

UNITED NATIONS JOINT STAFF PENSION SCHEME

ANNUAL REPORT TO THE GENERAL ASSEMBLY SUBMITTED BY THE
STAFF BENEFIT COMMITTEE ACTING AS THE JOINT BENEFIT COMMITTEE

I. INTRODUCTION

Following the adoption by the General Assembly on 15 December 1946 of Provisional Regulations for a Joint Staff Pension Scheme (resolution 82 (I)), the Secretary-General took steps to organize the Pension Scheme outlined in the Provisional Regulations. At the time of adopting the Pension Scheme the General Assembly, in accordance with section 20 of the Provisional Regulations, appointed its members on the Staff Benefit Committee, which is the body charged with the administration of the scheme. Later, the Secretary-General appointed his representatives, and the participants in the scheme elected their representatives thus completing the constitution of the Committee. The Committee appointed its Chairman, and the Secretary-General appointed a Secretary and Deputy Secretary on the recommendation of the Committee. The Pension Scheme was inaugurated on 27 January 1947.

II. COMPOSITION OF THE COMMITTEE

Members elected by the General Assembly

Mr. R. Lebeau, Belgium, (Chairman)
Mr. P. M. Chernyshov, Union of Soviet Socialist Republics
Mr. A. J. Altmeyer, United States of America

Alternates

Mr. S. K. Kirpalani, India
Mr. Diego Mejia, Colombia
Mr. Georges Peissel, France

Members appointed by the Secretary-General

Miss Mary Smieton
Mr. Ralph J. Bunche
Mr. M. Perez Guerrero

Alternates

Mr. Robert S. Hausner
Mr. Peter Aylen
Mr. François Brière

/Members

Members elected by the participants

Mr. Marc Schreiber
Miss K. Petersen
Mr. Ansgar Rosenberg

Alternates

Mr. Paul Coidan
Mr. J. R. Lopez Jr.
Mr. Leon Hsu

Officers appointed by the Secretary-General

Mr. D. Bannerman Clark, Secretary
Miss Mary Eadie, Deputy Secretary

The full Committee has held twenty-nine meetings from 4 February to 15 September 1947. The average number of representatives of the various groups attending these sessions was: General Assembly (1), Secretary-General (2), Participants (3).

III. MEMBERSHIP IN THE SCHEME - 31 AUGUST 1947

The position on 31 August 1947 with regard to membership in the United Nations Joint Staff Pension Scheme was as follows:

Total members admitted on acceptance of employment contracts		<u>690</u>
Of these 690 entrants:		
Participants admitted with full rights	422	
Without right to disability and death benefits for the first five years	<u>26</u>	448
The number yet to be medically examined or whose eligibility has not been established		<u>242</u>
		<u>690</u>

In addition to the 690 members of the Secretariat who have already entered the scheme by acceptance of a contract involving membership of the Pension Fund, there are some 700 others who have been recommended for such contracts and who will be admitted shortly.

The membership at present is confined to the Secretariat of the United Nations, but negotiations are now under way between the Secretary-General and the International Labour Office for admission into the Pension Scheme of the personnel of the office. Other specialized agencies are considering the question of entering the scheme.

IV. ADMINISTRATIVE RULES

Section 36 of the Provisional Regulations requires that administrative rules for carrying out of the Regulations should be drawn up by the

/Committee

Committee and reported to the General Assembly. A set of rules for this purpose (Annex 1) has been adopted for use pro tempore.

V. MEDICAL STANDARDS

Under section 8 of the Provisional Regulations the Committee was given discretionary power to have participants medically examined in order to establish eligibility for disability and death benefits during the first five years. The Committee agreed that every entrant would be required to undergo such an examination, and provisional physical standards were set up by the Committee in consultation with the Medical Officer of the Organization.

VI. PAYMENTS OF BENEFITS

No claims for payment of any of the substantive benefits have arisen. One withdrawal benefit is in course of settlement; another would have been payable but the participant was transferring to the service of a specialized agency of the United Nations and decided to leave his contributions on deposit in the Fund with the intention of continuing his membership if and when that specialized agency joins the Pension Scheme.

VII. INVESTMENTS

For the purpose of advising the Secretary-General with regard to the investment of the assets of the Fund in accordance with section 25 of the Provisional Regulations, an Investment Committee, consisting of three members, will be appointed by the Secretary-General, after consultation with the Advisory Committee on Administrative and Budgetary Questions, and subject to the approval of the General Assembly. The names of the proposed members have been submitted to the Advisory Committee. In the meantime, the Secretary-General has made temporary investments.

VIII. FINANCIAL STATEMENT

A financial statement as at 31 July 1947, that is after six months' operation, has been submitted by the Comptroller of the United Nations and is appended to this report as Annex 2, in place of a Balance Sheet. As a substantial part of the assets of the Pension Fund are pending transfer from the Provident Fund it was not practicable at that date to prepare a statement in strict balance sheet form.

IX. REVIEW OF THE PROVISIONAL REGULATIONS

When the Fifth Committee recommended the adoption of the Provisional Regulations which constitute the present scheme it did so "on condition that the scheme should be regarded as provisional during its first year and should be open to complete review in the light of experience". For this purpose the Staff Benefit Committee, acting as the Joint Benefit Committee, appointed a special sub-committee to make an intensive study of the

/Regulations

Regulations, and to submit a report for consideration in consultation with an International Commission of Actuaries. The conclusions reached in the course of this investigation are given in full, together with a complete re-draft of the Regulations, in a separate report submitted to the General Assembly for approval as the permanent Pension Scheme. (document A/398).

(Signed) R. LEBEAU
CHAIRMAN

ANNEX 1

UNITED NATIONS JOINT STAFF PENSION SCHEME

PROVISIONAL ADMINISTRATIVE RULES PROPOSED BY
THE STAFF BENEFIT COMMITTEE

The United Nations Staff Benefit Committee (hereinafter referred to as the Committee), exercising the powers and functions of the Joint Benefit Committee of the United Nations in accordance with Section E (Transitional Provisions) of the Provisional Regulations of the United Nations Joint Staff Pension Scheme, adopts the following provisional administrative rules, to apply for such time as section E of the Transitional Provisions is in force.

1. Admission

The Secretary-General, through the appropriate officer, in this instance the Director of Personnel, shall notify to the Secretary of the Committee (hereinafter referred to as the Secretary) the appointment of every regular full-time employee involving membership of the United Nations Joint Staff Pension Scheme (hereinafter referred to as the Pension Scheme) together with such particulars as may be required for the records of the Pension Scheme, and shall notify from time to time to the Secretary any changes in these particulars while the participant remains in the service of the United Nations. No employee shall be considered as a participant if he has not formally accepted his terms of employment with United Nations which would make him a participant, but after such acceptance, membership shall date from the effective date of the appointment and contributions shall be due from the same time.

Participants in the Pension Scheme shall be required to produce to the Secretary evidence of age and identity in respect of themselves and their dependents, unless verified information on these points has already been provided by the Bureau of Personnel.

2. Medical examination

All participants shall be required to undergo a medical examination under the provisions of section 8 of the Regulations and according to the principles contained in document SRC/1 adopted by the Committee, entitled "Medical Examination and Physical Standards", dated 18 February 1947. The arrangements for the medical examination shall be made by the Secretary-General through the appropriate officer, in this instance the Director of Personnel.

The participant may request that the medical examination shall be conducted by such member of an approved panel of doctors practising in the New York area as may be familiar with the language and conditions in the home country of the participant.

/In the case

In the case of the participants employed at The Hague and Geneva or in other offices which may be established outside the Headquarters' Area, local medical examination, provided that regard shall be had to the physical standards adopted by the Committee, may be accepted instead of the normal examination. When the medical examination for employment has been made outside the headquarters' area a separate medical examination for pension purposes shall be required.

The Medical Officer of the United Nations shall present to the Committee reports on all medical examinations. In the light of the Medical Officer's report the Committee shall decide whether the participant shall be entitled to benefits under sections 5 and 7 of the Regulations.

3. Appeal against decision on medical grounds

A participant who has been notified of a decision by the Committee under article 2 that he is not entitled to disability and death benefits under regulation 8 may, within fifteen days, request the Committee to reconsider his case. In this event, the participant shall be required to undergo an examination conducted by a board of three qualified medical practitioners, one selected by the participant, one selected by the Secretary-General, and the third co-opted by the other two and acting as Chairman. The decision of the Committee taken after considering the board's report shall be final. If the board reverses the original decision, the administration shall bear the expenses; if it is sustained, the participant shall bear the medical fees and other expenses of the practitioner he has selected and half of those of the chairman of the board, the expenses not borne by the participant being paid by the United Nations.

4. Records

The Secretary shall keep all records necessary for the administration of the Fund and shall transmit to the Secretary-General through the appropriate officer, in this instance, the Comptroller, such information as is necessary for the maintenance of accounts, records of the Fund and the payment of benefit.

5. Chairman of the Committee

At the first session in each year, the Committee shall elect from among its members a Chairman who shall preside at the meetings of the Committee for a period of one year.

The Committee shall also elect for a period of one year a Vice-Chairman who shall act for the Chairman in his absence.

6. Meetings

The Committee shall hold regular meetings at such dates as may be determined by the Committee.

/Special meetings

Special meetings shall be held:

- (a) Whenever the Chairman considers it necessary;
- (b) At the request of three members of the Committee;
- (c) At the request of the Secretary-General.

Request by Committee members for special meetings shall be made in writing to the chairman, through the Secretary, and shall state the reasons why a meeting should be convened.

Meetings shall be convened in writing by the Secretary. Normally at least fourteen days notice shall be given of a regular meeting.

7. Agenda of meetings

An agenda, prepared by the Secretary and approved by the Chairman and accompanied by the necessary documents, shall be communicated to each regular and alternate member. So far as practicable, the agenda shall be circulated with the notice of meeting. Any item submitted in writing by a member to the Secretary shall be included in the agenda.

New items may be added to the agenda in the course of a meeting if a majority of the members present so agree.

8. Voting

The Committee shall take decisions by a majority vote of the members present and voting. In the case of the votes being equal, the vote of the Chairman shall be decisive; if in such a case the Chairman abstains from voting, the proposal under discussion shall not be considered as adopted.

A quorum of five members shall be required, among whom there shall be at least one member elected by the General Assembly, one member appointed by the Secretary-General and one member elected by the participants in the Fund.

9. Standing sub-committee of the Staff Benefit Committee

A standing sub-committee may be appointed by the Committee from among its members, to deal with any business requiring immediate action between meetings of the Committee (i.e., dealing with medical reports and expediting claims).

This sub-committee shall consist of three members chosen as follows: One from the members elected by the General Assembly, one from the members appointed by the Secretary-General, and one from the members elected by the participants. Another member from the same group may replace a regular member on this sub-committee when necessary.

All actions taken by the sub-committee shall be submitted for approval to the Committee.

If all three members of the sub-committee do not agree on the action to be taken in a specific case, or if the Secretary records an objection to
/a decision

a decision agreed upon by the three members, no action shall be taken pending decision by the Committee.

10. Accounts and investments of the Pension Fund

The Secretary-General through the appropriate officer, in this instance, the Comptroller, shall transmit to the Secretary a statement for each pay period showing the total amount of participants' contributions and the United Nations contributions in respect to these participants.

The Comptroller shall transmit to the Secretary, as of 31 March 1947, and thereafter every three months, a statement on the operations of the Pension Fund. The statement shall be transmitted as soon as practicable after the end of the three months' period.

The year shall be the calendar year, and the books and accounts of the Fund shall be balanced up to 31 December in each year and balance sheets prepared showing the assets and liabilities of the Fund at that date. The accounts shall be submitted to the Committee as soon as possible after the close of the year.

The Comptroller shall furnish the Secretary with copies of papers circulated to the Investments Committee and shall inform the Secretary every three months of investment transactions and proposed transactions.

The Secretary shall furnish the Comptroller with copies of the agenda, minutes of meetings, and all other papers circulated to the Committee.

11. Payments of benefits

The Secretary-General through the appropriate officers, in this instance, the Director of Personnel and the Comptroller, shall notify the Secretary when participants in the Fund become disabled, die, retire or are terminated. In case of termination and retirement, and so far as practicable in the case of disability, this notification shall be given, if possible, not less than one month in advance.

When notification is given that a staff member is unable to perform his duties satisfactorily owing to physical or mental impairment and is likely to exhaust any sick leave which may be due to him, the Director of Personnel shall furnish the Secretary with a medical opinion and any other relevant information. The Committee may request an independent medical examination. Subject to the results of any such examination the Committee may authorize the payment of a disability benefit with effect from the day following the last day in respect of which sick leave is authorized.

Subject to any delegation of authority to the Secretary which may be made by the Committee, the Secretary shall not certify the payment of a benefit unless authorization is first given by the Committee or by the standing sub-committee.

/The Secretary

The Secretary shall certify to the Comptroller all benefits which have been duly authorized and the Comptroller shall make payment in a lump sum or at intervals in accordance with the Secretary's certificate.

Pensions shall be paid monthly in arrear on the last day of each month. The person entitled to the pension may, however, if he so desires, request that the pension be paid quarterly, half-yearly, or yearly in arrear. In such cases, however, no interest shall be credited.

Pensions shall be paid through banks, or other agencies approved by the Committee, on presentation of a form to be prescribed by the Committee, on which it is certified by such agent as the Committee may approve that the person entitled to the pension was alive on the last day of the period for which payment is to be made. In the case of a pension payable to the widow of a participant, such widow shall declare on the form that she has not remarried.

12. Final Provisions

Interpretation of Rules

All questions regarding the interpretation and application of these Rules and the Regulations shall be referred to the Committee for decision.

These Rules may be amended by the Committee subject to at least seven days notice of the proposal being given to all members of the Committee, unless the amendment is unanimously approved at a meeting of the Committee attended by all its regular members.

ANNEX 2

UNITED NATIONS JOINT STAFF PENSION FUND

FINANCIAL STATEMENT AS ON 31 JULY 1947

LEDGER ASSETS:

Investments:

U. S. Savings Bonds, Registered Series F dated 1 November 1946 due 1 November 1958	\$ 99,992.50	
U. S. Savings Bonds, Registered Series F dated 1 January 1947 due 1 January 1959	99,992.50	
U. S. Treasury Certificates of Indebtedness Series L 1947 due 1 December 1947	<u>282,139.31</u>	\$482,124.31
Interest on investments included in amount paid on the purchase of above investments		1,072.15
Cash at Bank:		
Fiduciary Trust Company, New York		<u>6,949.92</u>
		<u>\$490,146.38</u>

LEDGER LIABILITIES:

Capital:

Participants -		
Provident Fund credits transferred	154,182.30	
Current Contributions	73,442.45	
United Nations -		
Special Contribution in respect of Provident Fund credits transferred	115,636.73	
Current Contributions	<u>146,884.90</u>	<u>\$490,146.38</u>
		<u>\$490,146.38</u>

(Signed) H. C. ELVINS
Comptroller, United Nations