

DRAFT REPORT ON AFICS GENERAL ASSEMBLY

21 APRIL 2009

1. Opening of the session

The Assembly was opened by Roger Eggleston, AFICS President, who asked for a short moment of silence to remember those who had passed away since the last General Assembly.

He welcomed guest speakers Maurice Graber, responsible for senior citizens in the Geneva Social Services, and Alan Blythe, Chief of the Geneva Pension Fund Office. He also welcomed representatives of the CERN retirees association, with which he hoped to develop more interaction, the General Secretary of FICSA, who stressed the need for close cooperation with AFICS, and representatives of the UN, ILO and WIPO administrations.

He introduced the members of AFICS Executive Committee.

2. Election of the Presiding Officer

Warren Furth nominated Gilbert Ferrari, former Chief of the Geneva Pension Fund Office as Presiding Officer, praising his experience and qualities. This proposal was seconded and adopted by the Assembly.

3. Adoption of the agenda

The agenda was adopted by the Assembly without change.

4. Announcement of the results of the elections to the Committee

The President of the Polling Officers, Sébastien Martinek announced that there were nine candidates for the nine vacant positions in the Committee. In accordance with Article 17.5 of the Statutes, there was therefore no need to initiate a voting process.

Elected *de facto* were:

Beigbeder, Yves, Belchamber, Elizabeth, Cohen, David, Eggleston, Roger, Kossovsky, Samy, Mateu, Juan, Narasimhan, Venkataraman, Sekela Mortier, Agnès, Vangeleyn, Pierre.

These results were confirmed by the Assembly.

Roger Eggleston added that, in accordance with Article 16.3 of the Statutes, Anders Tholle, former President of AFICS who had not sought re-election to the Committee, had been appointed as an Honorary Chairman of the Committee.

5. Report of the Committee

Roger Eggleston said that he would focus on a few areas in the written Annual Report although members would be free to ask questions on all topics.

5.1. Pension Fund

Introducing Alan Blythe, Roger Eggleston said that AFICS had excellent and frequent contacts with the Pension Fund secretariat in Geneva, with Alan Blythe and Bernard Cochemé in the Secretariat in New York. Current problems included the impact of the global financial crisis on the Pension Fund investments and the issuance of the Certificate of Entitlement. It was hoped that more responsibilities would be given to the Geneva UNJSPF Office for those who were served by that Office..

Alan Blythe recalled that this was the 60th anniversary of the Fund, a sign of its longevity. As a defined benefit fund, the Fund was itself a long-term entity with long-term commitments. It was managed in a long-term perspective.

The volatile market conditions had had an effect on the fund whose assets had been reduced from an all-time high of \$ 42 billion to \$ 29 billion in March 2009. There was, however, no need for panic nor for hasty changes.

A. Blythe emphasized that the Fund is solvent, there is no problem of liquidity. Contributions by participants are sufficient to meet pension payments.

On the lost pouches containing Certificates of Entitlements for pensioners in Italy and Switzerland, he apologized for this failure. The problem had been solved, and greater delegation from New York to the Geneva Office would help prevent such mishaps in the future.

G.ilbert Ferrari thanked Alan. Blythe for the quality and lucidity of his presentation.

Questions

In response to a question concerning the impact of the financial crisis on the double-track system, Alan Blythe replied that, as far as anyone could see, the double track system would not be changed.

In reply to a question from Paul.Rolian, the 3,5 percent return on the Fund's investments was used by the actuaries in order to meet its long-term obligations.

He also asked if the Fund's secretariat could be acknowledge receipt of completed Certificates of Entitlements. The answer was that this would exceed the current resources of the secretariat. The possible use of a Website was discussed and could be used in part for this purpose.

N.athalie Tschyrkov raised the issue of the amendment of Article 35 bis of the Fund Statutes, and hoped that this would be finally settled in the interest of divorced spouses, who should also be entitled to health coverage.

5.2. Health Care and Long Term Care

Roger Eggleston first referred to concerns expressed in the UN General Assembly about the cost of health care by some government representatives. The President of FAFICS and the UN Administration had explained that health insurance coverage was an important element of employment conditions, needed to attract candidates who would no longer enjoy health protection from their own country when employed by the UN.

He stressed the need for vigilance in following this issue.

Another issue has arisen in the Swiss Tessin Canton, where a tribunal had decided that the UN health coverage of a UN retiree was inadequate, not equivalent to that provided by the LAMal (the Swiss Loi Fédérale sur l'Assurance Maladie) and that the retiree had to join and pay a Swiss insurance policy. It was pointed out that individual Swiss Cantons had authority in health coverage matters. The UN had filed an appeal against this decision, now *sub judice*, with the Federal Tribunal in Lausanne which went counter to the long-standing agreement between the organizations and Switzerland according to which the organizations' health insurances were deemed to be globally equivalent to LAMal. The organizations' claim was that this agreement should apply to all cantons of Switzerland.

5.3. Taxation

Roger Eggleston recalled the initiative taken by the Section of Former ILO Officials of the Staff Union to provide all retirees with an attestation signed by the ILO Administration confirming that staff members' contributions to the UN Pension Fund had been subject to staff assessment (comparable to national income taxation). Thus taxation of pensions constituted "double taxation" of the portion contributed by participants. Six UN retirees – 3 in the UK, 2 in Switzerland, 2 in France – had apparently had a positive reaction from their tax authorities, namely, a reduction of their tax.

Other Associations of UN system retirees had been asked to take a similar action.

However, there was no guarantee that national legislations would amend their tax provisions. It was suggested that such attestations should be issued by the Pension Fund secretariat.

Gilbert Ferrari pleaded for caution in this matter. He recalled that a French Arbitration Court ruled in 1987 that UN pensions were subject to French income tax. He also warned that if national taxation on UN pensions were reduced in some countries, UN pensions might then be reduced.

A participant also said that any formal initiative by the UN organizations to the Swiss authorities or to a Swiss court to reduce taxation on UN pensions would be sharply and publicly criticized as another undue privilege given to "overpaid UN bureaucrats".

Roger Eggleston concluded that this important but sensitive issue would be followed up with caution and care.

5.4. Social Welfare

Roger Eggleston introduced Ms Nana Leigh, AFICS Social Welfare Officer. He praised her for her excellent work – she works half-time for AFICS - and recalled that she is at the disposal of all UN retirees, not only AFICS members.

Ms. Leigh drew attention to the report on her activities in the AFICS Bulletin, Vol. 68, No.1 (p. 23). She dealt with a variety of cases, including personal and family issues, health and hospitalization, retirement homes, Solidarity Fund requests, general information, administrative problems. She maintained close contact with the Staff Counsellors of the Geneva-based UN organizations, with the Office of the Pension Fund in Geneva, social services in Geneva, the Canton de Vaud and neighbouring France. She must often visit persons who call for her help.

Presentation by Maurice Graber – responsible for senior citizens in the Geneva Social Services: Information on “Cité Seniors” in Geneva

Maurice Graber started with a quotation: “If you want to succeed, you must start young”.

He gave some facts about the higher life expectancy of men and women in the world and in Switzerland: in 2006, the number of persons aged 60 and older was 650 million. By 2025, the number would almost double. A related factor was the marginalization of senior citizens, as no longer “productive”, their exclusion from social life, the solitude of many. There was a need for solidarity between all ages. While education and entry into professional life were planned, there was no preparation for retirement.

The Swiss Canton were responsible for public health, but each commune was responsible for quality of life. The City of Geneva had taken an initiative to find out exactly what was being done for seniors. It had discovered that there were about 150 different associations concerned with older people in Geneva and that there was considerable dispersion of energies through lack of information and cooperation. There was a need to find out more precisely what seniors wanted and missed.

One important initiative taken by the City of Geneva had been the creation of the Cité Seniors in Geneva, 62 rue de Lausanne, with the support of the Mayor. It offered lectures, debates, advice on active retirement, Cafés Seniors, courses and workshops on informatics, gymnastics, theatre and dance. It organised exhibitions, fashion shows. The Cité had 25,000 visitors in 2008.

Geneva was also participating in the Global Age-Friendly Cities Project in partnership with WHO, together with other cities such as Istanbul, London, Mexico City, Moscow and New York.

Following a survey by the City of Geneva on seniors’ needs, thirty proposals were made concerning transportation, seating arrangements, sidewalks, traffic, recognition of volunteerism, fighting against solitude, organizing networks and solidarity jobs.

G. Ferrari thanked M. Graber for his exposé, enthusiasm and stimulating proposals.

6. Accounts for 2008 and related matters

Venkataraman Narasimhan, Treasurer, presented the accounts and the Report of the Auditors, who recommended to the General Assembly to approve the Balance Sheet as of 31 December 2008 and the Income and Expenditure Account for the Year ended on 31 December 2008.

The General Assembly gave its approval. Mr. Narasimhan was thanked for his continued excellent work.

7. Nomination of two auditors for 2009-04-23

Andre Weber is nominated, for a further term together with Ventura Garcia who would replace Anthony Ingram, unable to continue in this function.

8. Any other business

Paul Rolian gave information on “Greycells”, a non-profit Association of former international civil servants for development established in 2008 as a Swiss association. It enabled retired international civil servants willing to contribute to the global development effort to make their experience and expertise available, on a volunteer basis. Interested AFICS members were welcome to join Greycells. The yearly membership subscription was CHF.100.

In response to a question as to whether retirees’ accommodation with medical support like that available in the Netherlands was also available in the Geneva area. Maurice Graber suggested that the “Fondation d’aide et soins à domicile” be contacted for information.

Gilbert Ferrari thanked all participants and speakers for their presence and contributions. He also thanked the volunteer Committee members for their dedicated work.

Warren Furth gave full credit for the success of this Assembly to Gilbert Ferrari’s skill and competence.

The General Assembly closed at 12.15.