



UNJSPF

United Nations Joint
Staff Pension Fund



2019



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General Overview

The United Nations Joint Staff Pension Fund - also known by its acronym **UNJSPF** in English or **CCPPNU** in French - was established in 1949 by the United Nations General Assembly to provide retirement, death, disability and related benefits for staff upon cessation of their services with the United Nations and the other organizations admitted to membership in the Fund.

The Fund comprises the staff of the United Nations and 23 other organizations admitted to membership in the Fund. As at 31 December 2018, the Fund had 128,594 participants and 78,716 retirees and beneficiaries.

The Fund operates under its own Regulations and Rules as approved by the United Nations General Assembly and in accordance with its governance structure. It is administered by the United Nations Joint Staff Pension Board, which is a subsidiary organ of the United Nations General Assembly.

The Fund has a bifurcated organizational structure. The Office of Investment Management (OIM) reports to the United Nations Secretary-General through his Representative (RSG) for the investment of the assets of the Fund. The Fund Secretariat reports, through the Secretary/CEO, to the Pension Board.

The Fund has offices in New York and Geneva and a liaison office in Nairobi.

In 2018, the United Nations General Assembly decided* to replace the existing Secretary/CEO post by two distinct posts, namely, "Pension Benefits Administrator" and "Secretary of the Pension Board" by January 2020.

* GA Resolution 73/274

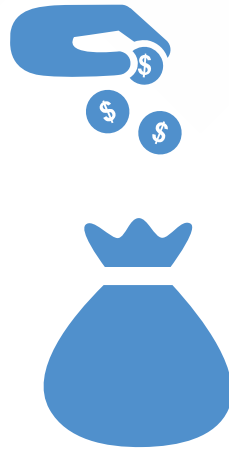
Key Figures

As at December 2018

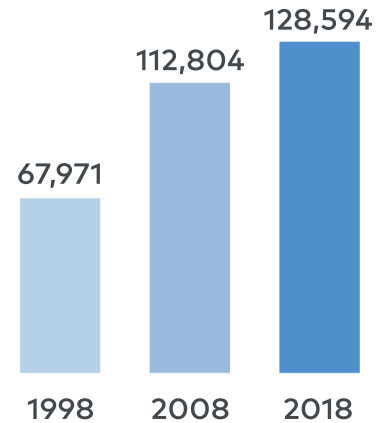
128,594

ACTIVE PARTICIPANTS

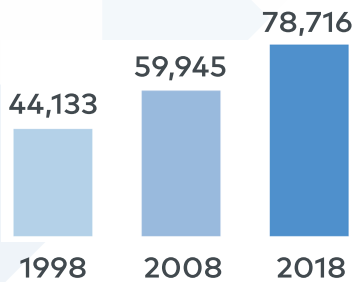
US\$0.8 BILLION



NUMBER OF PARTICIPANTS



NUMBER OF PERIODIC BENEFITS AWARD



THE FUND PAYS

78,716

PERIODIC BENEFITS

US\$2.7 BILLION



As at July 2019

93.1%

OF INITIAL BENEFIT ENTITLEMENT CASES ARE BEING PROCESSED WITHIN 15 BUSINESS DAYS AND THERE IS NO BACKLOG



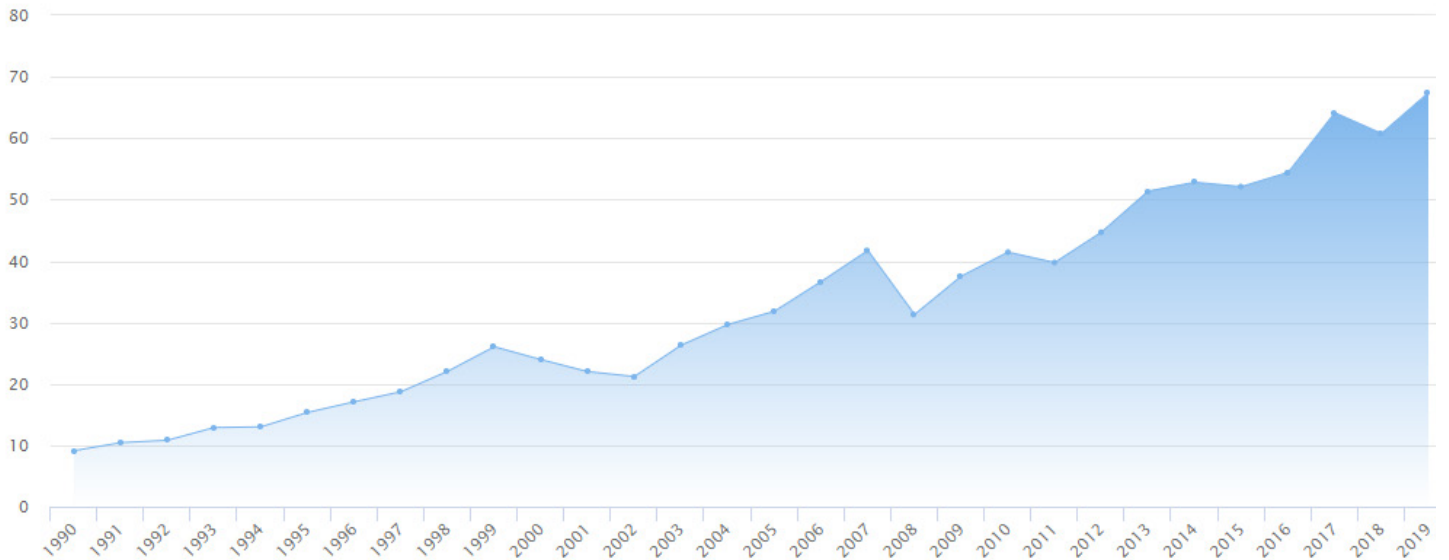
UNJSPF

Market Value of Assets

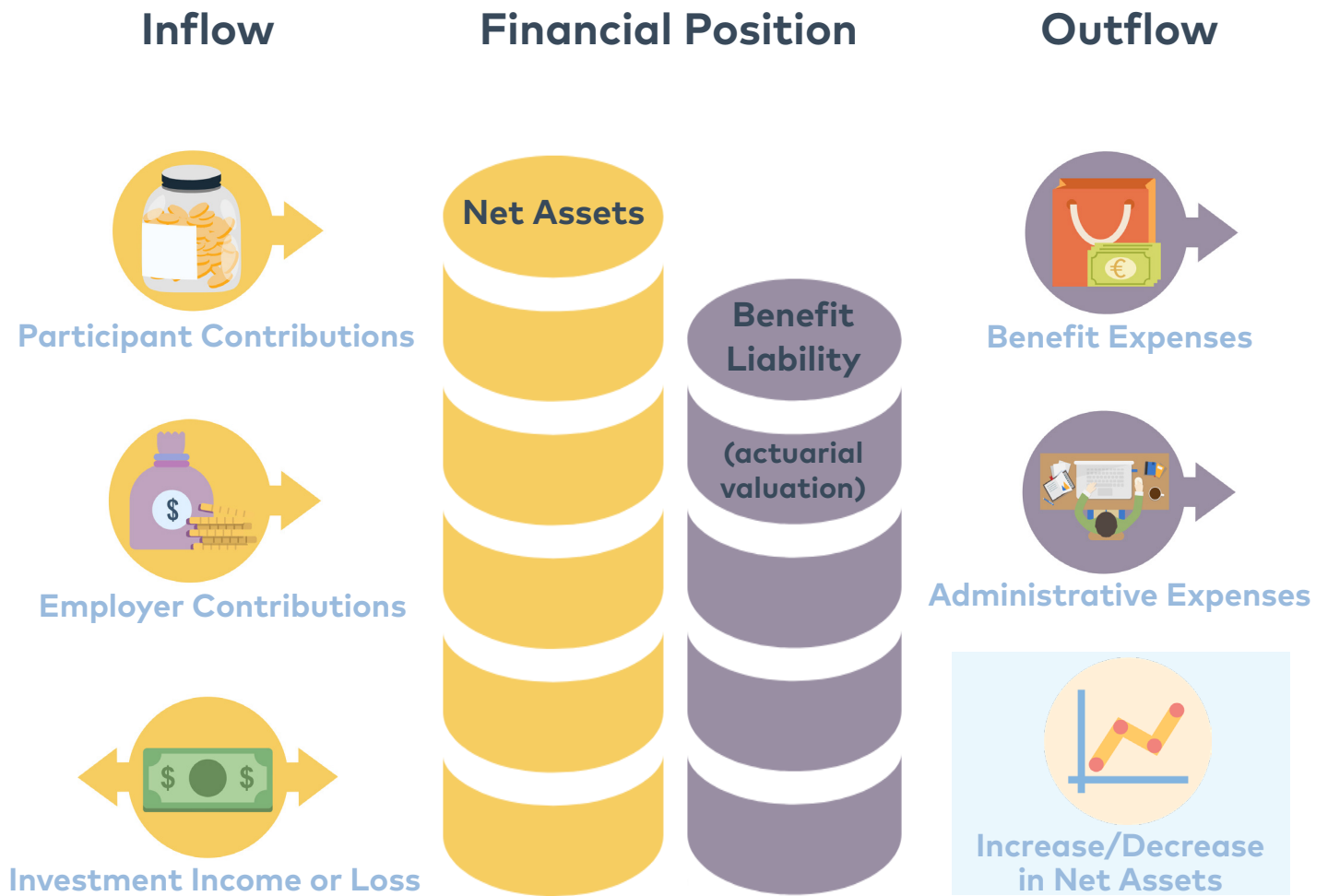
As at 30 June 2019

US\$67.38 billion

(Billions of USD)



Understanding the Fund's Financial Statements



Actuarial Matters and Asset Liability Management

Every two years, an actuarial valuation of the Fund is completed by the Consulting Actuary and reviewed by the Committee of Actuaries (see P.11). The valuation determines the present and future liabilities of the Fund and compares that to current and projected Fund assets, respectively.

The latest regular valuation was performed as at 31 December 2017. The next one will be performed as of 31 December 2019.

Every four years, a consultant performs an Asset Liability Management (ALM) Study that evaluates the assets together with the liabilities of the Fund and is reviewed by the ALM Committee (see P.12). The ALM Study uses long-term capital market assumptions to model the assets and develop the optimal strategic asset allocation which will help to deliver on the obligations of the Fund.

The last ALM study was submitted to the Pension Board in July 2019 and incorporated actuarial valuation of the liabilities as of 31 December 2018.

Member Organizations

As of 1 January 2019, the member organizations of the Fund are **the United Nations**, with 84,854 active participants, and the following:

Member Organizations		Year of Admission	Number of Active Participants
WORLD HEALTH ORGANIZATION	WHO	1949	10,819
FOOD AND AGRICULTURE ORGANIZATION	FAO	1950	11,163
UNITED NATIONS EDUCATION, SCIENTIFIC AND CULTURAL ORGANIZATION	UNESCO	1951	2,479
INTERNATIONAL CIVIL AVIATION ORGANIZATION	ICAO	1951	789
WORLD METEOROLOGICAL ORGANIZATION	WMO	1952	360
INTERNATIONAL LABOUR ORGANIZATION	ILO	1953	3,819
INTERNATIONAL ATOMIC ENERGY AGENCY	IAEA	1958	2,734
INTERNATIONAL MARITIME ORGANIZATION	IMO	1959	277
INTERNATIONAL TELECOMMUNICATION UNION	ITU	1960	726
WORLD INTELLECTUAL PROPERTY ORGANIZATION	WIPO	1977	1,222
INTERNATIONAL FUND FOR AGRICULTURE DEVELOPMENT	IFAD	1977	586
INTERNATIONAL CENTRE FOR THE STUDY OF PRESERVATION AND THE RESTORATION OF CULTURAL PROPERTY	ICCROM	1981	43
EUROPEAN AND MEDITERRANEAN PLANT PROTECTION ORGANIZATION	EPPO	1983	19
UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION	UNIDO	1986	698
INTERNATIONAL CENTRE FOR GENETIC ENGINEERING AND BIOTECHNOLOGY	ICGEB	1996	174
UNITED NATIONS WORLD TOURISM ORGANIZATION	UNWTO	1996	88
INTERNATIONAL TRIBUNAL FOR THE LAW OF THE SEA	ITLOS	1997	40
INTERNATIONAL SEABED AUTHORITY	ISA	1998	42
INTERNATIONAL CRIMINAL COURT	ICC	2004	1,225
INTER-PARLIAMENTARY UNION	IPU	2005	48
INTERNATIONAL ORGANIZATION FOR MIGRATION	IOM	2007	5,951
SPECIAL TRIBUNAL FOR LEBANON	STL	2009	438
COMPREHENSIVE NUCLEAR-TEST-BAN TREATY ORGANIZATION	CTBTO	2019	350 *

*This number is an estimate.

Transfer Agreements

Currently, the Fund has signed Transfer Agreements with 23 entities, which allows the Fund's participants to transfer their pension rights from the Fund to an outside non-member organization, or vice versa when they start a new job.

Below is a list of the current Transfer Agreements the Fund has entered into:

- African Development Bank (AfDB)
- Asian Development Bank (ADB)
- Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO)
- Council of Europe (CoE)
- European Bank for Reconstruction and Development (EBRD)
- European Centre for Medium Range Weather Forecast (ECMWF)
- European Communities (EC)
- European Free Trade Association (EFTA)
- European Organization for the Safety of Air Navigation (Eurocontrol)
- European Organization for the Exploitation of Meteorological Satellites (EUMETSAT)
- European Space Agency (ESA)
- European Union Institute for Security Studies (EUISS)
- European Union Satellite Centre (SatCen)
- Government of Canada
- Inter-American Development Bank (IDB)
- International Monetary Fund (IMF)
- North Atlantic Treaty Organization (NATO)
- Organization for Economic Co-operation and Development (OECD)
- Organization for the Prohibition of Chemical Weapons (OPCW)
- Organization for Security and Co-operation in Europe (OSCE)
- Universal Postal Union (UPU)
- World Bank
- World Trade Organization (WTO)

Regulations and Rules



Photo credit: UN Photo

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

The UNJSPF Regulations, together with the Administrative Rules, Rules of Procedure

and Pension Adjustment System, set out the governance of the Fund, the benefits that are payable and how they are administered, and the rules of procedure for the proceedings of the Pension Board and the Staff Pension Committee of each member organization. In addition, the Fund's appeals process is found in the Administrative Rules.

Governance

The Fund is administered by the United Nations Joint Staff Pension Board, a Staff Pension Committee for each member organization and a Secretary to the Pension Board and to each Staff Pension Committee.

Fund Administration

United Nations Joint Staff Pension Board (UNJSPB)


Function: The Pension Board formulates recommendations for approval by the United Nations General Assembly including budget, changes to the Regulations and Rules, and governance. It also reports on the long-term solvency (30 or more years) of the Fund and makes observations and suggestions on the investment policy from time to time.

Composition: The Pension Board is composed of 33 members; 11 members represent governing bodies of the member organizations, 11 members are appointed by the chief administrative officers of the

member organizations, and 11 members are elected by participants in service. Attendance at Board sessions includes other categories without voting rights such as representatives of retirees.

Standing Committee

Function: The Pension Board appoints a Standing Committee that has the power to act on behalf of the Board when the latter is not in session. The Committee also considers appeals of decisions of the Staff Pension Committees by participants and of decisions of the Chief Executive Officer of the Fund by retirees and other beneficiaries.



Composition: The Committee is composed of 15 members; 5 represent the governing bodies of the member organizations, 5 members are appointed by the chief administrative officers of the member organizations, and 5 members are elected by participants in service. In addition, there are 2 representatives of retirees on the Standing Committee.

Staff Pension Committees (SPC) and their Secretaries

Function: For each member organization, a Staff Pension Committee administers the participation in the Fund of its staff members and has the power to determine incapacity for the purpose of the award of disability benefits.

Composition: Each Staff Pension Committee is composed of an equal number of members representing (i) the governing body, (ii) the chief administrative officer, and (iii) the participants in service.

Secretaries: The Fund Secretariat acts as the Secretariat to the United Nations Staff Pension Committee (UNSPC). The Secretaries of Staff Pension Committees of other member organizations are appointed by the chief administrative officer of each member organization on the recommendation of the respective Staff Pension Committee.

Pension Board Committees

Committee of Actuaries

Function: The Committee of Actuaries advises the Pension Board on actuarial questions arising out of the operation of the Fund's Regulations.

Composition: The Committee consists of 5 plus ad hoc members independent actuaries respected in their field from around the world. The members are

appointed by the United Nations Secretary-General upon the recommendation of the Pension Board.

Assets and Liabilities Monitoring Committee

Function: The Assets and Liabilities Monitoring (ALM) Committee monitors the solvency of the Fund and provides advice and recommendations to the Pension Board with regard to risk management, funding policy, asset-liability management and investment policy.

Composition: The ALM Committee is composed of 6 members designated by the Board of the UNJSPF; 2 from each of the tripartite groups of the Board, as well as 2 additional members designated

by Federation of Associations of Former International Civil Servants (FAFICS).

Audit Committee

Function: The Audit Committee provides 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 UNJSPF; (c) adherence to the Internal Audit Charter of the Fund, and UNJSPF Regulations and Administrative Rules relating to audits.

Composition: The Committee has 6 members reflecting the tripartite composition of the Pension Board, 2 external expert members and 1 representative of FAFICS.

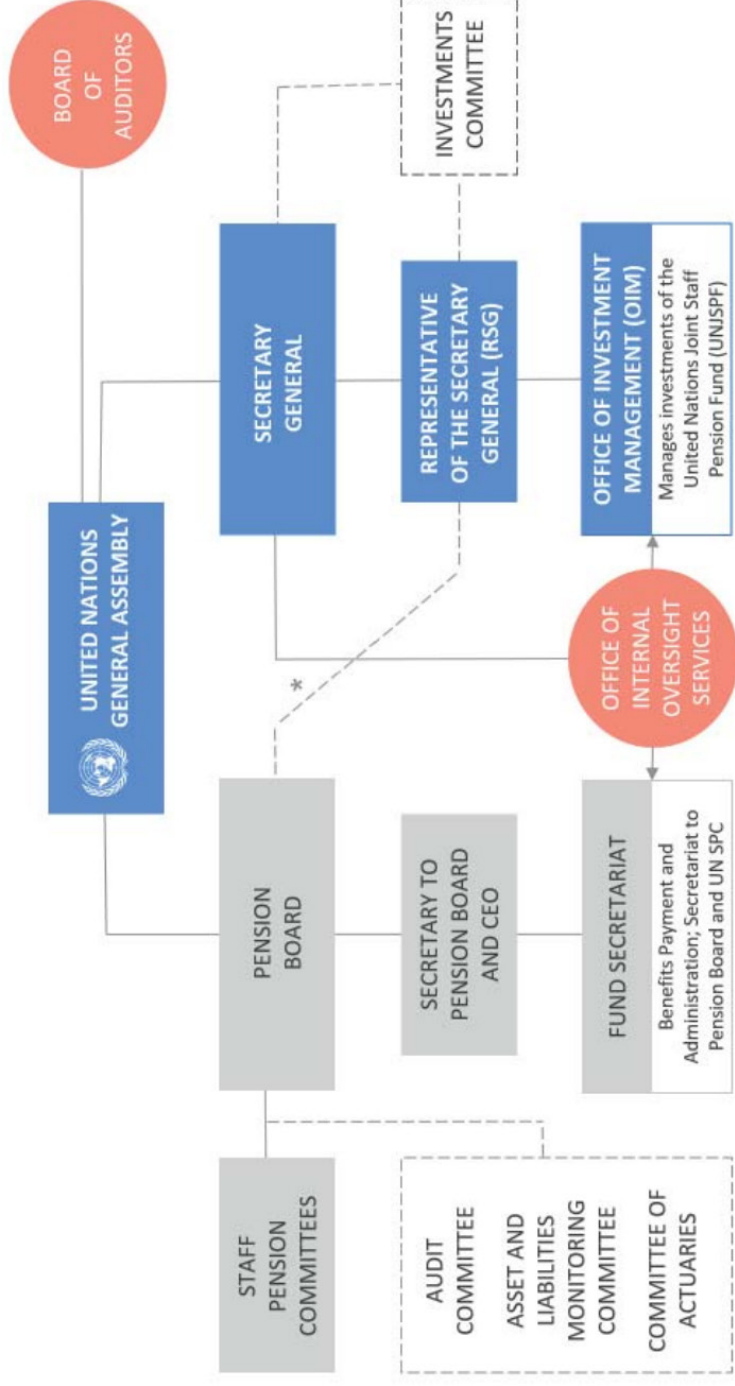
Investments Committee

Function: The Investments Committee advises the United Nations Secretary-General on the investment of the assets of the Fund.

Composition: The Committee consists of 9 members plus ad hoc members appointed

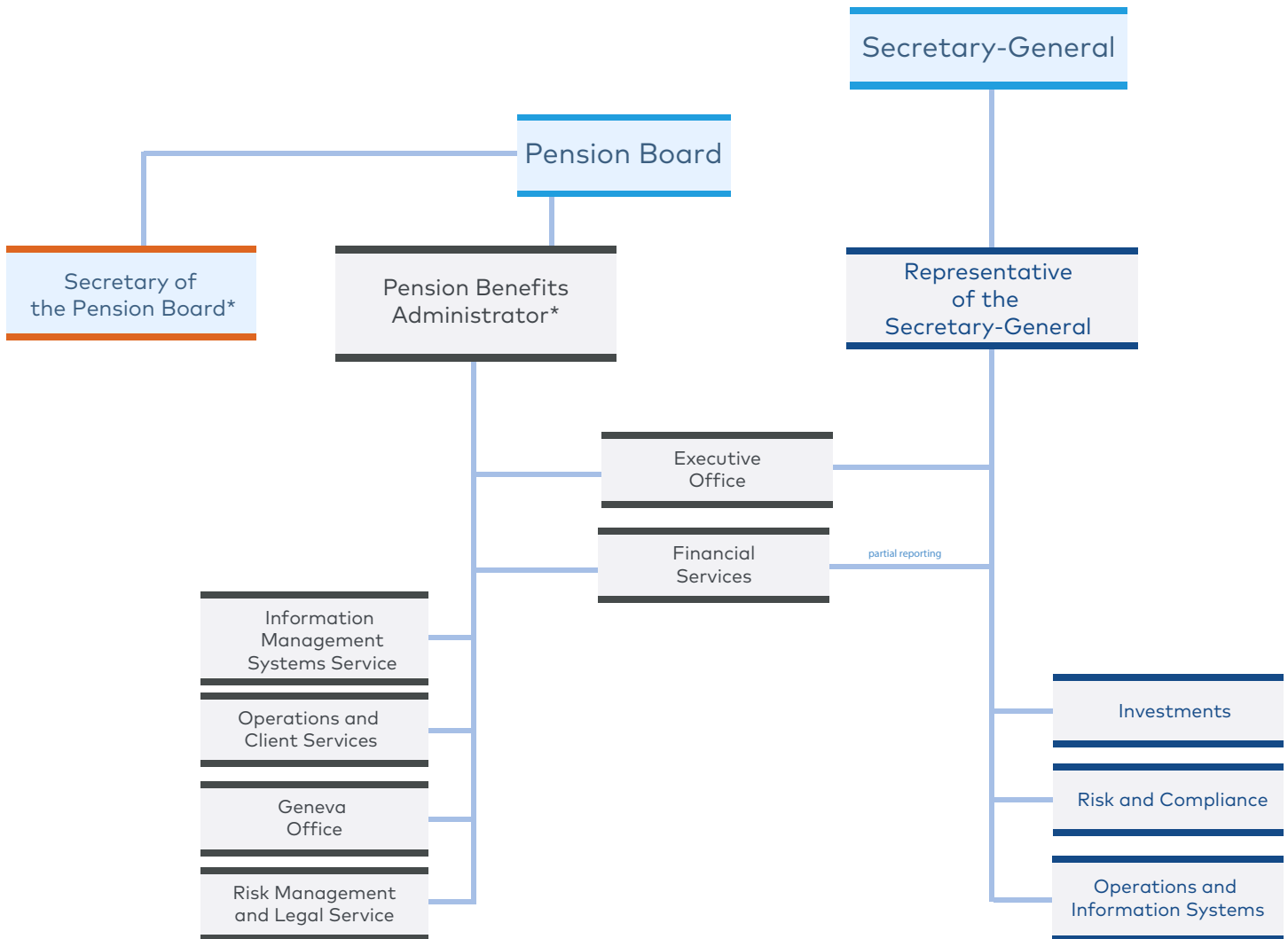
by the United Nations Secretary-General after consultation with the Pension Board and the United Nations Advisory Committee on Administrative and Budgetary Questions (ACABQ), subject to confirmation by the United Nations General Assembly.

Governance Chart



*The authority of the Secretary-General to decide upon the investment of the assets of the Fund was first established in Article 25 of the initial version of the Fund Regulations adopted by the General Assembly in its Resolution 248 (III) of 1948 and was reiterated periodically by the GA, most recently in its Resolution 73/274 of 22 December 2018. The current formulation of such authority is found in Article 19(a) of the Fund's Regulations and expressed as follows: "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."

Organizational Chart

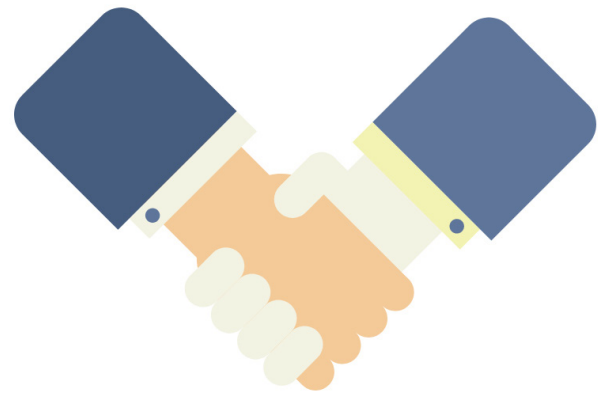


* In 2018, the United Nations General Assembly decided to replace the existing Secretary/CEO post by two distinct posts, namely, "Pension Benefits Administrator" and "Secretary of the Pension Board" by January 2020.

Participation and Benefits

Participation

By and large, every full-time staff of each member organization becomes a participant in the Fund under an appointment of at least six months or longer. Each month, a percentage of the participant's pensionable remuneration is paid to the Fund, and the employing organization pays double the amount of the participant's contribution.



Retirement, Death and Disability Risks

When they leave their employing organization, participants can opt for a withdrawal settlement (lump sum) or, if they have more than 5 years of service, monthly payment after they reach the age of retirement. Death and disability risks are also covered, and survivors (widows, children) can also be entitled to receive benefits.

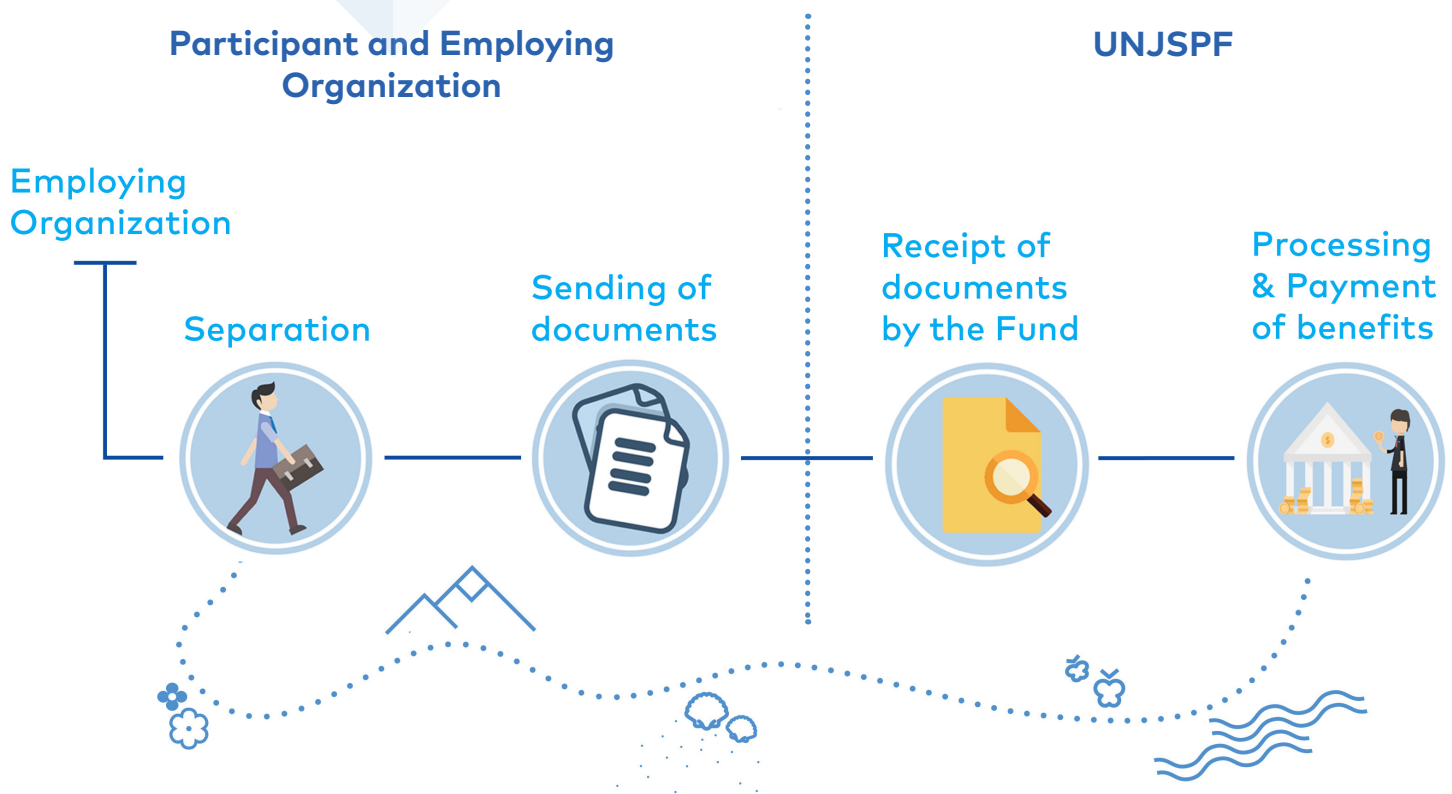


Defined Benefit Plan

When a monthly payment option is selected by a participant, the Fund guarantees such payment, defined by a formula using service and pensionable remuneration. Therefore, benefits are not dependent on investment return or longevity. These risks are assumed by the member organizations and shared by participants through the level of contributions paid to the Fund.

Separation to Benefit Process

The process from separation to submission and receipt of all required documentation and information to the Fund.



- The benefit cannot be processed without the required separation documents from the employing organization and the former participant.
- The Fund engages actively with member organizations to make sure the separation documents are received in a timely manner.



Budget

All the expenses of the UNJSPF are met by the Fund and expenses incurred by member organizations are met by the organizations. The UNJSPF budget is not funded from the assessed contributions from Member States.

In addition to the administration of the Fund, the Pension Administration also serves as the secretariat of the United Nations Staff Pension Committee (UNSPC) on behalf of the United Nations (including its Funds and Programmes), whereas all other member organizations administer their own Staff Pension Committee. **The United Nations reimburses the Fund for the expenses incurred in providing services in relation to the UNSPC.**

As the Fund's host organization, the United Nations also provides a number of administrative services to the UNJSPF and charges the Fund accordingly.

The Budget for the year 2020 proposes a revised measurement methodology of

the valuation of the services exchanged between the Fund and the United Nations better reflecting reality than the methodology utilized up to 2019. The previous methodology approximated the cost at 1/3 of the Fund secretariat staff and related cost whereas the new method estimates cost directly attributable to the UNSPC and applies a percentage for indirect support cost. The new methodology establishes a clear separation of the expense met by the Fund and the cost of the UNSPC met by the United Nations regular budget. It will also require additional resources to be met by the Fund as the United Nations Secretariat will no longer provide services free of charge to the Fund.

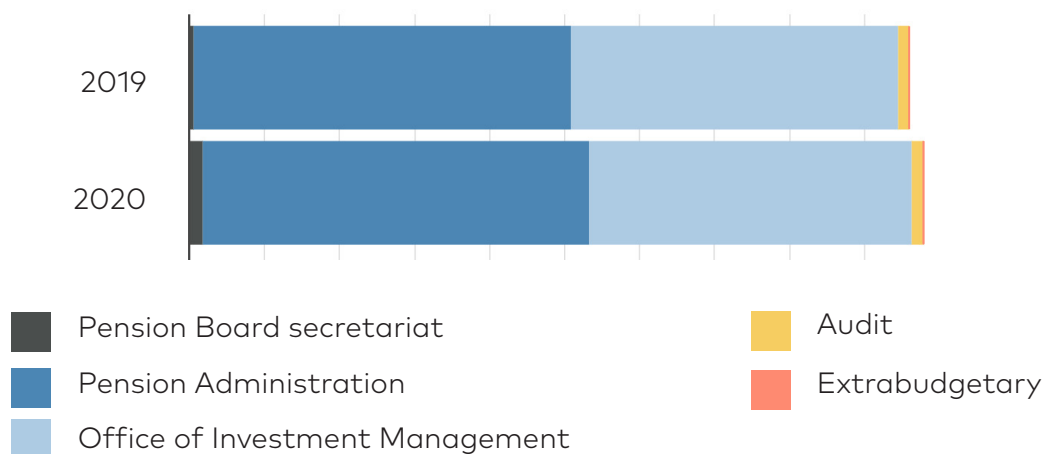
Resource requirements for 2020

(Thousands of USD)

	Appropriation 2019	2020 (before recosting)
Pension Board secretariat	512.2	1 719.6
Pension Administration	50 220.4	51 490.3 *
Office of Investment Management	43 702.4	43 071.7 **
Audit	1 458.0	1 521.0
Extrabudgetary	81.2	81.2
Total	95 974.2	97 883.8

* US\$ 7 362.2 of the Pension Administration budget is reimbursed by the UN for services provided by the Fund (see P.17). The total estimated charges from the United Nations for the administrative services provided to the Fund for 2020 is \$2.4 million, of which \$1.3 million is under Pension Administration and \$1.1 million is under the Office of Investment Management.

** 100% of the budget of the Office of Investment Management (OIM) comes from within the Fund. No amounts are provided by the UN to the OIM.



Milestones



1949

Established as a defined benefit retirement fund.



1950s

Began to amass contributions.



1960s

Calculations were done manually.



1990s

Began digitalizing some tasks and using computers for calculation.



1980s

The General Assembly requested new economic measures reducing benefits and increasing contributions.



1970s

Instability in currency exchange and high inflation became worrying and, by the late 1970s, markets deteriorated and inflation rose.



The End of 1990s

Started to show an important level of surplus of investments.



2000s

United Nations Joint Staff Pension Board began making plans for modernization. The Fund's first website was established.



The Beginning of Present Decade

The UNJSPF built a new operation IT system (IPAS) and strengthened client services.



UNJSPF

United Nations Joint
Staff Pension Fund



Contacting the Office of Investment Management

Office of Investment Management (OIM)

One Dag Hammarskjold Plaza
885 Second Avenue
New York, NY 10017

Email: investmentinfo@unims.org

www.oim.unjpsf.org

Contacting the Pension Administration

New York Office

Telephone: 1 (212) 963-693
Fax: 1 (212) 963-3146

Visit*

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Corner of 48th Street and
2nd Avenue
10017 New York, NY
USA

If documents are sent by regular postal mail:

United Nations Joint Staff Pension
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c/o United Nations
P.O. Box 5036
New York, NY 10163-5036
USA

If documents are sent by express courier (DHL, etc.) or registered mail:

United Nations Joint Staff Pension
Fund
4th floor, 1 DHP
885 Second Avenue
New York, NY 10017
USA

*In person visits, daily (except Thursdays) from 9 a.m. to 5 p.m. Visits are limited to maximum 30 min. No appointment is needed. Walk-in, register and a Client Service staff member will assist you.

Geneva Office

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Visit*

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www.unjspf.org

To contact the UNJSPF by email and ensure proper routing tracking and a timely response, all queries should be submitted using the CONTACT FORM on the Fund's website under the CONTACT US tab, which you can reach at the following link: <https://www.unjspf.org/contact-us>.

You can also follow us on LinkedIn and sign up for our newsletter to be updated regularly.