the Regulations, the Administrative Rules and the pension adjustment system of the Fund, or the terms and conditions approved by the Board for the use of the Emergency Fund of the United Nations Joint Staff Pension Fund, with any applicable decisions of the Board and the General Assembly, and with the recommendations of external oversight bodies accepted by the Chief Executive Officer and the Representative of the Secretary-General or by the Board;

(b) The economy, efficiency and effectiveness of the financial, physical and human resources management of the Fund and the operations of the Fund to meet the objectives of the Fund as approved by the Board.

**H.2** Audit observations, recommendations and reports shall be submitted by the Fund's internal auditors to the Audit Committee, which shall provide such reports, together with an analysis thereof, to the Board on an annual basis. The Audit Committee shall periodically evaluate the performance of the Fund's internal auditors and report on such performance to the Board.

**H.3** The Chief Executive Officer shall provide the internal auditors with such facilities as may be reasonably required for the performance of the audit of the operations and financial accounts of the Fund. Officials of the Fund shall provide the internal auditors with such documents or other information as the internal auditors require for the performance of their audits. The internal auditors shall respect the privileged and confidential nature of any information so classified which has been made available and shall not make use of it except in direct connection with the performance of the audit. The internal auditors may draw the attention of the General Assembly to any denial of information classified as privileged which, in its opinion, was required for the purpose of the audit.

#### **EXTERNAL AUDIT**

**H.4** In accordance with article 14 (b) of the Regulations of the Fund, the operations of the Fund shall be subject to annual audits performed by the Board of Auditors. The audit shall be conducted in conformity with the International Standards on Auditing and in accordance with the Regulations and Rules of the Fund and the Financial Regulations and Rules of the United Nations. The Board of Auditors shall be completely independent and solely responsible for the conduct of the audit in accordance with regulation 7.6 of the Financial Regulations and Rules of the United Nations.

**H.5** The Board of Auditors may make observations with respect to the efficiency of the financial procedures, the accounting system and the internal financial controls and, in general, the administration and management of the Fund.

**H.6** In accordance with section VI, paragraph 17 of General Assembly resolution 70/248, the report of the Board of Auditors on the Fund shall be submitted separately to the General Assembly and a copy shall be annexed to the report of the Pension Board.

**H.7** In accordance with section VI, paragraph 16 of General Assembly resolution 70/248, the Pension Board, in consultation with the United Nations Board of Auditors, shall make arrangements that would enable the Pension Board to consider, at its annual meeting, the final financial report and audited financial statements and report of the Boards of Auditors on the Fund.

## **Facilities in respect of external audits and access to documents and information**

**H.8 The Chief Executive Officer shall provide the Board of Auditors with such facilities as may be reasonably required for the performance of the audit of the operations and financial accounts of the Fund. Officials of the Fund shall provide the Board of Auditors with such documents or other information as the Board of Auditors requires for the performance of their audits. The Board of Auditors and its staff shall respect the privileged and confidential nature of any information so classified which has been made available and shall not make use of it except in direct connection with the performance of the audit. The Board of Auditors may draw the attention of the General Assembly to any denial of information classified as privileged which, in its opinion, was required for the purpose of the audit.**

## **Annex III**

### **RULES OF PROCEDURE OF THE UNITED NATIONS JOINT STAFF PENSION FUND**

The following Rules of Procedure have been approved under article 4(b) of the Regulations by the Standing Committee on behalf of the Board:

#### **SECTION A UNITED NATIONS JOINT STAFF PENSION BOARD**

A.1 In accordance with article 5 of the Regulations, the Board shall be composed as indicated in appendix 1 below. The Board shall meet in regular session not less frequently than once in every two years at a time and place to be decided by the Board or its Standing Committee.

A.2 Before each regular session of the Board, the secretaries of the staff pension committees shall notify the Secretary of the Board of the names of the persons appointed by the committees as members and alternate members of the Board in accordance with article 5. They shall remain accredited until the next regular session of the Board unless the Secretary of the Board is notified that a committee has made a change in its representation.

A.3 Special sessions of the Board shall be held upon the decision of the Board or of the Standing Committee, or at the request of a majority of the members of the Board. The time and place of a special session shall be decided by the Standing Committee.

A.4 All sessions of the Board shall be convened by the Secretary. Items which are proposed by any member of the Board or by any staff pension committee, at least one month before the beginning of a regular session or fourteen days before the beginning of a special session, shall be placed by the Secretary on the provisional agenda and communicated to each member of the Board and to the secretaries of the committees accompanied by the necessary documentation. Other items may be added to the agenda either at the beginning of a session or during a session if the Board so decides.

A.5 Subject to the provisions of the Regulations and of these Rules, the Board shall adopt its own procedures. A majority of the members of the Board, including alternate members attending in the absence of members, shall constitute a quorum, provided that not less than three members from each of the three following groups are present:

(a) The General Assembly of the United Nations and the corresponding bodies of the other member organizations;

(b) The competent authorities of member organizations;

(c) The participants.

A.6 Decisions of the Board shall be taken by a majority of the members present and voting.

A.7 At the opening of each regular session, the Board shall elect a chairman and two vice-chairmen who shall preside at the meetings of the Board until their successors are elected.

A.8 A report of each session of the Board shall be prepared under the responsibility of the Secretary and approved by the Board. It shall be distributed as soon as possible to all members of the Board through the secretaries of the staff pension committees.

A.9 Attendance at Board sessions shall be limited to:

- (a) The members of the Board;
- (b) One alternate member for each member of the Board, except that for the United Nations the number of alternate members shall be limited to the alternate members of the United Nations Staff Pension Committee elected or appointed in accordance with article 6(a) of the Regulations;
- (c) For member organizations with one or two members on the Board, one representative from each group referred to in A.5 above which is not entitled to a member seat at that Board session;
- (d) One representative for each member organization without a member seat on the Board;
- (e) Four representatives, and two alternates, for the Federation of Associations of Former International Civil Servants (FAFICS);
- (f) One observer for each organization or organ invited by the Board to attend the session;
- (g) In an *ex officio* capacity, the secretaries of the staff pension committees of member organizations and members of the Fund's secretariat designated by the Secretary of the Board.

A.10 The representatives referred to in A.9(c), (d) and (e) above shall be accorded the rights of members, except the right to vote. The observers and *ex officio* participants referred to in A.9 (f) and (g) shall have the right to speak with the permission of the Chairman.

A.11 The meetings of the Board shall be held in private. The records and all correspondence of the Board shall be private and kept in the care of the Secretary of the Board.

## **SECTION B STANDING COMMITTEE**

B.1 At each regular session the Board shall appoint a Standing Committee composed of fifteen members (together with one alternate member for each of them) elected from the members and alternate members of the Board or of staff pension committees. Notwithstanding the foregoing, a total of three alternate members of the Standing Committee shall be elected by the Board, from the members of the United Nations Staff Pension Committee elected to represent the United Nations General Assembly on that Committee. The representational distribution shall be as indicated in appendix 2 below.

B.2 Whenever between sessions of the Board a member or alternate member of the Standing Committee resigns or ceases to be a member or alternate member of a staff pension committee, another member or alternate member shall be appointed by the committee to which the former member or alternate member belonged, to serve till the next regular session of the Board.

B.3 At its first session following the regular session of the Board, the Standing Committee shall elect a chairman and two vice-chairmen who shall serve until a new Standing Committee has been appointed by the Board.

B.4 The Standing Committee shall act, when necessary, on behalf of the Board when the Board is not in session. It shall decide individual cases referred to it, exercise a general control on the operations of the Fund and perform such additional specific functions as may from time to time be assigned to it by the Board. The Standing Committee may on its own initiative and shall at the request of the Board or of any staff pension committee initiate preparatory work on any policy questions to the end that such questions be effectively considered by the Board.

B.5 The Standing Committee shall submit a report to the Board at each regular session on action taken by it since the previous regular session.

B.6 Meetings of the Standing Committee shall be convened by the Secretary upon the instructions of the Chairman, after consultation with its members.

B.7 Records of all meetings of the Standing Committee shall be prepared under the responsibility of the Secretary and approved by the Committee. They shall be distributed as soon as possible to the members of the Standing Committee through the secretaries of the staff pension committees.

B.8 A majority of the members of the Standing Committee, including alternate members attending in the absence of members, shall constitute a quorum, provided that the three groups comprising a committee under the provisions of article 6 of the Regulations are each represented by not less than two members. Decisions of the Standing Committee shall be taken by a majority of the members present and voting.

B.9 Attendance at meetings of the Standing Committee shall be limited to:

(I) (a) The members of the Standing Committee;

(b) One alternate member for each member of the Standing Committee, except that three alternate members are eligible to attend on behalf of the two United Nations General Assembly members representing the United Nations Joint Staff Pension Committee.

(c) One representative from each group referred to in B.8 above of an organization or group of organizations which, due to the rotation of seats among such groups, is not entitled to a member seat at that meeting of the Standing Committee;

(d) One representative for each member organization without a member seat on the Board;

(e) Two representatives, and two alternates, for FAFICS;

(f) One observer for each organization or organ invited to attend meetings of the Standing Committee;

(g) In an *ex officio* capacity, the secretaries of the staff pension committees of member organizations and members of the Fund's secretariat designated by the Secretary of the Board.

(II) (a) In any year when the Board does not sit in regular session, attendance at the meeting of the Standing Committee which is held in lieu of the session of the Board shall be as provided above, with the addition of an extra representative from each organization who belongs to a group referred to in B.8 above which is not otherwise entitled to a member, alternate, or representative at that meeting;

(b) In cases where the agenda of a meeting of the Standing Committee is limited to consideration of review and appeal cases under Section K of the Administrative Rules, attendance shall be limited to members and any alternate member attending in the absence of a member.

B.10 The representatives referred to in rule B.9 (I) (c), (d) and (e) and B.9 (II) (a) above shall be accorded the rights of members, except the right to vote. The observers and *ex officio* participants referred to in rule B.9 (I) (f) and (g) above shall have the right to speak with the permission of the Chairman.

B.11 The meetings of the Standing Committee shall be held in private. The records and all correspondence of the Committee shall be private and kept in the care of the Secretary of the Board.

### **SECTION C STAFF PENSION COMMITTEES**

C.1 The composition of the staff pension committee of each member organization shall be in accordance with the provisions of article 6 of the Regulations. Staff members of the secretariat of the Fund and of the Investments Management Division of the Fund, and staff members of the secretariat of each Staff Pension Committee shall not be eligible to be elected or appointed to represent any constituent group in the Staff Pension Committee of any member organization of the Fund, and consequently to serve on the Pension Board. Consistent with Rule A.9 (e), two UNJSPF retiree representatives shall be entitled to attend meetings of the SPC, but shall not have the right to vote. Each committee shall hold at least one regular meeting each year. Special meetings shall be held either at the decision of the chairman, at the request of the competent authority or at the request in writing of three members.

C.2 A majority of the members entitled to be present shall constitute a quorum, provided that the three groups comprising the committee under the provisions of article 6 are represented. Subject to administrative rule H.1, decisions of the committee shall be taken by a majority of the members present and voting.

C.3 Each committee shall elect a chairman at its first regular session of each year.

C.4 Each committee may appoint a standing committee to transact current business when the committee is not in session. Each of the three groups comprising the committee shall be represented on the standing committee. Any action taken by the standing committee shall be reported to the committee at its following session.

C.5 Records of all meetings of the committee and its standing committee shall be prepared under the responsibility of the secretary of the committee. They shall be approved by the committee and distributed as soon as possible to all members of the committee and to the Secretary of the Board.

C.6 Subject to the provisions of the Regulations and of these Rules, each committee shall regulate its own procedures.

C.7 Upon the recommendation of each committee, the competent authority of each member organization shall appoint a secretary and may appoint a deputy secretary to the committee.

C.8 The meetings of the committees shall be held in private. The records and all correspondence of the committee shall be private and kept in the care of the secretary of the committee.

C.9 Communications between participants and the Chief Executive Officer of the Fund shall normally be made through the secretaries of committees, but any participant may, if circumstances warrant, communicate directly with the Chief Executive Officer, who shall inform whenever appropriate the secretary of the committee.

C.10 Each committee may delegate to its secretary, subject to such procedure for supervision and reporting as the committee may consider appropriate, the power of acting on its behalf in connection with all straightforward individual cases, except those involving disability.

#### **SECTION D MEDICAL CONSULTANT**

D.1 The Board or the Standing Committee shall appoint a Medical Consultant, who shall assist the Board in all medical questions.

D.2 In order to ensure the uniform application of the medical standards prescribed by the Board, the Medical Consultant and the medical officers of the member organizations shall maintain continuous and regular contact. The medical officers of the member organizations may be invited by the Medical Consultant to furnish information on the manner in which these medical standards are being applied by them and shall, when requested, furnish to the Medical Consultant the relevant medical information as determined by the Medical Consultant.

D.3 The Medical Consultant shall prepare, for each regular session of the Board, a report on the application of the medical standards prescribed by the Board and on medical information affecting the granting of benefits from the Fund.

#### **SECTION E AD HOC MEMBERS**

E.1 Ad hoc members may be appointed to serve on the Committee of Actuaries and the Investments Committee, in addition to the regular members of those Committees appointed pursuant to articles 9 and 20 of the Regulations of the Fund, respectively. Such ad hoc members shall be appointed in the same manner as the regular members of the Committee concerned; however, the terms of office of the ad hoc members may differ from those of the regular members.

**SECTION F**  
**TERMS OF OFFICE OF THE CHIEF EXECUTIVE OFFICER AND DEPUTY CHIEF**  
**EXECUTIVE OFFICER**

F.1 The Chief Executive Officer (CEO) and the Deputy Chief Executive Officer (DCEO) shall be appointed by the Secretary-General on the recommendation by the Board for a maximum term of five years each and may be re-appointed once. In order to ensure continuity in the management of the Fund, the terms of the CEO and DCEO should be staggered.

## Appendix 1

### COMPOSITION OF THE BOARD

| GROUP                            | NO. OF MEMBERS           | COMPOSITION   |
|----------------------------------|--------------------------|---|
| I. UNITED NATIONS                | 12                       | <p style="text-align: center;">UNITED NATIONS STAFF PENSION COMMITTEE</p> 4 FROM MEMBERS ELECTED BY THE GENERAL ASSEMBLY<br>4 FROM MEMBERS APPOINTED BY THE SECRETARY-GENERAL<br>4 FROM MEMBERS ELECTED BY THE PARTICIPANTS |
| II. FAO                          | 3                        | <p style="text-align: center;">FAO STAFF PENSION COMMITTEE</p> 1 FROM MEMBERS ELECTED BY THE GOVERNING BODY<br>1 FROM MEMBERS APPOINTED BY THE DIRECTOR-GENERAL<br>1 FROM MEMBERS ELECTED BY THE PARTICIPANTS               |
| WHO                              | 3                        | <p style="text-align: center;">WHO STAFF PENSION COMMITTEE</p> 1 FROM MEMBERS ELECTED BY THE GOVERNING BODY<br>1 FROM MEMBERS APPOINTED BY THE DIRECTOR-GENERAL<br>1 FROM MEMBERS ELECTED BY THE PARTICIPANTS               |
| III. UNESCO<br>ILO<br>IAEA       | 2<br>2<br>2              | <p style="text-align: center;">STAFF PENSION COMMITTEES IN GROUPS III, IV AND V</p> 5 FROM MEMBERS ELECTED BY THE GOVERNING BODIES  |
| IV. UNIDO<br>WIPO<br>ICAO<br>ITU | 1.5<br>1.5<br>1.5<br>1.5 | 5 FROM MEMBERS APPOINTED BY THE CHIEF EXECUTIVE OFFICERS  |
| V. WMO<br>IMO<br>IFAD            | 1<br>1<br>1              | 5 FROM MEMBERS ELECTED BY THE PARTICIPANTS  |

## Appendix 2

### COMPOSITION OF THE STANDING COMMITTEE

| GROUP                      | NO. OF MEMBERS | COMPOSITION   |
|----------------------------|----------------|---|
| I. UNITED NATIONS          | 6              | UNITED NATIONS STAFF PENSION COMMITTEE<br>2 FROM MEMBERS ELECTED BY THE GENERAL ASSEMBLY<br>2 FROM MEMBERS APPOINTED BY THE SECRETARY-GENERAL<br>2 FROM MEMBERS ELECTED BY THE PARTICIPANTS |
| II. WHO<br>FAO             | 1.5<br>1.5     | STAFF PENSION COMMITTEES IN GROUPS II, III, IV AND V<br><br>3 FROM MEMBERS ELECTED BY GOVERNING BODIES  |
| III. UNESCO<br>ILO<br>IAEA | 1<br>1<br>1    | 3 FROM MEMBERS APPOINTED BY THE CHIEF EXECUTIVE OFFICERS  |
| IV. UNIDO/WIPO<br>ICAO/ITU | 1<br>1         | 3 FROM MEMBERS ELECTED BY THE PARTICIPANTS  |
| V. WMO/IMO/IFAD            | 1              |   |

## Appendix 3

### TERMS OF REFERENCE OF THE INVESTMENTS COMMITTEE

#### *I. Introduction*

1. The Regulations of the United Nations Joint Staff Pension Fund which govern the investment of the assets of the Fund are:

#### Article 18: Property in the assets

The assets shall be the property of the fund and shall be acquired, deposited and held in the name of the United Nations, separately from the assets of the United Nations, on behalf of the participants and beneficiaries of the Fund.

#### Article 19: Investment of the assets

(a) The investment of the assets of the Fund shall be decided upon by the Secretary-General after consultation with an Investments Committee and in light of observations and suggestions made from time to time by the Board on the investments policy.

(b) The Secretary-General shall arrange for the maintenance of detailed accounts of all investments and other transactions relating to the Fund, which shall be open to examination by the Board.

#### Article 20: Investments Committee

The Investments Committee shall consist of nine members appointed by the Secretary-General after consultation with the Board and the Advisory Committee on Administrative and Budgetary Questions, subject to confirmation by the General Assembly.

#### *II. Goals and Objectives of the Fund*

2. The purpose of the investments of the UNJSPF is to secure the pension entitlements of the international civil servants who participate in the Fund. The fiduciary responsibility is to all parties concerned and it is the responsibility of the Secretary-General to ensure that those investments are managed to preserve the capital of the Fund and to obtain a long-term real rate of investment return that is in line with the actuarial assumptions, without jeopardizing the capital of the Fund by taking excessive risks.

#### *III. The General Assembly*

3. The General Assembly has adopted resolutions requesting the Secretary-General to take into account particular policy considerations. There have been resolutions, for example, requesting the Secretary-General to increase the Fund's investments in developing countries to the greatest extent practicable. These resolutions have also made it clear that the Secretary-General should make all investments in conformity with the Regulations of the Fund and in careful observance of the requirements of safety, profitability, liquidity and convertibility, as first stated in the Report of the Secretary-General to the thirty-second session of the General Assembly. All the General

Assembly resolutions have made it clear that the Secretary-General has the fiduciary responsibility under the Fund's regulations, which requires that any investment decision taken must be in the best interests of the Fund.

#### *IV. The Secretary-General*

4. The Secretary –General has appointed the Under-Secretary-General for Management as his representative for the Fund's investments. The Special Representative has responsibility for the investment of the Fund. On behalf of the Secretary-General, the Representative is responsible for evaluating investment advice, receiving observations and suggestions from the United Nations joint Staff Pension Board and the General Assembly, making the final decisions on investments and providing reports to the Board and the General Assembly. The Investment Management Division assists the Representative of the Secretary-General in evaluating investment advice received and in making the final decision as to the purchase or sale of specific investments.

5. In addition to receiving observations and suggestions on investment policy from the Board and the General Assembly, the Representative of Secretary-General has the benefit of additional supportive advice from a diversity of sources. These include the Investments Committee and institutional investment firms retained on a contractual basis.

#### *V. The Investment Management Division*

6. The Investment Management Division (IMD):

(a) Formulates investment strategies and thought and executes them with the approval of the Representative of the Secretary-General;

(b) Formulates recommendation as to selection and managing investment advisors to the Representative of the Secretary-General so that the Fund can achieve the investment objectives;

(c) Evaluates the investment results achieved;

(d) Monitors and controls the various investment transactions, accounting and custodial work;

(e) Acts as liaison between the institutional investments advisers and the Investments Committee;

(f) Assists the Representative of the Secretary-General in her dealings with the Pension Board, the Board of Auditors and internal auditors, the Advisory Committee on Administrative and Budgetary Questions and the General Assembly;

(g) Maintains contact with the investment markets throughout the world;

(h) Receives and reviews a wide range of surveys, analyses and reports from investment houses, banks and other sources and uses them as the base for recommending investment strategies;

(i) Visits companies and investment institutions;

- (j) Participates in investment and investment-related seminars;
- (k) Adheres to the code of ethics and standards of professional conduct of the Association for Investment Management and Research (AIMR) in the performance of their work.

#### *VI. Institutional investment advisers*

7. Four institutional investment firms are currently retained to conduct research, provide analyses and make recommendations to the Secretary-General concerning strategy and individual investments. Small capitalization accounts are externally managed.

#### *VII. The Investments Committee*

8. In addition to the nine members appointed by the Secretary-General after consultation with the Board and the Advisory Committee on Administrative and Budgetary Questions and subject to confirmation by the General Assembly, the Secretary-General may appoint ad hoc members to serve with the Committee.

##### A. Purpose

9. The Investments Committee advises the Secretary-General on:

- (a) investment policy
- (b) risk control
- (c) diversification of the Fund in terms of investment vehicles and markets
- (d) best practice

10. The Committee meets formally four times a year, together with the Representative of the Secretary-General for investments and the investment advisory firms. It also meets from time to time with the Committee of Actuaries.

11. One Committee meeting is held in conjunction with the biennial session of the Pension Board, in order to give the Board an opportunity for discussion with the members of the Investments Committee on investment matters and policies.

12. The Representative of the Secretary-General for the Investments of the UNJSPF is responsible for the investments of the Fund, and considers the advice of the Committee in their discussions.

##### B. Working methods

13. The duration of the meetings is normally one day unless the Committee decides to extend the meeting for a second day. The Committee is provided in advance with (i) a report by the Investment Management Division which includes a review and analysis of the portfolio as at the end of the previous quarter; proposals for adding of companies in which IMS is authorized to purchase equity and recommendations on investment strategies (ii) reports by the institutional advisors which include reviews of the markets and economic conditions, their outlook and recommendations provided to IMS prior to the Committee meeting.

14. At the meeting, the institutional advisers make presentations on global investment environment in the past quarter and their outlook for the next three to six months.
15. After the institutional advisers finish their presentations, Investment Management Division presents its report providing the Fund status with regard to investment activities taken during the past quarter together with risk exposures of the portfolios.
16. Members of the Committee give their assessments as to the appropriateness of investment activities, including risk exposures and the subsequent performance of the Fund to provide the Representative of the Secretary-General with a good base for judgment.
17. Investment Management Division then makes a presentation on the market assessment and on the investment strategies as of the date when the Committee meets.
18. Members of the Committee make comments and observations and provide advice and recommendations to the Representative of the Secretary-General.
19. Investment policy is to be reviewed by the Committee as to its appropriateness based on the assessment on structural changes of the economy and markets, as a reflection of the underlining economy and of the Fund's regulations, rules and liabilities.

#### C. Membership

20. Committee members are internationally respected for their knowledge on and experience in investments and the pension industry, and are in the position to give up-to-date advice to the Representative of the Secretary-General on investments and related matters.
21. The Secretary-General therefore intends to apply the following criteria in determining the membership of the Committee:
  - (a) There would be a limit of 5 terms, one term being 3 years;
  - (b) Members must have been actively involved in investments within the preceding 10 years;
  - (c) There must be adequate representation in terms of expertise, regional balance and gender;
  - (d) Service with the Committee would not create a conflict of interest.
  - (e) In addition to the regular members, the Secretary-General has the authority to appoint ad hoc members.
  - (f) The Chairman of the Committee will be appointed by the Secretary-General.

## **Appendix 4**

### **TERMS OF REFERENCE OF THE AUDIT COMMITTEE OF THE UNITED NATIONS JOINT STAFF PENSION BOARD**

#### Section 1 Constitution

The Audit Committee (the Committee) is established as an advisory committee of the United Nations Joint Staff Pension Board (the Board). The terms of reference of the Audit Committee were approved by the Board and are included by reference in the Fund's Rules of Procedures.

#### Section 2 Purpose and objectives

2.1 The Audit Committee, established by the Board with the concurrence of the General Assembly, will provide assistance to the Board in fulfilling its oversight responsibility relating to:

- (a) the performance and independence of the internal audit function;
- (b) the accounting and financial audit reporting processes of the United Nations Joint Staff Pension Fund (UNJSPF or the Fund);
- (c) adherence to the Internal Audit Charter of the Fund, and UNJSPF regulations and Administrative Rules relating to audits.

2.2 The main objectives of the Committee are to:

- (a) Provide general oversight and offer recommendations for the Fund's audit arrangements, including both internal and external auditing;
- (b) Oversee the work of the Internal Auditors and consider the scope, particularly concerning risk management, results and effectiveness of the audit reports;
- (c) Consider the scope and recommendations in the Board of Auditors' reports and management letters as well as actions taken to implement the Board of Auditors' recommendations;
- (d) Review and assess, from time to time, the adequacy of the Internal Audit Charter, and recommend amendments thereto to the Board.

#### Section 3 Organization and composition

3.1 The Board will appoint at least three members from the Staff Pension Committees of UNJSPF Member Organizations reflecting the tri-partite composition of the Board. In addition to the members, the Board may select experts from outside the Board to serve in their private capacity with the Committee. One additional member will be appointed by the

Board to represent the UNJSPF retirees. The Committee's total membership shall always be an odd number, not exceeding nine (9).

- 3.2 All members of the Committee shall satisfy the following requirements: be independent, knowledgeable in accounting, auditing, financial management or compliance and have long-established exposure and demonstrated expertise in these fields. To be considered independent, a member must be independent of the UNJSPF's management, including Investment Management Division, or of the Office of the Representative of the Secretary-General for Investments of the assets of the Fund. Members should be free from any relationship that in the opinion of the Board would result in actual or perceived conflict of interest situation. While performing their functions the Committee members shall exercise duty of care reasonably expected from them. The term of all Committee members shall be four years and they may not be selected for consecutive terms.
- 3.3 The Committee shall select a Chairperson and one Vice-Chairperson. To meet, a quorum of a majority of the Committee's membership is required.
- 3.4 The Secretary/CEO of the Fund shall designate the Secretary of the Committee.
- 3.5 The Committee shall adopt its own rules of procedure, which shall be communicated to the Board. It shall meet at least twice a year, bearing in mind practice for audit committees in international organizations as well as industry practice.

#### Section 4

##### Authority

- 4.1 The Committee shall have unrestricted authority within the scope of its terms of reference. In this connection, the Committee shall review significant changes in the Fund's policies, as they relate to:
  - (a) risk management for all Fund activities, including investment management;
  - (b) internal control including fraud prevention; and
  - (c) accounting and financial reporting
- 4.2 When exercising its duties and responsibilities, the Committee may bring to the Board's attention any matters that have emerged through the audits. The Committee may also make observations and provide recommendations to the Board, including proposals to audit those specific areas of the Fund which the Committee considers necessary.

#### Section 5

##### Responsibilities

The Audit Committee has the following responsibilities:

##### Internal and External Audit

- 5.1 Discuss, with the Board of Auditors, the Internal Auditors, the CEO of the Fund, and the designated Representative of the Secretary-General for the investments of the assets of the

Fund, the internal audit function responsibilities as defined in the Internal Audit Charter, normally once a year.

- 5.2 Consult with the CEO of the Fund, the designated Representative of the Secretary-General for the investment of the Fund, the Board of Auditors and the Internal Auditors on matters related to the internal audit plan and audit procedures applied. The review of the internal audit plan shall focus on the scope and effectiveness of the internal audit function and the risk assessment of Fund activities, including those related to investments.
- 5.3 Ensure that the internal audit function of the Fund is performed in compliance with all the provisions of the Fund's Internal Audit Charter.
- 5.4 Review the internal audit reports submitted by the Internal Auditors in order to be fully informed of the Fund's financial exposures, management actions to address issues related to internal audit activities, and the Internal Auditors' evaluation of internal controls.
- 5.5 Provide opportunity (at least once a year) for the Board of Auditors and the Internal Auditors to meet privately with the members of the Committee to discuss matters which they may wish to bring to the Committee's attention.
- 5.6 Review the findings and recommendations of the Board of Auditors and of the Internal Auditors, and monitor management's responses to those findings and related corrective action plans.
- 5.7 Review the implementation of audit recommendations and assess the instances of recommendations for remedial action not accepted by management.
- 5.8 Maintain open lines of communication and consultation with the Board of Auditors, the Internal Auditors, the Pension Board, the CEO of the Fund, and the designated Representative of the Secretary-General for the investments of the Fund.
- 5.9 The Audit Committee reviews and endorses annual internal audit plans, which are prepared by internal auditors, in close consultation with the Chief Executive Officer (CEO) and the Representative of the Secretary-General for Investments (RSG).

#### Financial statements

- 5.10 Review and discuss the audited financial statements of the Fund with management and the Board of Auditors.

#### Compliance

- 5.11 Review the audit reports as to the effectiveness of the system for monitoring compliance with the Regulations of the Fund and obtain regular updates from management regarding compliance matters.

#### Reporting responsibilities

- 5.12 Report annually on the Committee's activities to the Board or to the Standing Committee.

- 5.13 Conduct from time to time a self-assessment of the Committee's performance and effectiveness.

Other responsibilities

- 5.14 Perform any other functions as requested by the Board, and review other relevant reports the Fund or auditors issue that relate to the Audit Committee's responsibilities. Review of these reports should protect their possible confidential nature and the identity of individuals concerned. In doing so, members shall protect the confidential nature of these documents as well as privacy of the individuals that may be concerned.

## Appendix 5

### TERMS OF REFERENCE FOR THE ASSETS AND LIABILITIES MONITORING COMMITTEE OF THE BOARD

#### Section 1

##### Purposes and Objectives:

1. The Board of the United Nations Joint Pension Fund (UNJSPF or Fund) establishes the Assets and Liabilities Monitoring Committee of the Board (ALM Committee) that will operate in accordance with these Terms of Reference and subject to the Regulations and Administrative Rules of the UNJSPF.
2. In order to assist the Board of the UNJSPF in carrying out its responsibility for the overall management of the Fund, the ALM Committee will work with the support of the Fund's management, the Investments Committee, the Committee of Actuaries and the Consulting Actuary to monitor the solvency of the Fund and to provide advice and recommendations to the Board with regard to risk management, funding policy, asset-liability management and investment policy.

#### Section 2

##### Composition and Support:

3. The ALM Committee will be comprised of six members designated by the Board of the UNJSPF, two from each of the tripartite groups of the Board, as well as two additional members designated by FAFICS. Members of the ALM Committee shall serve for a four-year term, which can be renewed once. To facilitate the retention of institutional knowledge, half of ALM Committee members, who were appointed at the creation of the Committee, will serve for one additional year. The Board shall designate a replacement for the remainder of a term of any member unable to serve a full term and select the initial members that will be extended for one additional year. Members of the ALM Committee shall be entitled to attend sessions of the Board as representatives. The ALM Committee shall decide upon its working methods.
4. The CEO of the Fund, the Representative of the Secretary-General for Investment of the Assets of the Fund, two members each of the Investments Committee and the Committee of Actuaries, as designated by the Chairs of those Committees, and the Consulting Actuary, shall attend meetings and support the work of the ALM Committee.

#### Section 3

##### Role and Responsibilities:

5. The ALM Committee will review, provide advice and make recommendations to the Board of the UNJSPF on:
  - (i) the methodology and assumptions, and their appropriateness, that are used by the management of the Fund and its consultants for asset-liability management studies of the Fund;
  - (ii) the results of periodic asset-liability management studies of the Fund that are undertaken by the management of the Fund as well as other reports and studies

- prepared by the Fund or its consultants relating to asset-liability management;
- (iii) risks associated with imbalances between the assets and the liabilities of the Fund;
- (iv) the development and application of funding policy; and,
- (v) the development and application of investment policy.

#### Section 4

##### Meetings of the ALM Committee:

6. Unless it otherwise decides, the ALM Committee shall normally meet twice per year in coordination with meetings of the Investments Committee and the Committee of Actuaries. The ALM Committee may also meet one additional time, if necessary, during a year when the Fund carries out an asset-liability study.

#### Section 5

##### Administrative Expenses:

7. The Fund shall bear the administrative expenses of the ALM Committee, including but not limited to the cost of travel and allowances of all of the members of the ALM Committee.

#### Section 6

##### Reporting and Review:

8. The ALM Committee will report annually to the Board of the UNJSPF.

9. At the 63<sup>rd</sup> session of the Board of the UNJSPF in 2016, the Board shall review the experience of the ALM Committee.

## Appendix 6

### TERMS OF REFERENCE FOR THE COMMITTEE OF ACTUARIES

#### Section 1

##### Purposes

1.1 In accordance with article 9 of the Regulations of the United Nations Joint Staff Pension Fund (JSPB/G.4/Rev.16) “(a) A committee consisting of five independent actuaries shall be appointed by the Secretary-General upon the recommendation of the Board. (b) The function of the committee shall be to advise the Board on actuarial questions arising out of the operation of these Regulations”. In accordance with article 11(a) of the Regulations, “The Board shall, on the advice of the Committee of Actuaries, adopt, and revise when appropriate, service, mortality and other tables and shall decide upon the rates of interest to be used in the periodic actuarial valuation of the Fund”.

#### Section 2

##### Role and responsibilities

2.1 Under article 11 of the Fund’s Regulations, the Board must have a valuation made by the Consulting Actuary at least once every three years. Current practice is to have the valuation performed every two years. In this connection, the Committee is to provide professional advice as follows:

- review the results of the valuation (usually in the even-numbered years);
- review and, where necessary, recommend revisions to the economic and demographic assumptions (usually in the odd-numbered years);
- assure the Board that the methodology and demographic and economic assumptions used are appropriate.

2.2 The Committee shall also review, advise and make recommendations regarding pension benefit design, including those requested by the Board.

2.3 The Committee may advise on the programme of work of the Consulting Actuary, shall review the work performed by the Consulting Actuary and advise the Chief Executive Officer on the evaluation of the Consulting Actuary’s performance, as may be required from time to time.

2.4 The Committee, or its representatives, may meet with the Investments Committee or other bodies involved with the Fund, as required.

2.5 The Committee shall report on the work of each of its meetings.

Section 3  
Membership

3.1 Due considerations should be given to geographical representation. The composition in respect to the five regular members will include one member from each of the following regions: (a) Africa; (b) Asia; (c) Eastern Europe; (d) Latin America and the Caribbean; and (e) Western Europe and Other States.

3.2 In view of the growing scope and complexity of the coverage provided by the Fund, which provides retirement, death, disability and related benefits for its participants upon cessation of their services, ad hoc members may be added to serve along with the five regular members of the Committee. The ad hoc members would also facilitate an orderly succession should a regular member serving on the Committee decide to retire or to no longer serve.

3.3 During their term the ad hoc members will fulfill the same role as the regular members.

Section 4  
Process of appointment and Terms of Appointment

4.1 The regular and the ad hoc members of the Committee of Actuaries shall be appointed by the Secretary-General, upon the recommendation of the Pension Board. The members are expected to be well experienced in actuarial work relevant to the nature of the Fund. Pursuant to the established procedures used in respect to the members, the Secretary/CEO shall continue to consult with the member organizations and the Committee of Actuaries on specific names to be considered. All names put forward will be placed before the Pension Board for its full consideration and eventual recommendation to the Secretary-General.

4.2 The Pension Board intends to apply the following criteria in determining the membership of the Committee:

- (a) The term for regular members is three (3) years; members may serve no more than five (5) terms;
- (b) The term for *ad hoc* members is two (2) years;
- (c) There must be adequate representation in terms of expertise, regional balance and gender;
- (d) Service with the Committee would not create a conflict of interest.

Section 5  
Meetings

5.1 The regular and ad hoc members of the Committee of Actuaries are expected to attend the regular sessions, which are normally held on an annual basis before sessions of the Pension Board or its Standing Committee.

5.2 In view of the growing diversity and complexity of subjects implicit in a maturing fund, as well as potential amendments to the benefit provisions and the need to assess the actuarial implications and analyses requested from the Consulting Actuary, the Committee of Actuaries or a sub-committee thereof may hold special sessions to follow up on specific topics arising out of the regular sessions and to monitor actuarial developments and trends.

## Section 6

### Budgetary implications

6.1 The Fund will pay the cost of the regular members' and the ad hoc members' travel to attend the regular sessions (and any special sessions, as may be required) of the Committee, together with a daily subsistence allowance established at the rate applicable to the place of the Committee's meeting.

These terms of reference are available on the Fund's website:

[www.unjspf.org](http://www.unjspf.org)

## Appendix 7

### THE TERMS OF REFERENCE OF THE STAFF PENSION COMMITTEES (SPCS) AND THEIR SECRETARIES<sup>2</sup>

#### I. Introduction

1. The United Nations Joint Staff Pension Fund (UNJSPF) was established by the General Assembly of the United Nations to provide retirement, death, disability and related benefits for staff of the United Nations and other organizations admitted to membership of the Fund.
2. Under the overall authority of the United Nations General Assembly and pursuant to Article 4 of the UNJSPF Regulations, the United Nations Joint Staff Pension Fund (UNJSPF or the Fund) is administered by the Pension Board, a Staff Pension Committee (SPC) for each member organization and a secretariat to each such committee. In accordance with Article 8 of the Regulations, the secretariat of the Board shall serve as the secretariat of the United Nations Staff Pension Committee. Other SPC Secretaries are appointed by the chief administrative officer of each member organization on the recommendation of the respective SPC.
3. The present document seeks to ensure the efficiency of services provided to UNJSPF participants and beneficiaries by defining the respective roles and responsibilities of the UNJSPF member organizations, SPCs, their Secretaries, and the Fund itself. The terms of reference contribute to transparency and accountability and are designed to assist the Fund, and its member organizations, in mitigating risks and minimizing litigation. The document should be read in conjunction with the UNJSPF Regulations, Rules and Pension Adjustment System, the updated version of which can be found at the UNJSPF website ([www.unjspf.org](http://www.unjspf.org)). If there is an ambiguity, inconsistency or conflict between the information provided herein and the UNJSPF Regulations and Rules, the Regulations and Rules shall prevail.

#### II. UNJSPF member organizations

4. At the time of joining the UNJSPF, member organizations commit themselves to adhering to the Fund's Regulations, Administrative Rules and Pension Adjustment System. In accordance with Article 49, the UNJSPF Regulations can be amended only by the United Nations General Assembly, upon recommendation by the United Nations Joint Staff Pension Board. Also, at the time of joining the Fund, member organizations agree to set up a SPC and to nominate a Secretary to the SPC. Member organizations must provide adequate resources, data access and support to the SPC and the Secretary to ensure they can meet the Fund's requirements in accordance with its Regulations.
5. The UNJSPF Regulations and Rules are self-contained and stand separate from the Rules and Regulations of each UNJSPF member organization. The Fund also has its own process for individual dispute resolution with its participants and beneficiaries and with anyone who has succeeded to their rights or believes is entitled to rights under the Fund's Regulations. The Fund is bound by any decision taken either at the level of the Standing Committee or of the United Nations Appeals Tribunal (UNAT) concerning pension matters. When accepting the UNJSPF Regulations and Rules, the member organizations also accept the jurisdiction of the UNAT to hear

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<sup>2</sup> These Terms of Reference were approved by the United Nations Joint Staff Pension Board at its 61<sup>st</sup> session in July 2014.

and pass final judgment on applications by such individuals alleging non-observance of the UNJSPF Regulations, arising out of decisions by the Pension Board.

6. The UNJSPF member organizations<sup>3</sup> own their payroll processes as well as the data relating to human resources and finance, including deductions for pension contributions. They, alone, are in a position to know the status of their staff members and, therefore, the SPC and its Secretary, - as well as the Fund itself - are dependent upon the good offices of the relevant administrative services of the member organizations (and all reporting entities). Those functions are responsible for data integrity, internal control, and the timely submission to the Fund of human resources and financial information, as well as ensuring that the related contributions, on behalf of their staff members, are remitted to the Fund as required in accordance with the Fund's Regulations and Rules. Specifically, it is incumbent on each UNJSPF member organization to register a staff member's participation in the Fund upon his/her meeting the requirements under the Fund's Regulations, as well as to furnish other required personal information, and to remit accurate and timely contributions.

#### *Internal Control*

7. In particular it should be noted that the contributory service, which will be recognized for each individual participant, accrues only in accordance with Article 22 of the Fund's Regulations. To the extent that any retroactive participation, recognition of additional contributory service in the Fund, or other change to the reported data relating to a participant or his/her dependents may constitute an additional liability for the Pension Fund, there will be an additional cost to the Fund. Furthermore, where there is a failure (omission or mistake) to report correct data that is attributable to the member organization and where the cost of this liability is identifiable, specific and actuarially quantifiable, it shall have to be paid to the Fund, before any related and ensuing change in a UNJSPF benefit could be certified for payment. To implement Administrative Rule B.3 in a pragmatic manner, no change shall be accepted after the date of final notification by the employing organization to the Fund of the participant's separation, and in any case no later than 3 months from the participant's separation or 6 months from death in service, in respect of records pertaining to the following: a) the date of birth of a participant or that of each of his or her prospective beneficiaries, or b) the report of his or her prospective beneficiaries. Changes made before the deadline will not be subject to additional costs.

8. The UNJSPF relies on the accurate, complete and timely reporting of the participation, contributions and separation of the staff members by the member organizations, and it is in the interest of all concerned that the data is correct, and that contributions are calculated correctly and remitted to the Fund on time.

9. The member organizations should ensure that they address issues of data integrity and timely reporting within their risk management framework and build the necessary internal controls into their human resources and payroll processes to ensure that this be the case.

10. The Fund works in partnership with the UNJSPF member organizations to ensure that it receives the correct information from them with regard to their staff members. While the Pension Fund monitors (through spot checks, trend analysis, analysis of variances, and requests of information) the compliance of the member organizations with its Regulations, Rules and the

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<sup>3</sup> This pertains equally to all corresponding reporting entities (total of some 80 reporting entities from 23 member organizations), where applicable.

Pension Adjustment System, and will seek to help and collaborate in resolving issues, the ultimate responsibility for data integrity before forwarding to the UNJSPF and the investigation and resolving of discrepancies within that information lies with the member organizations. The UNJSPF is responsible for maintaining the integrity of the data it receives from member organizations or individual participants or beneficiaries.

### **III. Staff Pension Committees**

11. Pursuant to the delegation of authority by the United Nations Joint Staff Pension Board under Article 4 (c) of the Regulations, the Staff Pension Committee of each member organization shall exercise the functions provided for in the Regulations and Rules of the Fund. Section C (Staff Pension Committees) of the Rules of the Procedure of the UNJSPF provides details with respect of the overall functioning of the SPCs. Subject to the Fund's Regulations and Rules, each committee shall regulate its own procedures; upon their approval, or revision, they should be sent to the Secretary of the Board/CEO.

12. In accordance with Article 6 (c), following the Pension Board's tri-partite nature, each SPC is composed of an equal number of members representing (a) the governing body; (b) the chief administrative officer; and (c) the participants in service of the member organization. In accordance with rule C.1 of the Rules of Procedure, two UNJSPF retiree representatives shall be entitled to attend meetings of the SPC, but shall not have the right to vote.

#### *Responsibilities of Staff Pension Committees*

13. In accordance with the Fund's Regulations and Rules - and as reaffirmed in the Accountability Statement as approved by the Pension Board<sup>4</sup> - each Staff Pension Committee, assisted, when required, by SPC Secretaries, is responsible for:

- (a) communicating with and servicing the needs of participants in their respective member organization, in particular with regard to the questions of general interest relating to pension matters such as the actuarial status of the Fund, asset/liability management, sustainability, investment policy, benefit provisions and other plan design issues;
- (b) facilitating the provision of the required human resources and financial information in respect of their organization's staff members' participation in the Fund as well as their separation from service and - as part of the risk management framework - monitoring, alerting, and recommending appropriate actions in this regard to the administration of the member organization;
- (c) applying the UNJSPF Regulations and Administrative Rules as well as other implementation guidance including consideration of appeals pursuant to Section K of the Administrative Rules;
- (d) determining incapacity for the purpose of award of disability benefits; and,
- (e) formulating recommendations to the Pension Board, as well as providing nominations to the membership of advisory committees of the Board, and appointing members to the Pension Board in accordance with Article 5 of the Regulations.

### **IV. SPC Secretaries**

14. In practice, Staff Pension Committees have delegated several of their functions to the SPC

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<sup>4</sup> The Accountability Statement was contained in the report JSPB/58/R.33. The Pension Board endorsed it at its 58<sup>th</sup> session in 2011.

Secretaries. The Fund's Rules of Procedure for Staff Pension Committees (C.10) state that "*Each committee may delegate to its secretary, subject to such procedure for supervision and reporting as the committee may consider appropriate, the power of acting on its behalf in connection with all straightforward individual cases, except those involving disability.*" The SPC Secretaries are appointed and employed by their member organizations and in respect of pension fund matters perform their functions under the supervision of the SPC.

15. SPC Secretaries are an important and integral part of the Fund's governance structure. Acting as the focal point for Pension Fund matters in their organizations, they provide the administrative assistance that is essential to the Fund's operations. <sup>5</sup>The SPC Secretaries have separate and distinct roles and responsibilities vis-à-vis the Fund that are defined and governed by the UNJSPF Regulations and Rules - see, *inter alia*, Articles 21 (Participation), 22 (Contributory Service), and 25 (Contributions) as well as Administrative Rules B.1, B.2, B.3 (Participation), D.1, D.4, D.5 (Contributions and Interest), G.1 (Leave without pay) and J.1 (Separation, Computation and Payment of benefits).

#### *Responsibilities of the SPC Secretaries*

16. In particular, SPC Secretaries:

- (a) administer pension fund matters within their organizations<sup>6</sup>, including facilitating the provision of all personnel and finance information of active participants (determination of eligibility to participate in the Fund and remittance of contributions to the Fund, together with supporting documentation);
- (b) service meetings of their organization's SPC and interact with all constituent groups (governing bodies, executive heads and participants);
- (c) coordinate the member organization's position in regard to specific pension items and bring the issues to the Board's attention through their SPC. The SPC Secretaries have the right to attend, in an *ex officio* capacity, the meetings of the Board and its Standing Committee<sup>7</sup>;
- (d) serve as interlocutors with UNJSPF participants and the Fund's Chief Executive Officer/ Secretary to the Pension Board.

17. In terms of providing participation information and remitting contributions, the role of SPC Secretaries is to monitor that such reporting is carried out in compliance with the relevant UNJSPF Regulations and Rules and operational requirements of the Fund. This can be ensured through having adequate access to the Human Resources or Payroll data of the member organization and establishing the means to send this data electronically to the Fund Secretariat via IT interfaces, or for smaller agencies, through self-service functionality to be made available in the Fund's Integrated Pension Administration System (IPAS). Any change in the operational requirements of the Fund will be made in close consultation with member organizations.

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<sup>5</sup> It is recognized that (except in the case of the UNSPC), the SPC Secretaries are employees of the member organizations. They perform many other functions and, therefore, have dual reporting lines depending on the respective areas of responsibility.

<sup>6</sup> Duties in this regard are more clearly specified in paragraph 20 below.

<sup>7</sup> Such participation ensures that the Secretaries keep themselves updated on pension information and any possible changes in the Fund's Regulations, Administrative Rules and the Pension Adjustment System. In addition, the Secretaries learn about the Board's decisions as it interprets the Regulations, as well as about the United Nations Appeals Tribunal jurisprudence concerning the implementation of the Fund's Regulations.

18. Likewise, SPC Secretaries are responsible for advising the staff members of their organizations in respect of any pension matters, in accordance with the Fund's Regulations and Rules or special case scenarios resulting from the Pension Board decisions or UNAT jurisprudence. In particular, SPC Secretaries should, in collaboration with the HR offices, inform and advocate the importance of participants to fulfill their responsibility to notify the organizations of any changes concerning their personal information (Article 42 (Information from participants and beneficiaries) and Administrative Rule B.3 (Participation)) and furnish documentary or other proof thereof as required<sup>8</sup>. In addition, SPC Secretaries are responsible for appropriately informing the participants of their possible right to validate non-contributory service (Article 23) and/or to restore (Article 24) their prior service and of the participants' possible rights to transfer their pension rights (Article 13). They should also inform participants about the need to fill in the designation of beneficiary form for a possible residual settlement (Article 38).

19. In undertaking their responsibilities, which may affect the rights under the UNJSPF Regulations, SPCs shall be guided by and act in full compliance with the Fund's Regulations and Rules as well as any advice and guidance received from the Fund. In the exercise of their functions relating to the UNJSPF Regulations and Rules, the duties of the Secretaries are performed purely on behalf of the UNJSPF and, in this regard, the Secretaries have a responsibility to consult with and to report to the UNJSPF. Should the Secretaries follow the instructions from the UNJSPF member organizations that serve the interests of the organization rather than those of the Fund, the member organization shall be liable for the consequences of such instructions, including possible additional actuarial costs in individual cases, if any.

20. As regards operational matters vis-à-vis the Fund, the SPC Secretaries<sup>9</sup> are responsible for the administration of several pension matters that last from the staff member's entry into the Fund, through separation from service. In practice their actions relate, but are not limited to, the following UNJSPF provisions:

- a) Participation (Articles 21, 40, 51 of the Regulations, Section B of Administrative Rules and Supplementary Article B);
- b) Validation (Articles 23, 25 (c) of the Regulations, Section D (2), E of Administrative Rules and Supplementary Article A (b));
- c) Restoration (Articles 24, 25 (d) of the Regulations, Section D (2), F of Administrative Rules);
- d) Transfer of pension rights (Article 13);
- e) Leave without pay (Articles 21 (c), 22 (b), 25 (b), 39 of the Regulations, Section D (2), G of Administrative Rules);
- f) Part-time employment (Supplementary Article A);
- g) Periodic contributions reporting;
- h) Monthly contribution remittances<sup>10</sup>;
- i) Disability (Articles 33, 36 (b), 41 (b) of the Regulations, Section H of Administrative Rules);

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<sup>8</sup> Failure by a UNJSPF participant to accurately report such an information or submission of evidence, prior to the separation or death in service, may result in the ineligibility for the UNJSPF benefits.

<sup>9</sup> As mentioned above, in accordance with **Article 8** of the Regulations, the secretariat of the Board (the Fund secretariat) shall serve as the secretariat of the United Nations Staff Pension Committee (UNSPC).

<sup>10</sup> In some organizations, contribution remittances are handled by the Finance department.

- j) Separation from service (Section J of the Administrative Rules);
- k) Death in service; and
- l) Emergency Fund (Notes A, UNJSPF Emergency Fund).

21. In fulfilling their duties, the SPC Secretaries are guided by the UNJSPF Regulations and Rules as well as implementation guidance and advice provided by the Fund, including Circular Letters of the Fund's Chief Executive Officer (CEO). In case of an ambiguity, inconsistency or conflict between the information in the Administrative Manual<sup>11</sup> and the UNJSPF Regulations and Rules, the UNJSPF Regulations and Rules prevail; the updated version of which are always available on the Fund's website (www.unjspf.org). In addition, the SPC Secretaries should consult the UNJSPF Case Digest, which is a database of decisions of the Standing Committee and judgments of the United Nations Administrative Tribunal and the United Nations Appeals Tribunal in relation to cases brought against the United Nations Joint Staff Pension Board (UNJSPB).

## V. UNJSPF (secretariat)

22. Pursuant to Article 7 (c) of the UNJSPF Regulations, authority to certify UNJSPF benefit payments is reserved to the CEO of the Fund. Only the Fund can determine and calculate the pension benefit entitlements that may be payable. Such decisions concerning participants'/beneficiaries' entitlements are subject to judicial review, pursuant to Section K and Article 48 of the Fund's Regulations and Rules, and examined exclusively on the basis of the Fund's Regulations and Rules.

23. Based on the Regulations and Rules, the responsibility for determining eligibility to participate in the Fund rests with the employing organizations/SPCs/SPC Secretaries. Recognizing the difficulties and concerns the SPC Secretaries may have fulfilling this duty, the Fund will make available<sup>12</sup>, a web service that provides *self-service search access* to a limited database of pensionable and non-pensionable contracts of staff from member organizations with prior service. This tool can be used by the SPC Secretaries to assist in determining potential eligibility to participate in the Fund, restoration or validation of prior service or transfer of pension rights. Such access is provided on the understanding that a) the responsibility to determine eligibility (including inquiries from the staff members about prior service) remains with the member organizations; b) although the Fund will facilitate research by providing access to this database, data ownership rests with the member organizations; c) the limited data provided may be incomplete and can only be used as an additional tool in addition to the information provided by the staff member; and d) the confidentiality requirements of the Fund are maintained.

## VI. Confidentiality of information

24. In view of the personal and sensitive nature of the information and issues involved, the UNJSPF, and equally the SPCs and the SPC Secretaries, are bound - vis-à-vis participants and beneficiaries - by the Fund's confidentiality rule concerning the disclosure of pension / personal information to third parties. Information submitted by UNJSPF participants exclusively to the Pension Fund for pension benefit purposes (e.g. medical information, designation of beneficiary forms or payment instructions) is confidential and shall only be disclosed if a written consent or

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<sup>11</sup> It is specifically noted that the latest update of the Administrative Manual dates back to 1987. However, it will be updated after the implementation of the Integrated Pension Administration (IPAS) system.

<sup>12</sup> The Fund is in the early stages of design (before full development, testing and training) of such a web service.

authorization by the participant or beneficiary has been received. The members of SPCs and the SPC Secretaries are not considered to be a third party for the purpose of Administrative Rule B.4. However, all SPC documentation is anonymous and UNJSPF participants are not identified by name but by their participation or retirement number. In all individual cases, the proper channel of communication is through the SPC Secretary, to whom the Fund will provide self-service search access to its database in respect of non-pensionable contracts of staff members and possible prior pensionable service, in another member organization or organizations.

25. As regards the employing organizations, the SPCs, through the SPC Secretaries, may provide relevant pension information of a participant or beneficiary that is considered necessary in the administration of staff members and their entitlements in that organization. Such information could be needed for the purposes of administering health or other insurance plans; settling a worker's compensation claim, or in connection with formal legal claims filed under the member organizations' Staff Rules and Regulations; in cases of proven fraud; or for determining indemnity benefits e.g. in the cases of termination of appointment for health reasons. Information is provided only to authorized administrators who need such information for their official functions.

## **VII. Accountability**

26. Actions, omissions and decisions of SPCs and their Secretaries, on behalf of the Pension Board, may have a direct impact on the subsequent decisions taken at the level of the Fund with respect to benefit entitlements of the participant or beneficiary. This could expose the Fund and its assets to considerable risk. Keeping in mind judicial control concerning the decisions that may affect benefit entitlements, SPCs and SPC Secretaries report, consult, and comply with the Regulations and implementation guidance, or other advice received from the UNJSPF. Particularly, application and interpretation of the Fund's legal framework falls exclusively on the UNJSPF and SPCs and their Secretaries should follow the advice provided by the Secretary of the Board/CEO. Any action or omission taken in violation or disregard of guidance or advice provided by the Fund's secretariat, may lead to possible (additional) actuarial cost that has to be borne by the member organization, in accordance with Article 25 (e) of the UNJSPF Regulations and Administrative Rule B.3 (b) as described in paragraph 7 above.

27. The Pension Fund has a duty to provide information, advice, support and guidance to SPCs and their Secretaries in their day-to-day administration of pension matters within their member organizations. This includes updating them on any changes in the Fund's Regulations and Rules or the decisions of the Pension Board and/or the resolutions of the United Nations General Assembly or other relevant information, guidelines or forms. The Pension Fund secretariat is responsible for providing substantive and procedural advice on the application or interpretation of the Fund's Regulations and Administrative Rules and it, accordingly, defends all the cases before the Standing Committee and the United Nations Appeals Tribunal.

28. The Fund is responsible for providing adequate training for the SPC Secretary and his/her staff. Such training will be formalized and made mandatory for all SPC Secretaries upon their appointment.

29. Once the member organizations have reported the required data to the Fund as well as resolved possible discrepancies, the UNJSPF alone is responsible for maintaining the integrity of the data in respect of individual participants or beneficiaries.

30. The member organizations, their SPCs and SPC Secretaries and the Fund must coordinate, inform and consult with each other in respect of formal legal appeals or claims filed by staff members, either against the employing organization or against the Fund that might have consequences on pension entitlements.

### **VIII. In partnership**

31. The Fund works in partnership with the SPC Secretaries to ensure that the correct and timely information is received from and communicated to the employing organizations. In addition to building a strong control environment to confirm data integrity and the timely reporting to the Fund, the SPCs and the SPC Secretaries should ensure that HR and Payroll Services of their organizations understand the Fund's Regulations correctly, e.g. eligibility criteria in accordance with Article 21 (Participation), and that they are kept abreast of the new benefit provisions or of the changes to the Fund's Regulations. This advocacy/training role of the SPC Secretaries, as the Fund's liaison officers vis-à-vis the member organizations, will be facilitated by the Fund. To that effect, the Fund will provide training and support to the SPC Secretaries and other staff.

### **IX. Consultative process**

32. In light of the foregoing, it is in the interest of the Fund's Administration, the Staff Pension Committees and their Secretaries and staff of each member organization to work together and to ensure a seamless process in the administration of eligibility, participation, separation, as well as in the consideration of disability cases.

33. When performing their functions, SPC Secretaries should report and consult on the interpretation of UNJSPF Regulations or Rules, policy or procedural questions, or complex cases with the Fund. The Fund shall provide advice in a timely manner and communicate only with the Secretary directly, unless agreed otherwise in relation to queries emanating directly from a participant (see Rules of Procedure C.9). The SPC Secretary will be informed of instances where there is direct communication between the Fund and a participant in the SPC Secretary's member organization.

34. Ultimately, the Pension Board has the authority to interpret the Regulations and Administrative Rules in accordance with Article 2 of the Regulations. Individual cases are addressed through the normal appeals procedure provided in Section K and Article 48 of the Fund's Regulations and Administrative Rules.

## Annex IV

# PENSION ADJUSTMENT SYSTEM OF THE UNITED NATIONS JOINT STAFF PENSION FUND

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\* \* \*

The Pension Adjustment System of the United Nations Joint Staff Pension Fund was adopted by the United Nations General Assembly by resolution 37/131 of 17 December 1982 and has been amended by the Assembly a number of times since then, following recommendations made by the United Nations Joint Staff Pension Board.

\* \* \*

## A. GENERAL DESCRIPTION

1. Pension adjustment is intended to ensure that, subject to paragraph 23 below, a periodic benefit payable by the United Nations Joint Staff Pension Fund never falls below the "real" value of its United States dollar amount and to preserve its purchasing power as initially established in the currency of the recipient's country of residence.
2. The "real" value of a United States dollar amount is the base amount as determined under the Regulations of the Fund, adjusted over time for movements of the United States consumer price index (CPI), while the purchasing power of a recipient's benefit, once established in local currency, is preserved by adjusting it for movements of the consumer price index in the recipient's country of residence.
3. The operation of the Pension Adjustment System involves keeping a record of two amounts for a beneficiary<sup>1/</sup>:
  - (a) one in United States dollars, which is adjusted periodically to reflect changes in the United States CPI;
  - (b) the other, if applicable, in local currency, which is adjusted periodically to reflect changes in the CPI in the beneficiary's country of residence.

## B. BENEFITS INVOLVED

4. Except as otherwise noted (e.g., in paragraphs 5(d), 10 and 27 below with regard to deferred retirement benefits), the Pension Adjustment System applies to retirement, early retirement, deferred retirement, disability, widow's, widower's, child's and secondary dependant's periodic benefits. It does not apply to withdrawal or other lump-sum payments, including those derived from the partial or total commutation of a periodic benefit, nor does it apply to any benefit arising from voluntary deposits. Adjustments operate on benefits based on standard, minimum and maximum formulae, including those that are based on flat dollar amounts.

## C. DETERMINATION OF BASE AMOUNTS

5. The two base amounts for beneficiaries are determined as follows:
  - (a) A dollar base amount is established on the basis of the basic pension determined in accordance with the Regulations of the Fund and excluding, where necessary, any portion elected under the commutation provisions of the Regulations, but reflecting, where applicable, any special adjustment determined under section E below.
  - (b) A local currency base amount is calculated for the country of residence established pursuant to section N below, as follows:
    - (i) A cost-of-living differential factor is established for the country of residence and the month of separation in accordance with section D below. This factor is applied

to that portion of the final average remuneration which does not exceed the pensionable remuneration, on the date of separation, in the scale referred to in article 51(b) of the Regulations, at the top step of the grades set out below:

P-2: for separations before 1 April 1992;

P-4: for separations on or after 1 April 1992;

for disability benefits commencing after 1 January 1991 and for other benefits derived therefrom; and for survivors' and other benefits due to deaths in service of participants occurring on or after 1 January 1991. The resulting amount is added to the final average remuneration;

- (ii) A notional dollar base amount is established on the basis of the adjusted final average remuneration as per (i) above and in accordance with the Regulations, excluding that percentage of the base pension which was commuted into a lump sum;
- (iii) The local currency amount is then derived by applying to item (ii) the average, computed over the 36 consecutive calendar months up to and including the month of separation, of the exchange rates between the United States dollar and the currency of the country of residence.

(c) For beneficiaries to whom the interim and transitional measures set out in section P below apply, the local currency base amount calculated in (b) above shall be subject to the minimum determined in accordance with section P below.

(d) The cost-of-living differential factor in subparagraph 5(b) (i) above shall not apply to deferred retirement benefits.

#### D. COST-OF-LIVING DIFFERENTIAL FACTORS

6. The cost-of-living differential factor referred to in subparagraph 5(b) (i) above is computed as follows:

- (a) For participants in the Professional and higher categories:
  - (i) The excess, if any, of the number of classes of post adjustment in the country of residence over that of New York is determined for each of the 36 consecutive calendar months up to and including the month of separation. In this process, partial classes are converted to decimal fractions (rounded to two places) of complete classes;
  - (ii) A 36-month average excess of post adjustment classes is then computed by averaging the 36 individual results (including those months, if any, when there was no excess);
  - (iii) If there is more than one post adjustment classification for the country of residence, the one producing the highest 36-month average excess is used. If there is no post

adjustment classification, the classification of another country with comparable cost of living is substituted, under a procedure to be developed jointly by the United Nations Joint Staff Pension Board and the International Civil Service Commission;

- (iv) The applicable cost-of-living differential factor is finally derived from the following applicable table, the result being interpolated, when necessary, between the factors applicable for two exact numbers of classes of post adjustment:

| <b>Separations before 1 April 1992</b>                                   |   |
|--|---|
| 36-month average excess of post adjustment classes over that of New York | Cost-of-living differential factor (percentage) |
| Less than 4  | 0   |
| 4  | 3   |
| 5  | 7   |
| 6  | 12  |
| 7  | 17  |
| 8  | 22  |
| 9  | 28  |
| 10   | 34  |
| 11   | 40  |
| 12 or more   | 46  |

| <b>Separations on or after 1 April 1992; disability benefits commencing after 1 January 1991 and other benefits derived therefrom; and survivors' and other benefits due to deaths in service occurring on or after 1 January 1991</b> |     |
|--|-----|
| Less than 1  | 0   |
| 1  | 3   |
| 2  | 8   |
| 3  | 14  |
| 4  | 19  |
| 5  | 25  |
| 6  | 31  |
| 7  | 38  |
| 8  | 45  |
| 9  | 52  |
| 10   | 60  |
| 11   | 68  |
| 12   | 76  |
| 13   | 85  |
| 14   | 94  |
| 15 or more   | 104 |

(b) For participants in the General Service category whose country of residence after separation is other than the country of their duty station at the time of separation:

- (i) A midpoint net salary, both with and without the pensionable non-resident allowance but without the language allowance, is defined for each duty station as the average, in local currency, of the net salary at step I of the lowest level of the United Nations General Service salary scale in that duty station and the net salary at the top step of the highest level in that scale, but without taking into account the extended General Service levels;
- (ii) The midpoint net salary, without the pensionable non-resident allowance, in effect during the month of separation in the duty station of the country of residence after separation is averaged with the corresponding midpoint net salary three years earlier. If there is more than one duty station in that country, the one producing the highest average midpoint net salary is used. If there is no duty station in the country, a duty station of another country with comparable cost of living will be substituted, under a procedure to be developed jointly by the United Nations Joint Staff Pension Board and the United Nations. The resulting amount is converted into United States dollars by the application of the average, computed over the 36 consecutive

calendar months up to and including the month of separation, of the exchange rates between the United States dollar and the currency in which the midpoint net salary is denominated;

- (iii) The midpoint net salary, with the pensionable non-resident allowance, in effect during the month of separation in the participant's duty station is averaged with the corresponding midpoint net salary three years earlier. The resulting amount is converted into United States dollars by the application of the average, computed over the 36 consecutive calendar months up to and including the month of separation, of the exchange rates between the United States dollar and the currency in which the midpoint net salary is denominated;
- (iv) A ratio of midpoint net salaries is then determined by dividing the United States dollar amount in (ii) above by the United States dollar amount in (iii) above, rounding the result to two decimal places and multiplying it by 100;
- (v) The applicable cost-of-living differential factor is finally derived from the following tables, the result being interpolated, where necessary, between the factors applicable to the next higher and the next lower ratio in the following applicable table:

| <b>Benefits based on separation or death in service before 1 July 1995<br/>and other benefits derived therefrom</b> |  |
|---|--|
| Ratio of midpoint net salaries  | Cost-of-living differential factor<br>(percentage) |
| Less than 122   | 0  |
| 122   | 3  |
| 128   | 7  |
| 134   | 12   |
| 141   | 17   |
| 148   | 22   |
| 155   | 28   |
| 162   | 34   |
| 171   | 40   |
| 180 or more   | 46   |

| <b>Benefits based on separation or death in service after 1 July 1995<br/>and other benefits derived therefrom</b> |  |
|--|--|
| Ratio of midpoint net salaries   | Cost-of-living differential factor<br>(percentage) |
| Less than 105  | 0  |
| 105  | 3  |
| 110  | 8  |
| 116  | 14   |
| 122  | 19   |
| 128  | 25   |
| 134  | 31   |
| 141  | 38   |
| 148  | 45   |
| 155  | 52   |
| 163  | 60   |
| 171  | 68   |
| 180  | 76   |
| 189  | 85   |
| 198  | 94   |
| 208 or more  | 104  |

(c) No cost-of-living differential factor shall be determined for participants in the General Service category whose country of residence after separation is the country of their duty station at the time of separation. In other words, no adjustment shall be made to the final average remuneration of such participants for purposes of subparagraph 5(b) above.

#### E. SPECIAL ADJUSTMENT FOR SMALL PENSIONS

7. Whenever the dollar amount of the standard annual rate of a retirement or a disability benefit under the Regulations of the Fund, before commutation and based on 15 or more years of contributory service, is less than the highest dollar amount in the applicable table below, the benefit shall be subject to a special adjustment as follows:

| <b>Separations before 1 April 1993</b> |  |
|--|--|
| <b>Annual amount of pension</b>        | <b>Special adjustment (percentage)</b> |
| \$4 000                                | 0                                      |
| 3 800                                  | 3                                      |
| 3 600                                  | 7                                      |
| 3 400                                  | 12                                     |
| 3 200                                  | 17                                     |
| 3 000                                  | 22                                     |
| 2 800                                  | 28                                     |
| 2 600                                  | 34                                     |
| 2 400                                  | 40                                     |
| 2 200 or less                          | 46                                     |

| <b>Separations on or after 1 April 1993 but before 1 July 1995</b> |  |
|--|--|
| <b>Annual amount of pension</b>                                    | <b>Special adjustment (percentage)</b> |
| \$6 500  | 0                                      |
| 6 250  | 3                                      |
| 6 000  | 6                                      |
| 5 750  | 9                                      |
| 5 500  | 12                                     |
| 5 250  | 15                                     |
| 5 000  | 18                                     |
| 4 750  | 21                                     |
| 4 500  | 25                                     |
| 4 250  | 28                                     |
| 4 000  | 31                                     |
| 3 750  | 34                                     |
| 3 500  | 37                                     |
| 3 250  | 40                                     |
| 3 000  | 43                                     |
| 2 750 or less  | 46                                     |

| <b>Separations on or after 1 July 1995</b> |  |
|--|--|
| <b>Annual amount of pension</b>            | <b>Special adjustment (percentage)</b> |
| \$6 500                                    | 0                                      |
| 6 250                                      | 3                                      |
| 6 000                                      | 7                                      |
| 5 750                                      | 12                                     |
| 5 500                                      | 17                                     |
| 5 250                                      | 22                                     |
| 5 000                                      | 28                                     |
| 4 750                                      | 34                                     |
| 4 500                                      | 40                                     |
| 4 250                                      | 52                                     |
| 4 000                                      | 60                                     |
| 3 750                                      | 68                                     |
| 3 500                                      | 76                                     |
| 3 250                                      | 85                                     |
| 3 000                                      | 94                                     |
| 2 750 or less                              | 104                                    |

| <b>Separations on or after 1 July 1995 but before 1 April 2016</b> |                                 |
|--|---------------------------------|
| Annual amount of pension   | Special adjustment (percentage) |
| \$6 500  | 0                               |
| 6 250  | 3                               |
| 6 000  | 7                               |
| 5 750  | 12                              |
| 5 500  | 17                              |
| 5 250  | 22                              |
| 5 000  | 28                              |
| 4 750  | 34                              |
| 4 500  | 40                              |
| 4 250  | 52                              |
| 4 000  | 60                              |
| 3 750  | 68                              |
| 3 500  | 76                              |
| 3 250  | 85                              |
| 3 000  | 94                              |
| 2 750 or less  | 104                             |

| <b>Separations on or after 1 April 2016</b> |                                 |
|---|---------------------------------|
| Annual amount of pension                    | Special adjustment (percentage) |
| \$7,150                                     | 0                               |
| 6,875                                       | 3                               |
| 6,600                                       | 7                               |
| 6,325                                       | 12                              |
| 6,050                                       | 17                              |
| 5,775                                       | 22                              |
| 5,500                                       | 28                              |
| 5,225                                       | 34                              |
| 4,950                                       | 40                              |
| 4,675                                       | 52                              |
| 4,400                                       | 60                              |
| 4,125                                       | 68                              |
| 3,850                                       | 76                              |
| 3,575                                       | 85                              |
| 3,300                                       | 94                              |
| 3,025 or less                               | 104                             |

8. The special adjustment for an annual amount which falls between two amounts in the above tables is obtained by interpolation with the result rounded to two decimal places. The amount resulting from the application of the special adjustment is added to the dollar base amount for purposes of subparagraph 5(a) above.

9. Beneficiaries in receipt of retirement or disability benefits which commenced before 1961 and which amounted to less than \$4,000 on 1 January 1982 became entitled on that date to the special adjustment specified in paragraphs 7 and 8 above, even if their benefits were based on less than 15 years of contributory service.

10. No special adjustment shall be made in the case of early or deferred retirement benefits. In the case of widow's, widower's, orphan's and secondary dependant's benefits, a special adjustment is applied only if those benefits are derived from benefits which themselves were (or would have been) subject to a special adjustment. In that case, the special adjustment factor shall be the same as the one which had (or would have) been applied to the retirement or disability pension from which the benefit is derived.

## F. SUPPLEMENTARY MEASURES

11. Beneficiaries in receipt of retirement or disability benefits or of widow's, widower's or secondary dependant's benefits derived therefrom, who were aged 75 or over on 1 January 1982 and whose annual retirement or disability benefit on that date was below 50 per cent of the then net base salary of a staff member at grade P-1, step I, became entitled from that date to receive a thirteenth monthly payment every year. The thirteenth payment shall be calculated in such a way that the total annual benefit payable to a beneficiary above the limit is not less than the amount payable to a beneficiary just below the limit.

## G. SOURCES OF DATA AFFECTING ADJUSTMENTS

12. For the purposes of subparagraph 6(a) above, the number of classes of post adjustment in a given country for a given month are taken from information provided by the International Civil Service Commission.

13. For purposes of subparagraph 6(b) above, the midpoint net salaries are determined from the United Nations General Service salary scale for the particular duty station. If the duty station has been in existence less than three years, the midpoint net salary in effect during the month of separation is averaged with the corresponding midpoint net salary at the time that the duty station was established.

14. For measuring changes in the CPI for the United States and for a particular country of residence, the index used is the official CPI for the country as a whole issued by the national Government and published in the United Nations Monthly Bulletin of Statistics. Where no such index is published in the United Nations Monthly Bulletin of Statistics for a particular country or area, another regularly published index specified by the Statistics Division of Department of Economic and Social Affairs of the United Nations may be utilized. Once an index has been utilized to give effect to an adjustment, any subsequent amendment or correction of that index will not give rise to retroactive correction of the adjustment.

15. Because of the time-lag which exists between the date when the CPI (for any country) is published in the United Nations Monthly Bulletin of Statistics and its effective date, the index used on a given adjustment date is that for the fourth month immediately preceding the date of the adjustment. As an example, the index applicable for the measurement of a possible adjustment on 1 April 2001 would be the index published for December 2000. However, if the applicable index is not available within two months after the adjustment date, then the latest available index prior to that of the fourth month immediately preceding the date of adjustment is utilized for the measurement of a possible adjustment effective as from the adjustment date.

16. For the purposes of subparagraphs 5(b) (iii) and 6(b) (ii) and (iii) above, and paragraphs 23 and 27 below, the official United Nations operational rates of exchange shall be used.

## H. SUBSEQUENT ADJUSTMENTS OF THE BENEFIT

17. As stated in paragraph 3 above, each beneficiary's record contains a United States dollar amount and, if applicable, an amount in the currency of his or her country of residence. These amounts, having first been determined in accordance with sections C, D and E above, are subsequently adjusted on an annual basis, on 1 April in accordance with the following procedure:

(a) The dollar amount is adjusted by the ratio of the United States CPI applicable on the date of the adjustment to the United States CPI last utilized;

(b) The local currency amount is adjusted in the same manner, but using the CPI for the country of residence.

18. No adjustment is made in either the dollar amount or the local currency amount if the applicable CPI has moved by less than 2 per cent since the date of the last adjustment. The ratio of the CPI at one time to the CPI at another time is rounded to three decimal places.

19. If the applicable CPI has moved by 10 per cent or more since the date of the last adjustment, the adjustment of the dollar amount or the local currency amount, as the case may be, is made on a semi-annual basis on 1 April as stated in paragraph 17 above and also on 1 October.

20. The initial adjustments due after separation (or death, as the case may be), to both the dollar and the local currency amounts, shall be reduced by 1.5 percentage points except in the case of the benefits under section E above and the minimum benefits under the Regulations. Effective 1 April 2005, the reduction in the initial adjustments due after separation shall be by 1 percentage point; with respect to benefits to which the 1.5 percentage points reduction was applied before 1 April 2005, there shall be a 0.5 percentage point increase in the first adjustment due on or after 1 April 2005. Effective 1 April 2007, the reduction in the initial adjustments due after separation shall be by 0.5 percentage point; with respect to benefits to which the 1.0 percentage point reduction was applied before 1 April 2007, there shall be a 0.5 percentage point increase in the first adjustment due on or after 1 April 2007.

21. No adjustment is made on the date immediately following separation (or death as the case may be) even if such date coincides with the annual adjustment date. Except as provided in paragraph 22 below, all new entitlements become eligible for a possible adjustment, if applicable, on the annual adjustment date next following their effective date, at which time any adjustment due is pro-rated according to the period since separation. For example, a cost-of-living increase assumed to apply on 1 April 2001, would increase benefits by:

- The entire percentage of increase for separations before April 2000;
- 11/12 of the increase for separations in the month of April 2000;
- 10/12 of the increase for separations in the month of May 2000;
- 9/12 of the increase for separations in the month of June 2000;
- 8/12 of the increase for separations in the month of July 2000;
- 7/12 of the increase for separations in the month of August 2000;
- 6/12 of the increase for separations in the month of September 2000;
- 5/12 of the increase for separations in the month of October 2000;
- 4/12 of the increase for separations in the month of November 2000;

- 3/12 of the increase for separations in the month of December 2000;
- 2/12 of the increase for separations in the month of January 2001;
- 1/12 of the increase for separations in the month of February 2001;
- 0 per cent for separations after February 2001.

22. If an adjustment is made on a semi-annual basis in accordance with paragraph 19 above, the pro-rating of the new entitlements referred to in paragraph 21 above is made over a six-month period. A cost-of-living increase assumed to apply on 1 October 2001, for example, would increase benefits by:

- The entire percentage of increase for separations before April 2001;
- 5/6 of the increase for separations in the month of April 2001;
- 4/6 of the increase for separations in the month of May 2001;
- 3/6 of the increase for separations in the month of June 2001;
- 2/6 of the increase for separations in the month of July 2001;
- 1/6 of the increase for separations in the month of August 2001;
- 0 per cent for separations after August 2001.

## I. PAYMENT OF THE BENEFIT

23. Where a beneficiary resides in a country other than the United States, the determination of the amount of the periodic benefit payable in a given month is made as follows:

The dollar amount as initially determined under subparagraph 5(a) above and then adjusted under section H above, is converted to the local currency equivalent by using the exchange rate in effect for the month preceding the calendar quarter of that payment. The resultant amount is compared to the local currency amount as initially determined under subparagraph 5(b) above and then adjusted under section H above. Except as provided in paragraph 25 below, the beneficiary is entitled, until the next quarter, to the greater of the local currency amount or the local currency equivalent of the dollar amount, subject to a maximum of: (a) 120 per cent of the local currency amount with respect to benefits payable on account of separations or deaths in service before 1 July 1995 and other benefits derived therefrom; (b) 110 per cent of the local currency amount with respect to benefits payable on account of separations or deaths in service on or after 1 July 1995 and other benefits derived therefrom. The limitations described in (a) and (b) above shall not result in a benefit being smaller than either the United States dollar base amount determined in accordance with the Regulations of the Fund or 80 per cent of the adjusted United States dollar-track amount.

24. No change is made in the two amounts during the months within each quarter. Thus, changes in the exchange rate within a quarter are ignored for all purposes, irrespective of the currency of payment chosen under article 47 of the Regulations, and no retroactive adjustment is made.

25. An exception to the rule outlined in paragraph 24 above may be made if certain events (e.g., sudden redenomination of a currency or a very high rate of inflation) result in a real loss of purchasing power of more than 20 per cent in the beneficiary's benefit.

26. a) For countries where the application of the local-currency track would lead to aberrant results, with wide fluctuations depending on the precise commencement date of the underlying

benefit entitlement, establishment of a local currency base amount in accordance with section C may be suspended by the Chief Executive Officer of the Pension Fund with respect to future and current retirees and beneficiaries. In such cases, the Chief Executive Officer shall duly inform retirees and beneficiaries in pay status in advance of such suspension. The Chief Executive Officer shall also inform the Board of this action, as soon as feasible.

b) For countries where:

- i) up-to-date CPI data is not available, after examining possible alternative sources of cost-of-living data and taking into account the particular circumstances of the beneficiaries residing in those countries; or
- ii) the 36 month average of exchange rates covers different currency units or includes a currency unit that is no longer applicable and reasonable adjustment and/or conversions are not available or cannot be determined in accordance with section Q, the application of the Local Currency Track may be suspended for future and current retirees and beneficiaries; such suspensions shall apply only prospectively, with due notice given to the current retirees and beneficiaries concerned.

c) As determined by the Chief Executive Officer, the Local Currency Track benefit may be reinstated after it is determined that the economic conditions within that country create a situation where the Local Currency Track benefit will once again, as of the reinstatement date, be expected to consistently preserve the purchasing power of the monthly pension benefit as established in the currency of the recipient's country. The following provision will be applicable with respect to the reinstatement of the Local Currency Track benefit:

- i) A new local currency base amount will be established for the country of residence in accordance with section C, replacing the month of separation by the month prior to the reinstatement date wherever it occurs in that section. A new notional dollar track benefit will not be established.
- ii) Section H shall apply with the adjustment occurring as of the 1 April following the reinstatement date,
- iii) Section I will apply commencing on the first quarter following the reinstatement date.
- iv) All retirees and beneficiaries residing in the country as of the reinstatement date will be allowed to elect payment of the local currency benefit at any time subsequent to the reinstatement date provided residence is maintained and acceptable proof of such residency is provided to the Fund. These reinstatement provisions are not applicable to retirees and beneficiaries whose benefits commence subsequent to the reinstatement date.

## J. DEFERRED RETIREMENT BENEFIT

27. (a) For participants whose date of separation was before 31 December 1989, no adjustment shall be applied to deferred retirement benefits prior to the beneficiary's reaching age 50. Commencing at age 50 or the date of separation, if later, the base dollar pension under

subparagraph 5(a) above is adjusted by the United States CPI in accordance with section H above, without retroactive effect. The two-track adjustment system becomes operative on the date of commencement of the payment of the periodic benefit. At that time a local currency base amount is established by applying to the adjusted dollar amount the average exchange rate over the 36 consecutive months up to and including the month of first payment.

(b) For participants separating from service on or after 31 December 1989, no adjustment shall be applied to deferred retirement benefits prior to the beneficiary's reaching age 55. Commencing at age 55 or the date of separation, if later, the adjustment procedures set out in (a) above shall be applied to the deferred retirement benefits.

#### K. SURVIVORS' BENEFITS

28. Benefits payable to survivors are established at the time of the survivor's entitlement. The starting point is the notional or adjusted pension immediately prior to the participant's date of death, with due allowance for any pension previously commuted.

#### L. FLAT-RATE BENEFITS<sup>2</sup>

29. The initial amount of each flat-rate benefit shall be determined on the basis of its "real" value in United States dollar terms by applying to it the movement of the United States CPI since 1 January 1973 (the date on which adjustments were first applied to the dollar amounts specified in the Regulations for these benefits).

#### M. DETERMINATION OF ENTITLEMENTS

30. Until satisfactory proof is submitted to show in which country the beneficiary is residing and other required formalities are completed, only the dollar amount of the pension (determined as in section C and adjusted as described in sections E and H above) is paid. If such proof is provided within six months from the date of entitlement, the local currency base amount is computed from that date, with retroactive adjustment if it results in a greater benefit. However, if proof of residence is not provided within six months from the date of entitlement, the local currency base amount becomes payable only as from the first day of the quarter following acceptance of such proof, with no retroactive adjustment.

#### N. COUNTRY OF RESIDENCE

31. (a) A beneficiary may at any time submit proof of residence in the country of his or her choice. Such proof must be in a form acceptable to the Pension Fund. Once proof of residence has been accepted, payment of the benefit is made in accordance with the procedures described in sections I and M above. A beneficiary who subsequently relocates may change his or her country of residence by submitting satisfactory proof of residence in the new country, but no request for a change of the country of residence will be accepted unless it is accompanied by satisfactory proof of relocation.

(b) Reversion to the United States dollar entitlement alone may be permitted on a case-by-case basis for beneficiaries who, for compelling personal reasons, move from a high-cost to a low-cost country after having provided proof of residence, subject to the following conditions:

- (i) The move was to the country of nationality of the beneficiary or of a family member, or to the country of a former duty station of the retiree, or was due to other personal and compelling reasons; and
- (ii) The beneficiary had been on the two-track system for a minimum period of one year before the submission of the request for such reversion.

32. If a beneficiary changes his country of residence and provides satisfactory proof to that effect, then, starting on the first day of the quarter following arrival in the new country of residence, his or her local currency amount is recomputed as if he or she had always resided in the new country of residence. All changes in country of residence must be reported promptly, i.e., no later than six months from the date of arrival, and satisfactory proof of residence in the new country has to be provided as in section M above. If such proof is not provided within six months from the date of arrival, the local currency amount is nevertheless recomputed as if the beneficiary had always resided in the new country of residence, but it becomes effective only as from the first day of the quarter following acceptance of such proof, with no retroactive adjustment, except that the Fund has the right to recover excess benefit payments made if it is found that the benefit payments since the date of arrival in the new country would have been lower if the change had been reported on a timely basis.

#### O. EXISTING BENEFICIARIES

33. The 1.5 percentage point reductions referred to in paragraph 20 above shall also be applied, on the occasion of the first adjustments due after 1 January 1985, to both the dollar and the local currency amounts of the benefits of existing beneficiaries, except for benefits whose dollar base amounts had been established under either the minimum provisions of the Regulations or under section E above. Beneficiaries under section F above shall also be excluded from these reductions.

34. Existing beneficiaries, who were in receipt of a benefit on 1 January 1985 and who had submitted, prior to that date, satisfactory proof of residence in countries other than the United States, will remain entitled to the United States dollar amount of their benefits as at 31 December 1984, notwithstanding the limitation specified in paragraph 23 above. However, in the event of a subsequent upward adjustment, the United States dollar amount of their benefits shall be subject to the said limitation<sup>3/</sup>.

#### P. INTERIM AND TRANSITIONAL MEASURES FOR CALCULATION OF THE LOCAL CURRENCY BASE AMOUNT<sup>4/</sup>

35. For countries where the 36-month average exchange rate under subparagraph 5(b)(iii) showed an overall decline during the years 1986 and 1987, the local currency base amount for certain participants in the Professional and higher categories, who separated or died in service during the years 1987 through 1990, shall not be less than the amount derived by applying, to the dollar base amount in subparagraph 5(a), the average monthly ratio between the local currency base amount and the dollar base amount during 1987. For each such country, the ratio for each month in 1987 shall be determined by dividing the local currency base amount derived from subparagraph 5(b) by the dollar base amount derived from subparagraph 5(a), for a participant at

grade P-4, step XII, retiring with twenty years of contributory service who becomes entitled to a retirement benefit as of the first day of the month following his retirement.

36. The amount derived under paragraph 35 shall be applicable:

(a) To the benefits of participants who separated from service, or died in service, during the years 1988, 1989 or 1990, and to survivors' and other benefits derived therefrom, except for deferred retirement benefits and survivors' and other benefits derived therefrom;

(b) To the benefits of participants who separated from service, or died in service, during the year 1987 and to survivors' and other benefits derived therefrom, except for early retirement and deferred retirement benefits and survivors' and other benefits derived therefrom, provided that any adjustment hereunder shall be payable only as from 1 January 1988.

37. Participants in the Professional and higher categories, who separated from service or died in service between 1 January 1991 and 31 March 1992, and who were age 55 or above on 31 December 1990, shall be entitled to no less than the local currency base amount to which they would have become entitled under paragraphs 35 and 36 above, if they had separated on 31 December 1990, at the age and with the final average remuneration and contributory service attained on that date.

Q. SPECIAL MEASURE FOR DETERMINATION OF THE  
LOCAL CURRENCY BASE AMOUNT IN CERTAIN COUNTRIES  
WITH A NEW CURRENCY UNIT

38. (a) For countries where a new currency unit was introduced on or after 1 January 1990 which represented, at the time of its introduction, an increase in the value of the local currency, in relation to the United States dollar, of at least 100 per cent, the local currency base amount under paragraph 5(b) (iii) above shall be determined in the following manner:

(i) For beneficiaries separating before or during the month of introduction of the new currency unit: by applying to the dollar base amount, as adjusted under section H above to the date of introduction of the new local currency unit, the United Nations operational exchange rate in effect as of such date;

(ii) For beneficiaries separating after the end of the month of introduction of the new currency unit: by applying to the dollar base amount the average of the United Nations operational exchange rates for the new local currency unit over the period from the effective month of introduction of the new currency unit to the month of separation, up to a maximum of 36 months.

(b) This special measure shall apply to all beneficiaries who have provided, or will provide in future, proof of residence in a country which meets the criteria in (a) above.

(c) (i) The local currency base amount determined in accordance with (a) (i) above shall be adjusted by the consumer price index movement, in accordance with section H above, as from the date of introduction of the new currency unit;

- (ii) The local currency base amount determined in accordance with (a) (ii) above shall be adjusted by the consumer price index movement, in accordance with section H above.

(d) The local currency amount calculated under this special measure will be paid only with effect from the first day of the quarter following submission of proof of residence, or in cases where proof of residence had been submitted earlier, as from the first day of the quarter following the date of introduction of the new local currency unit, with retroactive effect only as from 1 January 1996.

(e) Should the new local currency unit depreciate against the United States dollar by 50 per cent or more from its value on the date of introduction, beneficiaries covered by the special measure may exercise an option, within two years as from the date of implementation of the special measure, 1 January 1997, to withdraw their proof of residence and to have their pension benefits paid thereafter solely on the United States dollar track. Such reversion to the dollar track alone would be effective as from the first quarter following receipt by the Fund secretariat of the beneficiary's withdrawal of proof of residence.

### **Footnotes - Annex III**

1/ In this annex, the term "beneficiary" is used to designate all persons entitled to receive periodic benefits under the Regulations of the Fund.

2/ The adjusted levels of the flat-rate benefits and the latest amounts, as adjusted in accordance with the movement of the United States CPI under the Pension Adjustment System, are always found on the Fund's website [www.unjspf.org](http://www.unjspf.org).

3/ When the limitation specified in paragraph 23 above was introduced, effective 1 January 1985, the General Assembly decided by resolution 39/246 that beneficiaries who had submitted, before 1 January 1985, satisfactory proof of their residence outside the United States be given a one-time option, with a specified time-limit, to withdraw their proof of residence and thereby elect to have their benefit adjusted solely in accordance with the movement of the United States CPI as from 1 January 1985. Subsequently, the United Nations Joint Staff Pension Board decided and reported thereon to the General Assembly in 1991 that the beneficiaries who were receiving, on 1 April 1991, less than the local currency equivalent of the dollar amount, because of the maximum payment provision under paragraph 23 above, should be given the option to move off the two-track system, prospectively.

4/ Under the interim and transitional measures, the corresponding minimum ratios between the applicable local currency and dollar base amounts are as follows: Afghanistan - 55; Austria - 17.63; Belarus - 0.765; Belgium - 51.12; Cuba - 0.863; Cyprus - 0.557; Czechoslovakia - 11.32; Democratic People's Republic of Korea - 2.37; Denmark - 9.21; Finland - 5.54; France and other French franc countries (French Guiana, Martinique and Monaco) - 7.86; Germany - 2.51; Guadeloupe - 7.87; Iran (Islamic Republic of) - 84.37; Ireland - 0.839; Italy - 1,668; Japan - 220; Jordan - 0.371; Kuwait - 0.294; Luxembourg - 51.12; Malta - 0.413; Mongolia - 3.42; Myanmar - 7.76; Netherlands - 2.83; New Caledonia - 141; Norway 7.90; Romania 12.94; Russian Federation - 0.765; Rwanda - 93; Sao Tome and Principe - 41.20; Seychelles - 6.61; Spain - 152.04; Sweden 7.74; Switzerland - 2.10; Ukraine - 0.765; United Kingdom of Great Britain and Northern Ireland - 0.724; CFA franc countries (Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Comoros, Congo, Côte D'Ivoire, Equatorial Guinea, Gabon, Mali, Niger, Senegal and Togo) - 394.

## NOTE A

### UNJSPF EMERGENCY FUND\*

#### 1. General Introduction

The Emergency Fund is financed from the assets of the UNJSPF and voluntary contributions, and is utilized to provide financial assistance to beneficiaries who are currently receiving a periodic benefit from the Fund. It is intended to provide relief in individual cases of proven hardship owing to illness, infirmity or similar cases, including funeral arrangements. It is not intended to supplement pensions that may be considered insufficient, whether due to general or local economic situations or limited contributory service. Also, the Emergency Fund cannot be utilized as a source for loans, scholarships or further education for the retiree or his/her beneficiaries, home building/purchase or improvements (unless justified for medical reasons), or for dowry or wedding expenses. Applications are examined without a rigid set of rules, and attention is paid to a number of factors such as age, number of years of contributory service, amount of the UNJSPF benefit, the country in which the pensioner resides, availability of insurance, other possible sources of income and/or assistance and the circumstances surrounding the expenditures. There is no formal means test and much flexibility is exercised as to which applicants receive assistance from the Emergency Fund.

#### 2. Procedures for Dealing with Cases

- (a) In the case of the United Nations and its family of entities (e.g. UNDP, UNICEF, and UNHCR), requests are submitted directly to the Fund in New York/Geneva since the Fund serves as the Staff Pension Committee for the United Nations. In the case of the other member organizations, whenever possible, requests are submitted through the secretaries of local staff pension committees on behalf of their former staff or the latter's survivors. The secretaries examine the request, provide information on the nature of the emergency, the after-service medical insurance coverage, the proportion of the expenditures covered by that insurance or that would have been covered if coverage had been provided, the circumstances surrounding the hardship experienced by the beneficiary and any other relevant facts which might be ascertained. In many cases a beneficiary chooses not to participate in ASHI (After Service Health Insurance) because of coverage by other insurance schemes; in such case, information is sought on the reimbursement provided elsewhere.
- (b) If a beneficiary who was formerly with one of the member organizations of the Fund (other than the UN) writes directly to the Fund, the matter is referred, in the first instance, to the secretary of the relevant staff pension committee for clarification and further information along the lines indicated in (a) above.

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\* This note provides information on the general principles for the operation and application of the Emergency Fund. It is not in any way a detailed, precise formulation of the Regulations and Rules.

- (c) All requests should be accompanied by substantiating documentation; in cases involving medical expenses, that documentation must include a medical statement regarding the nature of the illness, the type and cause of treatment provided by the physician and/or hospital, and proof of the expenditures and payment for each. If the request has been channeled through the secretary of a staff pension committee, certain documentation can sometimes be waived as it will already have been verified and approved by the organization's health insurance scheme. UN family cases are similarly referred to the UN Insurance Section.
- (d) Documentation not already evaluated through a medical insurance procedure is forwarded to the Medical Director of the United Nations for advice and evaluation in his/her capacity as Medical Consultant to the Pension Board, or, as the case may be, to the Joint Medical Service in Geneva.
- (e) Other entities, such as retiree associations or social service agencies sometimes present requests on behalf of beneficiaries. For example, a number of cases have been submitted by AFICS affiliated associations on behalf of some of their members. Wherever possible, such organizations assist in obtaining the required substantiating documentation. (Requests for assistance emanating from Europe, Africa and the Middle East shall generally be handled by the Fund's Geneva office, acting in coordination with the central secretariat in New York as required).
- (f) Cases involving expenses other than medical are similarly evaluated in the light of all the evidence provided.

### 3. Types of Expenditure Covered by Emergency Fund Assistance

The types of expenditures considered for possible assistance from the Emergency Fund can be grouped roughly into the following categories:

#### A. Medical Expenditures

To the extent that they are not covered by any insurance:

- (i) Direct Medical costs: physicians' fees, medication, hospital costs, surgery, and diagnostic and laboratory fees;
- (ii) Other Medical costs, such as: wheelchairs, prosthetic devices or equipment;
- (iii) Service costs, such as: nursing and/or domestic assistance for a period required for convalescence or, in certain circumstances, on a continuing basis;
- (iv) Certain Transportation costs: emergency ambulance costs to and from the hospital where treatment took place. If a specific medical service is not available in the city where the applicant resides, assistance may be provided towards the cost of transportation between the city of residence and the nearest location where appropriate treatment can be provided;
- (v) Dental treatment: that is essential for health reasons and not merely for cosmetic purposes;
- (vi) Medical costs for eye treatment: including the cost of eyeglasses, but not of expensive frames obtained for cosmetic purposes.

## B. Funeral Expenses

Assistance may be provided in hardship cases towards funeral expenses for immediate dependent relatives. The present ceiling for reimbursement, which reflects the movement of the United States Cost-of-Living Index from 1974 (when this assistance was added to costs that could be reimbursed) to 2017, is \$1,292 – subject to subsequent adjustments.

## C. Other Expenditures

Other emergencies that do not fall into the above categories but which may create hardship can also be considered. Regional disasters creating hardship should first be directed to international disaster relief organizations and/or local authorities. The following are examples of such cases:

- (i) Removal costs due to an emergency that may have been caused by the destruction of living quarters by fire or flood, for example, or a change of residence on medical grounds, provided that detailed documentation with regard to the expenses involved is submitted;
- (ii) Temporary shelter needed because of the destruction of and/or major damage to living quarters, and replacement of a minimum of household effects in the case of fire, or natural disasters;
- (iii) Repair or changing of heating furnace in order to avoid a hazardous health situation;
- (iv) While there is no provision for rental subsidies as such, assistance may be provided in certain cases when pensioners must spend time residing in an assisted living facility or nursing home. Coverage of this service must be fully documented and the facility must provide a breakdown of expenses. In this connection, expenditures that are not “medically-related” and are not covered by health insurance, such as telephone calls, TV rental, etc. are not considered for reimbursement.

## 4. Further General Information

Requests falling under any of the general headings in section 3 above may be considered; however, assistance is not automatically granted either in full or in part and all relevant factors are to be taken into account in reaching a decision in a particular case. All possibilities of obtaining assistance from other sources are also explored; while flexibility is essential in operating the Emergency Fund, the latter should not be used to relieve other organizations, institutions or governments of their legal and moral obligations. Beneficiaries may also be given the address of the local AFICS, since the retiree organizations are sometimes able to assist when the UNJSPF cannot.

Generally, the Emergency Fund is not be used to pay premiums to health insurance schemes, as member organizations should fulfill all their obligations towards their former staff members in providing necessary coverage. However, requests for assistance in medical emergencies from those who have no medical insurance, or from those who have such insurance but who, for various reasons, are suffering hardship in trying to cover the proportion not reimbursed by insurance, can be reviewed.

## **NOTE B**

### **LIST OF TRANSFER AGREEMENTS CONCLUDED BY THE UNJSPF UNDER ARTICLE 13 OF THE REGULATIONS**

Asian Development Bank  
Comprehensive Nuclear-Test-Ban Treaty Organization  
Council of Europe  
European Bank for Reconstruction and Development  
European Centre for Medium Range Weather Forecasts  
European Communities  
European Free Trade Association  
European Space Agency  
European Organization for the Exploitation of Meteorological Satellites  
European Organization for the Safety of Air Navigation (Eurocontrol)  
European Union Institute for Security Studies  
European Union Satellite Centre  
Government of Canada (terminated, limited application one-way)  
Inter-American Development Bank  
International Monetary Fund  
North Atlantic Treaty Organization  
Organization for Economic Co-operation and Development  
Organization for the Prohibition of Chemical Weapons (OPCW)  
Organization for Security and Co-operation in Europe (OSCE)  
Universal Postal Union  
World Bank  
World Trade Organization

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