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**Statement by Cherith Norman, Minister Counselor for UN Management and Reform,
On Agenda Item 134: Administrative Expenses of UNJSPF
at the Main Session of the Fifth Committee
70th UN General Assembly
November 10, 2015**

Thank you, Mr. Chairman. My delegation would like to thank Mr. Adebowale O. Adeniyi for the presentation of the Pension Board's Report and Ms. Bettina Bartsiotas for the presentation of the Secretary-General's report. We would like to further thank Mr. Carlos Ruiz Massieu, Chairman of the ACABQ, for the presentation of the Committee's report on the various issues under this agenda item.

The United States appreciates the continued efforts of the leadership of the UN Joint Staff Pension Fund and Representative of the Secretary General for Investments to skillfully manage the Fund's responsibilities and investments recognizing the challenges inherent in investing while subject to fluid economic conditions. We encourage the Secretariat to continue to be innovative and pursue opportunities for minimizing administrative expenditures whenever possible to ensure the long-term health of the Fund.

We are pleased to note the net assets of the fund amount to \$52.8 billion, and the Fund's continued efforts to diversify its investments to ensure solid returns. We note the Fund provides services to 23 member organizations and has a growing number of participants, retirees and other beneficiaries across 190 countries.

My delegation also would like to commend the Fund for its improvement in the implementation rate of the Board of Auditors recommendations. We also appreciate the Pension Board's attention in ensuring the Fund follows up on these recommendations in a timely manner. Out of the 12 outstanding recommendations, 75 percent have been fully implemented, and 25 percent are currently being implemented, a significant increase from last year.

My delegation would like to reiterate some of the Board of Auditor's concerns and look forward to discussing them in more detail during our consideration of Pension Fund's report. The main one is the need for the Organization, including the Pension Fund, to integrate its many different technology platforms and systems. We note the challenges the Fund has encountered in procuring a new information technology system and finalizing the installation of the integrated

pension administration system. Both of these projects have incurred costly delays. My delegation is interested in hearing whether the Pension Fund has learned or applied any lessons from those entities that have embarked on similar efforts.

In addition, as noted by the Board of Auditors, we encourage the Pension Board to carefully review the Fund's investment strategies and policies for limiting exposure to foreign exchange rate volatility. We note the real rate of return on the Fund's investments is below the benchmarks set for both 2014 and the most recent 5-year period. Given this, the Pension Fund should take steps to improve its internal investment process. The Fund could also explore alternatives to mitigate foreign exchange losses, which increased substantially in 2014.

Furthermore, we appreciate the continued role the Pension Board plays in ensuring sound governance of the Fund. We welcome the observations of the Pension Board's report on the Fund's health including the marked improvement in the actuarial valuation, attributable mainly to the increase in the retirement age to 65 years for staff commencing participation after January 2014.

Lastly, Mr. Chairman, there are many issues raised in the report of the ACABQ and my delegation would like to highlight a few of them. First, we see the need to expedite the filling of vacant posts within the Pension Fund, especially at the senior level. Second, my delegation would like to commend the Investments Management Division's work on fraud prevention, while also supporting the ACABQ's recommendation that the Pension Fund should have a comprehensive anti-fraud policy. We believe this would serve as a complement to the regular audits and oversight provided by OIOS and the Board of Auditors. Lastly, I wish to note the issue of the submission of the Board of Auditors annual report on the financial statements of the Fund to the General Assembly. While there have been discussions on this issue under another agenda item, we look forward to addressing the matter during our consideration of this agenda item.

In closing, my delegation looks forward to working with our colleagues in the Fifth Committee to address these issues and the proposed resource requirements for the next biennium.

Thank you, Mr.Chairman.