



Coordinating Committee International Staff Unions and Associations

Briefing note on pension fund issues for the 69th session of the General Assembly

Introduction

The pension fund is administered by the UN secretariat. However, for some time the CEO of the pension fund, *but not the Representative of the Secretary-General in charge of the Investment Management Division*, has been requesting a memorandum of understanding with the Secretariat in order to gain exemptions from the Staff Regulations for staff under his supervision.

CCISUA does not support this MoU as we believe that the integrity of the UN Staff Regulations should be respected.

- a) *The CEO wants the authority to extend beyond the mandatory age of separation staff under his supervision.* We believe that this should be addressed through the item on the common system currently being considered at the General Assembly, in which concerns about diversity, and workforce and succession planning can also be addressed;
- b) *The CEO wants the authority to be able to laterally reassign his staff.* This already exists under ST/AI/2010/3;
- c) *The CEO wants to be able to move staff from the general service category to the professional category.* He already has flexibility to move with justification, staff from one category to another (from G to P levels) temporarily, as referenced in GA Resolution 66/234 This resolution requires justification for such moves and approval from OHRM. In line with General Assembly direction on this issue, we have advised the Fund that a G to P exam could be specifically created for this purpose;
- d) *The CEO is seeking exemption from lateral move requirements in order to promote staff to P5.* This is not needed as there are a multitude of opportunities in the UN system at P3 and P4 levels for staff to do lateral moves, both in the UN Secretariat and the Fund itself. There is nothing to gain in promoting staff without the breadth of experience that this requirement seeks to instill in the staff, as highlighted in the Report of the Secretary-General of 3 September 2013 (A/68/358).
- e) The CEO would like to be able to draft his own classification of posts. However, he already can do this and submit the drafts to OHRM for approval. The only difference is that the classification currently goes through the Executive Office, which ensures that the classification meets ICSC standards used by all Agencies in the common system and does not match a single individual's profile.

Moreover, allowing the implementation of this MoU harms the Fund and the UN in the following ways:

- a) It sets a precedent that exempts the Fund from General Assembly resolutions and other heads of department will likely follow this example.
- b) It weakens the checks and balances in place, which are meant to provide an overall sound system of control by removing some of the elements that underpin this system. As a result, the propensity for misuse of these rules is significantly increased.
- c) The CEO also seeks to remove OIOS' mandate to investigate fraud in the Fund by creating and implementing its own policy on how fraud will be reported and investigated. In this policy (PG80), staff who suspect fraud at the hands of managers or the CEO of the Fund must report this fraud to the CEO, via their supervisor, and it is the decision of the CEO to investigate this internal fraud report. Self-investigation is not a sound practice for a financial institution.
- d) It goes against GA Resolution 68/247 of December 2013, which states:

... requests the Board, in consultation with the Office of Human Resources Management of the Secretariat, to complete its review of the policies governing the recruitment, promotion and retention of the staff of the Fund and to report to the General Assembly, no later than at the main part of its seventieth session, on the outcome of the review and any measures proposed.

Although the ACABQ, in their recent report, requests to be "informed" of the MoU (upon the statement of the Board in their recent report that the MoU is an "internal matter"), the Fifth Committee has made it clear that you expect to see the review and proposed changes to the staff regulations and rules before the MoU is signed and implemented. Not only did the CEO not submit the review and proposed changes as requested in the resolution, he has already implemented the currently unsigned MoU by recruiting a P-5 level staff member who has not satisfied the requirement of the lateral move.

- e) The possibility of legal cases brought to the tribunal by Fund staff - and associated costs - will increase as undoubtedly staff will perceive, if not actively prove, unfair application of these exemptions and favoritism towards certain staff members.

We believe that the General Assembly may wish to re-establish itself as the authority on this matter and include the same text contained in Resolution 68/247 concerning the MoU.

About CCISUA

CCISUA represents staff of the UN Secretariat as well as staff of the ILO, UNHCR, UNICEF, UNIDO and WFP.

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