

Summary of discussions held by President, AFSM-SEARO
with officials of UNJSPF and UNFCU in May 2019

UN JOINT STAFF PENSION FUND

(1) Delay in getting estimates of pension, especially in regard to two-track options; and in approval and implementation of the move from Dollar track to two-track system.

It was explained that these were teething problems arising out of the recent introduction of a new ERP system (IPAS). Once the system settles down, the response time would improve. Under this system pension estimates are now calculated manually which takes longer. Efforts are under way to reduce the response time. An internal target of up to two weeks has been set in the case of requests for estimates under the Dollar track and four weeks for requests under the two-track system. Any case that takes longer would be investigated separately.

(2) Many pensioners do not receive their annual CEs necessitating approaching the local UN office for a duplicate in order to pre-empt stoppage of pension.

It was mentioned that these could be due to postal issues. Specific cases brought to the attention of UNJSPF would be investigated and the mailing system looked into. It might be worth investigating if it is the same pensioner whose CE is not received year after year. This might help in finding a right solution.

(3) As an annual exercise, assistance of UN Pensioners' Associations is sought in contacting such pensioners whose signed CEs have not been received by UNJSPF and whose pensions are on the verge of being stopped. It would be helpful if the Associations are furnished full contact details in order to reach out to such retirees.

At present it is not possible to provide more contact details than are being provided due to audit, legal and privacy issues. However, the possibility of sending details to the local UNDP office would be explored.

(4) What has been the progress in regard to the review of the governance structure of the Fund and participation and role of retirees on the Board of UNJSPF, as recommended vide UNGA resolution 73/274 ?

This matter has to be taken up at the highest level of the Board.

(5) How are CoL and exchange rates for pension purposes worked out and could the pensioners' associations be involved in these?

CoL and exchange rates are worked out by ICSC and UNJSPF has no say in arriving at these figures.

(6) Can a statement be made available to Indian pensioners showing monthly gross pension, ASHI deduction and net monthly payment for the FY April-March (useful for income tax purposes) ?

An annual statement of total gross pension for the period April-March could be sent on request. However, a month-by-month figure is already available and can be easily extracted from Disbursement section under MSS.

UN FEDERAL CREDIT UNION

(1) How could a UNFCU account be closed?

For closure, an email needs to be sent to email@unfcu.com from a registered email ID giving details and reason for closure. In case of death, the official death certificate has to be sent. UNFCU would then advise on further steps to be taken and the documents required.

(2) UNFCU is deducting "withholding tax from out of monthly interest on my account". Since I am not a US person and not subject to US tax, there should be no such deduction.

According to US tax laws, every person who is not subject to US laws must confirm by submitting a signed form W-8Ben, otherwise a 30 percent withholding tax from interest income is to be applied. The validity period of form W-8Ben is three years, so unless a fresh form is submitted at the end of three years, a deduction of 30 percent withholding tax is made. No refund can be made for withholding tax deducted for any previous completed calendar year; however, refund for any deduction made during the current year can be made on receipt of this form. Form W-8Ben can be downloaded from the UNFCU website.

(3) How could we get better returns on idle funds lying with UNFCU ?

Interest rates in US are low starting from .05 per cent on checking account and from 0.5 per cent on normal savings account to 1.24 per cent on high-yielding savings account. Details of interest rates are available on UNFCU's website. Further, investment advisers are also available for free advice on different kinds of investments. They can help you maximise your return depending on your goals and risk tolerance. Again, the contact details are available on UNFCU website.

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