



AFICS-Cyprus Newsletter

Number 012 October 2019

EDITORIAL

We are now approaching the 7th anniversary of AFICS-Cyprus on 20 November. Established in Nicosia in 2012, the association attempts to support and promote the interests of its members with assistance on any matter, working to help members take full advantage of their rights provided by United Nations retirement and other related schemes. Pensions are the main source of income for about a quarter of the EU population, and the Secretary-General has addressed chronic problems besetting the UN Pension Fund.

Like every year, the 74th Session of the United Nations General Assembly (UNGA) was held between 17-30 September 2019 in New York City. The meeting took place amid growing global tensions including hostilities between India and Pakistan over Kashmir, US-Iran tensions and rising extremism. The concern over climate change has also grown, as well as the dominating issues of the last few months concerning trade anomalies between the US, Europe and China, and of course the prolonged confrontations in Syria – all of which have an influence on people living in Cyprus, and particularly pensioners who, at this time in their lives, look for a stable and predictable environment. Instead, we are faced with political, economic and environmental phenomena which have never been witnessed in recent history, and all have left serious marks on our lives.

In an effort to boost morale, the Executive Committee does its utmost to organise get-togethers for AFICS-Cyprus members. Regrettably, no outing took place this summer, but on 11 October, 12 members enjoyed a delightful meal at the Charcoal Meze Tavern. Now we can look forward to the annual Christmas get-together lunch will take place at the Syrian Arab Friendship Club on Saturday 14 December. The time will be announced shortly and all members will be informed.

At the last meeting, the Executive Committee decided to issue the publication of the Newsletter once a year in the month of October, rather than every January and July. Should any member wish the Committee to revert to the original biannual issues, do get in touch.

As we move towards the end of 2019, the Executive Committee would like to wish everyone all the very best as we approach the festive season, and health and happiness throughout the coming year.

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THE EXECUTIVE COMMITTEE

During 2019, the Executive Committee held meetings on:

- 19th March, and
- 23rd May

The Committee consists of the following members:

President: Mr Benon Sevan
Vice-President/Newsletter Editor: Ms Miriam Pericleous
Secretary: Ms Aida Bichara-McNally
Treasurer: Mr Terje Andersen
Webmaster: Mr Gianfranco Longo
Entertainments Member: Dr Michael Voniatis
Committee Consultant: Mr Yangos Antoniadis

GET THE SHOT – NOT THE FLU!

Flu vaccination by injection, commonly known as the “flu jab”, is available every year to protect those at risk of flu and its complications. Flu can affect people of all ages, rendering them bedridden for days with symptoms such as high fever, cough, weakness in the joints and bones and shivering.

Studies have shown that the flu jab is not a 100% guarantee that you’ll be flu-free, but if you do get flu after vaccination, it’s likely to be milder and shorter-lived than it would otherwise have been.

When to have a flu jab

The best time to have a flu vaccine is in the autumn, from the beginning of October to early November, but if you’ve missed it, you can still have the vaccine later in winter.

Preventing the flu

- Avoid close contact with people who are sick. Keep your distance from others to protect them from getting sick too.
- Arrange for the good ventilation of houses and work spaces. Where there is heating, windows should not be completely closed but should be a little open so that the air is recycled.
- If possible, stay home from work, school, and errands.
- Cover your mouth and nose with a tissue when coughing or sneezing. It may prevent those around you from getting sick. The virus can remain alive for up to 36 hours on tissues and other items discarded by people who are infected.
- Washing your hands often will help protect you from germs. If soap and water are not available, use an alcohol-based hand rub.

AFICS-Cyprus 7th Ordinary Assembly

The 7th Ordinary Assembly of AFICS-Cyprus took place on 12 March 2019. Originally scheduled for the Lecture Room at the Bank of Cyprus Head Office, the meeting had to be re-located to a nearby restaurant open area, due to an unannounced police exercise in the vicinity.

Nevertheless, the meeting did take place with a total of 34 members. Minutes of the meeting are published on the AFICS-Cyprus website.

The Cultural Heritage of Cyprus: Part VI – Vouni: A Classical Palace

In this instalment of the cultural heritage of Cyprus, we visit the well-appointed palace of Vouni. Hot and cold water and sauna baths were among this classical palace's amenities before it was destroyed by fire around 380 BC, but perhaps the palace's finest feature would have been its location, which combined beauty with defensibility.

From its hilltop position in Cyprus's northwest, Vouni overlooks the rumpled foothills of the Troodos Mountains as they meet the Mediterranean, the wide arc of Morphou Bay, and the Kyrenia Mountains further north. Today, the fully excavated foundations of the palace still share the stunning views.



Its construction appears to coincide with the unsuccessful Cypriot revolt of 499/8 BC against the Persians, in which almost all the Greek Cypriot kings, along with the Phoenician ruler of Kition (the site of modern-day Larnaca), participated. After the uprising, the pro-Greek city of Soli was given to the pro-Persian King of the site of Marion (which would have been near Polis). To control Soli, he then built a fortified garrison palace on a nearby hill: Vouni.

The name by which we know Vouni is highly appropriate, but this was not actually a palace. It is remembered as such because of the rich treasures that were found here, including silver jewellery, many coins, a bronze bull and finely crafted statues. It takes its name from "Vouno", the Greek word for high peak or mountain, which through time came to be pronounced as "Vouni" as a name for the area.

Swedish archaeologists conducting digs between 1927 and 1931 were among the first to cast a light on Cyprus's past. Its systematic work in the Vouni Palace was highly important to the team, particularly as it was conducted in the view of the Petra Tou Limnidi island, which is one of the places where the flame of civilisation was first lit on Cyprus. Chief archaeologist Einer Gjerstad described the digs at Vouni Palace and Petra Tou Limnidi as the "Awakening of the Island".

The Vouni Palace is the only example of Persian architecture, not only in Cyprus but in the Eastern Mediterranean. The seven steps, each 16 metres in

breadth in the palace's main square, are the widest of their kind in all of Cyprus.

The palace's courtyard was made of columns connected to one another. There was a well directly in the centre of this courtyard, which provided the palace's water needs. Rainwater would be collected here for use in the summer months.

Another feature of the Vouni Palace courtyard was that it connected to every room in the palace. Particularly noticeable are the column heads, made of limestone, that depict the face of the ancient Egyptian goddess Hator. Sadly, owing to natural erosion, Hator's facial features have not made it prominently to the present day.

Another important work is the Vouni hamam, the oldest hamam in Cyprus and a window into our understanding of the hygienic practices of people at that time.

The Temple of Athena was dedicated to the goddess Athena and is found at the very top of the hill towards the southern end of the plateau. Constructed on a rocky area, the temple is two storeys tall in places and was built to contain two main entrances. It combines architectural techniques from both the Persian and Greek traditions.

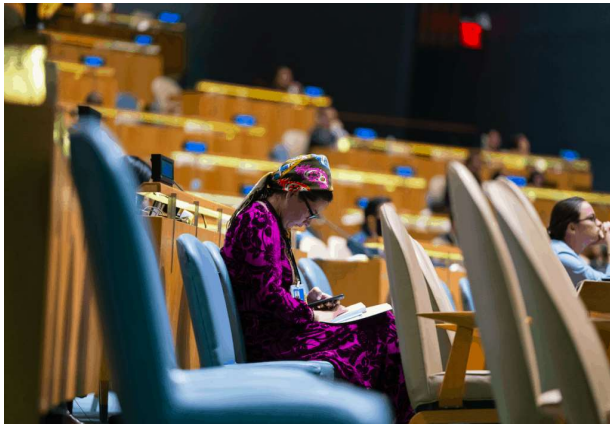
The palace itself stood for nearly a century, but was damaged beyond use after being attacked by the people of neighbouring Soli, who saw it as a threat. Although it yielded many treasures in later years, it was never used again.

AFICS-Cyprus Social Events

An excellent evening was arranged on the evening of 11 October when AFICS members met to enjoy a typical Cypriot meal. In Cyprus, popular taverns are known for their plentiful mezes! This particular venue, Karvounotsimpimata (The Charcoal Meze Tavern), not only offered delicious local platters but also had a guitarist, rendering Greek and international popular songs during the evening.

Regrettably, the event was not greatly attended. The Committee would happily welcome suggestions from members regarding any other eating places which could offer something special – something which would hopefully attract a better attendance!





The \$67 Billion UN Pension Fund: The Good, the Bad and the Ugly

October 10, 2019 by Loraine Rickard-Martin

Ms. Loraine Rickard-Martin has written an excellent article on the United Nations Joint Staff Pension Fund (UNJSPF) which appeared in Passblue on 10 October 2019 (<https://www.passblue.com>).

For regular updates on UNJSPF, please see Ms. Rickard-Martin's blog <http://unpension.blogspot.com/>. Ms. Rickard-Martin has been following most meticulously the developments concerning the UNJSPF, and her comments and observations thereon are, as always, most informative.

The UN pension fund for staff members has been mired in problems for years. Now, it is slow-walking reforms, says a close observer. Here, a scene at the UN General Assembly opening session, Sept. 28, 2019. CIA PAK/UN PHOTO

Since 2014, when staff members of the United Nations Pension Fund blew the whistle on serious mismanagement in its secretariat, a change in leadership has been made on both sides – assets and liabilities – of the \$67.4 billion fund. Yet the turmoil persists.

Stabilizing the fund's management and investment decisions has been mandated by General Assembly governance reforms that culminated in a 2018 resolution, A/RES/73/274, amid a continuing dysfunctional culture clouding the fund's operations.

Rejection of independent audits and other checks and balances

The comprehensive governance audit (A/73/341), June 2018) that the Assembly requested lays out numerous conflicts of interest between the pension board and the fund's management.

The audit faced a chilly reception. Last year at the board's annual meeting in Rome, it rejected most of the findings and referred the UN oversight auditors to the Independent Audit Advisory Committee, alleging a "flawed and unprofessional" process.

Last month, the audit advisory committee affirmed in a letter dated Sept. 5 to the board's chairman, Ambassador Philip Richard Owade (of Kenya), that it found no evidence that professional auditing practice and standards had not been followed.

Whistleblowers not welcomed

Board members' resentment against the board's UN participant representatives, who represent 85,000 active UN staff members and include the whistleblowers who raised awareness about problems in the fund's secretariat under the ex-chief executive, Sergio Arvizú, drives board dynamics.

Additional tensions come from smaller UN specialized agencies on the board who fear reforms, particularly those in which they could lose their voting weights if adjustments are made to the board's composition, based on relative numbers of members and size of contributions.

When the board tried to block the whistleblowers from taking their seats as elected members of the body, the UN Appeals Tribunal found in their favour and pronounced the board's actions "unlawful" and "egregious".

Undaunted, the board pursued amendments to fund rules and regulations to limit the scope of issues that were referred to the Appeals Tribunal and to prevent fund staff members from running for election to the board.

Slow-walking General Assembly reforms

The UN participant representatives said they were subjected to intimidation, physical threats and suspension in one case at the annual board meeting in Nairobi in July.

The board's communiqué about the meeting, dated July 26, 2019, and posted on the fund's website, is long on process, such as the need for attendees' "loyalty, discretion and conscience" and confidentiality, but short on substance. There's little expectation of meaningful substance in the board's upcoming report on General the Assembly's directives or requests.

Investments: a plus

The representative of the UN secretary-general for investments, Sudhir Rajkumar of India, reported that after record-low revenues were registered in December 2018, the market value for the fund had rebounded by last June from \$60.4 billion to \$67.4 billion. The fund is also exceeding its long-term real rate of return of 3.5% by a healthy margin.

On the fund's environmental and social policy, on which Rajkumar promised a comprehensive report, the fund has divested from tobacco, arms and coal stocks but concerns remain about its investment in oil companies.

Concerns also linger over whether Rajkumar's policy shifts from equities to alternative investments and an

increased emphasis on geographic diversification will reduce some inflation risks while increasing others.

There are accusations that Rajkumar tends to micromanage and has a low tolerance for dissent, including on investment decisions, and that career staff members fear being displaced by waves of new recruits.

Asked about these problems, Rajkumar responded that change in management often results in such reactions, and that instead of micromanaging, he had strengthened the investment decision-making process. In addition, he had indicated to everyone that he would welcome a UN oversight investigation of all complaints that have been filed, so the truth could come out. While he understood that a few staff members might feel vulnerable because of low investment performance numbers, no career staff member had been displaced, nor was there any intention to do so.

The fund's secretariat

When Janice Dunn Lee (of the United States), a former nuclear negotiator and deputy director general at the UN's International Atomic Energy Agency, who has been acting chief executive of the fund's secretariat since January, visited the fund's Geneva office last week, staff members reportedly wore black. It prompted her to say she felt "disrespected".

Geneva staff members apparently wore black to express their dismay that Lee has proposed, and the board has reportedly accepted, to move two senior jobs from Geneva to New York, purportedly to enhance coordination between the two offices. The president of the Geneva retiree association wrote to Lee on July 5, noting that the Geneva office serves beneficiaries in Europe, the Middle East and Africa (62% of all beneficiaries) and that the move will leave large numbers of beneficiaries underserved.

Years of fluctuating reports about the status of processing new and old benefit cases continues, with compliance against the 15-day benchmark for processing new cases ranging from 80 percent (according to Lee at a meeting of New York UN retirees last June) to 93.1%, as listed in a fund booklet titled "UNJSPF 70 Years 2019", published last month. But an internal dashboard last week posted a compliance rate of 57%.

Regarding old cases, Lee announced in Nairobi at the annual board meeting, according to its communiqué, that "there is no backlog of entitlement cases".

The audit (page 65) notes that of 15,000 pending cases that were not reported as backlog, the fund said it was not responsible for cases until all documentation was received, so those cases are not included in the count.

And what can be made of the \$45 million of forfeitures of benefits, according to the fund's 2018 financial statements; or 4000 cases slated for forfeiture, according to the UN participant representatives' report?

Tone at the top

The audit recommends that the "Board should take effective measures to ensure that the secretariat of the fund sets the appropriate tone at the top with regard to integrity and ethical values."

It is unclear who will ensure that the board adheres to these values, given these recent examples of rule-bending:

- The former chief executive's disability agreement was processed, against fund rules, through the staff pension committee of the International Atomic Energy Agency, where he never worked. That way, the agreement bypassed the UN staff pension committee and was facilitated by the head of the UN Office of Human Resources, a board member.
- The UN Ethics Office substantiated, and the UN Administration accepted, that Arvizù, the ex-chief executive, retaliated against three fund staff members, yet the human resources office took no action.
- The human resources office, in collaboration with the board, advertised a job vacancy for a Pension Benefits Administrator/CEO in May, although the General Assembly decided to replace the single chief executive post by creating two separate ones: a Pension Benefits Administrator and Secretary to the Board, no later than January 2020.

What fund members want

First and foremost, the fund's members want the General Assembly to end the board's slow-walking of reforms and to enforce compliance.

To ensure equitable board representation, including direct election of retiree representatives for the sake of transparency and representative democracy.

To ensure a professional and transparent board that respects the fund's rules and regulations, without onerous confidentiality requirements; respects the UN Code of Conduct "To Prevent Harassment, including Sexual Harassment, at UN System Events"; and ends attempts to intimidate and muzzle the UN participant representatives.

To ensure sound investment management in accordance with the fund's longstanding policy of balancing safety and profitability and the highest environmental and social standards.

To have more attention paid to the people, including widows and orphans, behind the statistics of pending benefit cases and tens of millions of forfeitures; and reverse the decision to gut the Geneva office, leaving almost two-thirds of beneficiaries underserved.

To have the hardworking staff members of the fund be treated fairly and with respect for due process and end harassment of the fund staff representative.

To have Secretary-General António Guterres ensure that the incoming fund secretariat head, Rosemarie McClean, formerly with the Ontario [Canada] Teachers Pension Plan, who is due to arrive in January, has high-calibre senior staff members to work with.

To urge Guterres and his representatives on the board, who are already taking a constructive approach, to positively transform the fund's grievance-based management culture. That is how the General Assembly reforms, so critical to the fund's sustainability, can be achieved.