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Agenda item 124

UNITED NATIONS PENSION SYSTEM

Report of the Fifth Committee

Rapporteur: Mr. Felix ABOLY-BI-KOUASSI (Côte d'Ivoire)

I. INTRODUCTION

1. At its 3rd plenary meeting, on 18 September 1987, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its forty-second session the item entitled "United Nations pension system: report of the United Nations Joint Staff Pension Board" and to allocate it to the Fifth Committee.
2. The Committee considered the item at its 21st, 25th, 35th, 39th, 43rd, 54th and 65th meetings, from 4 November to 17 December 1987. Comments made in the course of the discussion on this item are reflected in the relevant summary records (A/C.5/42/SR.21, 25, 35, 39, 43, 54 and 65).
3. The Committee had before it the following documents:
  - (a) Report of the United Nations Joint Staff Pension Board for 1987, 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 1986 and containing a draft resolution proposed for adoption by the General Assembly;
  - (b) Report of the Secretary-General on the investments of the United Nations Joint Staff Pension Fund (A/C.5/42/13);

1/ Official Records of the General Assembly, Forty-second Session, Supplement No. 9 (A/42/9 and Corr.1).

(c) Report of the Advisory Committee on Administrative and Budgetary Questions (A/42/682).

4. The report of the United Nations Joint Staff Pension Board was introduced by its Chairman at the 21st meeting, on 4 November.

## II. CONSIDERATION OF DRAFT RESOLUTION A/C.5/42/L.19

5. At the 65th meeting on 17 December, Mr. Deryck Murray, Vice-Chairman of the Committee, introduced and orally corrected draft resolution A/C.5/42/L.19, which had been elaborated following informal consultations.

6. At the same meeting, the Committee adopted draft resolution A/C.5/42/L.19, as orally corrected, without a vote (see para. 8).

7. Statements in explanation of position were made by the representatives of Canada, Italy, the Union of Soviet Socialist Republics, Mexico and Sweden.

## III. RECOMMENDATION OF THE FIFTH COMMITTEE

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

### United Nations pension system

The General Assembly,

Recalling all previous relevant resolutions on the United Nations pension system,

Also recalling its resolution 41/213 of 19 December 1986,

Having considered the report of the United Nations Joint Staff Pension Board for 1987 to the General Assembly and to the member organizations of the United Nations Joint Staff Pension Fund, 2/ and the related report of the Advisory Committee on Administrative and Budgetary Questions, 3/

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2/ Official Records of the General Assembly, Forty-second Session, Supplement No. 9, (A/42/9 and Corr.1).

3/ A/42/682.

I

AMENDMENTS TO THE REGULATIONS OF THE UNITED NATIONS  
JOINT STAFF PENSION FUND

Noting the actuarial situation of the United Nations Joint Staff Pension Fund, as reflected in paragraphs 10 to 24 of the report of the United Nations Joint Staff Pension Board, 2/

Recognizing the importance of encouraging a trend towards actuarial balance of the Fund,

1. Takes note of the recommendation of the United Nations Joint Staff Pension Board contained in paragraph 28 of its report 2/ to increase the rate of contribution and decides that the increase in the rate of contribution from 21.75 to 22.50 per cent of pensionable remuneration shall be implemented in two stages: on 1 July 1988 from 21.75 to 22.20 per cent of pensionable remuneration of which the employing member organization shall pay 14.8 per cent and the participant 7.4 per cent; and on 1 July 1989 from 22.20 to 22.50 per cent of pensionable remuneration of which the employing member organization shall pay 15 per cent and the participant 7.5 per cent;

2. Requests the United Nations Joint Staff Pension Board:

(a) To continue studying all possible measures to restore over the long term the actuarial balance of the Fund, bearing in mind the desirability of avoiding further increases in the rate of contribution and of reviewing the rate of contribution should there be an actuarial surplus in the future;

(b) To submit an interim report to the General Assembly at its forty-third session and, in any event, to complete its study for presentation to the Assembly at its forty-fourth session, together with the results of the twentieth actuarial valuation of the Fund as at 31 December 1988;

3. Approves, with effect from 1 January 1989, the changes in the size and composition of the United Nations Joint Staff Pension Board and of the United Nations Staff Pension Committee, as indicated in paragraphs 87 and 91 of the report of the Board; 2/

4. Requests the United Nations Joint Staff Pension Board, taking into account the views expressed in the Fifth Committee, to keep under review the composition of the Board and the proportionate representation of the General Assembly and of the governing bodies of the other member organizations in the Board and to report thereon to the Assembly at its forty-sixth session;

5. Amends, with effect from 1 January 1989, articles 5 and 6 of the Regulations of the United Nations Joint Staff Pension Fund as set forth in the annex to the present resolution;

6. Amends, with effect from 1 July 1988, article 25 of the Regulations of the United Nations Joint Staff Pension Fund as set forth in the annex to the present resolution;

## II

### CHANGES IN THE PENSION ADJUSTMENT SYSTEM

1. Takes note of section III.D of the report of the United Nations Joint Staff Pension Board 2/ with respect to the review of the two-track pension adjustment system, of the intention of the Board to continue to monitor the operation of the system and of the related views of the Advisory Committee on Administrative and Budgetary Questions contained in paragraph 22 of its report; 3/

2. Takes note of section III.E of the report of the United Nations Joint Staff Pension Board on inequalities of benefits caused by different dates of separation and of the related views of the Advisory Committee on Administrative and Budgetary Questions contained in paragraph 9 of its report, 3/ and approves, as an interim emergency measure, with effect from 1 January 1988, and without retroactive effect, the changes in the pension adjustment system 4/ as set out in annex XI to the report of the Board, 2/ while emphasizing that this measure would apply from 1 January 1988 to 31 December 1990 and would not constitute an acquired right;

## III

### EMERGENCY FUND

Authorizes the United Nations Joint Staff Pension Board to supplement the voluntary contributions to the Emergency Fund, for the biennium 1988-1989, by an amount not exceeding \$200,000;

## IV

### ADMINISTRATIVE EXPENSES

Noting the decision of the United Nations Joint Staff Pension Board to hold its next session in 1989,

Approves expenses, chargeable directly to the United Nations Joint Staff Pension Fund, totalling \$22,877,400 (net) for the biennium 1988-1989 and additional expenses of \$472,900 (net) for the biennium 1986-1987, for the administration of the Fund;

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4/ United Nations Joint Staff Pension Fund: Pension Adjustment System (JSPB/G.12).

## V

## INVESTMENTS OF THE UNITED NATIONS JOINT STAFF PENSION FUND

Takes note of the report of the Secretary-General on the investments of the United Nations Joint Staff Pension Fund. 5/

## ANNEX

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

Article 5

## UNITED NATIONS JOINT STAFF PENSION BOARD

Replace paragraph (a) by the following text:

"(a) The United Nations Joint Staff Pension Board shall consist of:

- "(i) Twelve members appointed by the United Nations Staff Pension Committee, four of whom shall be from the members and alternate members elected by the General Assembly, four from those appointed by the Secretary-General, and four from those elected by the participants in service in the United Nations; and
- "(ii) Twenty-one members appointed by the staff pension committees of the other member organizations in accordance with the Rules of Procedure of the Fund, seven of whom shall be from the members and alternate members chosen by the bodies of the member organizations corresponding to the General Assembly, seven from those appointed by the chief administrative officers of the member organizations, and seven from those chosen by the participants in service."

Article 6

## STAFF PENSION COMMITTEES

Replace paragraph (a) by the following text:

"(a) The United Nations Staff Pension Committee shall consist of four members and four alternate members elected by the General Assembly, four members and two alternate members appointed by the Secretary-General, and

four members and two alternate members, who shall be participants in the Fund and on the staff of the United Nations, elected by the participants in service in the United Nations by secret ballot."

Article 25

CONTRIBUTIONS

Replace paragraph (a) by the following text:

"(a) Contributions by the participant and by the employing member organization shall be payable to the Fund concurrently with the accrual of contributory service under article 22 (a) at the percentage rates of pensionable remuneration specified below:

A	B	C
<u>For periods of contributory service</u>	<u>Participants (percentage)</u>	<u>Employing member organization (percentage)</u>
Before 1984	7.00	14.00
As from 1 January 1984 to 30 June 1988	7.25	14.50
As from 1 July 1988 to 30 June 1989	7.40	14.80
As from 1 July 1989	7.50	15.00"

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