



Coordinating Committee for
International Staff Unions and Associations

Geneva, 11 March 2022

Dear Mr. Guazo,

Allow me to thank you for providing more information on your plans to outsource up to 75 percent of the fixed-income portfolio, which currently values around 17 billion dollars.

Based on the information that has been shared with us, we fail to understand the reasons behind the move to external management, given the unnecessary and costly duplication of internal capacity.

We also believe that your intention to “stop the bleeding” has been addressed by the management changes you have implemented in response to issues highlighted by OIOS, and through a new Strategic Asset Allocation that significantly reduces our exposure to risky assets. Given that the pension fund has access to the same financial instruments as Wall Street and employs equally experienced investment officers, there should be no reason for a lower performance. Indeed, the pension fund’s other portfolios have worked fine under internal management.

Ultimately this proposed outsourcing calls into question the nature of our pension fund. Is it one that continues to be managed prudently by experts employed by the fund who by being UN staff have a stake in its long-term health, a system that employs the fund’s economies of scale to keep down costs and that has by the fund’s own telling outperformed the private sector up to now? Or is it one that is outsourced to Wall Street to be the victim of a short-term get-rich-quick bonus culture with little regard to the welfare of beneficiaries around the world?

We stand today at a fork in the road that will decide the future of our fund. We ask that you reverse the outsourcing strategy and keep the management of our assets safely in-house. I look forward to your assurances of the same.

Best regards,

Prisca Chaoui
CCISUA President

Mr. Pedro Guazo
Representative of the Secretary-General
for the investment of the assets of the UNJSPF

CC: Mr. Antonio Guterres, UN Secretary-General
Ms. Catherine Pollard, Under-Secretary-General for Management Strategy,
Policy and Compliance
Mr. Jan De Preter, Secretary of the Board, UNJSPF