



Resolution on UNJSPF Investments

The 46th Staff Council,

Recalling that the United Nations Joint Staff Pension Fund (UNJSPF) was created by the UN General Assembly to pay pension and survivor benefits for international civil servants serving the UN Secretariat, Funds and Programmes and admitted Specialized Agencies.

reaffirming that pensions provided by the United Nations Joint Staff Pension Fund (UNJSPF) constitute a crucial element of the staff remuneration and, for the overwhelming majority of former staff members, the only source of income in their old age,

reaffirming its full support of the defined-benefits pension scheme that has been used by the UNJSPF since its inception,

recalling that the UNJSPF has been charged to make investments for our benefit, conforming to the 4 principles of safety, profitability, liquidity and convertibility.

alarmed by the change in the allocation of assets of the UNJSPF under the current representative of the Secretary-General for investments (RSG),

observing that the new asset allocation (SAA) leads to an increased currency, liquidity and sustainability risk, in particular as up to about 45% of the UNJSPF's assets are to be allocated to illiquid private markets and less liquid emerging markets debt and equity securities,

deeply concerned by the plans of the current Representative of the Secretary-General to allocate about 1 per cent of the UNJSPF's assets (over \$600 million United States dollars) to securities of the microfinancing institutions and similar types of unconventional instruments, problematic in terms of both ethics and sustainability,

rejecting the view expressed by the RSG at the 66th session of the Pension Board that, "constructive engagement with companies, including fossil fuel companies, can have a more meaningful impact compared to pure divestment"

concerned about recent bankruptcies in the coal sector and that investments in oil and gas production and exploration may turn into stranded assets as consumption of fossil fuels will have to be curtailed drastically to prevent the worst impacts of climate change

mindful of the United Nations system's commitment to limit the increase in global temperature to 1.5° C as outlined in its recently approved "Strategy for Sustainability

Management in the United Nations system”¹ as well as its leading role in calling for urgent climate action

The Staff Council hereby,

1. *Requests* the Secretary-General, as the fiduciary of the assets of the UNJSPF, to immediately reestablish the previous, more secure asset allocation, before UNJSPF incurs irreparable losses;
2. *Demands* the Secretary-General to initiate an independent and professional risk assessment study of the proposed asset allocation, including the stress test against the assumption of a global financial crisis;
3. *Recommends* the Secretary-General ensure his representative is prudently implementing the investment policy and giving priority to the safety, profitability, liquidity and convertibility of the portfolio;
4. *Requests* the Office of Investment Management to conduct an analysis of the exposure of UNJSPF investments to assets related to fossil-fuel production and exploration and to publish a detailed report with the results of this analysis on its website;
5. *Encourages* the United Nations Pension Board to follow the examples of major sovereign wealth and pension funds, as well as large university endowments that have taken measures to divest from fossil fuel assets;
6. *Requests* the United Nations Pension Board to urgently develop and adopt a policy that will direct the Office of Investment Management to phase out UNJSPF’s direct and indirect investments in companies engaged in fossil fuel production and exploration by 2025;
7. *Requests* that the Leadership of the New York United Nations Staff Union deliver this resolution to the Secretary-General, the President of the United Nations General Assembly and the Chairperson of the Pension Board.

Adopted	YES
For	8
Against	0
Abstention	1

¹ (CEB/2019/1/Add.1)