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REPORT OF THE UNITED NATIONS JOINT STAFF PENSION BOARD

Report of the Fifth Committee

Rapporteur: Mr. Mahmoud M. OSMAN (Egypt)

1. At its 1681st to 1686th meetings, on 4 to 6 and 9 December 1974, the Fifth Committee considered the annual report of the United Nations Joint Staff Pension Board for 1974, 1/ including the report of the Board of Auditors on the accounts of the United Nations Joint Staff Pension Fund for the year ended 31 December 1973. The related report of the Advisory Committee on Administrative and Budgetary Questions (A/9879) and two notes by the Secretary-General (A/C.5/1626 and A/C.5/1652), transmitting statements by the Administrative Committee on Co-ordination and the Chairman of the Contracting Parties to the GATT (General Agreement on Tariffs and Trade) respectively, were also before the Committee. In addition, the Committee had before it a note by the Secretary-General on the question of pension coverage for members of the Joint Inspection Unit (A/C.5/1627 and Corr.1) together with a report thereon by the Advisory Committee on Administrative and Budgetary Questions (A/9914).

2. The Chairman of the Advisory Committee, in an oral statement introducing the report of the Committee, drew attention to the observations and recommendations made by the Committee on the Board's proposals, in particular those arising out of the study of alternative methods of adjusting pensions in payment which had been carried out by the Board in response to the request of the General Assembly contained in resolution 3100 (XXVIII), section III, of 11 December 1973. The essence of the proposals in question was the establishment of an alternative adjustment system, parallel and coexistent with the averaging system at present in existence, under which adjustments would be made, at the option of the pensioner, in accordance with the movement of the national consumer price index (CPI) of the country in which he had established residence.

1/ Official Records of the General Assembly, Twenty-ninth Session, Supplement No. 9 (A/9609).

3. The Advisory Committee considered that the Board had, in the first place, in proposing the introduction in 1975 of a modified system, gone beyond the request for a study contained in resolution 3100 (XXVIII), section III, which had not envisaged any early change in the new arrangements for pension adjustment approved by the General Assembly, in resolution 3100 (XXVIII), section I, for entry into effect 1 January 1974. The Committee was particularly concerned, furthermore, that the Board was now proposing not a unified but a dual system of adjustment, which not only faced pensioners with a choice predicated upon unpredictable future eventualities but also brought in its train administrative complications. In so far as the substance of the scheme was concerned also, the Advisory Committee had two principal objections: it would enable those overcompensated by the existing averaging system to remain within it, while permitting those undercompensated thereby to opt for the CPI alternative; and the latter produced strikingly higher pensions, in certain cases, for earlier retirees than those of equivalent rank and service who would retire on 1 January 1975. Accordingly, the Committee recommended that the General Assembly should request the Board to resume its consideration of the question with a view to establishing a unified and durable scheme which would meet as logically and equitably as possible the interests of all pensioners and which could be financed without adding to the current or potential financial liability of the membership. Pending the outcome of such further studies, the Advisory Committee did not press its objections to the introduction of the Board's proposals, provided it were stipulated that no pre-1975 pensioners who opted for the CPI system would receive more than they would have done had their date of separation been 1 January 1975. Proposals by the Board for a unified scheme to replace those transitional arrangements should be considered at the time the existing scheme of pension adjustment was due for review in 1976.

4. In so far as the remainder of the Board's proposals requiring approval by the General Assembly were concerned, the Advisory Committee endorsed the recommendation that article 36 of the Regulations of the Fund be amended to provide for unconditional entitlement to a widower's benefit where a female participant dies in service or during retirement for disability.

5. The Committee noted that the Board was proposing that the number of members of the Committee of Actuaries be increased from three to four and that article 9 of the Regulations be amended accordingly, and considered that the Board should continue to keep the question of the size of that Committee under review.

6. With regard to the proposal to extend coverage by the Fund to part-time staff, the Committee had no objection in principle; it considered, however, that the amendment to the Regulations of the Fund proposed for that purpose should be delayed in its effect until a clear definition of what was envisaged as pensionable part-time service had been developed, either in the Fund's administrative rules or in the Staff Regulations and Rules of the member organizations.

7. The Committee endorsed, also, the Board's proposal that for an experimental period of one year the Board should be authorized to supplement, from the Fund's own resources, the voluntary contributions to the Board's Emergency Fund 2/ by an amount of up to \$50,000.

2/ See *ibid.*, Twenty-eighth Session, Supplement No. 9 (A/9009 and Corr.1 and 2), vol. I, chap. IV, paras. 41 and 42.

8. The Advisory Committee could not, however, fully support the Board's estimates of administrative expenses for 1975, which it recommended should be reduced by \$35,200 to a net total of \$2,112,400. The Committee recommended approval, nevertheless, of the supplementary estimates submitted by the Board for 1974, in the amount of \$96,800 (net).

9. Finally, the report of the Advisory Committee (A/9879) dealt with various other matters considered by the Board, not specifically requiring the approval of the General Assembly. Among these was a proposal to put forward recommendations to the General Assembly in 1975 for recognizing service in excess of the present maximum of 30 years. The Committee considered that any improvement in benefits of this nature must necessarily depend upon the outcome of the next actuarial valuation of the Fund and upon a comparison with the actual benefits of national civil services.

10. The Committee was gratified to note, at the same time, the conclusion of a satisfactory agreement between the United Nations Joint Staff Pension Board and the Board of Auditors relating to external audit, under article 14 of the Regulations of the Fund.

11. The Chairman of the United Nations Joint Staff Pension Board, introducing the report of the Board, referred to General Assembly resolution 3100 (XXVIII), section III, under which the Board had been requested by the General Assembly to carry out a comprehensive study of selective systems of adjusting pensions designed to compensate for currency changes and inflationary movements in the countries of residence of pensioners. In the light of that resolution and of appeals by governing bodies of other member organizations and by groups of pensioners themselves and the Administrative Committee on Co-ordination (ACC) that urgent remedial action be taken, the Board had felt justified in putting forward concrete proposals arising out of the study. The essence of those proposals was an optional alternative system of adjusting pensions, based upon internal consumer price index movements in individual countries of residence, which would have the effect of maintaining purchasing power on a local rather than a world-average basis. The Board had considered it essential that, under the present conditions of extreme economic uncertainty, the two systems should, for the time being, be permitted to coexist, while further study was directed to the more unified system envisaged by the Advisory Committee. The Board, nevertheless, could readily concede the existence of certain inequalities and weaknesses in the over-all effect of its proposals and could recognize the cogency of the main Advisory Committee modification thereto which would limit the operation of the CPI option in the case of existing pensioners. As an interim measure even this limited effect, however, would be welcome in those countries where currency appreciation and extreme movements in consumer prices had been encountered. Furthermore, the Board itself was willing to continue its study of the problem until a scheme capable of operating in all countries and of providing adequate stability of benefits had been developed.

12. In the course of the ensuing discussion, several speakers dealt with the Board's study of selective systems of adjustment and the proposals based thereon,

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as contained in the Board's report in the light of the Advisory Committee's observations contained in its report (A/9879). Some representatives felt that by not limiting itself to a study in the terms of the General Assembly's request in resolution 3100 (XXVIII), section III, the Board had exceeded its mandate by submitting a proposal for changes in the existing system of adjustment which had been introduced as recently as 1 January 1974 (resolution 3100 (XXVIII), sect. I). Others felt that in the light of the actual situation confronting pensioners in various parts of the world the Board's initiative was understandable and even commendable. One representative considered, however, that the study showed signs of hasty preparation and might have been improved by the inclusion of detailed figures showing actual amounts of pensions received and the loss of purchasing power they had undergone in different parts of the world.

13. As regards the Board's specific proposals on adjustments, a number of representatives supported the criticism made by the Advisory Committee with regard to the undesirability of a dual system for adjustments involving the exercise of an irrevocable option by pensioners who were not in a position to forecast the effects of the exercise of their choice. Moreover, the fact that some would continue to benefit under the weighted average post adjustment (WAPA) system, by receiving adjustments not justified on the basis of actual losses, was one of its undesirable features. Others, however, pointed out that any arrangement which replaced one system of adjustment by another would be likely to contain some residue of anomalies during its transitional period.

14. Among those who supported a change in the adjustment system from 1 January 1975, there was agreement that it would have to be made subject to the Advisory Committee's recommended limitation with respect to benefits which had commenced prior to that date. Most of those representatives also shared the view that if the Board's proposals were to be adopted in any form, this should be done as an interim measure, and that a request for further study by the Board of a unified system, as suggested by the Advisory Committee, should accompany the adoption. In this connexion, certain representatives pointed to areas, in addition to those listed in the Advisory Committee's report (A/9879), which they felt required examination, in particular the possible differences in various national systems of measuring consumer price movements and the inclusion or otherwise of taxation therein. Others referred to the need to bear in mind, in the elaboration of a uniform system of adjustments, (a) the situation in developing countries where retention of the right to entitlement in United States dollars might have to be preserved and (b) a system of measurement based on an averaging scale.

15. Some representatives, however, felt that no action should be taken by the General Assembly at this time on the Board's proposals with respect to adjustments, and stated that they could not accept the recommendations of the Joint Staff Pension Board concerning the introduction of the consumer price index (CPI) system on 1 January 1975. These delegations believed that the preparation of a unified system should be entrusted to the International Civil Service Commission, but not to the Pension Board.

16. In the discussion of the Board's proposal regarding the Emergency Fund, ^{3/} some representatives expressed the view that once an effective system of adjustment to pensions had been adopted, there should be no further need for such a Fund, which was based on discretionary awards and should be regarded as an undesirable feature of a system based on entitlements. Others felt, however, that the Emergency Fund had in the past year proved valuable in alleviating real need and that there was no guarantee that it might not be necessary to have recourse to it in the future, especially for personal hardship situations such as those of pensioners in countries where social security systems in the field of health insurance were not yet providing adequate coverage. At the conclusion of this aspect of the discussion, the representative of Argentina, supported by the representative of Austria, formally proposed that the Board should be authorized to supplement the voluntary contributions to the Emergency Fund by an amount of up to \$100,000.

17. Considerable discussion also took place on the proposal of the Board that the number of members of the Committee of Actuaries should be increased from three to four and that article 9 of the Regulations of the Fund should be amended to that effect. Some representatives felt that the Board's proposals to enlarge the Committee to four and to keep the matter under consideration, together with the question of the rotation of its membership, were not in keeping with General Assembly resolution 3100 (XXVIII) embodying the Advisory Committee's suggestion that the membership of the Committee might be increased to not more than six. They indicated that the membership of the Committee of Actuaries should be expanded to ensure that all five geographical regions were represented at the same time. Furthermore, they criticized the procedure followed by the Pension Board in submitting its report. In their opinion, measures should be taken to correct that procedure. They requested the Pension Board to comply with the General Assembly instructions in its report concerning the nationalities of the members of the Board. One representative pointed out in this connexion that the Secretary-General should use in a more judicious manner his prerogative to appoint members of the Board. In that representative's view, the geographical representation of the Board was alarmingly anomalous, since Member States, which contributed two thirds of the resources of the Pension Fund, accounted for only one third of the membership of the Board. The representatives of Algeria, Afghanistan, Nigeria and the Union of Soviet Socialist Republics formally proposed (A/C.5/L.1206, as revised by the sponsors during the course of the debate) that the Committee should recommend to the General Assembly that it adopt the following decision:

"The General Assembly, having regard to the continuing increase in the resources of the Joint Staff Pension Fund and the need to draw upon more extensive international experience in the work of the Committee of Actuaries, decides to enlarge the membership of the Committee of Actuaries from three to five, as from 1 January 1975, so that representatives of the five geographical regions may work in the Committee of Actuaries at the same time, and decides to amend article 9 of the Regulations of the United Nations Joint Staff Pension Fund accordingly."

^{3/} See foot-note 2.

18. The proposal was questioned on the procedural ground that, under article 50 (a) of the Regulations of the Fund, consultation by the General Assembly with the Board was required before an amendment to those Regulations could take place. It was opposed by one representative as to substance, also, on the ground that the Committee of Actuaries was a technical body on which there was no need for five geographical regions to be represented and that an increase in its membership to five might hamper the Committee's efficiency. At the same time a suggestion was made by one representative that the proposed decision might be reworded so as to provide for an enlargement of the Committee to "four independent actuaries" and a request added that the Pension Board "apply in future the principle of rotation of membership through staggered terms of office so that one new appointment or reappointment would take place each year".

19. The subject of the Fund's investment policy elicited a discussion in which a number of representatives participated, the principal points raised relating to the decline in relative value of the Fund's portfolio following the current weakness in world security markets, the preponderance of investment in the United States of America, and the recommendation by the United Nations Joint Staff Pension Board that special attention should in future be paid to suitable investment opportunities in developing countries. Several representatives emphasized the need for the Board to pay special attention to suitable investment opportunities in developing countries, as set out in paragraph 74 of the Board's report. Moreover, some representatives expressed their concern over the losses on sales of investments, which amounted to almost \$16 million in 1972 and \$35.6 million in 1973. The latter figure was roughly equal to the \$38.6 million received by the Fund in the form of interest and dividends. Referring to paragraphs 12 to 33 of annex IV of the report of the Board, one representative expressed his concern at the losses sustained by the Fund resulting from the policy of one of the Fund's investment advisers. The representatives of Algeria and Cuba formally proposed adoption of the following draft paragraphs for inclusion in the report of the Fifth Committee:

(a) A/C.5/L.1201 and Corr.1 (as amended by the sponsors during the discussion)

"The Fifth Committee recommends that the General Assembly should request the Secretary-General to prepare and submit to it at its thirtieth session a report on investments by the United Nations Joint Staff Pension Fund, such report to deal with the following questions among others: (a) investment policy; (b) the machinery used for making investments; (c) types of investment; (d) a list of investments as of 31 December 1974 and the dates on which they were made for the first time; (e) a list of securities sold at a loss and the amount of such loss; (f) the reasons for the loss resulting from the sale of securities; (g) the currencies and countries in which investments were made and the amounts thereof; and (h) the effects of inflation and monetary instability on the real situation of the Fund. The information provided shall be considered within the context of article 19 of the Regulations of the United Nations Joint Staff Pension Fund."

(b) A/C.5/L.1202

"The Fifth Committee recommends that the General Assembly should endorse the recommendation in paragraph 74 of the report of the United Nations Joint Staff Pension Board that special attention should be paid to suitable investment opportunities in developing countries and recommends that the Assembly should request the Secretary-General to report to it on the matter at its thirtieth session."

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20. The representative of the United States of America orally proposed the following two amendments to the draft paragraph for inclusion in the report of the Fifth Committee (A/C.5/L.1201 and Corr.1):

(a) Subparagraph (d) should read: "a profile of the investment portfolio as at 31 December 1974";

(b) Subparagraph (e) should read: "a statement of profit and loss from the sale of securities as at 31 December 1974".

21. The representative of the United States of America also orally proposed that the draft paragraph for inclusion in the report of the Fifth Committee (A/C.5/L.1202) should be amended to read as follows:

"The Fifth Committee, noting with approval the conclusion of the United Nations Joint Staff Pension Board in paragraph 74 of its report that special attention should be paid to suitable investment opportunities in developing countries, recommends that the General Assembly request the Secretary-General to report to it on the matter at its thirtieth session."

22. The Fifth Committee further discussed a suggestion by the Secretary-General (A/C.5/1627 and Corr.1) that the General Assembly may wish to request the Joint Staff Pension Board, at its twentieth session, to consider the question of coverage by the Fund of members of the Joint Inspection Unit, notwithstanding the fact that they are not staff members of any participating organization, and to prepare a draft amendment to the Fund Regulations which would provide such coverage. The Secretary-General had also suggested that he be authorized to explore alternative methods of providing pension coverage to members of the Joint Inspection Unit and to report thereon to the General Assembly at its thirtieth session. The Advisory Committee had commented favourably on the proposal in its related report (A/9914), and had suggested that, on receipt of information from the Board and of any alternative recommendation for coverage made by the Secretary-General, the Fifth Committee would be in a position to determine whether it should consider the question on its own merits at the thirtieth session or whether it would be more appropriate to deal with it in the broader context of the evaluation of the work of the Unit due to be taken by the General Assembly at its thirty-first session in accordance with the provisions of paragraph 3 of resolution 2924 B (XXVII) of 24 November 1972.

23. Discussion proceeded on the basis of a formal proposal (A/C.5/L.1208) by the representatives of France, India and Yugoslavia of a draft decision by the Fifth Committee in the following terms:

"The Fifth Committee,

"Having considered the report of the Secretary-General (A/C.5/1627) on the question of pension coverage for members of the Joint Inspection Unit and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/9914),

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"1. Requests the Joint Staff Pension Board, at its next session, to consider the possibility of including the members of the Joint Inspection Unit among those eligible to participate in the Fund and, if necessary, amending the Regulations accordingly;

"2. Authorizes the Secretary-General, in collaboration with the members of the Administrative Committee on Co-ordination, to explore alternative methods of providing coverage for the Inspectors and report thereon to the General Assembly at its thirtieth session, taking into account also the results of the consideration of the question by the Joint Staff Pension Board in accordance with paragraph 1 above."

24. The proposal was opposed, during the discussion, by one representative on the basis that it would be a step towards integrating the Inspectors with United Nations staff, contrary to the intentions of those who had founded the Joint Inspection Unit. Moreover, it was not yet known what would be done with the Unit once its mandate had expired in 1977, and the Assembly should not prejudge its decision on that question. That representative suggested, therefore, that the proposal contained in A/C.5/L.1208 either be withdrawn, or that priority be given to the recommendation contained in paragraph 5 of the report of the Advisory Committee (A/9914). India, retaining the proposal on behalf of the co-sponsors, stated that the question of pension coverage for the Inspectors had been inordinately delayed since first examined by the Advisory Committee in 1967, and that it could be considered independently of the future of the Joint Inspection Unit. After a short procedural debate, on a proposal made by the representative of the Upper Volta, who, however, reserved his position on the substance of the question, the Committee decided, by 55 votes to 1, with 9 abstentions, to give priority to the three-Power draft decision contained in A/C.5/L.1208.

25. At the conclusion of the Committee's discussion of the report of the Board, one representative requested that further information be immediately provided, in written form, with respect to the individual nationalities of the members of the Board. The request was justified, in the view of that representative, on the basis that the Board had not complied with the request by the General Assembly at the twenty-eighth session that such information be included in future reports. The request was opposed by another representative, who contended that the information had in fact been supplied in a form appropriate to the request, without specifying the nationalities of individual members, and should not be supplied in any other form.

26. The Committee then voted on the oral proposal of the representative of Argentina that the Board should be authorized to supplement voluntary contributions to the Board's Emergency Fund in an amount up to \$100,000 (see para. 16 above). The proposal was adopted by 43 votes to 17, with 25 abstentions (see para 32 below, draft resolution, sect. VI).

27. The Committee then voted on the draft decision proposed by Algeria, Afghanistan, Nigeria and the Union of Soviet Socialist Republics (A/C.5/L.1206 as revised) relating to the membership of the Committee of Actuaries (see para. 17 above). The draft decision was adopted by a roll-call vote of 42 to 17, with 33 abstentions (see para. 32 below, draft resolution, sect. II, para. 2). The voting was as follows:

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In favour: Afghanistan, Algeria, Bulgaria, Byelorussian Soviet Socialist Republic, Cuba, Czechoslovakia, Dahomey, Democratic Yemen, Ecuador, Egypt, France, German Democratic Republic, Ghana, Guinea, Hungary, India, Indonesia, Italy, Ivory Coast, Kuwait, Libyan Arab Republic, Malaysia, Mali, Mongolia, Niger, Nigeria, Poland, Romania, Rwanda, Senegal, Sierra Leone, Singapore, Sudan, Thailand, Togo, Tunisia, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, Upper Volta, Yugoslavia, Zambia.

Against: Australia, Austria, Belgium, Brazil, Canada, Denmark, Finland, Germany (Federal Republic of), Iceland, Ireland, Israel, Netherlands, New Zealand, Norway, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining: Albania, Argentina, Bahrain, Bhutan, Chile, China, Colombia, Dominican Republic, Greece, Guatemala, Guyana, Iran, Japan, Jordan, Kenya, Khmer Republic, Lesotho, Liberia, Mexico, Oman, Peru, Philippines, Portugal, Qatar, Spain, Swaziland, Trinidad and Tobago, Turkey, United Arab Emirates, United Republic of Tanzania, Uruguay, Venezuela, Zaire.

28. The Committee then voted on the proposal of Algeria and Cuba (A/C.5/L.1201 and Corr.1) and on the amendments thereto as follows:

(a) The first oral amendment proposed by the United States of America (see para. 20 (a) above) was adopted by 29 votes to 28, with 27 abstentions;

(b) The second oral amendment proposed by the United States of America (see para. 20 (b) above) was adopted by 35 votes to 21, with 27 abstentions;

(c) The proposal of Algeria and Cuba, as a whole, as amended, was adopted by 82 votes to none, with 6 abstentions (see para. 32 below, draft resolution, sect. IV, para. 1).

29. The Committee then voted on the proposal of Algeria and Cuba (A/C.5/L.1202) and the amendment thereto as follows:

(a) The oral amendment proposed by the United States of America (see para. 21 above) was rejected by 29 votes to 24, with 39 abstentions;

(b) The proposal of Algeria and Cuba was adopted without objection (see para. 32 below, draft resolution, sect. IV, para. 2).

30. The Committee then voted on the proposal (A/C.5/L.1208) of France, India and Yugoslavia (see para. 23 above). The proposal, as amended by the Upper Volta in paragraph 1, was adopted by 57 votes to 2, with 17 abstentions (see para. 32 below, draft resolution, sect. V).

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31. The Committee then adopted by 77 votes to 10, with 1 abstention, a draft resolution, prepared by the Secretariat, incorporating the draft resolution proposed by the Joint Staff Pension Board 4/ and the recommendations of the Advisory Committee contained in its report (A/9879). That draft resolution and the decisions referred to in paragraphs 26, 27, 28 and 29 above are incorporated in the draft resolution recommended by the Committee for adoption by the General Assembly (see para. 32 below).

RECOMMENDATION OF THE FIFTH COMMITTEE

32. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Report of the United Nations Joint Staff Pension Board

The General Assembly,

Having considered the report of the United Nations Joint Staff Pension Board to the General Assembly and to the member organizations of the United Nations Joint Staff Pension Fund for 1974, 5/ and the related report of the Advisory Committee on Administrative and Budgetary Questions, 6/

I

Adjustments of benefits in respect of cost-of-living changes

Decides to revise the system of adjustment of benefits in payment contained in section I of General Assembly resolution 3100 (XXVIII) of 11 December 1973 and previous resolutions on the same subject, with effect from 1 January 1975, in accordance with the recommendations of the United Nations Joint Staff Pension Board contained in annex V to the Board's report to the General Assembly for 1974, provided that no beneficiary who opts for the consumer price index system and whose benefit commenced before 1 January 1975 shall receive more as a result than if the benefit had commenced on 1 January 1975;

II

Amendments to the Regulations of the United Nations Joint Staff Pension Fund

1. Decides that the Regulations of the United Nations Joint Staff Pension Fund shall be amended, without retroactive effect, as set forth in annex VII to

4/ Official Records of the General Assembly, Twenty-ninth Session, Supplement No. 9 (A/9609), annex VI.

5/ Official Records of the General Assembly, Twenty-ninth Session, Supplement No. 9 (A/9609).

6/ A/9879.

the report of the United Nations Joint Staff Pension Board, it being understood that the amendment to article 36 shall become effective from 1 January 1975, and that supplementary article A shall become operative when pensionable part-time service has been defined in the manner suggested by the Advisory Committee on Administrative and Budgetary Questions in paragraph 29 of its related report;

2. Further decides that, in accordance with paragraph 55 of the report of the United Nations Joint Staff Pension Board and paragraph 28 of the report of the Advisory Committee on Administrative and Budgetary Questions, article 9 of the Regulations of the United Nations Joint Staff Pension Fund shall be amended, so that representatives of the five geographical regions may work in the Committee of Actuaries at the same time, with effect from 1 January 1975, in such manner that the Committee shall be increased to five members.

III

Administrative expenses

Approves expenses, chargeable directly to the United Nations Joint Staff Pension Fund, totalling \$2,112,400 (net) for 1975 and supplementary expenses totalling \$96,800 (net) for 1974 for the administration of the Fund, as estimated in annex III to the report of the United Nations Joint Staff Pension Board;

IV

Investments of the Fund

1. Requests the Secretary-General to submit to the General Assembly at its thirtieth session a report on investments by the United Nations Joint Staff Pension Fund, such report to deal, inter alia, with the following subjects:

- (a) Investment policy;
- (b) Machinery used for making investments;
- (c) Types of investment;
- (d) Profile of the investment portfolio as at 31 December 1974;
- (e) Statement of profit and loss from the sale of securities as at 31 December 1974;
- (f) Reasons for the loss resulting from the sale of securities;
- (g) Currencies and countries in which investments were made and amounts thereof;
- (h) Effects of inflation and monetary instability on the real situation of the United Nations Joint Staff Pension Fund;

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The information provided shall be considered within the context of article 19 of the Regulations of the United Nations Joint Staff Pension Fund;

2. Endorses the recommendation in paragraph 74 of the report of the United Nations Joint Staff Pension Board that special attention should be paid to suitable investment opportunities in developing countries and requests the Secretary-General to report to the General Assembly on the matter at its thirtieth session;

V

Joint Inspection Unit

1. Requests the United Nations Joint Staff Pension Board, at its twentieth session, to consider the possibility of including the members of the Joint Inspection Unit among those eligible to participate in the Joint Staff Pension Fund and, if necessary, of proposing amendments to the Regulations accordingly;

2. Authorizes the Secretary-General, in collaboration with the members of the Administrative Committee on Co-ordination, to explore alternative methods of providing coverage for the Inspectors and to report thereon to the General Assembly at its thirtieth session, taking into account, also, the results of the consideration of the question by the United Nations Joint Staff Pension Board in accordance with paragraph 1 above;

VI

1. Endorses the observations and recommendations of the Advisory Committee on Administrative and Budgetary Questions in paragraphs 20 and 42 to 45 of its report;

2. Also endorses the observations of the Advisory Committee in paragraph 22 of its report, provided that the United Nations Joint Staff Pension Board shall commence the review of the existing scheme of pension adjustment early in 1975 and shall make an interim report thereon to the General Assembly at its thirtieth session;

3. Further endorses the observations of the Advisory Committee in paragraph 30 of its report, provided that the maximum amount to which the Board shall be authorized to supplement voluntary contributions to the Emergency Fund 7/ shall be set at \$100,000.

7/ See Official Records of the General Assembly, Twenty-eighth Session, Supplement No. 9 (A/9009 and Corr.1 and 2), vol. I, chap. IV, paras. 41 and 42.