



WORLD HEALTH ORGANIZATION

FIFTY-SECOND WORLD HEALTH ASSEMBLY
Provisional agenda item 15

A52/22
9 March 1999

Report of the United Nations Joint Staff Pension Board

Report by the Secretariat

1. The 1998 report of the United Nations Joint Staff Pension Board was submitted to the fifty-third session of the United Nations General Assembly as document A/53/9.¹ It has thus been made available to governments. In view of its volume it is not reproduced here, and only highlights have been summarized in this document. Copies of the full report are available should any delegation wish to refer to it.
2. The market value of the assets of the United Nations Joint Staff Pension Fund amounted to US\$ 20 170 million on 31 March 1998, which represented an increase of 29.8% or US\$ 4631 million over a period of two years. During the biennium ended 31 December 1997, the number of participants decreased from 68 708 to 67 740, or by 1.4%; the number of periodic benefits in award increased from 38 914 to 43 149, or by 10.9%.
3. The total return on investment for the year to 31 March 1998 was 20.4%, or a real rate of return of 18.9% after adjustment with the United States consumer price index. This compared to 8.9% (or a real rate of return of 5.9%) for the year to 31 March 1997.
4. The actuarial valuation as at 31 December 1997 showed a decrease of 1.82% in the required contribution rate as at 31 December 1995 (from 25.16% to 23.34%), resulting in an actuarial surplus of 0.36% of pensionable remuneration. The General Assembly noted the opinion of the Committee of Actuaries that the current contribution rate of 23.7% of pensionable remuneration could be maintained, pending a review of the valuation as at 31 December 1999.
5. The General Assembly took note of the review by the Board of the interest rates used to determine lump-sum commutations and of its decision to change the current 6.5% interest rate to 6% with respect to service performed as from 1 January 2001, subject to a favourable actuarial valuation as at 31 December 1999.
6. The General Assembly took note of the Board's decision to recommend that the threshold for implementing cost-of-living adjustments of pensions should be reduced from 3% to 2% with effect from the adjustment due on 1 April 2001, subject to a favourable actuarial valuation as at 31 December 1999.

¹ United Nations General Assembly, Official Records, fifty-third session, Supplement No. 9 (A/53/9).

7. The General Assembly approved the revised cost-sharing arrangements between the United Nations and the Pension Fund. It noted that further studies would be undertaken on the longer term administrative arrangements for management of the Fund; findings would be considered by the Pension Board at its next session in 2000.

8. The General Assembly approved the reclassification of the post of Chief of the Investment Management Services to D-2 level. It also approved the change in the title of the post of the Secretary of the Board to Chief Executive Officer of the United Nations Joint Staff Pension Fund; remuneration for the post would be set at the level of Assistant Secretary-General

9. The General Assembly approved the following measures:

- a payment facility in respect of former spouses;
- a benefit for a divorced surviving spouse subject to certain conditions regarding eligibility;
- optional purchase of a surviving spouse's benefit in respect of marriage after separation;
- elimination of the current provision requiring discontinuation of a surviving spouse's benefit upon remarriage;
- amendments to Articles 21 and 32 of the Fund's Regulations to extend the time limits for cessation of participation from 12 to 36 months.

10. Having considered the report of the Board on its forty-ninth (special) session regarding the decision of the Interim Commission for the International Trade Organization (ICITO) to authorize the Director-General of the World Trade Organization to apply for termination of ICITO's membership of the Fund, the General Assembly agreed to terminate that membership as at 31 December 1998.

11. The General Assembly noted that the Board had requested its Chairman and Secretary to intensify their efforts to gain the formal approval by the Government of the Russian Federation of the proposed agreement related to the application of the past Transfer Agreements that the Fund had concluded with the governments of the former Union of Soviet Socialist Republics, Ukrainian SSR and Byelorussian SSR. The General Assembly took note of the information provided by the Russian Federation concerning the problems that have arisen over implementation of the proposed agreement and of the Government's intention to pursue all outstanding issues.

ACTION BY THE HEALTH ASSEMBLY

12. The Assembly is invited to take note of the information contained in this document.

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