

Statement of the Chairman

Advisory Committee on Administrative and Budgetary Questions (ACABQ)

23 November 2021

United Nations Joint Staff Pension Fund

(ACABQ report: A/76/7/Add.14; related reports: A/76/294, A/76/297, A/76/5/Add.16 and statement A/C.5/76/2)

Mr. Chairman,

I am pleased to introduce the report of the Advisory Committee on the United Nations Joint Staff Pension Fund.

With regard to the financial performance of the Fund in 2020, the Advisory Committee notes that the rate of return on investments was higher than the objective but lower than the benchmark on an annual basis and lower than the peers' performance over ten years. The Committee encourages the Fund to renew its efforts to improve the performance of the investments and explore the possibility of increasing its objective.

In terms of administrative performance, the Advisory Committee concurs with the recommendations of the Board of Auditors concerning the Fund, particularly in the areas of census data, Integrated Pension Administration System, reputational risks and external managers. The Committee stresses again the importance of implementing the recommendations of the Board of Auditors expeditiously.

In terms of budget performance, the Committee notes the actual and projected under expenditures of the Fund for 2020 and 2021 and stresses the importance of improving the budget accuracy.

Turning to the proposed budget for 2022, the Committee considers that, in view of the number of vacant posts and positions, the staffing requests are not fully justified at this stage and that a phased approach should be adopted.

Therefore, the Committee recommends for 2022, the approval of the proposed establishment of 13 posts including five posts in the Pension Administration and eight posts in the Office of Investments Management, and against the proposed establishment of nine posts including one posts in the Pension Administration and eight posts in the Office of Investments Management.

Similarly, the Committee recommends for 2022, the approval of the proposed conversion of 22 positions into posts including 14 positions in the Pension Administration and eight positions in the Office of Investments Management, and against the proposed conversion of 35 positions including 28 positions in the Pension Administration and seven positions in the Office of Investments Management. The Committee also recommends that any further proposed conversion of position into post should be fully justified in view of the expected efficiencies.

Additionally, the Committee trusts that the Pension Fund will continue its efforts to ensure equitable geographical representation and gender balance in appointments and nominations at all levels.

Mr. Chairman,

Concerning the amendments to the Fund's Regulation, the Committee reiterates its view that the adoption of the proposed amendments to articles 6 and 48 would have legal consequences and trusts that further details will be provided to the General Assembly regarding the proposed amendments to articles 7, 4(c), 19 and 33(g).

Regarding the new asset allocation strategy proposed by the Office of Investments Management, the Committee encourages the Fund to develop performance indicators and benchmarks to assess the result of this strategy.

Moreover, the Committee trusts that additional information on the use of derivatives and the investments by country and geographical region will be provided to the Assembly and included in the next report of the Fund.

Thank you, Mr. Chairman.