

Former FAO and Other UN Staff Association



FFOA/GA/2015/03

PROVISIONAL REPORT

Forty-fourth Session of the General Assembly

Wednesday 28th May 2014

Italian Conference Room, IFAD Headquarters

1. Opening of the Forty-fourth Session of the General Assembly

The President of FFOA, **Mr Alan Prien**, opened the session at 09:40 hours with the following remarks:

Good morning members of FFOA, and guests, and in particular those of you from ICTP Trieste who have joined us via web hook up. It is indeed an honor for me, as the first President of FFOA from IFAD, to welcome you to my old home.

We shall be working in 2 languages: English (channel 2), and Italian (channel 3). When you wish to speak, please press your microphone button and give us your name, so our rapporteurs can keep track. Also, please switch off your mobile phones.

I am pleased to welcome and introduce to you the Vice-President of IFAD, **Mr Michel Mordasini**, who will speak to us as our host on behalf of the President of IFAD. **Mr Mordasini**, you have the floor.

2. Address by the President of the International Fund for Agricultural Development or his Representative

Mr Michel Mordasini, Vice President of the International Fund for Agricultural Development (IFAD), made the following remarks:

I have the great honor, on behalf of President Kanayo Nwanze, to welcome you to IFAD headquarters for the annual meeting of the Former FAO and other UN staff Association (FFOA). To former IFAD staff – welcome back home; and to those from other agencies who are visiting IFAD for the first time, a very warm welcome. It is a particular pleasure for us to receive IFAD's former Secretary and FFOA current President, **Mr Alan Prien**.

Ladies and Gentleman, you, our staff – both former and present, are the Rome-based agencies' most precious resource. Without your dedication, your hard work and your professionalism, we cannot achieve a world of food security and nutrition for all.

IFAD recognizes the importance of our staff as our greatest asset. That is why this February, immediately after the Governing Council, IFAD had its first ever Global Staff Meeting, bringing together IFAD employees from every corner of the globe. For two days, our ordinary work was suspended as we met in workshops and exchanged views on our strategic vision, and other critical topics. And most importantly, learned from each other.



IFAD Vice-President Mr Michel Mordasini (second from left) addresses the General Assembly.

I can honestly say that it was a great success. I think that all of us came away feeling more energized, dedicated to our work, and proud to be part of this organization.

We also were proud when IFAD took the gold in men's football and the silver in women's swimming at the Inter-Agency games last month in New York. And congratulations goes to the WFP's men's volleyball medal. It has been a very good start to the year!

Earlier this month, IFAD hosted for the first time, the Chief Executive Board meeting on behalf of all three Rome agencies. This meeting brought together all the heads of the UN agencies led by the Secretary-General Ban Ki-Moon. This event allowed us to showcase the effectiveness, efficiency and excellent collaboration of the Rome-based agencies (RBAs).

Indeed, as part of our on-going work to strengthen our collaboration, the RBAs decided last December to revive our Senior Consultative Group. The Group will soon be announcing at the WFP the winner for the 2014 RBA Award of Excellence. This biennial award recognizes the country teams that exemplify strong RBA collaboration and embrace the value of partnership. Country level collaboration is called for more than ever before as we strive to meet the Zero Hunger Challenge.

As you know, 2014 is a pivotal year. In addition to dealing with ever changing impact that climate change and economic uncertainty are having on our work, it is also the year in which our role in future development efforts is being shaped in the post-2015 agenda.

The Rome-based agencies have demonstrated leadership and effectiveness in formulating together priority targets and indicators for food security, nutrition and sustainable agriculture in the post-2015 agenda. These include: ensuring access to adequate food for all; ending malnutrition in all its forms; establishing sustainable food systems; improving smallholder productivity and income; and reducing the rate of food loss and waste by half. In this year of International Family Farming, we are also ensuring that smallholder farmers remain on the radar and are taken into consideration as new Sustainable Development Goals are being developed.

For IFAD, 2014 is also a replenishment year in which we are presenting our new vision for addressing rural transformation.



In a few minutes you will hear from my esteemed colleagues from FAO and WFP. But I would first like to take a few minutes to outline the transformations that are taking place at IFAD to make it a “fit for purpose” organization in this changing world.

As you may be aware, we’ve made a lot of changes in IFAD over the past few years in our drive to make the organization more agile and more focused on results. Through the job audit and the Strategic Work Force Plan, we’ve striven to ensure that every position is connected to operational objectives – helping to drive development for rural women and men.

We have created new departments and offices. The Strategy and Knowledge Department (SKD) is building our role as a learning institution and knowledge organization, an advocate for rural people and a key player on the international stage. The Office of Partnership and Resource Mobilization (PRM) are forging new partnerships for additional resource mobilization. The Financial Operations Department (FOD) is improving financial management and efficiency.

One of the biggest changes is IFAD’s global presence. Today, we have 40 IFAD country offices and 10 more are planned for this year and next. Many IFAD country offices are based within existing FAO, WFP or UNDP offices. Last year we signed a Framework Agreement with FAO to further enhance collaboration in our decentralized offices. We will continue to work with the other UN agencies to see how we might leverage our capacities and resources to achieve greater impact and to more efficiently and effectively meet the growing demand for our work.

Demand for the projects IFAD supports is high because they deliver. They enable poor rural women and men to build a better future for their families and communities. This fact is reflected in our new tagline – “Investing in rural people”. That’s what we do. If we build roads, it’s so that smallholder farmers can use them to connect with markets and services. If we set up rural financial institutions, it’s so that people can get the support they need to invest in themselves. Everything we do is about people, and giving them the tools to transform rural society.

For example, in Swaziland, a young man living on a family farm has become one of the first oyster mushroom producers in the Lower Usuthu region. Sandile Mkhabela first saw a mushroom when he was 20. With some technical and business training he started a ‘mushroom workshop’, using plastic bottles, an old refrigerator and an empty shed. Today the whole family takes part in his business and he is training other young people in his community.

We also know that when women benefit from development, those benefits are multiplied, reaching their children, their families and their communities. This has been the case in one of IFAD’s projects in Nepal where women’s cooperatives received quality seeds and technical training. Not only did production and profits rise as a result, the women reported that their success made a difference in the behavior of the men in the community. In the words of 27-year old Manju Tiwari: “They are not going out to drink and gamble. The men are at home and some are cooking and cleaning!” She was also proud that the whole family – wife, husband and two sons – are students, studying to improve their incomes and their lives.

Due to these results on the ground, demand for IFAD-supported projects far exceeds supply. We are working hard to achieve an ambitious IFAD10 replenishment target. But more is needed to fund our programme of work and to achieve the level of impact we know rural areas need.

But in order to grow you have to change. Scaling up impact doesn't just mean getting bigger. It can be done through partnerships, replicating and adapting successful approaches, and mainstreaming of programmes by governments. We launched the Additional Resource Mobilization Initiative in 2012 to explore creative ways to tap new sources of finance and channel more investment to rural people.

These new resources will allow IFAD to invest in a future of inclusive development in which young people see farming as profitable and dignified profession, and in which thriving rural economies create a variety of employment opportunities.

Thank you for all of your past efforts and your continued interest and contribution towards helping us create this new future of inclusive development and a world free from hunger and poverty.

Mr Prien thanked Mr Mordasini, for his very interesting statement. He pointed out that while HR Director he was personally involved in the out-posting of the first staff member and was pleased to know that there are now 40 field offices with 10 more planned. In particular, he thanked him and through him, his colleagues for hosting, again this year, the FFOA General Assembly as well as mailing the documents for this meeting, together with the Newsbrief, which is FFOA's way of keeping the 2,300 members around the world (83 countries) up-to-date on what is going on. FFOA reiterates its continuing support for IFAD and its mission. The Executive Committee, as always, is fully prepared to assist and cooperate with IFAD, as with the other Organizations here in Rome, particularly regarding the advice given to staff members in service who will retire in the near future.

3. Establishment of a quorum and announcements

Mr Prien announced that more than a quorum was present and that 10 proxies had been received. The meeting was declared officially open and constituted in accordance with the Articles of the Association.



Mr Mr Dhia Azzu, former IFAD Chef de Cabinet, was elected Presiding Officer for the General Assembly.

Foregoing the usual opening speech, Mr Prien anticipated that the next few hours would demonstrate how hard the elected Executive Committee has been working on behalf of its members. He proceeded to thank them all for their support in attending meetings with Directors of HR of the RBAs, intervening on pension matters, representing FFOA on the JAC/MC, meeting with staff representatives on common interests, collaborating with the Staff Coop, interacting with Vanbreda, the banks and arranging a plethora of social assistance and events.

4. Nomination of the Rapporteurs

Ms Georgia Shaver, Assistant General Secretary, was nominated as rapporteur, assisted by Messrs. Jamie Wickens and Giuliano Pucci. Ms Marta Bochicchio and Ms Ennia Cucchiarelli agreed to provide simultaneous English-Italian interpretation. Mr Alex Arkadie took photographic records of the meeting.

5. Election of the Presiding Officer

Mr Prien proposed that Mr Dhia Azzu, one of the earliest staff members of IFAD, the Chef de Cabinet of the first IFAD President and former Head of the Loan and Implementation Unit, to chair the Assembly. He was elected by acclamation. Mr Azzu thanked the participants for the confidence shown by proposing and electing him as Presiding Officer of the Assembly; he was pleased to be back home and to see so many members.

6. Adoption of the Provisional Agenda (FFOA/GA/2014/02)

The Provisional Agenda was adopted as presented as no proposals for change were received.

7. Provisional Report of the 43rd Session of the General Assembly held on 29 May 2013 (FFOA/GA/2014/03)

The Draft Report had been circulated with Newsbrief 89.

Mr Azzu asked if there were any questions or comments. The report was adopted without comment by the General Assembly under resolution FFOA/GA/2014/06/A.

8. Address by the Director General of the Food and Agricultural Organization of the United Nations or his Representative

Ms Monika Altmaier, Director, Office of Human Resources, speaking on behalf of the Director-General, made the following remarks:

It is a real pleasure to join you once again for this year's Annual Assembly of FFOA.

The Director-General, Mr. Graziano da Silva, has asked me to convey to you his greetings and best wishes for a successful meeting.

During this past year since we last met, we have faced many challenges and the strategic thinking process has been strengthened and reinforced. These objectives will define the results FAO needs to deliver and with these in mind, our human and financial resources will be allocated accordingly. In addition, FAO continues to work closely with both public and private sector and the Director-General has stressed the need to give priority consideration to partnerships for implementation of the Strategic Framework. The priorities for 2014 include working on regional and

global initiatives, bringing innovation to smallholder farmers and bringing sustainable livestock into focus, particularly opportune, as this is the International Year of Family Farming. FAO needs to remain at the forefront on key international agendas, such as G20, the post-2015 UN development as well as the Global Partnership for Oceans. Dialogue is to be strengthened with the private sector for facilitation of public-private partnerships, this is to underline that the public and private sectors consider the Organization to be a trusted broker.

There are positive changes taking shape in various key areas such as nutrition, communications, human resources and resource mobilization. As a result of redeployment and mobility, many exchanges between HQs and the field took place during the last year and vice versa.

FAO received a very good review on multilateral aid by the DFID UK in the reforms and this is an important milestone. FAO will continue to increase its support to the country offices through the Regional Initiatives such as the rice initiatives and the RAF Resilience initiatives.

Regarding staff welfare, FAO recently appointed the new Ombudsman/Ethics Officer. In addition to advising staff and to seek mutually acceptable solutions through informal means, the Ombudsman/Ethics Officer is responsible for coordinating and administrating the Organization's financial disclosure programme, the mediation programme and for providing annual reports to the Director General and the staff at large on how the employment and workplace environment in the Organization can be improved.

Since we last met, I have continued the constructive dialogue with the staff associations on all issues affecting the welfare of the staff and between June and December 2013, we met on 25 occasions in the forum of the Staff Management Consultative Committee and also bilaterally on specific issues and so far this year, we have met 10 times. Just recently, I met the new President of FICSA and we agreed that management and staff representatives of all agencies should work side by side on all issues of common interest to staff welfare and conditions of service and particularly in view of the challenges faced as a result of reduced budgets but at the same time, the need to respond to the ever-increasing roles for the UN in trouble areas.

In addition, the administrative functions in FAO have been under continuous review and streamlining of processes and improved efficiencies in the areas of administration. Last year I reported that several HR initiatives such as generic job profiles, competency framework and a review of the performance management system were priority projects. These projects have been launched and the competency-framework is now in place. In addition, the professional staff selection process was completely overhauled and instead of one corporate PSSC, FAO now has 14 departmental and regional PSSCs that will reduce recruitment time to the target of 120 days, enhance proactive selection and select staff members who possess the core competencies of FAO. In addition, a new feature whereby endorsed candidates are retained for consideration for similar vacancies, will capitalize on the time and resources spent on the recruitment process.

Regarding the Pension Fund, the Fund posted steady gains and recorded a balance of \$51.3 billion on 31 December 2013 compared to \$44.6 billion a year earlier. We might remember that as a consequence of turbulent financial market conditions, the investment portfolio experienced wide fluctuations from \$41.4 billion at the end of 2010 to \$42.8 billion at the end of March 2011, then further increasing to an all-time

high at \$44.4 billion at the end of April and ending the year \$1.7 billion below the preceding year.

It might be of interest that there was a 3.2% adjustment of the US dollar pensions, based on the movement of the US Consumer Price Index effective 1 April 2014. For those who are on the local currency track and reside in Italy, there has been no adjustment this year as the cost of living increase fell below the 2% trigger point.

The upcoming Pension Board is to be held in July 2014 in Rome at the FAO premises. The agenda is quite heavy and Mr Sergio Arvizú, CEO, United Nations Joint Staff Pension Fund, will brief you on the Agenda and major issues to be discussed at the Board. FAO is happy to host the Board this year and will do its best to make this board a success. It is also to be noted that the FAFICS Council will be held at FAO and will start 3 days prior to the Pension Board.

Despite being affected by fluctuations in US/EUR exchange rates that characterize the last years, the Medical Insurance Plan has performed better than expected thanks, predominantly to the various cost containment measures put in place in recent years which are consistently reviewed and improved. In 2012/2014 the Plan was able to retain the same level of premiums payable to insurers for both the US Dollar and the Euro Scheme. Thanks to the Organization's efforts and the close monitoring by the Joint Advisory Committee on Medical coverage, there is no increase in 2014 and the premiums remain unchanged. With reference to the ongoing negotiated contract process, FAO has invited eight companies that are market leaders to bid for the future contract that will include both medical and non-medical insurances under, one umbrella contract. You will be kept informed on the outcomes of the process through our esteemed FFOA colleagues and members of the JAC/MC who have shared us their precious knowledge and gave their support in the negotiated contract preparations (Messrs.' Alan Prien, Marco Breschi, Giorgio Eberle, Ed Seidler and Giuliano Pucci).

Furthermore, member nations have decided to further investigate the options for reduction of the After-Service Medical Coverage liabilities in order to guarantee future benefits not only to retirees, but also to current staff (this does not imply a change to those benefits).

FFOA acts as FAO's 'partner' in providing valuable information and assistance to you, the members. Over the years, the collaboration between FFOA and the Organization has been excellent and we would like to assure the Association that FAO will continue to cooperate with FFOA for the benefit of the retiree community.

Your Association unites former civil servants from FAO, IFAD, WFP and a number of other UN Organizations represented in Rome. The occasion of the FFOA Annual Assembly provides this yearly opportunity for former UN staff to meet and discuss issues of common interest. For us, in FAO, it provides the chance to meet again many of our former colleagues with whom we worked successfully in the past.

In conclusion, thank you for all the contributions you have made during your years of service with the Organization and for your continued interest and support. I wish you a very successful Assembly.

Mr Azzu thanked **Ms Altmaier** for her statement and was pleased to see how FAO and IFAD both placed emphasis on the importance of the staff as well as the decentralization process to ensure better designed projects and working closer to the clients. He was pleased to hear that the medical premiums had not increase and pointed out that the medical plan was one of the best. He thanked FAO for hosting



FFOA members at the 2014 General Assembly.

FFOA and maintaining the database. FFOA will continue to provide support to FAO and the staff members.

9. Address by Executive Director of the World Food Programme or her Representative

Mr Amir Abdulla, Deputy Executive Director, speaking on behalf of the Executive Director, thanked FFOA for the opportunity to speak. The Executive Director is traveling to Australia and sends her greetings.

He started by saying how he was pleased to hear the achievement of FFOA in terms of the number of members and their location. He noted how important it is to keep abreast of news such as medical insurance, after service medical care and health security is so important for pensioners. For him, FFOA gives members a voice.

Referring to retirement he provided a series of quotes he found appropriate as regards “retirement is what you make of it”. Quoting Lyndon Johnson, “I’m not in the speech making business nowadays. I’m following the advice of an old mountain woman who said; “When I walks, I walk slowly, When I sits, I sits loosely. And when I feel a worry coming, I just go to sleep”, he then moved on to Simone de Beauvoir who said, “Retirement may be looked upon either as a prolonged holiday or as a rejection, a being thrown on to the scrap heap”. He ended by quoting Bette Davis who said, “I will not retire while I’ve still got my legs and my make-up box”.

WFP, he said, is in a transformation period; the one constant at WFP is change. He noted that it is important to remain current, active and to change with the times. Going through a major transformation has been a revolution rather than an evolution, pointing out that we need to evolve with the times and those who are adaptable and can change with the environment will survive.

One change that is important at WFP is the collaboration with the Rome-based agencies with respect to the Zero Hunger Challenge of the Secretary General. This is a unique opportunity handed by the Secretary General and the agencies have to act

together and seize the opportunity if not others will take it away. To do this we need to transform. WFP needs to maintain its excellence in emergency response – this is a central role. But to move towards the Zero Hunger challenge we have to do more than just deal with the crisis that comes after a shock. WFP will continue to work on resilience building so that beneficiaries are prepared and ready for those shocks. Our response will be fast and rapid. And, we will work to assist in the recovery. These three “R”s – response, recovery and resilience, form a pendulum, not a continuum; when you go forward you need to swing as far forward as possible so that when the shock happens and you swing backwards, recovery and resilience support will limit that swing backwards as well as the damage.

The Executive Director introduced an organization review, then she announced that WFP would be “fit for purpose” after which the organization has began to work on a framework for action to ensure a strong organization. Mr Abdulla is responsible to manage the process to define the framework.

He acknowledged that pensioners are made up of a huge amount of experience and knowledge and thanked several WFP staff members that have returned to WFP to share their knowledge and experience.

He closed by quoting Abraham Lincoln who said, “And in the end it’s not the years in your life that count, it’s the life in your years”.

Mr Azzu thanked **Mr Abdulla** for his statement and noted that many people admire the work being carried out by WFP who in the spirit of the UN works on the front line to save lives. He welcomed the organization change initiative, as change is important. He agreed that pensioners still have a lot of capacity to deliver and also have good institutional memory and was pleased that WFP is using the talents of its retirees.

He thanked WFP for assisting FFOA in printing its documents such as those for the General Assembly and the Newsbrief.

Mr. Marius de Gaay Fortman intervened from the floor to thank **Mr Abdulla** for his inspiring words as well as to thank WFP, including the Medical Services and the Management Services, for agreeing to host a pharmacy.

10. Statement by the Representative of the Staff Representative Bodies

Mr. Bencivenga, IFAD Staff Representative, made the following remarks:

During recent years we have all experienced uncertain economic times where budget cuts and ‘do more with less’ appear to be magic words for everything.

Of course we must be flexible and adapt to changing situations, but there is a limit to how cheaply we can do this before the quality of the services performed decreases and the work environment deteriorates affecting staff morale and efficiency.

In this hectic cost reduction exercise, we must not and cannot forget that staff is an asset. Their health and working conditions must be protected.

On the contrary, we often see staff exposed to greater risks, their career paths hindered, the efficiency of the mechanisms available for grievance reduced, and respect for staff and their acquired rights increasingly being ignored.

In an ideal world, budget reform means maintaining the quality of the services while reducing the costs. And identifying and fighting inefficiencies could only realistically achieve this. When staff are treated like goods and not like resources, when the work-life balance is such that we forget to watch our son’s or daughter’s play because we have to deliver, then the entire working environment starts to

deteriorate, morale declines and unfairness and lack of transparency become more common every day.

This sensitive point is where many organizations have failed and keep failing. Considering when, where and how budget cuts are often applied, we wonder if there really is a true will to identify the inefficient areas.

We can change this trend by ensuring an optimal collaboration with the teams representing the various Staff Associations and FFOA. Becoming stronger and more united, thinking and acting as one in the interest of all, we can make a difference.

However, this can't be left to the good will of single members of the different associations, and it must be well structured.

A great problem of the Staff Representatives of all agencies is that we act as volunteers, and with the growing workloads that all of us are facing these days, it is very difficult to be effective if we can't dedicate the needed time to staff members.

Therefore I want to take the opportunity given by your General Assembly to formally ask FFOA to collaborate with us, with ECSA, as well as with the other Rome-based agencies.

Your time and your expertise can be very useful to the Staff Representative bodies, and I would like to ask you to identify FFOA members willing to collaborate with ECSA and other Unions/Associations on HR matters.

We look forward to strengthen our collaboration with FFOA and work together for a better future.

Mr. Rudolph Cleveringa, alternate, IFAD Staff Association, added that he has just filed to be a member of FFOA and to be a healthy retiree, work-life balance while employed is so important.

Mr Azzu thanked **Mr Bencivenga** for his comments spoken from the heart. He added that one should expect management to listen; the quality of the work will suffer when staff members are pushed to the limits. He affirmed FFOA's willingness for a close collaboration with the Staff Associations.

11. Presentation by the Representative of the FAO Social Security

Ms Kamila Guseynova, Secretary of the FAO/WFP Staff Pension committee, proposed a question and answer session rather than a presentation to allow for concerns to emerge.

Mr Alan Prien asked about the on-going negotiation process for Medical Insurance. Everyone is very used to Vanbreda however if the contract goes to another insurance company with another processor what provisions are in place for the transition? For example, if in December one has an accident and is under medical care that goes into the New Year, how will the new company take over the medical claims?

Ms Guseynova pointed out that negotiations should end late June/early July and the contract awarded, allowing for a six-month transition period. The new contract will contain a clause that claims for care from 2014 will be covered in 2015. The consultation process with JAC/MC will continue and FFOA is encouraged to bring forward any concerns that the membership might have.

Ms Margaret Vyle asked if retirees and staff could hold a referendum with respect to the contract process as she was happy with Vanbreda and didn't want a change.

Ms Guseynova said that there would be no referendum; the consultation process with JAC/MC continues and FFOA, being a member, acts in the best interest of its members.

Mr. Dierk de Wit asked why it isn't possible to continue with Vanbreda as the claims agent even if the insurance company changes because members are pleased with the Vanbreda service.

Ms Guseynova explained that the contract will now be directly with the insurance company and it is up to that company to appoint the claims handler, ensuring that the service provided will be of the same quality criteria currently provided by Vanbreda. The claims handler will have a presence at HQ and be able to have available more direct billing processes in the countries where we work. **Mr Eberle, FFOA**, added that with a changing market there are more insurance companies, than in the past, that are capable of handling claims processing; Vanbreda was purchased by a large insurance company.

Mr Ed Seidler asked for confirmation that the invitation to bid is based on a continuation of the current coverage (level and scope) that has been in place for the past 10 years.

Ms Guseynova confirmed there is no change in the level of coverage; it is also hoped to keep the premiums at the same level, maybe even lower as this is in both the interests of the staff and the organization.

Ms Elizabeth Famosi asked if a unified insurance (medical and non medical) would affect another insurance she has with Vanbreda.

Ms Guseynova said it would not; furthermore GLADI coverage will not change.

Ms Mona Bishay asked if the decision taken to invite companies to bid rather than extending the current contract was due to a low level of satisfaction with Vanbreda.

Ms Guseynova clarified that as the current contract is expiring it is normal procedure to issue a tender; it was decided to issue a closed rather than an open tender.

Mr John McGhie asked to know more about the liability issue with respect to After-Service Medical coverage.

Ms Guseynova explained that the FAO Finance Committee asked to identify options to reduce the FAO liability. A working group will be formed and recommendations will be finalized before the next Finance Committee meeting. This work is not about reducing the After-Service Medical coverage but how to address the FAO liability that is currently unfunded. **Mr George Aelion (WFP PSA)** pointed out that each agency has a different liability situation with IFAD being fully covered and WFP pretty much covered. **Ms Guseynova** added that FAO has already put aside 35 to 40 percent and needs to see how to cover the unfunded liability.

Mr Perez De Vega asked for reaffirmation that for 2015, under a new contract, expenditures carried over from 2014 will be covered.

Ms Guseynova reaffirmed that this would be the case.

Ms Maureen Jones asked to know why preventative natural medicine was not covered.

Ms Guseynova said that she did not know why but FFOA could propose to discuss this issue at a future JAC/MC meeting. **Mr Azzu** further added that vitamins are not currently reimbursed.

Ms Florence Egal asked to know the names of the FFOA members on the JAC/MC.

Mr Alan Prien replied that the representatives are Messrs. Ed Seidler, Giorgio Eberle and Marco Breschi.

Mr Azzu thanked **Ms Guseynova** for the interactive, question and answer session. He reiterated that medical coverage level and quality of service would be

maintained. **Mr Eberle** added that FFOA would organize a briefing session for members, inviting the representatives of the selected insurer and claims processor and the FAO Social Security.

12. Address by the CEO, UN Joint Staff Pension Fund

Mr Alan Prien introduced Mr Sergio Arvizú, CEO of the UN Joint Staff Pension Fund who made a presentation (See: <http://www.fao.org/ffoa/main-menu/pensions/en/>). The key messages from this presentation include:

- The Fund is in a very good operational and financial situation; it is efficient,
- The actuarial valuation trend is being reversed due to a multitude of actions,
- The Fund has recovered from the financial crisis of 2007-09,
- There has been a growth in participation and benefit payments are being made from dividends and interest not the principle,
- The Fund expects to achieve a 3.5% investment return,
- There is greater inter-dependency of assets and liabilities,
- The Fund is more robust and able to face shocks that might occur in a changing environment,
- The governance has been strengthened through IPSAS compliance, enterprise risk management, strengthened internal controls (including fraud prevention) and improved career paths for staff, and
- Pensions are secure and benefits will be paid on time and accurately.

Mr Arvizú highlighted that in 2013 the CEO and the Representative of the Secretary General were asked, “to review and, if necessary and appropriate, update the current Memorandum of Understanding with UN Office of Human Resources Management with a view to ensuring that the Fund’s human resources management is in line with its operational and investment needs”. He went on to say that there are no plans to either lower any recruitment standards or centralize additional powers to the CEO, there are no plans to outsource jobs of the Fund and there are no plans to otherwise negatively affect the existing staff, including their contractual status. Anonymous messages of concern widely circulated in the form of a petition were full of misconceptions. The review update will be presented at the meeting of the Pension Board being held in Rome in July 2014.

Also on the July Pension Board agenda will be the topic of actuarial valuation, the revised Memorandum of Understanding and small pensions.

Mr Fabio Bencivenga asked who is the final authority of the Pension Board.

Mr Arvizú clarified that the Pension Board administers the Pension Fund. The Secretary General appoints the staff but the Fund is not part of the UN Secretariat. The Pension Board is delegated authority to administer the Pension Fund. The Memorandum of Understanding needs to be up-dated.

Mr Charles Gracia asked to know if a review of the time frame to establish an exchange rate (10 years instead of the current 3 years) is under consideration. He also wanted clarification on restoring the pension when there is a long break in service.

Mr Arvizú said this issue has been raised many times but several years ago, at a meeting of the Pension Board, it was decided not to review the issue. As for restoring the pension it has to happen within a year of returning to the UN system; the General Assembly rejected a proposal to allow returning staff to purchase additional years.



UNJSPF management at the GA: left-to-right, Mr Sergio Arvizu, CEO; Ms J. Sareva, Mr A. Blythe.

Mr Azzu noted that with excess liquidity in the world and low interest rates, what plans are in place in case the bubble bursts.

Mr Arvizú said that the Fund continues to watch this situation, looking at investments in a longer time horizon.

Mr Marco Breschi wanted to know the status on the Terms of Reference for Staff Pension Committees and if comments submitted have been taken into consideration (allocation of responsibilities for administering information on beneficiaries and participants).

Mr Arvizú said that the SPCs have provided good feedback on the latest drafts to define roles, however when a member organization joins the Fund it has to be bound by the rules. When staff members move from one organization to another, the Fund database will ensure a better management of the information and the regulations will reflect this change.

Mr Azzu thanked **Mr Arvizú** for the excellent presentation and for the assurance that the Fund is in a good financial position.

13. Reports of the Executive Committee

Mr Alan Prien, referring to Resolution “B” of the document FFOA/GA/2014/06, confirmed that the members had received the Statement of Work. He noted that the first part of the year had been hallmarked by preparatory work for the Forty-fourth session of the General Assembly and to host the FAFICS Council in July (immediately before the Pension Board). Support and guidance continues to be provided to the JAC/MC. The Newsbrief has been changed reflecting a new layout. Membership continues to be an important topic to increase the number of members and monitor arrears.

There being no comments, the Resolution “B” was adopted.

Mr Alan Prien took the opportunity to thank his Executive Committee colleagues for organizing the General Assembly, for representing FFOA on the JAC/MC, for publishing the Newsbrief, working hard to increase membership and for organizing the support to the FAFICS Council being held in Rome in July.

14. Report of the Association's Financial Transactions

Mr Gianni Monciotti, Treasurer of the Association, presented the Financial Report for 2013. Voluntary contributions reached Euro 15. Euro 6000 was received from the Staff Welfare fund. Expenditures were less than in 2012 due to a conservative spending policy. However, there were no funds available to activate the Emergency Fund but given an end of year surplus, the Executive Committee will reconsider this issue.

The membership fee remains the same. FFOA's assets are \$75,000. FFOA is in good health but it is important keep an eye on the situation. There will be enough cash on hand to cover liabilities in case FFOA has to close down (though we hope this will not happen). He thanked the "Reviewers" for issuing a certification of accounts.

For 2015 the budget will be the same as for 2014 and no major expenditures are anticipated.

The Treasurer recommended **Mr John McGhie** and **Mr Bernd Kaess** as "Reviewers" for the 2014 accounts.

Mr Azzu, noting there were no questions on the financial report for 2013, the financial status on 31 December 2012 the proposed budget for 2015 and the proposal to re-appoint the above-mentioned two Reviewers, declared the budget approved and the proposed "Reviewers" appointed as per the adoption of Resolution "C", "D", "E" and "F" of document FFOA/GA/2014/06.

15. Other Business

No proposals were received from the members, Mr Azzu therefore handed the meeting over to the President of FFOA to deal with any other business and the closure of the meeting.

Mr Prien thanked everyone who contributed to the success of the meeting. He urged members to consider joining the Executive Committee. He invited everyone to observe a moment of silence to commemorate all retired staff that had passed away, including the former President, Mr Anton Doeve.

16. Closure of the Forty-second Session of the General Assembly

Mr Prien, President of FFOA, officially closed the Assembly at 13.10 hours.

The Forty-fifth Session of the General Assembly
will take place on
Wednesday, 27 May 2015 at 09:30 hours
at FAO Headquarters.

So plan ahead, mark it in your calendars, and
please come along and bring this report with you.