

## **Agenda item 132**

### **Financial reports and audited financial statements, and reports of the Board of Auditors**

#### **FIFTH COMMITTEE**

**Report of the Secretary of United Nations Joint Staff Pension Board  
and the Representative of the Secretary-General for the investment of the assets of  
the Fund on the implementation of the recommendations of the Board of Auditors  
contained in its report on the United Nations Joint Staff Pension Fund for the year  
ended 31 December 2018 (A/74/329)**

**Joint Statement by  
Ms. Janice Dunn Lee, Acting Secretary of the United Nations Joint Staff Pension  
Board and Mr. Sudhir Rajkumar, Representative of the Secretary-General (RSG)  
for the investment of the assets of the Fund**

**2 December 2019**

*Statement by Ms. Janice Dunn Lee*

Mister Chair,  
Distinguished Delegates,

I have the honor to introduce the report on the implementation of the recommendations of the Board of Auditors contained in its report on the United Nations Joint Staff Pension Fund for the year ended 31 December 2018 (A/74/329). I will speak on behalf of the Pension Fund secretariat and the RSG will speak on behalf of the Office of Investment Management (OIM).

The report (A/74/329) provides information further to the comments already submitted to the Board of Auditors by the Fund's management. It also includes information on the area responsible, the status of implementation, estimated completion date and the priority of each recommendation; as well as an update on the status of implementation of the recommendations relating to prior periods that the Board of Auditors considered not fully implemented at the time it issued its report.

The Fund accepted all the Board of Auditors recommendations for the financial period 2018 but one. The Fund rejected a recommendation regarding the certification of the Financial Statements, which relates to the accounting standards utilized by the Fund.

With regard to prioritization, the Board of Auditors categorizes the most important recommendations as “main” recommendations. The Fund secretariat will prioritize actions to ensure the implementation of the audit recommendations within the specified timetables as requested by the General Assembly.

In the report of the Board of Auditors for the annual financial period 2018 (A/74/5/Add.16), the Board of Auditors closed 16 outstanding recommendations for the Fund as whole and categorized 22 recommendations as under implementation. As of this date, several of the 21 recommendations assessed as under implementation are already implemented. In addition, one audit recommendation addressed to Pension Fund member organizations is under implementation.

The Fund secretariat is pleased to report that during 2019 it closed 9 or 45 per cent of the recommendations of prior years and that it has completed the implementation of several of the recommendations made by the Board of Auditors in its most recent report.

The Fund secretariat continues to exceed the benchmark of processing 75 per cent of cases within 15 business days from the receipt of the required documents and has made significant progress in addressing outstanding recommendations to monitor and address data or system aspects relating to benefit cases outstanding for processing. The Fund is working in close cooperation with the member organizations to introduce new and enhance existing mechanisms for the follow-up and submission of separation documents.

During 2019, the Fund secretariat implemented a centralized system for tracking the resolution of client queries with enhanced monitoring and reporting. At least 75 per cent of the queries received are responded to within 15 business days.

*Statement by Mr. Sudhir Rajkumar*

The Office of Investment Management (OIM) welcomes the recommendations of the Board of Auditors contained in its report for the year ended 31 December 2018 and has accepted all of them. I am pleased to report that the Office of Investment Management closed 7 recommendations of prior years during 2019. OIM is working towards implementing the remaining recommendations. OIM is confident that the 10 remaining recommendations of prior years will be closed in accordance with established target dates. The Board of Auditors has made 9 new recommendations in 2018 that were accepted by OIM.

OIM finalized the internal fraud risk assessment in May 2019 with the support of OIOS. In addition to this fraud risk assessment, OIM has completed the as-is assessment of existing capabilities for cybersecurity and identified the gaps that exist against the ISO 27001 standards. OIM has developed a series of actions to strengthen the important

function of business continuity. Business continuity policies were updated and a Crisis Management Committee and Business Continuity Working group was established.

Please allow me, Mr. Chairman and distinguished Delegates, to express on behalf of the Fund secretariat and OIM, our sincere appreciation to the Board of Auditors for the professionalism and constructive spirit in which it discharges its oversight functions. Both the Fund secretariat and OIM remain committed to the timely implementation of the Board of Auditors recommendations.

Finally, I would like to take this opportunity to express my appreciation to my colleagues from the Fund secretariat and the Office of Investment Management, who will be with us during the informal consultations to respond to the questions the distinguished Delegates of the Committee might have.

Thank you, Mr. Chairman.