

Monday 13 June 2016

Dear Secretary-General,

On 2 March 2016, and in the face of unprecedented delays in payments to newly retiring staff of six months, and resulting from the botched implementation of a new administrative processing system, the Under-Secretary-General of Management set a target for the pension fund CEO, Sergio Arvizú, to eliminate the backlog by 31 May 2016. This target was widely publicised on the UN intranet, iSeek, although the consequences of not meeting the target were never explained.

On 8 June, an article was published on iSeek relating the fund's claim to have reduced its payment backlog by 97 percent.

However, the same article provided figures that demonstrated the opposite, namely that the fund had only cleared 36 percent of the backlog, reducing it in the space of three months from 3,436 to 2,184. This was due to new cases arriving at the fund – indeed staff continued to retire or leave the organization during that period.

The continuing existence of the backlog is backed by anecdotal evidence from new retirees who continue to inform UN staff unions that they have not been paid. Further, information provided by staff at the fund, suggests the starting and actual backlog may even be higher than what is referred to above.

Mr. Secretary-General, the timely payment of pensions to retirees is the principle duty of the fund CEO. In the world outside the UN, such a business failure would have led to dismissal and the search for a replacement. That the CEO has failed to carry out this basic job requirement and been less than forthcoming in providing accurate data, leads the staff unions to make the following recommendations:

- that you, as the CEO's direct employer, terminate his appointment and replace him with someone able to solve the crisis and operate transparently;
- that newly retired staff be paid compensation for the hardship they have been through, and interest paid for delays; and
- that OIOS be strongly encouraged to audit the provision of data on the payment backlog.

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Mr. Secretary-General, a pension forms an integral part of the compensation package provided to UN staff. While staff are dedicated to the cause of the UN and ready to work in some of the world's most difficult and dangerous locations, the credibility of the organization as a responsible employer has been put at risk. We urge you to take the proposed action above in order to restore the reputation of the UN as an employer and in particular that of its pension fund.

We thank you for taking the time to consider our letter.

Yours sincerely, and signing for the staff unions of the United Nations,

A handwritten signature in black ink, appearing to read 'Richards', is centered above the printed name.

Ian Richards  
Designated representative  
of the staff unions of the United Nations