UNJSPF

United Nations Joint Staff Pension Fund

United Nations Joint Staff Pension Fund

Financial report and audited financial statements

for the year ended 31 December 2020 and

Audit opinion of the UN Board of Auditors

Contents

Letter of transmittal

New York, 28 May 2021

In accordance with Financial Rule G.5 of the of the United Nations Joint Staff Pension Fund ("Fund"), we have the honour to transmit the financial statements of the Fund for the year ended 31 December 2020, which we hereby approve. The Chief Executive of Pension Administration and the Representative of the Secretary General for the Investment of the Assets of the Fund approve the financial statements for their respective areas of responsibilities. The financial statements have been completed and certified by the Chief Financial Officer of the Fund as correct in all material respects.

Rosemarie **McClean**
Chief Executive of Pension Administration
United Nations Joint Staff Pension Fund

Pedro Guazo (May 27, 2021 21:47 EDT)

Pedro **Guazo**
Representative of the Secretary–General
for the investment of the assets of the
United Nations Joint Staff Pension Fund

Mr. Jorge Bermudez
Chairperson
United Nations Board of Auditors

cc. Ms. Anjana Das, Executive Secretary, Board of Auditors
Ms. Valentina Monasterio, Director of External Audit, Board of Auditors
Mr. Pablo Dequero, Deputy Director, Board of Auditors
Mr. Karl-Ludwig Soll, Chief Financial Officer, UNJSPF

Report of the Board of Auditors on the financial statements: audit opinion

Opinion

We have audited the financial statements of the United Nations Joint Staff Pension Fund, which comprise the statement of net assets available for benefits (statement I) as at 31 December 2020, the statement of changes in net assets available for benefits (statement II), the cash flow statement (statement III), and the statement of comparison of budget and actual amounts on a comparable basis in relation to administrative expenses (statement IV) for the year ended 31 December 2020, as well as the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the United Nations Joint Staff Pension Fund as at 31 December 2020 and its changes in net assets available for benefits and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (IPSAS) and International Accounting Standard 26.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing. Our responsibilities under those standards are described in the section below entitled "Auditor's responsibilities for the audit of the financial statements". We are independent of the Fund in accordance with the ethical requirements relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and the auditor's report thereon

The Chief Executive of Pension Administration and the Representative of the Secretary-General for the investment of the assets of the Fund, within their respective authority under the Regulations of the Fund, are responsible for the other information, which comprises the financial overview contained in chapter IV below, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, on the basis of the work that we have performed, we conclude that there is a material misstatement in the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

The Chief Executive of Pension Administration and the Representative of the Secretary-General, within their respective authority under the Regulations of the Fund, are responsible for the preparation and fair presentation of the financial statements in accordance with International Accounting Standard 26 and IPSAS and for such internal control as the management determines to be necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the ability of the Fund to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going-concern basis of accounting unless the management intends either to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Fund.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation or the overriding of internal control;

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Fund;

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

(d) Draw conclusions as to the appropriateness of the management´s use of the going-concern basis of accounting and, on the basis of the audit evidence obtained, whether a material uncertainty exists in relation to events or conditions that may cast significant doubt on the ability of the Fund to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern; and

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Furthermore, in our opinion, the transactions of the Fund that have come to our notice or that we have tested as part of our audit have, in all significant respects, been in accordance with the Financial Regulations and Rules of the United Nations and the financial rules of the Fund and their legislative authority.

In accordance with article VII of the Financial Regulations and Rules of the United Nations, we have also issued a long-form report on our audit of the United Nations Joint Staff Pension Fund.

Jorge **Bermúdez**
Comptroller General of the Republic of Chile
Chair of the Board of Auditors
(Lead Auditor)

Kay **Scheller**
President of the German Federal Court of Auditors

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Hou Kai
Auditor General of the People's Republic of China

22 July 2021

Certification of Financial Statements for the year ended 31 December 2020

New York, 28 May 2021

The financial statements of the United Nations Joint Staff Pension Fund ("Fund") for the year ended 31 December 2020 have been prepared in accordance with the Regulations, Rules and Pension Adjustment System of the Fund[1], International Public Sector Accounting Standards (IPSAS) as issued by the International Public Sector Accounting Standards Board and International Accounting Standard (IAS) 26, Accounting and Reporting by Retirement Benefit Plans as issued by the International Accounting Standards Board (IASB). The summary of significant accounting policies applied in the preparation of the financial statements is included in the notes to the financial statements. The notes provide additional information on and clarification of the financial activities undertaken by the Fund during the period covered by these statements.

I certify that the appended financial statements of the United Nations Joint Staff Pension Fund are correct in all material respects.

Karl-Ludwig W. **Soll**
Chief Financial Officer
United Nations Joint Staff Pension Fund

[1] These financial rules are promulgated by the United Nations Joint Staff Pension Board in accordance with article 4 (b) of the Regulations of the Fund with effect from 1 January 2017. Subject to the provisions of the Regulations of the Fund and to resolutions and decisions of the General Assembly pertaining to the financial operations of the Fund, these financial rules shall govern the financial management and administration of the Fund and should be read in conjunction with the Administrative Rules. With regard to any matter not specifically covered by those rules, the appropriate provisions of the Financial Regulations and Rules of the United Nations shall apply, mutatis mutandis.

Statement of Internal Control for the year ended 31 December 2020

Scope of Responsibility

United Nations Joint Staff Pension Fund ("UNJSPF" or "Fund") was established by the United Nations General Assembly in 1949 to provide retirement, death, disability and related benefits for staff of the United Nations and the other international organizations admitted to membership in the Fund. The UNJSPF is a multiple employer defined benefit plan.

The United Nations Joint Staff Pension Board ("Pension Board"), a subsidiary organ of the General Assembly, has the overall supervisory responsibility for the administration of the Fund and for the observance of the Fund's Regulations and Rules.

The Chief Executive of Pension Administration ("Chief Executive"), discharges the Board's responsibility for the administrative supervision of the Pension Administration. The Chief Executive, under the authority of the Board, collects contributions, ensures record-keeping for the Pension Administration, certifies benefit payments, and deals with other issues related to the Fund's participants and beneficiaries. The Chief Executive is also responsible for ensuring actuarial matters are addressed with a view of maintaining the long-term sustainability and financial health of the Fund.

The investment of the assets of the Fund is the responsibility of the United Nations Secretary-General. The Secretary-General has delegated his authority and responsibility to act on his behalf in all matters involving his fiduciary duties related to the investment of the assets of the Fund to the Representative of the Secretary General for the Investment of the Assets of the Fund ("RSG"). The RSG has delegated responsibility for the management and accounting of the investments of the Fund. The RSG exercises this duty and makes investment decisions after consultation with the Investments Committee and in the light of observations made from time to time by the Pension Board on investment policy.

The Chief Executive and the RSG are responsible for establishing and maintaining a sound system of internal controls, in their respective areas of responsibility, to ensure the accomplishment of objectives, the economic use of resources, the reliability and integrity of information, compliance with rules and regulations, and the safeguarding of assets.

The purpose of the system of internal control

The system of internal control is designed to reduce and manage rather than eliminate the risk of failure to achieve the UNJSPF objectives and to improve performance. Therefore, it can only provide a reasonable and not absolute assurance of effectiveness. Internal control is an on-going process, effected by the Fund's governing bodies, senior management and other personnel, designed to provide reasonable assurance on the achievement of the following internal control objectives:

- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with applicable rules and regulations

UNJSPF Statement of Internal Control is related to the control objective of reliability of financial reporting, and therefore, its scope is limited to the effectiveness of internal controls over financial reporting as of 31 December 2020.

Capacity to handle risk

UNJSPF has implemented a governance structure, management process and internal and external oversight mechanisms to adequately identify, assess, manage, monitor and report the risks inherent to its operations. The enterprise-wide risk management framework adopted by the Fund reflects the nature of its operations and development as well as its specific requirements.

The UNJPSF Internal Control Policy approved in May 2014, defines internal control objectives, components and responsibilities, as well as, the lines of defense include related to i) management; ii) risk management and compliance sections; iii) internal audit; and iv) external audit. UNJSPF internal controls over financial reporting provide reasonable assurance that assets are safeguarded; transactions are properly recorded; authorized; and that there are no material misstatements in the financial statements.

UNJSPF risk management and internal control framework

The purpose of the enterprise-wide risk management framework ("EWRM") is to identify events that may affect the UNJSPF and manage risk within the Fund's risk appetite. UNJSPF risk management framework includes the following components:

- **Risk Management Governance**: The operation of the risk management framework is supported by the full ownership and accountability of the Pension Board, management and staff for risk management activities. Specialized Committees conduct oversight and provide advice to the Pension Board on risk management and internal control:

i) Audit Committee: Provides general oversight and offers recommendations for the Fund's internal and external auditing, and the UNJSPF's internal control framework.
ii) Fund Solvency and Assets and Liabilities Monitoring Committee: Advises the Board on risk management, funding policy, asset-liability management and investment policy matters.

- **Enterprise-Wide Risk Management Policy:** The policy provides the basis for the operation of the risk management framework and specifies its applicability throughout the Fund. The EWRM Methodology complements the policy and defines the steps, roles and responsibilities in the risk management process.
- **Risk Assessments:** The Fund conducts periodic risk assessment exercises, which serve as a basis to define strategies to address the Fund's key risks.
- **Risk Monitoring:** The Enterprise-wide Risk Management Working Group, chaired by the Chief Executive and the RSG, includes representatives from all units, and monitors the Fund's risk profile and the implementation of risk management strategies. Risk management officers promote the implementation of the EWRM framework; facilitate risk assessments; advise in the implementation of risk management strategies; and monitor and report on the Fund's risk profile.
- **Fraud Risk Assessment:** The Pension Administration and the Office of Investment Management ("OIM") perform fraud risk assessments to identify specific fraud schemes and risks, assess their likelihood and significance, evaluate existing fraud control activities, and implement actions to mitigate residual fraud risks.

Review of the effectiveness of internal controls over financial reporting

The Fund has considered the Internal Control – Integrated Framework Committee of Sponsoring Organizations of the Treadway Commission (COSO) as guideline for assessing its internal controls over financial reporting. UNJSPF management review of the effectiveness of internal controls over financial reporting as of 31 December 2020 is supported by:

- The preparation of the Statement of Internal Control which involved:
  - A scoping exercise to identify key processes, accounts and disclosures and their supporting key information and communications technology (ICT) services;
  - Identification of key financial reporting risks;
  - Identification and documentation of:
    i) entity level controls,
    ii) key controls over financial reporting;
    iii) anti-fraud controls; and
    iv) key ICT general controls that support the operation of other controls over financial reporting;
    v) operational effectiveness testing of the entity level, key controls over financial reporting and anti-fraud controls performed by management; and
    vi) Assertion Letters on the effectiveness of internal controls over financial reporting signed by key officers in the Pension Administration and the Office of Investment Management. These officers recognize their responsibility for maintaining and executing internal controls over financial reporting and reporting any deficiencies identified.
- An independent service auditor performed an independent service audit on the controls applied by Northern Trust, the Record Keeper for the Fund's investments and the Custodian Banks for the investments. The audit was conducted in accordance with the Standards issued by the American Institute of Certified Public Accountants (AICPA) and the Internal Auditing and Assurance Standards Board. The audit concluded that, in all material respects, the controls were suitably designed and operating effectively to provide reasonable assurance that control objectives would be achieved.
- In April 2016, the Pension Administration obtained the ISO27001 information security certification for IPAS, which is valid for three years, until March 2019. A surveillance audit conducted in 2018 concluded that the information security processes function as expected and effectively meet the requirements of the standard. Since then, the Fund suspended the yearly surveillance audit to seek conformance with the ISO27701 Privacy Information Management System, extending the scope of its security controls to personal identifiable information. The Fund continues to maintain and update the controls originally certified under the ISO27001 certification schema.
- An independent auditor performed an ISAE 3402 type 2 audit of United Nations International Computing Centre (UNICC) Information and Communication Technology Services and related controls over financial reporting. The ISAE 3402 type 2 audit provides an independent assessment of whether UNICC's controls are suitably designed and operated effectively. The ISAE 3402 type 2 Audit Report conclusion for 2020 was an unqualified opinion.
- The Audit Committee reviewed the results of OIOS and BoA audits and received information on the implementation of audit recommendations. The Fund's Chief Executive, RSG, Chief Financial Officer, Risk and Compliance Officers, internal and external auditors had periodic meetings with the Audit Committee.

- In accordance to its mandate, OIOS, provided assurance that internal controls are adequate and functioning effectively. In the execution of a risk-based audit plan endorsed by the Audit Committee, OIOS conducted audit examinations to provide assurance on the effectiveness of internal controls and identify control deficiencies. The Chief Executive and the RSG, in their respective areas of responsibility, took appropriate actions to address recommendations resulting from internal audits.
- As per its mandate, BoA examined independently the Fund´s internal controls and financial statements, performing such tests and other procedures as they considered necessary to express an opinion in their annual audit report. BoA was given full and unrestricted access to all financial records and related data, and to the Fund's management and Audit Committee to discuss any findings related to the integrity and reliability of UNJSPF financial reporting. The external audit report accompanies the financial statements.

Significant internal control matters arising during the year

The Statement of Internal Control for the year ended 31 December 2020 draws attention to key areas impacting internal controls over financial reporting:

1. At its 66th session in July 2019, the Pension Board established the Office of the Secretary of the Board. At its 75th session, the General Assembly adopted resolution 75/246 and recalled its resolutions 73/274 and 74/263, in which among other aspects decided that the Secretary of the Board shall be fully independent from the Chief Executive of Pension Administration and the Representative of the Secretary-General, and shall report directly to the Board, while being provided with administrative support from the Pension Administration and the Office of Investment Management, as necessary.
2. Since mid-March 2020, in light of the global COVID-19 pandemic crisis and following the United Nations Secretary-General's guidance and local authorities' directives, crisis management mechanisms were activated and the Fund´s staff has been working remotely. Essential UNJSPF staff continued performing critical functions in-situ and other services were digitalized or provided remotely to ensure smooth business continuity.

Statement

There are inherent limitations in the effectiveness of any internal control, including the possibility of human error or circumvention. Accordingly, even effective internal controls can provide only reasonable but not absolute assurance. Further, because of changes in conditions, the effectiveness of internal controls may vary over time.

We are committed, within the scope of our respective areas of responsibility, to address any weaknesses in internal controls over financial reporting identified during the year and to ensure continuous improvement of internal controls.

Based on the above, we conclude that to our best knowledge and information there are no material weaknesses in internal controls over financial reporting, in our respective areas of responsibility, which would prevent the external auditors from providing an unqualified opinion on the financial statements or would need to be raised in the present document for the year ended 31 December 2020.

Pedro Guazo (May 27, 2021 21:47 EDT)

Rosemarie McClean
Chief Executive of Pension Administration
United Nations Joint Staff Pension Fund

Pedro Guazo
Representative of the Secretary-General
for the investment of the assets of the Fund

26 April 2021
New York, NY

Financial Overview

Introduction

1. United Nations Joint Staff Pension Fund ("UNJSPF" or "Fund") was established by the United Nations General Assembly in 1949 to provide retirement, death, disability and related benefits for staff of the United Nations and the other international organizations admitted to membership in the Fund. The UNJSPF is a multiple employer defined benefit plan. As of 31 December 2020, there were twenty-four member organizations participating in the Fund. All participating organizations and employees contribute to the UNJSPF based on pensionable remuneration. The contribution rate is a fixed rate of 7.9% for participants and 15.8% for employers.

2. The United Nations Joint Staff Pension Board ("Pension Board"), a subsidiary organ of the General Assembly, has the overall supervisory responsibility for the administration of the Fund and for the observance of the Fund's Regulations and Rules. The Pension Board appoints an independent Secretary who is responsible for a full range of secretariat conference management and services. The role of the Secretary of the Pension Board is distinct from the roles and responsibilities pertaining to all aspects of the management, administration and investments of the Fund. The Secretary of the Pension Board reports directly to the Pension Board.

3. The Chief Executive of Pension Administration ("Chief Executive") is appointed by the Secretary-General on the recommendation of the Pension Board.

4. The Chief Executive acts under the authority of the Pension Board in the discharge of the latter's responsibility for administrative supervision of the Fund as a whole. This includes responsibility for the strategic planning and operational direction; establishment of policy; the administration of the Fund's operations and certification of benefit payments; risk management; regulatory compliance, the overall supervision of staff, as well as stakeholder communications. The Fund secretariat staff, under the authority of the Chief Executive, provides technical support services, prepares background documentation, and offers guidance and advice to the Pension Board and its subsidiary bodies, including its Standing Committee and the Committee of Actuaries. The Chief Executive serves as Secretary of the United Nations Staff Pension Committee. The Chief Executive participates in the meetings of the Fifth Committee of the UN General Assembly, the Advisory Committee on Administrative and Budgetary Questions, the International Civil Service Commission and any other pertinent bodies. In accordance with article 7 (c) of the Fund's Regulations, in the absence of the Chief Executive, the Deputy Chief Executive shall perform the functions of the Chief Executive.

5. Until 31 December 2019 the Chief Executive Officer/Secretary of the Pension Board was responsible for both of the roles now separately assigned to the Secretary of the Pension Board and the Chief Executive of Pension Administration.

6. The investment of the assets of the Fund is decided upon by the Secretary-General after consultation with an Investments Committee and in the light of observations and suggestions made from time to time by the Pension Board on the investments policy. The Secretary-General has delegated his authority and responsibility to act on his behalf in all matters involving his fiduciary duties related to the investment of the assets of the Fund to the Representative of the Secretary-General for the investment of the assets of the Fund ("RSG"). The RSG shall arrange for the maintenance of detailed accounts of all investments and other transactions relating to the Fund, which shall be open to examination by the Pension Board.

Financial Performance

Changes in Net Assets Available for Benefits

7. There was an increase in the net assets available for benefits for the year ended 31 December 2020 of $9,477.2 million (2019: an increase of $11,258.5 million). The increase was primarily attributable to investment income for the year.

8. The investment income for 2020 was $9,516.0 million (2019: income of $11,362.3 million). Investment income for 2020 primarily comprised of net change in fair value of investments of $8,208.6 million, dividend income of $817.4 million and interest income of $598.3. The decrease of $1,846.3 million from prior year was mostly the result of the extraordinary volatility of the financial markets in 2020.

9. Total contributions (from participants $949.3 million, member organizations $1,888.9 million, and other contributions of $9.0 million) for 2020 were $2,847.1 million (2019: $2,688.9 million), reflecting an increase of $158.3 million (an increase of 5.9%) over the 2019 total contributions.

10. Pension benefits for 2020 of $2,789.0 million (2019: $2,700.0 million), reflected an increase of $89 million (an increase of 3.3%) over the 2019 benefits.

11. Administrative expenses for 2020 of $103.2 million (2019 on a comparable basis: $103.6 million) reflected a decrease of $0.4 million (a decrease of 0.4%).

Statement of Net Assets Available for Benefits

12. Net assets available for benefits at 31 December 2020 were $81,511.7 million (2019: $72,034.5 million) which is an increase of $9,477.2 million (an increase of 13.2%).

13. Cash and cash equivalents at 31 December 2020 were $591.6 million (2019: $436.4 million) which is an increase of $155.2 million (an increase of 35.6%).

14. Fair value of Investments at 31 December 2020 were $80,891.3 million (2019: $71,550.0 million) reflecting an increase of $9,341.3 million (an increase of 13.1%). Details of the investment classes at 31 December 2020 and 2019 are below:

Investments:

	31 December 2020	31 December 2019	Change	
	$ million	$ million	$ million	%
Equities	48 245.2	42 309.1	5 936.1	14.0
Fixed income	22 377.5	20 412.6	1 964.9	9.6
Real assets	5 627.4	5 265.7	361.7	6.9
Alternatives and other investments	4 641.2	3 562.6	1 078.6	30.3
Investments	**80 891.3**	**71,550.0**	**9 341.3**	**13.1**

15. Investments and cash and cash equivalents:

	31 December 2020	31 December 2019	Change	
	$ million	$ million	$ million	%
Investments	80 891.3	71 550.0	9 341.3	13.1
Cash and cash equivalents	591.6	436.4	155.2	35.6
Total Investments	**81 482.9**	**71 986.4**	**9 496.5**	**13.2**

16. As a result of the spread of the COVID-19 global pandemic, economic uncertainties have arisen which had a potential to negatively impact the Fund’s financial condition, operations and cash flows of the Fund. Fund staff in New York, Geneva and Nairobi transitioned to remote working, when office locations were closed. The offices were closed due to COVID measures taken by the UN in alignment with guidance of local authorities. All Fund operations continued to fulfil their functions, although in person visitations by plan participants were suspended starting in March 2020.

17. In the first quarter of 2020 the value of the Fund’s portfolio declined in line with the market downturn, however, the financial markets recovered in the remaining quarters of 2020 and the value of the portfolio increased to record highs. The portfolio value at the time of the issuance of these financial statements exceeds the value as of 31 December 2020. The estimated unaudited market value of total investments of the Fund, net of the Fund secretariat’s cash and cash equivalents, as at 21 May 2021 was approximately $85.4 billion. Given that the Coronavirus pandemic is still unfolding, the Fund expects that the volatility in the markets may persist for the months to come. For additional information and weekly fund performance update, please refer to the Fund’s website (https://oim.unjspf.org/investments-at-glance/weekly-fund-performance). The Fund’s Pension Administration operations were impacted by the limitations of international postal services in the second quarter of 2020. The issues were mitigated by replacing paper-based communication through digital communication methods.

18. Total liabilities of the Fund at 31 December 2020 were $274.0 million (2019: $256.5 million), an increase of $17.5 million (an increase of 6.8%). The increase in total liabilities was primarily due to the total increase of benefit payable by $38.4 million and after-service health insurance and other employee benefits by $12.3 million, offset by decreases in payable from investments traded of $25 million.

Actuarial situation of the Fund

19. The actuarial present value of accumulated (promised) plan benefits (which does not take into account future increases in pensionable remuneration) is determined by independent actuaries. The amount is derived by applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. An early indication of any impact of COVID-19 on the mortality and morbidity of participants and beneficiaries will be known from the experience analysis that will be carried out in advance of the next full valuation.

20. The actuarial present value of accumulated plan benefits as of 31 December 2020 is as follows:

(Millions of United States dollar)

If future pension payments are made under Regulations:		
	Without pension adjustments	**With pension adjustments**
(1) Actuarial value of vested benefits		
(a) Participants currently receiving benefits	26 589	35 701
(b) Vested terminated participants	1 142	1 963
(c) Active participants	17 676	24 343
(d) Total vested benefits	**45 407**	**62 007**
(2) Non-vested benefits	984	1 252
(3) Total actuarial present value of accumulated plan benefits	**46 391**	**63 259**

Key Statistics

21. The number of Fund participants at 31 December 2020 was 134,632 (2019: 131,583), an increase of 3,049, or 2.3%.

22. The number of periodic benefits paid by the Fund at 31 December 2020 was 80,346 (2019: 79,975), an increase of 371 or 0.5%.

Financial Statements for the year ended 31 December 2020

United Nations Joint Staff Pension Fund

I. Statement of Net Assets Available for Benefits

(Thousands of United States dollars)

	Notes	31 December 2020	31 December 2019 (reclassified *)
Assets			
Cash and cash equivalents	4	591 585	436 354
Investments	5,6		
Equities		48 245 215	42 309 141
Fixed income		22 377 531	20 412 531
Real assets		5 627 373	5 265 732
Alternatives and other investments		4 641 189	3 562 570
		80 891 308	71 549 974
Contributions receivable		50 364	64 912
Accrued income from investments	7	155 355	163 163
Receivable from investments traded	5	17 645	15 390
Withholding tax receivable	8	52 150	35 789
Other assets	9	27 310	25 398
Total assets		**81 785 717**	**72 290 980**
Liabilities			
Benefits payable	10	144 372	105 970
Payable from investments traded	5	2 234	27 191
After-service health insurance and Other employee benefit liabilities	11	116 330	103 989
Other accruals and liabilities	12	11 106	19 352
Total liabilities		**274 042**	**256 502**
Net assets available for benefits		**81 511 675**	**72 034 478**

* Refer to Note 24 for details of the reclassifications.

The accompanying notes are an integral part of these financial statements.

United Nations Joint Staff Pension Fund

II. Statement of Changes in Net Assets Available for Benefits

(Thousands of United States dollars)

	Notes	For the Year 2020	For the Year 2019
Investment income/(loss)	13		
Net change in fair value of investments		8 208 579	10 009 778
Interest income		598 316	518 791
Dividend income		817 362	918 469
Income from unitized real estate funds		74 344	78 547
Less: Transaction costs and management fees		(179 840)	(158 748)
Less: Withholding tax		(3 606)	(3 232)
Other investment related income /(expenses), net		885	(1 348)
		9 516 040	11 362 257
Pension contributions	14		
From participants		949 291	890 381
From member organizations		1 888 877	1 771 258
Other contributions		8 979	27 217
		2 847 147	2 688 856
Pension benefits	15		
Withdrawal settlements and full commutation benefits		176 971	194 582
Retirement benefits		2 622 862	2 511 119
Other benefits/adjustments		(10 852)	(5 736)
		2 788 981	2 699 965
Income from services provided to the United Nations	2.3	7 313	-
Administrative expenses	16		
Secretariat of the Pension Board		1 144	678
Pension Administration		62 553	49 428
Office of Investment Management		37 651	40 028
Audit		1 846	1 631
		103 194	91 765
Other expenses	17	1 128	952
Increase (decrease) in net assets available for benefits		**9 477 197**	**11 258 431**

The accompanying notes are an integral part of these financial statements.

III. Cash Flow Statement

(Thousands of United States dollars)

	Notes	For the Year 2020	For the Year 2019
Cash flows from investing activities:			
Purchase of investments		(27 798 050)	(48 917 774)
Proceeds from sale/redemption of investments		26 632 723	47 553 775
Dividends received from equity investments		786 783	878 922
Interest received from cash and cash equivalents and fixed income investments		606 027	525 863
Income received from unitized real estate funds		73 815	75 641
Other investment-related income/(expense), net		896	(1 348)
Transaction costs, management fees and other expenses paid		(182 759)	(159 551)
Withholding taxes reimbursement		12 718	11 582
Net cash provided / (used) by investing activities		**132 153**	**(32 890)**
Cash flows from operating activities:			
Contribution from member organizations and participants		2 857 730	2 656 821
Benefits payments		(2 748 529)	(2 693 636)
Net transfer to/from other plans		1 744	21 780
Administrative expenses paid		(91 549)	(80 574)
Other expenses paid		(1 135)	(950)
Income from services provided to the United Nations		7 313	-
Net cash provided / (used) by operating activities		**25 574**	**(96 559)**
Net increase/(decrease) in cash and cash equivalents		157 727	(129 449)
Cash and cash equivalents at the beginning of year	4	436 354	564 891
Exchange (losses)/gains on cash and cash equivalents		(2 496)	912
Cash and cash equivalents at the end of year	4	**591 585**	**436 354**

The accompanying notes are an integral part of these financial statements.

IV. Statement of comparison of budget and actual amounts on a comparable basis in relation to administrative expenses for the year ended 31 December 2020

(Thousands of United States dollars)

	Appropriation 2020 *	Actuals on a comparable basis 2020	Variance	Percentage
A. Secretariat of the Pension Board				
Posts	530.0	695.5	165.5	31
Other staff costs	1.2	101.0	99.8	8 317
Travel of representatives	808.7	20.5	(788.2)	(97)
Travel of staff	34.6	28.7	(5.9)	(17)
Contractual services	315.0	249.5	(65.5)	(21)
General operating expenses	61.0	-	(61.0)	(100)
Sub-total	**1 750.5**	**1 095.2**	**(655.3)**	**(37)**
B. Pension Administration				
Posts	25 076.3	25 483.9	407.6	2
Other staff costs	7 583.1	5 667.3	(1 915.8)	(25)
Hospitality	3.0	-	(3.0)	(100)
Consultants	172.2	173.8	1.6	1
Travel of staff	564.3	59.4	(504.9)	(89)
Contractual services **	10 073.1	13 338.1	3 265.0	32
General operating expenses	8 765.1	7 344.7	(1 420.4)	(16)
Supplies and materials	105.5	26.0	(79.5)	(75)
Furniture and equipment	883.0	825.2	(57.8)	(7)
Improvement of premises	200.8	-	(200.8)	(100)
Sub-total	**53 426.4**	**52 918.4**	**(508.0)**	**(1)**
C. Office of Investment Management				
Posts	16 547.9	16 427.1	(120.8)	(1)
Other staff costs	1 806.9	1 689.0	(117.9)	(7)
Hospitality	13.7	0.3	(13.4)	(98)
Consultants	179.2	303.6	124.4	69
Travel of representatives	272.3	1.9	(270.4)	(99)
Travel of staff	657.2	76.7	(580.5)	(88)
Contractual services	20 439.5	12 559.6	(7 879.9)	(39)
General operating expenses	3 643.2	2 495.8	(1 147.4)	(31)
Supplies and materials	31.8	3.7	(28.1)	(88)
Furniture and equipment	304.7	184.5	(120.2)	(39)
Sub-total	**43 896.4**	**33 742.2**	**(10 154.2)**	**(23)**
D. Audit				
External audit	393.2	393.2	-	-
Internal audit	1 214.8	1 246.5	31.7	3
Sub-total	**1 608.0**	**1 639.7**	**31.7**	**2**
Total administrative expenses	**100 681.3**	**89 395.5**	**(11 285.8)**	**(11)**

The purpose of schedule is to compare budget to actual amounts on a comparable basis, i.e. actual amounts on the same basis as the budget. As the Pension Fund's budget is prepared on a modified cash basis and the actual costs on a comparable basis are consequently also shown on a modified cash basis, the total for actual costs on a comparable basis does not agree with the administrative expenses shown in the statement of changes in net assets as that statement is prepared on an accrual basis.

* The General Assembly approved the appropriation for 2020 in its resolution 74/263.

** Actuals include expenditure for International Computing Centre ($8.5 million).

Explanation of significant differences (greater than +/-5 per cent) between budget and actual amounts on a comparable basis

A. Secretariat of the Pension Board

Post: The overexpenditure reflects the actual expenditure compared with the budgeted rates relating to standard costs.

Other staff costs: The overexpenditure is primarily due to higher than projected requirements for general temporary assistance.

Travel: The underexpenditure is due to the travel restrictions during the COVID-19 pandemic.

Contractual services: The underexpenditure is primarily due to lower than projected requirements for the recruitment of Deputy Chief Executive of Pension Administration, partially offset by the requirements for consultancy services to support and advise to the governance structure of the UNJSPF.

General operating expenses: The underexpenditure relates to the conference and security services for the Pension Board meeting as the meeting was held virtually due to COVID-19 pandemic.

B. Pension Administration

Other staff cost: The under expenditure is attributable primarily to lower than projected expenditure for general temporary assistance and overtime in Operations and Client Services owing to the lower than expected workload as member organizations delayed separations and a reduction in recruiting temporary staff as well as reduction of utilization of overtime during the COVID-19 pandemic.

Hospitality: The underexpenditure relates to limited in-person meetings during the COVID-19 pandemic.

Travel: The underexpenditure is due to the travel restrictions during the COVID-19 pandemic.

Contractual services: The overexpenditure mainly relates to the information technology related projects such as consultancy services related to information technology strategy and industry standards, Digital Signature Verification Project using Kofax Total Agility, United Nations Digital Identity, Digital Certificate of Entitlement, upgrade of SAP Pension Interface, Case Digest migration, external access rights management for UNJSPF application, upgrade of share point, Cloud strategy and architecture plan, Robotic Process Automation consultancy, learning services, Business Intelligent dashboards and interfaces, automated testing tools, IPAS improvements and integration, business process improvements and software development life cycle models and methodologies, data quality improvement project including HR interface enhancements and data cleansing; Accounts Payable project.

General operating expense: The underexpenditure mainly relates to the prepayment of one month of rent and half the amount of real estate taxes for 2020 in 2019 to comply with payment schedule during the system transition from biennium to annual budget, delays in procurement process for cleaning contract, and lower than projected requirements for bank fees.

Supplies, furniture and equipment: The underexpenditure is mainly due to the lower requirements during the work from home period.

Improvement of premises: The underexpenditure relates to the postponement of relocation of Geneva Office to the Palais de Nation from 2020 to 2021.

C. Office of Investment Management

Other staff costs: The underexpenditure is attributable primarily to lower than projected expenditure for general temporary assistance.

Hospitality: The underexpenditure is due to less in-person meetings due to the COVID-19 pandemic.

Consultants: The overexpenditure is related to service for a research provider which was budgeted under contractual services.

Travel: The underexpenditure is due to the travel restrictions for both staff and representatives during the COVID-19 pandemic.

Contractual services: The underexpenditure is due to some delays in the contract execution phase for key projects under the Target Operating Model such as the Alternatives Platform, the Financial Data Warehouse solution, and the provision of a new ICT Managed Services Provider. The delays are mainly due to the complexity and unique nature of the solutions being procured while making sure that OIM's latest requirements are better aligned with industry standards.

General operating expenses: The underexpenditure relates mainly to the prepayment of one month of rent and half the amount of real estate taxes for 2020 in 2019 to comply with payment schedule during the system transition from biennium to annual budget, delays in procurement process for cleaning contract and underutilization of many services due to COVID-19 pandemic.

Supplies, furniture and equipment: The underexpenditure is attributable primarily to lower than anticipated expenditure for supplies and materials, the acquisition of hardware equipment due to on-going consolidation and optimization of staff equipment; and continued effort for more cost effective alternatives for software licenses including leveraging existing solutions.

Notes to the Financial Statements

1. Description of the plan

1. The following is a brief description of the United Nations Joint Staff Pension Fund (“UNJSPF” or the “Fund”). The UNJSPF Regulations and Administrative Rules in force are available at the Fund’s website www.unjspf.org.

1.1 General

2. The UNJSPF was established by the United Nations General Assembly in 1948 to provide retirement, death, disability and related benefits for staff of the United Nations and the other international organizations admitted to membership in the Fund. The UNJSPF is a multiple employer defined benefit plan. There were twenty-four member organizations participating in the Fund at 31 December 2020 and the Wassenaar Arrangement entered the UNJSPF as its twenty-fifth member organization as of 1 January 2021. All participating organizations and employees contribute to the UNJSPF based on pensionable remuneration. The contribution rate is a fixed rate of 7.9% for participants and 15.8% for employers (Note 3.5).

3. The Fund is governed by a Pension Board made up of (i) twelve members appointed by the United Nations Staff Pension Committee, four of whom are elected by the General Assembly, four from those appointed by the Secretary-General, and four from those elected by the participants in service in the United Nations; and (ii) twenty-one members appointed by the staff pension committees of the other member organizations in accordance with the Rules of Procedure of the Fund, seven of whom are chosen by the bodies of the member organizations corresponding to the General Assembly, seven from those appointed by the chief administrative officers of the member organizations and seven from those chosen by the participants in service.

1.2 Administration of the Fund

4. The United Nations Joint Staff Pension Board (“Pension Board”), a subsidiary organ of the General Assembly, has the overall supervisory responsibility for the administration of the Fund and for the observance of the Fund’s Regulations and Rules. The Pension Board appoints an independent Secretary who is responsible for a full range of secretariat conference management and services. The role of the Secretary of the Pension Board is distinct from the roles and responsibilities pertaining to all aspects of the management, administration and investments of the Fund. The Secretary of the Pension Board reports directly to the Pension Board.

5. The Chief Executive of Pension Administration (“Chief Executive”) is appointed by the Secretary-General on the recommendation of the Pension Board.

6. The Chief Executive acts under the authority of the Pension Board in the discharge of the latter’s responsibility for administrative supervision of the Fund as a whole. This includes responsibility for the strategic planning and operational direction; establishment of policy; the administration of the Fund's operations and certification of benefit payments; risk management; regulatory compliance, the overall supervision of staff, as well as stakeholder communications. The Pension Administration staff, under the authority of the Chief Executive, provides technical support services, prepares background documentation, and offers guidance and advice to the Pension Board and its subsidiary bodies, including its Standing Committee and the Committee of Actuaries. The Chief Executive serves as Secretary of the United Nations Staff Pension Committee. The Chief Executive participates in the meetings of the Fifth Committee of the UN General Assembly, the Advisory Committee on Administrative and Budgetary Questions, the International Civil Service Commission and any other pertinent bodies. In accordance with article 7 (c) of the Fund’s Regulations, in the absence of the Chief Executive, the Deputy Chief Executive performs the functions of the Chief Executive.

7. The investment of the assets of the Fund is decided upon by the Secretary-General after consultation with an Investments Committee and in the light of observations and suggestions made from time to time by the Pension Board on the investments policy. The Secretary-General has delegated his authority and responsibility to act on his behalf in all matters involving his fiduciary duties related to the investment of the assets of the Fund to the Representative of the Secretary-General for the investment of the assets of the Fund (“RSG”). The RSG arranges for the maintenance of detailed accounts of all investments and other transactions relating to the Fund, which are open to examination by the Pension Board.

8. A range of administrative functions supporting the Pension Board Secretariat, the Pension Administration and the Office of Investment Management (“OIM”) are provided by the Fund’s executive office reporting to the Deputy Chief Executive. Until September 2020 the Executive Office was supervised by the Chief Financial Officer on a temporary basis.

9. The Chief Financial Officer ("CFO") reports to the Chief Executive and to the RSG in their respective substantive responsibilities. The CFO is responsible for formulating financial policy for the Fund, for reviewing budgetary, financial and accounting operations of the Fund and for ensuring that an adequate financial control environment of the UNJSPF is in place to protect the Fund's resources and guarantees the quality and reliability of financial reporting. Additionally, the CFO is responsible for setting the rules for the collection from the different information systems and areas of the Fund, the financial and accounting data necessary for the preparation of the Fund's financial statements and has full access to such systems and data. The CFO ensures that the financial statements are in compliance with the Fund's Regulations and Rules, the accounting standards adopted by the Fund, as well as the decisions of the Pension Board and the UN General Assembly. The CFO also certifies the Fund's financial statements.

1.3 Participation in the Fund

10. Members of the staff of each of the twenty-four member organizations of the Fund become participants in the Fund upon commencing employment under an appointment for six months or longer or upon completion of six months service without an interruption of more than thirty days. As of 31 December 2020, the Fund had active contributors (participants) from member organizations/agencies include the main UN Secretariat, UNICEF, UNDP, and UNHCR as well as the various specialized agencies such as WHO, ILO, IAEA, ICAO, and UNESCO. (See Annex for a complete list of member organizations). There are currently periodic benefits paid to individuals in some 190 countries (See Annex for details). The total annual pension benefit payments are about $2.8 billion, which are paid in 15 different currencies.

1.4 Operation of the Fund

11. Participant and beneficiary processing and queries are handled by Operations of the Pension Administration, in offices located in New York, Geneva, Nairobi, and Bangkok. All the accounting for operations is handled in New York by centralized Financial Services. The Financial Services of the Pension Administration also manage receipt of monthly contributions from member organizations and the disbursement of the monthly pension payroll.

12. The RSG is assisted by the staff of OIM where investments are traded and processed, and investment transactions are reconciled and accounted for.

1.5 Actuarial valuation of the Fund

13. Article 12 of the Regulations of the UNJSPF provides that the Pension Board shall have an actuarial valuation made of the Fund at least once every three years. The Fund is performing actuarial valuations every two years and intends to continue doing so in the future. Article 12 further provides that the actuarial report shall state the assumptions on which the calculations are based, describe the methods of valuation used, and state the results, as well as the recommendations, if any, for appropriate action. See Note 18 for the actuarial situation of the Fund as at 31 December 2020.

1.6 Retirement benefit

14. Any participant who has five years of contributory service receives, upon separation at or after normal retirement age, a retirement benefit payable for the remainder of his or her life. "Normal retirement age" means age 60 for a participant whose service commenced prior to 1 January 1990 and age 62 for a participant whose service commenced or recommenced on or after 1 January 1990 and age 65 for a participant whose service commences or recommences on or after 1 January 2014.

15. The standard annual rate of retirement benefit for a participant who enters the Fund on or after 1 January 1983 is the sum of:

a) 1.5% of final average remuneration multiplied by the first five years of contributory service,
b) 1.75% of final average remuneration multiplied by the next five years of contributory service,
c) 2% of final average remuneration multiplied by the next twenty-five years of contributory service, and
d) The years of contributory service in excess of 35 and performed as from 1 July 1995, by 1% of the final average remuneration, subject to a maximum total accumulation rate of 70%.

16. The standard annual rate of retirement benefit for a participant who entered the Fund prior to 1 January 1983, is 2 percent of final average remuneration multiplied by contributory service not exceeding 30 years plus 1 percent of final average remuneration multiplied by such service in excess of 30 years, not exceeding 10 years.

17. The maximum benefit to participants, subject to the terms specified in the UNJSPF Regulations and Rules, is the greater of 60 percent of pensionable remuneration at date of separation or the maximum benefit that would be payable, at that date, to a participant at level D-2 (top step for the preceding five years).

18. The retirement benefit shall however be payable at the minimum annual rate which is obtained by multiplying the years of the participant's contributory service, not exceeding 10, by the smaller of $1,141.84 [effective 1 April 2020 – subject to subsequent adjustments in accordance with the movement of the United States CPI under the Pension Adjustment System] or 1/30 of the final average remuneration.

19. The annual rate of the retirement benefit shall nevertheless not be less, when no other benefit is payable on account of the participant, than the smaller of $1,816.32 [effective 1 April 2020 – subject to subsequent adjustments in accordance with the movement of the United States CPI under the Pension Adjustment System] or the final average remuneration of the participant.

20. "Final average remuneration" means the average annual pensionable remuneration of a participant during the 36 completed months of highest pensionable remuneration within the last 5 years of contributory service.

21. A participant may, except in the case where a minimum benefit is payable and he or she does not waive the rights thereto, elect to receive (i) if the retirement benefit is $300 per annum or more, a lump sum not greater than the larger of one-third of the actuarial equivalent of the retirement benefit (not exceeding the maximum amount payable to a participant then retiring at normal retirement age, with final average remuneration equal to the pensionable remuneration for the top step of level P-5) or the amount of the participant's own contributions at retirement, and the participant's retirement benefit is then reduced accordingly; or (ii) if the participant's retirement benefit is less than $1,000 per annum, the lump sum actuarial equivalent of the full retirement benefit, including the prospective spouse's benefit, if any, if the participant so elects.

Early retirement

22. An early retirement benefit is payable to a participant whose age on separation is at least 55 (58 for a participant whose participation commenced on or after 1 January 2014) but less than the normal retirement age and who has 5 years or more of contributory service at separation.

23. The early retirement benefit for a participant whose participation commenced prior to 1 January 2014 is payable at the standard annual rate for a retirement benefit reduced by 6 percent for each year between retirement date and normal retirement age; except that (i) if the participant has completed 25 but less than 30 years of contributory service at the date of retirement, the part of the benefit for service before 1 January 1985 is reduced by 2 percent a year, and the remaining part of the benefit is reduced by 3 percent a year; or (ii) if the participant has completed 30 or more years of contributory service at the date of retirement, the benefit is reduced by 1 percent a year; provided however that the rate in (i) or (ii) applies to no more than five years. The methodology of calculation of the early retirement benefits for employees participating on or after 1 January 2014 is detailed in article 29 of the UNJSPF Regulations and Administrative Rules.

24. The early retiree may elect to receive a lump sum on the same terms as for a retirement benefit.

Separation from service prior to eligibility for early retirement

25. A deferred retirement benefit is payable to a participant whose age on separation is less than normal retirement age and who has 5 years or more of contributory service at separation. The deferred retirement benefit is payable at the standard rate for a retirement benefit and commences at normal retirement age. The participant may elect to have the benefit commence at any time once the participant becomes eligible to receive an early retirement benefit from the Fund on the same terms as for an early retirement benefit.

26. A withdrawal settlement is payable to a participant separating from service before normal retirement age or on or after normal retirement age if the participant is not entitled to a future retirement benefit. The participant receives his or her own contributions increased by 10 percent for each year of contributory service in excess of 5 years, to a maximum increase of 100 percent.

1.7 Disability benefit

27. A disability benefit is payable to a participant incapacitated for further service for a period likely to be permanent or of long duration.

28. The disability benefit is payable at the standard or minimum annual rate for a retirement benefit if the participant is at least normal retirement age at disability. If the participant is under normal retirement age, it is payable at the rate of the retirement benefit to which the participant would have been entitled if he or she had remained in service until normal retirement age and his or her final average remuneration had remained unchanged.

29. The annual rate of the benefit shall, notwithstanding the above, not be less, when no other benefit is payable on account of the participant, than the smaller of $3,024.24 [effective 1 April 2020 – subject to subsequent adjustments in accordance with the movement of the United States CPI under the Pension Adjustment System] or the final average remuneration of the participant.

1.8 Survivor's Benefit

30. A benefit is payable to a surviving spouse of a participant who was entitled to a retirement, early retirement, deferred retirement, or disability benefit at the date of his or her death or who died in service if they were married at the time of separation and remained married at the time of death. Certain limitations on eligibility apply in cases of divorced surviving spouses. The surviving spouse's benefit is generally payable at half the amount of the participant's retirement or disability benefit and is subject to certain minimum levels.

1.9 Child benefit

31. A child's benefit is payable to each child under the age of 21 of a participant who is entitled to a retirement, early retirement, or disability benefit or who has died in service, while the child remains under 21. The benefit may also be payable in certain circumstances to a child that is over the age of 21, such as when the child is found to have been incapacitated for substantial gainful employment. The child benefit for each child is generally 1/3 of any retirement or disability benefit due to a participant or that would have been due in the case of a participant who died in service, subject to certain minimum amounts and also limited in maximum amount. In addition, there are certain total maximum amounts that apply in cases of multiple children of the same participant.

1.10 Other benefits

32. Other benefits include the secondary dependants' benefit and the residual settlement benefit. A full description of these benefits is available in the UNJSPF Regulations and Administrative Rules.

1.11 Pension adjustment system

33. The provisions of the Fund's Pension Adjustment System provide for periodic cost-of-living adjustments in benefits. In addition, for participants who retire in a country whose currency is not the US dollar, the current pension adjustment system is intended to ensure that, subject to certain minimum and maximum provisions, a periodic benefit never falls below the "real" value of its U.S. dollar amount, as determined under the Regulations, Administrative Rules and Pension Adjustment System, and preserves its purchasing power as initially established in the currency of the recipient's country of residence. This is achieved by establishing a dollar base amount and a local currency base amount (two-track system).

34. The "real" value of a U.S. dollar amount is that amount adjusted over time for movements of the U.S. Consumer Price Index (CPI), while the purchasing power of a recipient's benefit, once established in local currency, is preserved by adjusting it to follow movements of the CPI in his or her country of residence.

1.12 Funding policy

35. As a condition of participation in the Fund, participants are required to contribute 7.9% of their pensionable remuneration to the plan and earn interest at a rate of 3.25 percent per year in accordance with the article 11 (c) of the UNJSPF Regulations. The participants' contributions for the year ended 31 December 2020 and 31 December 2019 were $949.3 million and $890.4 million, respectively. The contribution figures do not include interest on the contributions.

36. The member organizations' funding policy is to make contributions on an estimated monthly basis and then to reconcile these estimated amounts in an annual year-end process. The member organizations' contributions are also expressed as a percentage of the participants' pensionable remuneration as defined in article 51 of the Regulations of the Fund. In accordance with the article 25 of the Fund's regulations, the member organizations' contribution rate is currently 15.8%; these contributions to the Fund totalled $1,888.9 million and $1,771.3 million during calendar year 2020 and 2019 respectively. When combined with the participants' contributions and expected investments returns, total funding is estimated to be sufficient to provide for all employees' benefits by the time they retire.

37. The assets of the Fund are derived from:

(a) The contributions of the participants;
(b) The contributions of the member organizations;
(c) The yield from the investments of the Fund;
(d) Deficiency payments, if any, under article 26; and
(e) Receipts from any other source.

1.13 Plan termination terms

38. Membership in the Fund may be terminated by decision of the General Assembly, upon the affirmative recommendation of the Pension Board, following application for termination by a member organization or continued default by an organization in its obligations under these Regulations.

39. In the event of such termination, a proportionate share of the total assets of the Fund at the date of termination shall be paid to the former member organization for the exclusive benefit of its staff who were participants in the Fund on such date, pursuant to an arrangement mutually agreed between such organization and the Pension Board.

40. The amount of the proportionate share shall be determined by the Pension Board after an actuarial valuation of the assets and liabilities of the Fund.

41. In the event that an actuarial valuation of the Fund shows that its assets may not be sufficient to meet its liabilities under these Regulations, there shall be paid into the Fund by each member organization the sum necessary to make good the deficiency.

42. Each member organization shall, contribute to this sum an amount proportionate to the total contributions which each paid under article 25 during the three years preceding the valuation date.

43. The contribution of an organization admitted to membership less than three years prior to the valuation date shall be determined by the Pension Board.

1.14 Changes in Funding policy and Plan terminations terms during the reporting period

44. There were no changes in the funding policy and plan termination terms during the reporting period.

2. General information

2.1 Basis of presentation

45. In accordance with the Regulations of the Fund, adopted by the United Nations General Assembly, and the Fund's Administrative Rules, including the financial rules, made by the Pension Board and reported to the General Assembly and the member organizations, the accompanying financial statements have been prepared on the accrual basis of accounting in accordance with the International Public Sector Accounting Standards ("IPSAS") and International Accounting Standards ("IAS") 26, Accounting and reporting by retirement benefit plans. The financial statements of the Fund consist of the following:

(a) A statement of net assets available for benefits;
(b) A statement of changes in net assets available for benefits;
(c) A statement of cash flows;
(d) A statement of comparison of budget and actual amounts on a comparable basis in relation to administrative expenses;
(e) A note disclosing the actuarial present value of defined retirement benefits, distinguishing between vested benefits and non-vested benefits;

(f) Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory notes

46. The Fund adopted IPSAS as of 1 January 2012. This also specifically included the adoption of IAS 26, Accounting and reporting by retirement benefit plans, of the International Financial Reporting Standards. While IAS 26 provides accounting guidance, it also offers direction on the presentation of financial statements, as it requires the presentation of a statement of net assets available for benefits and a statement of changes in net assets available for benefits. As the Fund has incorporated the guidance in IAS 26 into its financial policies, the presentation of its financial statements is based on this guidance. On a voluntary basis and at the request of the Board of Auditors, the Fund has also presented cash flow statements on a comparative basis in accordance with IPSAS 2: "*Cash flow statements"*, since 2016. Additional information is presented where requested by IPSAS standards. For instance, as required by IPSAS 24: "*Presentation of budget information in financial statements*", the Fund has included in its financial statements a comparison of budget and actual amounts on a comparable basis and a reconciliation between the actual amounts on a comparable basis (see note 21). While IPSAS 24 states that the actual cost on a comparable basis should be reconciled to the cash flows from operating, investing and financing activities as presented in the cash flow statement, management has decided to reconcile these amounts to the administrative expenses recognized in the statement of changes in net assets. This is due to the fact that the Fund's budget is limited to the administrative expenses incurred in a year.

47. The financial statements are prepared on an annual basis. The financial statements are presented in United States dollars and all values are rounded to the nearest thousand US dollars except where otherwise indicated.

2.2 Significant Standards, interpretations, and amendments during the year

48. In August 2018, IPSASB issued IPSAS 41, Financial Instruments. IPSAS 41 establishes new requirements for classifying, recognizing and measuring financial instruments and replaces those in IPSAS 29, Financial Instruments: Recognition and Measurement. IPSAS 41 is based on International Financial Reporting Standard (IFRS) 9, Financial Instruments, developed by the International Accounting Standards Board (IASB). The significant changes introduced by IPSAS 41 as compared to IPSAS 29 are: Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. The standard is effective for annual reporting periods beginning on or after 1 January 2023, with early adoption permitted. Since the Fund's investments are carried at fair value an initial high-level analysis indicates that the impact of change on measurement of financial instruments is not expected to be material. The Fund expects to complete evaluating the requirements of IPSAS 41 in detail and the impact of change in measurement and disclosure requirements on the Fund's financial statements during the year 2021.

49. In January 2019, IPSASB issued IPSAS 42, Social Benefits. IPSAS 42 provides guidance on accounting for social benefits expenditure. Social benefits are defined as cash transfers provided to specific individuals and/or households who meet eligibility criteria; to mitigate the effect of social risks and address the needs of society as a whole. IPSAS 42 requires recognition of an expense and a liability for the next social benefit payment. This standard does not apply to cash transfers to individuals and households that do not address social risks, for example emergency relief. This standard is effective for annual reporting periods beginning on or after 1 January 2023, with early adoption permitted. An initial analysis indicates that the Fund does not expect any impact on its financial statements upon adoption of this accounting standard.

50. Other accounting standards and amendments to the existing standards that have been issued by the IPSASB are either not expected to have any impact or have immaterial impact on the Fund's financial statements.

51. In November 2020, IPSASB deferred the effective dates of IPSAS 41 and IPSAS 42 by one year to 1 January 2023 due to the COVID-19 pandemic and the challenges it has created.

2.3 Other general information

52. The Fund compiles its financial statements with data collected from three main areas. For operational activities (contributions and payment of benefits), the Fund maintains its own records on the Integrated Pension Administration System (IPAS). For investment activities, the Fund receives a monthly general ledger feed from the independent Record Keeper collected and reconciled from source data provided by the OIM and fund managers. For its administrative expenses, the Fund utilizes UN systems (Umoja)

to record and compile its administrative expense activity. Umoja provides information on a modified cash basis, which is subsequently restated to a full accrual basis by the Fund. Some of the administrative expenses of the Fund, including costs associated with the administrative tasks of the UN Staff Pension Committee Secretariat performed by the Fund on behalf of the United Nations. These are reimbursed by the United Nations under the terms of a cost sharing arrangement. Following the revision of the cost sharing arrangement in 2020, the Fund presents the reimbursement by the United Nations Secretariat as income from services provided to the United Nations, replacing the previous presentation which showed a reduction of administrative expenses in full accrual accounting in accordance with IPSAS requirements. Under the new agreement, the Fund also reimburses the United Nations Secretariat for the services provided to the Fund by the Secretariat, whereas until 2019 these services were provided free of charge in recognition of the services provided by the Fund to the UN Secretariat

3. Significant accounting policies

3.1 Cash and cash equivalents

53. Cash and cash equivalents are held at nominal value and include cash on hand, cash held with external managers, and short-term highly liquid time deposits held with financial institutions with maturities of three months or less from date of acquisition.

3.2 Investments

3.2.1 Classification of investments

54. All investments of the Fund are designated at fair value through surplus and deficit. Consequently, the Fund's investments are carried and reported at fair value on the statement of net assets available for benefits with changes in fair value recognized in the statement of changes in net assets available for benefits. Purchases and sales of securities are recorded on trade date basis. The designation and classification of the investments are carried out at initial recognition and reassessed at each reporting date.

55. Any transaction costs arising as part of an investment trade designated at fair value are expensed and recognized in the statement of changes in net assets.

56. The Fund classifies its investments into the following categories:

- Equities (including exchange-traded funds (ETFs), common and preferred stocks, stapled securities, publicly-traded real estate investment trusts)
- Fixed income (including Government and agencies securities, Corporate and Municipal/provincial bonds, Mortgage/Asset backed securities)
- Real assets (including investments in funds where the underlying assets are real assets such as real estate, infrastructure assets, timberland, commodity funds and agriculture)
- Alternative and other investments (including investments in private equity funds).

3.2.2 Valuation of financial instruments

57. The Fund uses the established and documented process of its independent Record Keeper for determining fair values which is reviewed and validated by the Fund at reporting date. Fair value is based on quoted market prices where available. If fair market value is not available, valuation techniques are used.

58. Investments in certain commingled funds, private equity and private real assets investment funds are not quoted in an active market and therefore may not have a readily determinable fair market value. However, the fund managers generally report investments of the funds on a fair value basis. Therefore, the Fund determines fair value using the net asset value (NAV) information as reported by the investee fund managers in the latest available quarterly capital account statements adjusted by any cash flows not included in the latest NAV reported by the investee fund manager. For financial assets and liabilities not designated at fair value through surplus and deficit, the carrying value approximates fair value.

3.2.3 Interest and dividend income

59. Interest income is recognized on a time-proportionate basis. It includes interest income from cash and cash equivalents and fixed income investments.

60. Dividend income is recognized on ex-dividend date when the right to receive payment is established.

3.2.4 Income from real assets and alternative investments

61. Income distributed from unitized funds is treated as income in the period in which they are earned.

3.2.5 Receivable/payable from/to investments traded

62. Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the date of the statement of net assets available for benefits. These amounts are recognized at the amount expected to be paid or received to settle the balance. Distributions from real assets and alternative fund investments declared but not received prior to year-end are also included under receivable from investments to the extent the latest available NAV of the fund that declares a distribution has recognized the distribution to be made.

63. Impairment of receivable from investments traded is recorded when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant broker. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganization, and default in payments are considered indicators that the receivable from investments traded is impaired.

3.3 Tax status and withholding tax receivables

64. The Fund's portfolio comprises of direct investments and indirect investments. Indirect investments are typically through an investment vehicle like Real Estate Investment Trusts, Exchange Traded Funds, Limited Liability Partnerships or Depository receipts. The Fund is exempt from national taxation of member states in accordance with Article 105 of the Charter of the United Nations and with Article II, Section 7(a) of the Convention on the Privileges and Immunities of the United Nations.

65. For direct investments some member states grant relief at source for the Fund's investment related transactions and income from investments whereas other member states continue to withhold taxes and reimburse the Fund upon filing of claim. In these instances, the Fund's custodians file claims to the governmental taxing authorities for refunds on behalf of the Fund. Taxes withheld on direct investments are initially recognized as "Withholding tax receivable" in the statement of net assets available for benefits. After initial recognition if there is objective evidence that the taxes are not recoverable, the carrying amount of the asset is reduced through the use of an allowance account. Any amount considered to be unrecoverable is recognized in the statement of changes in net assets available for benefits and is included under "Withholding tax expense". At end of the year, the Fund measures its withholding tax receivable at the amount deemed recoverable.

66. For indirect investments the investment vehicle is typically taxable entity and the Fund is not directly responsible for any tax; further the taxes incurred by investment vehicle can seldom be attributed to the Fund other than investment in Depository receipts. Taxes attributed to the Fund on indirect investments are recognized in the statement of changes in net assets available for benefits and is included under "Withholding tax expense". To the extent the Fund is subsequently virtually certain that the taxes will be recovered the amount is recognized as "Withholding tax receivable" in the statement of net assets available for benefits.

67. The Fund also incurs cost on account of certain taxes which are based on the value of the transaction. Transaction based taxes include Stamp duty, Security Transaction Tax, Financial Transaction Tax amongst others. Transaction based taxes are recognized in the statement of changes in net assets available for benefits and is included under "Other Transaction Cost". To the extent the Fund is subsequently virtually certain that the taxes will be recovered the amount is recognized as "Other receivable" in the statement of net assets available for benefits and "Other income" in the statement of net assets available for benefits.

3.4 Critical accounting estimates

68. Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

Fair value of financial instruments

69. The Fund holds financial instruments that are not quoted in active markets. Fair values of such instruments are determined using valuation techniques. Where valuation techniques are used to determine fair values, they are validated and periodically reviewed and modified as required. Where available, valuation models are calibrated by back testing to actual transactions to ensure that outputs are reliable. The Fund primarily relies on these tests performed by the investee company's independent auditors.

70. When fair value is based on an observable market price, the quoted price at the reporting date is used. The fair value of an asset in accordance with IPSAS 29 reflects a hypothetical exit transaction at the reporting date. Changes in market prices after the reporting date are therefore not reflected in asset valuation.

71. Fair value of financial instruments not quoted in an active market may also be determined by the Fund using reputable pricing sources (such as pricing agencies) or indicative prices from bond/debt market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. The Fund exercises judgment on the quantity and quality of pricing sources used.

72. Where no market data is available, the Fund may value financial instruments using internal valuation models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. Valuation models are created using observable data to the extent practicable. However, in areas such as credit risk (both the Fund and counterparty), volatilities and correlations may require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

73. The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

74. The valuation of investments in Real Assets and Alternative investments through limited liability partnerships requires significant judgement due to the absence of quoted market values, inherent lack of liquidity and the long-term nature of such investments. The valuation of these investments is based on the valuation provided by the general partners or managers of the underlying investments. The Fund primarily relies on these tests performed by the investee company's independent auditors and the individual investment managers compliance with generally accepted accounting standards and valuation procedures.

Taxes

75. Uncertainties exist with respect to the interpretation of complex tax regulations and changes in tax laws on withholding tax. Given the wide range of international investments, differences arising between the actual income and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax expense already recorded during the year and tax receivable deemed recoverable at end of the year.

Impairment

76. Annual review to assess potential impairment is another area where the Fund exercises significant judgment.

Provision for the Fund's non-investment related receivables

77. A provision is established to reflect the position of the accounts receivable, for all non-performing overpayments of pension benefits that are two years or older as of the respective year-end date of the financial statements.

Actuarial assumptions

78. The Fund uses actuarial methods for the disclosure of employee benefit liabilities. The related assumptions are disclosed in Note 11 in respect to after-service health insurance and other employee benefits of the Funds staff and in Note 18 for information on assumptions used for the actuarial liability to the beneficiaries of the Fund.

3.5 Contributions

79. Contributions are recorded on an accrual basis. Participants and their employing member organizations are required to contribute 7.9% and 15.8%, respectively, of their pensionable remuneration to the Fund. Each month the Fund accrues a receivable amount for contributions expected. When contributions are actually received, the receivable is offset. Contributions are due to be paid by

member organizations by the second business day of the month following the month for which the contributions relate. The contributions vary based on changes in the number of participants, changes in the distribution of participants, changes in pensionable remuneration rates as a result of cost-of-living increases determined by the International Civil Service Commission, and the yearly grade step-increase to individual pensionable remuneration received by all participants.

3.6 Benefits

80. Payments of benefits, including withdrawal settlements, are recorded on an accrual basis. The right to a benefit is generally forfeited if, for two years (withdrawal settlement or residual settlement) or five years (retirement, early retirement, deferred retirement or disability benefit) after payment has been due, the beneficiary has failed to submit payment instructions or has failed or refused to accept payment. An estimated benefit liability is recognized for withdrawal settlements with a participation period of less than five years for which the beneficiary has not submitted the payment instruction for 36 months from the time of the obligating event. The estimate is based on the average of the last five-year expense for such cases.

3.7 Accounting for non-US dollar denominated currency translations and balances

81. Non-US dollar denominated currency transactions are translated using the spot exchange rate between the functional currency and the non-US dollar denominated currency at the date of the transaction.

82. At each reporting date, non-US dollar denominated monetary items are translated using the closing spot rate. The Fund applies ICE rates (primary source) and Bloomberg and Refinitiv rates (secondary source) as spot rate for the investment activities and the United Nations Operational Rate of Exchange for non-investment activities. Exchange differences arising on the settlement of these monetary items or on translation of these monetary items at rates different from those at which they were previously translated are recognized in the change in net assets available for benefits in the period in which they arise.

3.8 Leases

83. All of the Fund's leases are categorized as operating leases. An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under operating leases are recognized as an expense on a straight-line basis over the lease term.

3.9 Property, plant &equipment (PP&E)

84. PP&E are stated at historical cost less accumulated depreciation and any impairment losses. All assets acquired for a cost of $20,000 and above will be capitalized. The Fund reviews this threshold annually for reasonableness. The Fund does not own land or buildings.

85. Depreciation is provided for PP&E over their estimated useful life using the straight-line method. The estimated useful lives for PP&E classes are as follows:

Class	Estimated useful life in years
Computer equipment	4
Office equipment	4
Office furniture	10
Office fixtures and fittings	7
Audio/Visual equipment	7

86. Leasehold improvements are recognized as assets and valued at cost and are depreciated over the lesser of 7 years or the lease term. Impairment reviews are undertaken if indicators of impairment exist.

3.10 Intangible assets

87. Intangible assets are capitalized if their cost exceeds the threshold of US$20,000, except for internally developed software where the threshold is US$50,000. The capitalized cost of internally developed software excludes those costs related to research and maintenance. Intangible assets are stated at historical cost less accumulated amortization and any impairment losses. Amortization

is recognized over the estimated useful life using the straight-line method. The estimated useful lives for intangible asset classes are as follows:

Class	Estimated useful life in years
Software acquired externally	3
Internally developed software	6
Licenses and rights, copyrights and other intangible assets	Shorter of 3 years or the life of the asset

3.11 Emergency fund

88. The appropriation is made when the authorization is approved by the General Assembly. Participants wishing to avail themselves of this benefit make application to the Fund. After review and authorization, approved amounts are paid to the participant. Payments are charged directly against the appropriation account up to the authorized amount by the Pension Board. Current expense for the year is reported in the statement of changes in net assets available for benefits.

3.12 Provisions and contingent liabilities

89. A provision is recognized for future liabilities and charges if, as a result of a past event, the Fund has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

90. Contingent liabilities are disclosed for any possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Fund. Contingent liabilities are also disclosed where present obligations that arise from past events cannot be recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations, or the amount of the obligations cannot be reliably measured.

3.13 Employee benefits

91. Amongst certain short-term and other long-term benefits, the Fund provides its employees with certain post-employment benefits.

92. After-service health insurance and repatriation grant are classified as defined benefit schemes and accounted for as such.

93. The employees of the Fund are themselves participating in the UNJSPF. While the Fund is a defined benefit scheme, it has been classified as a multi-employer fund. The plan exposes participating organizations to actuarial risks associated with the current and former employees of other organizations participating in the Fund, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets, and costs to individual organizations participating in the plan. The Fund in line with the other participating organizations in the Fund, is not in a position to identify its share of the underlying financial position and performance of the plan with sufficient reliability for accounting purposes, and hence has treated this plan as if it were a defined contribution plan in line with the requirements of IPSAS 39. UNJSPF’s contributions to the plan during the financial period are recognized as expenses in the statement of changes in net assets available for benefits.

3.14 Reconciliation of budget information

94. The Fund’s budget is prepared on a modified cash basis and the financial statements on an accrual basis.

95. The General Assembly approves the annual budget for UNJSPF’s administrative expenses. Budgets may be subsequently amended by the General Assembly or through the exercise of delegated authority.

96. As required by IPSAS 24, “Statement of comparison of budget and actual amounts in relation to administrative expenses for the year ended 31 December 2020” provide a comparison of budget and actual on a comparable basis. The comparison includes: the original and final budget amounts; the actual amounts on the same basis as the corresponding budgetary amounts and an explanation of material differences (> +/-5%) between the actual and budget amounts.

97. Note 21 provides a reconciliation of actual amounts presented on the same basis as the budget and administrative expense included in the Statement of changes in net assets.

3.15 Related party transactions

98. Parties are considered to be related when one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or if the related party entity and another entity are subject to common control.

99. The following parties are considered related parties for UNJSPF in 2020:

a) Key management personnel: Chief Executive of Pension Administration (Note 1.2), Representative of the Secretary-General, Deputy Chief Executive of Pension Administration, Director of Office of Investment Management, Chief Financial Officer
b) United Nations General Assembly
c) 24 Member Organizations participating in UNJSPF
d) International Computing Centre

100. A summary of the relationship and transactions with the above parties is given in Note 23.

3.16 Subsequent events

101. Any information about conditions that existed at the date of the statement of net assets available for benefits that is received after the reporting period but before the financial statements are signed and that is material to the Fund is incorporated in the financial statements.

102. In addition, any event that occurs after the date of the statement of net assets available for benefits but before the financial statements are signed that is material to the Fund are disclosed in the notes to the financial statements.

4. Cash and cash equivalents

103. Cash and cash equivalents include:

(Thousands of United States dollars)

	31 December 2020	31 December 2019
Cash at Bank – OIM	328 389	199 937
Cash at Bank – Pension Administration	199 716	171 194
Cash held by external managers - OIM	63 480	65 223
Total cash and cash equivalents	**591 585**	**436 354**

5. Financial instruments by category

104. The following tables provide an overview of all financial instruments held by category as of 31 December 2020 and 2019[2]:

(Thousands of United States dollars)

	As of 3 December 202		
	Financial instruments at fair value	Loans and receivables	Other financial liabilities
Financial assets as per statement of net assets available for benefits			
Cash and cash equivalents	591 585	-	-
Investments			
Equities	48 245 215	-	-
Fixed Income	22 377 531	-	-
Real assets	5 627 373	-	-
Alternative and other investments	4 641 189	-	-
Contributions receivable	-	50 364	-
Accrued income from investments	-	155 355	-
Receivable from investments traded	-	17 645	-
Withholding tax receivables	-	52 150	-
Other Assets	-	27 310	-
Total financial assets	**81 482 893**	**302 824**	**-**
Financial liabilities as per statement of net assets available for benefits			
Benefits payable	-	-	144 372
Payable from Investments traded	-	-	2 234
After-service health insurance and other employee benefit liabilities	-	-	116 330
Other accruals and liabilities	-	-	11 106
Total financial liabilities	**-**	**-**	**274 042**

Investments exceeding five percent of net assets

105. There were no investments representing five percent or more of net assets available for benefits as at 31 December 2020.

106. There were no investments representing five percent or more of equities, fixed income or alternatives and other investments as at 31 December 2020. The Fund held a total of $724.1 million in two real estate funds as at 31 December 2020, which represented 5 per cent or more of investments in real assets category.

[2] Non-financial assets and liabilities other than employee benefits are excluded from the table, as this analysis is required only for financial instruments.

(Thousands of United States dollars)

	As of 3 December 201		
	Financial instruments at fair value	**Loans and receivables**	**Other financial liabilities**
Financial assets as per statement of net assets available for benefits			
Cash and cash equivalents	436 354	-	-
Investments			
Equities	42 309 141	-	-
Fixed Income	20 412 531	-	-
Real assets	5 265 732	-	-
Alternative and other investments	3 562 570	-	-
Contributions receivable	-	64 912	-
Accrued income from investments	-	163 163	-
Receivable from investments traded	-	15 390	-
Withholding tax receivables	-	35 789	-
Other Assets	-	21 674	-
Total financial assets	**71 986 328**	**300 928**	**-**
Financial liabilities as per statement of net assets available for benefits			
Benefits payable	-	-	105 970
Payable from Investments traded	-	-	27 191
After-service health insurance and other employee benefit liabilities	-	-	103 989
Other accruals and liabilities	-	-	19 352
Total financial liabilities	**-**	**-**	**256 502**

Investments exceeding five percent of net assets

107. There were no investments representing five percent or more of net assets available for benefits as at 31 December 2019.

108. There were no investments representing five percent or more of equities, fixed income or alternatives and other investments as at 31 December 2019. The Fund held a total of $651.6 million in two real estate funds as at 31 December 2019, which represented 5 per cent or more of investments in real assets category.

6. Fair value measurement

109. IPSAS establishes a three-level fair value hierarchy under which financial instruments are categorized based on the significance of inputs to the valuation technique. Level 1 includes those securities where unadjusted quoted prices are available in active markets for identical assets or liabilities. Level 2 includes those securities where inputs other than quoted prices included within Level 1 are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). Level 3 includes those securities where inputs for the asset or liability are not based on observable market data (that is, unobservable inputs). The level in the fair value hierarchy within which the fair value measurement is categorized is determined on the basis of the lowest level of information that is significant to the fair value measurement. If a fair value measurement of an investment uses observable inputs that require significant adjustment based on unobservable inputs, that investment is classified as Level 3.

110. Assessing the significance of a particular input to the fair value measurement of an investment in its entirety requires judgment, considering factors specific to the investment.

111. The following tables present the fair value hierarchy of the Fund's investments (by asset class) measured at fair value as at 31 December 2020 and 31 December 2019:

(Thousands of United States dollars)

Fair value hierarchy as of 31 December 2020	Level 1	Level 2	Level 3	Total
Equities				
Common and preferred stock	46 584 636	-	120	46 584 756
Funds-exchange traded funds	1 577 111	-	-	1 577 111
Funds-common stock	5 734	-	3 154	8 888
Stapled securities	74 460	-	-	74 460
Total Equities	48 241 941	-	3 274	48 245 215
Fixed income				
Government and agencies securities	-	21 000 548	-	21 000 548
Asset backed securities	-	152 242	-	152 242
Corporate bonds / Commercial paper	-	352 922	22 789	375 711
Municipal/provincial bonds	-	24 103	-	24 103
Commercial mortgage-backed	-	771 043	-	771 043
Funds - corporate bond	-	-	53 884	53 884
Total Fixed Income	-	22 300 858	76 673	22 377 531
Real Assets				
Real estate funds	-	211 725	5 268 878	5 480 603
Infrastructure assets	-	-	17 515	17 515
Timberlands	-	-	129 255	129 255
Commodity funds		-	-	-
Total Real Assets	-	211 725	5 415 648	5 627 373
Alternatives and other investments				
Private equity	-	-	4 641 189	4 641 189
Total Alternatives and other investments			4 641 189	4 641 189
Total	**48 241 941**	**22 512 583**	**10 136 784**	**80 891 308**

(Thousands of United States dollars)

Fair value hierarchy as of 31 December 2019	Level 1	Level 2	Level 3	Total
Equities				
Common and preferred stock	40 686 191	-	-	40 686 191
Funds-exchange traded funds	1 388 880	-	-	1 388 880
Funds-common stock	-	-	138 935	138 935
Stapled securities	95 135	-	-	95 135
Total Equities	**42 170 206**	**-**	**138 935**	**42 309 141**
Fixed income				
Government and agencies securities	-	18 863 212	-	18 863 212
Asset backed securities	-	153 402	4 183	157 585
Corporate bonds	-	552 610	42 856	595 466
Municipal/provincial bonds	-	37 873	-	37 873
Commercial mortgage-backed	-	704 655	-	704 655
Funds - corporate bond	-	-	53 740	53 740
Total Fixed Income	**-**	**20 311 752**	**100 779**	**20 412 531**
Real Assets				
Real estate funds	-	229 906	4 818 178	5 048 084
Infrastructure assets	-	-	137 037	137 037
Commodity funds	-	-	63 897	63 897
Timberlands	-	-	16 714	16 714
Total Real Assets	**-**	**229 906**	**5 035 826**	**5 265 732**
Alternatives and other investments				
Private equity	-	-	3 562 570	3 562 570
Total Alternatives and other investments	**-**	**-**	**3 562 570**	**3 562 570**
Total	**42 170 206**	**20 541 658**	**8 838 110**	**71 549 974**

Equities:
112. Common and preferred stocks, exchange traded funds, real estate investment trusts and stapled securities were classified under Level 1 if bid prices were available from institutional vendors.

113. Common stock funds amounting to $3.3 million as of 31 December 2020 (31 December 2019: $138.9 million) were valued using a net asset value (NAV) approach and hence classified under Level 3.

Fixed income:
114. The vast majority of the fixed income securities prices were not obtained from an active market directly, which would have led to a Level 1 classification. Instead prices were obtained through brokers' bids which were indicative quotes and therefore classified as Level 2.

115. Corporate bond funds amounting to $53.9 million as of 31 December 2020 (31 December 2019: $53.7 million), asset backed securities of nil (31 December 2019: $4.2 million), and corporate bonds / commercial paper amounting to $22.8 million as of 31 December 2020 (31 December 2019: $42.9 million) were considered to be Level 3. Inputs for the value of these investments, while available from third party sources were not well defined readily observable market data. Consequently, the Fund has decided to classify such investments as Level 3.

Real assets and alternatives and other investments:
116. Real assets amounting to $5,415.6 million as of 31 December 2020 (31 December 2019: $5,035.8 million), net of carried interest of $163.1 million (31 December 2019: $171.9 million) as well as alternative and other investments amounting to $4,641.2 million as of 31 December 2020 (31 December 2019: $3,562.6 million), net of carried interest of $336.2 million (31 December 2019: $222.5 million) were classified under Level 3 as they were priced using the net asset value (NAV) methodology for which the Fund was unable to corroborate or verify using observable market data. In addition, limited options were available to the investors to redeem units, hence making the investments in such funds relatively illiquid.

117. Two real estate funds amounting to $211.7 million (31 December 2019: $229.9 million) which were readily redeemable at net asset value without penalties were classified as Level 2 assets representing the NAV as reported by the fund manager.

118. The following table presents the inter-level transfers for the year ended 31 December 2020:

(Thousands of United States dollars)

	Level 1	Level 2	Level 3	Total
Transfer into				
Fixed income	-	4 183	-	4 183
Equities	-	-	-	-
Real assets	-	-	-	-
Alternatives and other Investment	-	-	-	-
Total	**-**	**4 183**	**-**	**4 183**
Transfer out of				
Fixed income	-		(4 183)	(4 183)
Equities	-	-	-	-
Real assets	-	-	-	-
Alternative and other investment	-	-	-	-
Total	**-**		**(4 183)**	**(4 183)**

119. For the year ended 31 December 2020, there was a transfer of one fixed income security amounting to $4.2 million as at 31 December 2020 out of Level 3 and into Level 2. The security was priced by multiple vendors as at 31 December 2020 as compared to a single vendor as at 31 December 2019. As such, the Fund has decided to classify this investment as Level 2.

120. There were no transfers between levels for the year ended 31 December 2019.

121. The following table presents the movements in Level 3 instruments for the year ended 31 December 2020 by class of financial instrument:

(Thousands of United States dollars)

	Equities	Fixed Income	Real assets	Alternative and ther investments	Total
Opening balance	**138 935**	**100 779**	**5 035 826**	**3 562 570**	**8 838 110**
Purchases	890	3 179	851 260	911 499	1 766 828
Sales/ Return of capital	(103 692)	(20 000)	(600 163)	(673 966)	(1 397 821)
Transfers (out) / in of level 3	-	(4,183)	-	-	(4 183)
Net gains and losses recognized in the statement of changes in net assets available for benefits	(32 859)	(3 102)	128 725	841 086	933 850
Closing balance	**3 274**	**76 673**	**5 415 648**	**4 641 189**	**10 136 784**
Change in unrealized gains and losses for level 3 assets held at the period end and included in statements of changes in net assets available for benefits	13 483	(3 093)	113 550	711 291	835 231

122. The following table presents the movements in Level 3 instruments for the year ended 31 December 2019 by class of financial instrument:

(Thousands of United States dollars)

	Equities	Fixed Income	Real assets	Alternative and other investments	Total
Opening balance	127 585	88 692	4 195 403	2 640 817	**7 052 497**
Purchases	7 941	8 025	1 215 337	977 215	**2 208 518**
Sales/ Return of capital	(516)	(308)	(715 327)	(500 844)	**(1 216 995)**
Transfers (out) / in of level 3	-	-	-	-	-
Net gains and losses recognized in the statement of changes in net assets available for benefits	3 925	4 370	340 413	445 382	**794 090**
Closing balance	**138 935**	**100 779**	**5 035 826**	**3 562 570**	**8 838 110**
Change in unrealized gains and losses for level 3 assets held at the period end and included in statements of changes in net assets available for benefits	(8 758)	4 370	157 920	383 528	**537 060**

7. Accrued income from investments

123. Accrued income from investments is income earned during the year which has yet to be received as of the date of the statement of net assets available for benefits.

(Thousands of United States dollars)

	31 December 2020	31 December 2019
Cash and cash equivalents	-	130
Fixed income securities	91 820	101 121
Dividends receivable on equities	57 914	56 820
Real assets and alternative investments	5 621	5 092
Total accrued income from investments	**155 355**	**163 163**

8. Withholding tax receivables

124. Withholding tax receivable as of 31 December 2020 and 2019 and withholding tax expense for the year ended 31 December 2020 and 2019 by country are as follows:

(Thousands of United States dollars)

Country	For the year 2020			As at 31 December 2020			For the year 2019			As at 31 December 2019		
	Tax withheld	Tax received	Tax expense	Tax recoverable	Deemed not recoverable	Tax receivable	Tax withheld	Tax received	Tax expense	Tax recoverable	Deemed not recoverable	Tax receivable
Australia	458	-	(67)	569	-	569	42	-	(2)	44	-	44
Belgium	87	-	(63)	780	-	780	625	-	(5)	630	-	630
Brazil	220	-	220	299	(299)	-	196	-	196	401	(401)	-
Canada	-	-	(1)	13	-	13	12	-	-	12	-	12
Chile	435	607	(175)	41	-	41	401	434	(58)	38	-	38
China	5 435	1 020	4 712	17 176	(17 176)	-	3 578	587	2 790	14 747	(14 450)	297
Colombia	122	1	(13)	142	-	142	8	-	-	8	-	8
Czechia	426	218	(12)	453	-	453	148	-	-	233	-	233
Denmark	121	-	(3)	124	-	124	-	-	-	-	-	-
Egypt	1 479	-	(7)	1 486	-	1 486	-	-	-	-	-	-
Finland	495	-	(52)	547	-	547	-	-	-	-	-	-
Germany	5 892	1 187	(1 954)	22 327	-	22 327	7 531	6 431	206	15 668	-	15 668
Greece	-	-	-	121	(121)	-	-	-	-	111	(111)	-
India	533	-	(11)	544	-	544	-	-	-	-	-	-
Indonesia	266	-	266	267	(267)	-	-	-	-	-	-	-
Ireland	-	-	-	-	-	-	-	31	-	-	-	-
Israel	-	704	(704)	-	-	-	-	-	-	-	-	-
Japan	-	-	-	4	-	4	4	-	-	4	-	4
Luxembourg	1	-	(1)	21	-	21	4	-	-	4	-	4
Mexico	-	-	60	56	(56)	-	-	-	(2)	60	-	60
Netherlands	1 059	2 447	(187)	1 848	-	1 848	2 198	91	13	3 064	-	3 064
Norway	189	-	(27)	581	-	581	363	-	(2)	365	-	365
Papua New Guinea	-	-	-	20	(20)	-	-	-	-	19	(19)	-
Philippines	930	-	(39)	1 034	-	1 034	107	43	(1)	65	-	65
Russian Federation	3 281	1 211	3 511	2	-	2	1 894	-	451	1 443	-	1 443
Singapore	56	45	(2)	58	-	58	44	42	(1)	45	-	45
Spain	1 283	1 390	(8)	149	-	149	2 260	2 530	19	248	-	248
Sweden	10	-	-	43	(33)	10	-	-	-	30	(30)	-
Switzerland	9 249	2 549	(1 752)	20 547	-	20 547	9 166	-	(391)	12 095	-	12 095
Turkey	-	-	20	268	(187)	81	72	-	8	334	(233)	101
United Kingdom	658	1 339	(105)	795	(6)	789	1 817	1 393	11	1 365	-	1 365
Total	**32 685**	**12 718**	**3 606**	**70 315**	**(18 165)**	**52 150**	**30 470**	**11 582**	**3 232**	**51 033**	**(15 244)**	**35 789**

125. In Brazil, some provinces in China and for certain periods in Greece, Mexico, Papua New Guinea, Sweden, and Turkey there is no formally established reclamation mechanism in place and in these cases the Fund's custodians have thus far been unable to file and / or reclaim the taxes withheld. While these member states have confirmed the Fund's tax-exempt status, the taxes withheld from direct investments in these countries are accrued and continue to be deemed not recoverable in 2020, unless there is certainty of reclaim in the subsequent years. The Fund does not currently have a confirmation of tax-exempt status in Indonesia and is in process of planning to seek this confirmation. Accordingly, the taxes withheld from direct investments in Indonesia are accrued and deemed not recoverable in 2020.

126. Aging analysis of withholding tax receivable as of 31 December 2020 and 2019 are as follows:

(Thousands of United States dollars)

	As at 31 December 2020			As at 31 December 2019		
Country	**Greater than 3 years**	**Less than 3 years**	**Tax receivable**	**Greater than 3 years**	**Less than 3 years**	**Tax receivable**
Australia	-	569	569	-	44	44
Belgium	-	780	780	-	630	630
Canada	-	13	13	-	12	12
Chile	-	41	41	-	38	38
China	-	-	-	-	297	297
Colombia	-	142	142	-	8	8
Czechia	-	453	453	-	233	233
Denmark	-	124	124	-	-	-
Egypt	-	1 486	1 486	-	-	-
Finland	-	547	547	-	-	-
Germany	-	22 327	22 327	-	15 668	15 668
India	-	544	544	-	-	-
Japan	-	4	4	-	4	4
Luxembourg	-	21	21	-	4	4
Mexico	-	-	-	-	60	60
Netherlands	-	1 848	1 848	-	3 064	3 064
Norway	-	581	581	-	365	365
Philippines	-	1 034	1 034	-	65	65
Russian Federation	-	2	2	-	1 443	1 443
Singapore	-	58	58	-	45	45
Spain	-	149	149	-	248	248
Sweden		10	10	-	-	-
Switzerland	-	20 547	20 547	-	12 095	12 095
Turkey	-	81	81	-	101	101
United Kingdom	-	789	789	-	1 365	1 365
Total	**-**	**52 150**	**52 150**	**-**	**35 789**	**35 789**

9. Other assets

127. The other assets included in the statement of net assets available for benefits can be broken down as follows:

(Thousands of United States dollars)

	31 December 2020	31 December 2019
Prepayments and benefits receivable	18 439	14 976
Property, plant and equipment	-	3 724
UN receivable	7 173	6 039
Other receivables	1 698	659
Total	**27 310**	**25 398**

9.1 Prepayments and benefits receivables

128. An overview of the prepayments and other accounts receivable held by the Fund is as follows:

(Thousands of United States dollars)

	31 December 2020	31 December 2019
Prepayments	7 309	4 206
Advance benefit payments due to payroll conversion	5 732	6 345
Benefits receivable	10 504	9 076
Benefits receivable – provision	(5 106)	(4 651)
Total	**18 439**	**14 976**

9.2 Property, plant & equipment

129. An overview of the fixed assets held by the Fund is as follows:

(Thousands of United States dollars)

	IT Equipment	Leasehold Improvements		Total
	in use	in use	under construction	
Cost				
1 January 2020	1 234	18 624	-	**19 858**
Additions	-	-	-	**-**
Disposals / Transfers	(86)	-	-	**(86)**
31 December 2020	1 148	18 624	-	**19 772**
Accumulated depreciation				
1 January 2020	1 234	14 900	-	**16 134**
Depreciation	-	3 724	-	**3 724**
Disposals / Transfers	(86)	-	-	**(86)**
31 December 2020	1 148	18 624	-	**19 772**
Net book value				
31 December 2020	-	-	-	-

(Thousands of United States dollars)

	IT Equipment	Leasehold Improvements		Total
	in use	in use	under construction	
Cost				
1 January 2019	1 320	13 963	2 439	**17 722**
Additions	-	4 661	(2 439)	**2 222**
Disposals / Transfers	(86)	-	-	**(86)**
31 December 2019	1 234	18 624	-	**19 858**
Accumulated depreciation				
1 January 2019	1 249	12 532	-	**13 781**
Depreciation	71	2 368	-	**2 439**
Disposals / Transfers	(86)	-	-	**(86)**
31 December 2019	1 234	14 900	-	**16 134**
Net book value				
31 December 2019	**-**	**3 724**	**-**	**3 724**

130. The leasehold improvements in use and under construction included above relate to the Fund's improvements to its offices at New York.

9.3 Intangible assets

131. An overview of the intangible assets held by the Fund is as follows:

(Thousands of United States dollars)

	Intangible assets in use	Under Construction	Total Intangible assets
Cost			
1 January 2020	20 336	-	**20 336**
Additions	-	-	-
Transfers	-	-	-
Disposals	-	-	-
31 December 2020	20 336	-	**20 336**
Accumulated amortization			
1 January 2020	20 336	-	**20 336**
Amortization	-	-	-
Disposals	-	-	-
31 December 2020	20 336	-	**20 336**
Net book value			
31 December 2020	**-**	**-**	**-**

(Thousands of United States dollars)

	Intangible assets in use	Under Construction	Total Intangible assets
Cost			
1 January 2019	20 980	-	**20 980**
Additions	-	-	**-**
Transfers	-	-	**-**
Disposals	(644)	-	**(644)**
31 December 2019	20 336	-	**20 336**
Accumulated amortization			
1 January 2019	20 955	-	**20 955**
Amortization	25	-	**25**
Disposals	(644)	-	**(644)**
31 December 2019	**20 336**	**-**	**20 336**
Net book value			
31 December 2019	-	-	-

10. Benefits payable

132. The amount shown in the statement of net assets can be broken down as follows:

(Thousands of United States dollars)

	31 December 2020	31 December 2019
Withdrawal Settlements*	92 670	59 490
Lump sum payments	14 411	12 146
Periodic benefit payable	37 254	34 297
Other benefits payables/adjustments	37	37
Total	**144 372**	**105 970**

* For 2020 the methodology of estimating liabilities for unprocessed withdrawal settlement benefits was changed leading to a substantial increase of the liability. The Fund now considers all cases eligible for processing rather than the experience of prior periods.

11. After-service health insurance and other employee benefits

133. A breakdown of the after-service health insurance (ASHI) and other benefits payable amount shown in the statement of net assets is as follows:

(Thousands of United States dollars)

	31 December 2020	31 December 2019
ASHI liability	105 186	93 611
Repatriation grant and related costs	5 493	4 977
Education grant and related costs	410	381
Annual leave	4 882	4 686
Home leave	359	334
Total	**116 330**	**103 989**

ASHI, annual leave, and repatriation grants liability:

134. The Fund provides its employees, who have met certain eligibility requirements, with the following after-service and end-of-service benefits.

- Health care benefits after they retire. This benefit is referred to as after-service health insurance (ASHI).
- Repatriation benefits to facilitate the relocation of expatriate staff members.
- Annual leave benefits to provide staff members with periods of time off from work at full pay for personal reasons and for purposes of health, rest, and recreation. Upon separation from service, staff members who have accrued unused annual leave will be paid for each day of unused leave up to a maximum of 60 days.

135. The liabilities as of 31 December 2020 were the result of the roll-forward to 31 December 2020 of the end-of-service benefit obligations as of 31 December 2019 for the Fund by the consulting actuary; and:

- health insurance premium and contribution data provided by the United Nations;
- actual retiree claims experience under health insurance plans;
- estimated travel and shipment costs and annual leave balances reported by the United Nations in the census data;
- various economic, demographic, and other actuarial assumptions; and
- generally accepted actuarial methods and procedures.

136. In performing the roll-forward to 31 December 2020, only the financial assumptions such as the discount rates, inflation and health care cost trend rates were reviewed as at 31 December 2020 and updated when necessary. All other assumptions remain the same as those used for the full valuation as of 31 December 2019.

137. The key assumptions in the calculation of after-service liabilities are the discount rate and healthcare trend rates. The discount rate is based on the “spot” rate that reflects the market expectations at the time of the calculations to meet future expected benefit payments, based on high quality bonds. The discount rate is then the equivalent single rate that would produce the same liability as the full spot curve using the multiple bonds necessary to meet the future cash flow expectations.

138. The yield curves used in the calculation of the discount rates in respect of the United States dollars, the eurozone euro and the Swiss franc are those developed by Aon Hewitt, consistent with the decision of the United Nations Task Force on Accounting Standards to harmonize actuarial assumptions across the United Nations system.

139. For 31 December 2020, the single equivalent discount rates were selected and determined by the Fund, as follows:

- 2.44% for ASHI scheme
- 2.08% for repatriation benefits
- 2.23% for annual leave

140. For 31 December 2019, the single equivalent discount rates were selected and determined by the Fund, as follows:

- 2.84% for ASHI scheme
- 2.99% for repatriation benefits
- 2.50% for annual leave

141. For comparison purposes, the table below shows the percentage change due to a 0.5% change in the discount rate.

Discount rate	ASHI	Repatriation benefit	Annual leave
Increase of 0.5%	11% decrease	4% decrease	4% decrease
Decrease of 0.5%	13% increase	4% increase	4% increase

142. The comparison of health-care cost trend rates is as follows:

	31 December 2020	31 December 2019
US Non Medicare	5.31% trending down to 3.65% after 14 years	5.44% trending down to 3.85% after 13 years
US Medicare	5.15% trending down to 3.65% after 14 years	5.26% trending down to 3.85% after 13 years
US Dental	4.59% trending down to 3.65% after 14 years	4.66% trending down to 3.85% after 13 years
Non US - Switzerland	3.65% trending down to 2.75% after 8 years	3.76% trending down to 2.85% after 8 years
Non US - Eurozone	3.73% trending down to 3.25% after 6 years	3.83% trending down to 3.65% after 3 years

143. For comparison purposes, the table below shows the changes in the obligations due to a 0.5% change in the assumed medical cost trend rate (thousands of United States dollars):

2020	Increase	Decrease
Effect on the defined-benefit obligation	12 628	(10 919)
Effect on the aggregate of the current service cost and interest rate	1 140	(963)

2019	Increase	Decrease
Effect on the defined-benefit obligation	11 238	(9 717)
Effect on the aggregate of the current service cost and interest rate	1 015	(857)

144. The increase in the total ASHI liabilities reported from 31 December 2019 to 31 December 2020 is primarily due to the impact of changing the financial assumptions, in particular the decrease in the discount rates for benefits denominated in USD.

145. The following table illustrates the movements in post-employment net defined-benefits liabilities:

(Thousands of United States dollars)

	2020			2019		
	ASHI	Repatriation grant	Annual leave	ASHI	Repatriation grant	Annual leave
Net defined-benefit liability as at 1 January	**93 611**	**4 977**	**4 686**	**80 478**	**3 271**	**3 468**
Current service cost	3 955	297	383	2 833	181	218
Interest cost	2 643	144	112	3 418	131	140
Benefits paid	(1 157)	(342)	(418)	(1 608)	(218)	(267)
Actuarial (gains)/losses	6 134	417	119	8 490	1 612	1 127
Net defined-benefit liability as at 31 December	**105 186**	**5 493**	**4 882**	**93 611**	**4 977**	**4 686**

146. The following table illustrates the estimated benefit payments net of participant contributions for the next 10 years.

(Thousands of United States dollars)	Year					
	2021	2022	2023	2024	2025	2026 to 2030
ASHI	1 300	1 474	1 654	1 812	1 983	12 589
Repatriation grant	347	433	415	371	370	1 757
Annual leave	386	383	325	289	286	1 261

147. Other specific key assumptions used in the calculations based on census data as of 31 October 2019 were as follows:

ASHI

148. 250 active staff were included in the calculation: 202 U.S. based and 44 Non-U.S. based. 91 retired staff or their surviving spouses were included in the calculation: 73 U.S. based and 15 non-U.S. based. In addition, 4 active staff and 3 retirees or their surviving spouses that participated in dental only plans were included. For active staff, the average age was 47 years with 10 years of service. The average age of retirees was 70 years.

Repatriation Benefits

149. Staff members who are appointed as international staff are eligible for the payment of repatriation grant after one year of active service outside his or her country of nationality as long as the reason for separation is not summary dismissal or abandonment of post.

150. The amount ranges from 2-28 weeks of salary depending on the category of employment and years of service of the eligible staff. Travel and shipment of personal effects may also be authorized to the recognized country of home leave.

151. 101 eligible staff with an average annual salary of US$83,424 were considered.

Annual Leave

152. Staff are entitled to accrue annual leave from the date of their appointment. Staff members who, upon separation from service, have accrued leave will be paid up to a maximum of 60 days if on a fixed-term appointment or up to 18 days on a temporary appointment. Payment amount is calculated at 1/261 of applicable salary amounts for each unused annual leave day.

153. 325 active staff with an average annual salary of US$101,136 were considered.

12. Other accruals and liabilities

154. The amount shown as other accruals and liabilities in the financial statements can be broken down as follows:

(Thousands of United States dollars)	31 December 2020	31 December 2019
Accruals for management fees and expenses	6 630	14 452
Accrual for contractual services	483	-
Restoration payable	3 533	3 342
Operating leases accrual	61	1 109
Audit fee accrual	197	197
Other	202	252
Total	**11 106**	**19 352**

13. Investment income

155. The following table summarizes the Fund's income from investments net of transaction costs recognized during the period. Any transaction cost which can be allocated to a single transaction or trade is netted off against investment income. Examples are broker commissions, other transaction costs and management fees. Any management expense charged to the income statement of a real asset or alternative fund was recorded separately as management expenses in the Fund's statement of changes in net assets and included under transaction costs.

156. In some jurisdictions, the Fund receives dividend income, interest income and real estate income without any withholding tax. This is primarily a result of the fact that pension funds are exempt from withholding taxes in many jurisdictions. However, a number of jurisdictions do not provide this benefit to all pension funds but recognize that UNJSPF is part of the UN and hence exempt from national taxation of member states on its direct investments in accordance with Article 105 of the Charter of the United Nations and with Article II, Section 7 (a) of the 1946 Convention on the Privileges and Immunities of the United Nations (refer to Note 3.3). The Fund is not able to reliably measure the value of the additional tax exemption obtained by being part of the UN and therefore does not disclose the value of this additional benefit on the face of the statement of changes in net assets available for benefits as non-exchange income in accordance with IPSAS 23, *Revenue from non-exchange transactions*.

(Thousands of United States dollars)

	2020	2019
Total change in fair value for financial assets designated at fair value	**8 208 579**	**10 009 778**
Interest income		
Interest income on cash and cash equivalents	1 571	11 477
Interest income on fixed income instruments	596 745	507 314
Total interest income	**598 316**	**518 791**
Total dividend income	**817 362**	**918 469**
Total income from unitized real estate funds	**74 344**	**78 547**
Transaction costs		
Management fees and other related fees	(151 599)	(129 209)
Small capitalization fund management fees	(11 726)	(11 892)
Brokerage commissions	(12 571)	(14 374)
Other transactions cost	(3 944)	(3 273)
Total transaction cost	**(179 840)**	**(158 748)**
Withholding tax	**(3 606)**	**(3 232)**
Other investment related income (expenses), net	**885**	**(1 348)**
Net investment income	**9 516 040**	**11 362 257**

157. The following tables present the change in fair value of investments by asset class as a result of change in market price and currency exchange rate for the year ended 31 December 2020 and 31 December 2019.

(Thousands of United States dollars)

	2020			2019 (reclassified)		
	Market price	**Currency***	**Total change**	**Market Price**	**Currency***	**Total change**
Equities	6 158 393	490 825	6 649 218	8 388 111	72 595	8 460 706
Fixed Income	624 926	(153 441)	471 485	674 440	(2 336)	672 104
Real assets investments	137 369	59 144	196 513	373 325	5 818	379 143
Alternative investments	872 357	34 747	907 104	506 071	(3 556)	502 515
Cash, cash equivalents and receivable and payable from investment traded	-	(15 741)	(15 741)	-	(4 690)	(4 690)
Total change in fair value for financial assets designated at fair value	**7 793 045**	**415 534**	**8 208 579**	**9 941 947**	**67 831**	**10 009 778**

*Change in currency exchange gain/(loss) includes $338.6 million of realized currency exchange loss (2019: a loss of $467.7 million) and $754.1 million unrealized currency exchange gain (2019: a gain of $535.5 million).

14. Pension contributions

158. Pension contributions received in the period can be broken down as follows:

(Thousands of United States dollars)

	2020	2019
Contribution from participants		
Regular contributions	943 677	884 515
Contribution for validation	761	1 006
Contribution for restoration	4 853	4 860
	949 291	**890 381**
Contributions from member organizations		
Regular contributions	1 887 354	1 769 030
Contribution for validation	1 523	2 228
	1 888 877	**1 771 258**
Other contributions		
Contributions for participants transferred in under agreements	3 964	23 013
Receipts of excess actuarial value over regular contributions	217	444
Other contributions/adjustments	4 798	3 760
	8 979	**27 217**
Total contributions for the period	**2 847 147**	**2 688 856**

159. The contribution varies based on changes in the number of participants, changes in the distribution of participants, changes in pensionable remuneration rates as a result of cost-of-living increases determined by the International Civil Service Commission ("ICSC"), and the yearly step-increase to individual pensionable remuneration received by all participants.

160. During the year 2020, the ICSC revised the pensionable remuneration rates for staff in the Professional and higher categories effective 1 February 2020. As a result, the pensionable remuneration rates increased by 2.9 per cent on average for staff in the Professional category compared with the previous revision effective 1 February 2019.

15. Pension benefits

161. Pension benefits in the period can be broken down as follows:

(Thousands of United States dollars)

	2020	2019
Withdrawal settlements and full commutation of benefits		
For contributory services of 5 years or less	39 409	54 360
For contributory services more than 5 years	137 562	140 222
	176 971	**194 582**
Retirement benefits		
Full retirement benefits	1 360 779	1 308 496
Early retirement benefits	742 084	717 656
Deferred retirement benefits	117 459	107 173
Disability benefits	94 335	86 227
Survivor's benefits	275 417	259 820
Child's benefits	32 788	31 747
	2 622 862	**2 511 119**
Other benefits/adjustments		
Payments for participants transferred out under agreements	2 219	1 232
Forfeitures	(11 048)	(1 408)
Other benefits/adjustments	(2 023)	(5 560)
	(10 852)	**(5 736)**
Total pension benefits for the period	**2 788 981**	**2 699 965**

16. Administrative expenses

162. Administrative expenses in 2020 are as follows:

(Thousands of United States dollars)

	2020				
	Secretariat of the Pension Board	**Pension Administration**	**Office of Investment Management**	**Audit**	**Total**
Established posts (excluding change in the value of the ASHI liability)	711	25 870	16 661	-	43 242
Changes in the value of the ASHI liability	58	7 975	3 345	197	11 575
Other staff costs	101	5 663	1 694	-	7 458
Hospitality	-	-	-	-	-
Consultants	-	143	105	-	248
Travel	26	35	36	-	97
Contractual services	248	11 649	12 781	-	24 678
General operating expenses	-	10 134	3 005	-	13 139
Supplies and materials	-	22	2	-	24
Furniture and equipment	-	1 062	22	-	1 084
Audit costs (excluding change in the value of the ASHI liability)	-	-	-	1 649	1 649
Total administrative expenses	**1 144**	**62 553**	**37 651**	**1 846**	**103 194**

163. The administrative expenses for the year 2020 are not comparable to those of the year 2019 due to a revision of the cost sharing arrangement between the Fund and the United Nations Secretariat as stated in paragraph 52. Following the revision of the cost sharing arrangement the income from services provided to the United Nations is presented separately from administrative expense for 2020. For 2019 the payment received from the United Nations had been deducted from administrative expense. The administrative expenses for 2019 on comparative presentation as in 2020 are as follows:

(Thousands of United States dollars)

	2019				
	Secretariat of the Pension Board	**Pension Administration**	**Office of Investment Management**	**Audit**	**Total**
Established posts (excluding change in the value of the ASHI liability)	-	27 576	14 604	-	42 180
Changes in the value of the ASHI liability	-	9 114	3 797	222	13 133
Other staff costs	-	4 935	2 262	-	7 197
Hospitality	-	-	3	-	3
Consultants	-	148	105	-	253
Travel	-	435	727	-	1 162
Contractual services	-	10 508	17 261	-	27 769
General operating expenses	-	7 157	740	-	7 897
Supplies and materials	-	65	15	-	80
Furniture and equipment	-	1 020	514	-	1 534
Audit costs (excluding change in the value of the ASHI liability)	-	-	-	1 681	1 681
Pension Board expenses	678	-	-	-	678
Total administrative expenses on a comparable basis	**678**	**60 958**	**40 028**	**1 903**	**103 567**
Payment received from the United Nations Secretariat	**-**	**(11 530)**	**-**	**(272)**	**(11 802)**
Total administrative expenses	**678**	**49 428**	**40 028**	**1 631**	**91 765**

17. Other expenses

164. Other expenses during the period are as follows:

(Thousands of United States dollars)

	31 December 2020	31 December 2019
Emergency fund expense	55	38
Provision for unrecoverable benefits overpayments	1 073	914
Total other expenses	**1 128**	**952**

18. Actuarial situation of the Fund (See also Note 1.5)

165. The Fund provides retirement, death, disability and related benefits for staff of the United Nations and other organizations admitted to membership in the Fund. Accumulated (promised) plan benefits represent the total actuarial present value of those estimated future benefits that are attributable under the Fund's provisions to the service staff have rendered as of the valuation date. Accumulated plan benefits include benefits to be paid to: (a) retired or terminated staff or their beneficiaries; (b) beneficiaries of staff who have died; and (c) present staff or their beneficiaries.

166. Benefits payable under all circumstances – retirement, death, disability, and termination of employment – are included to the extent they are deemed attributable to service staff have rendered as of the valuation date.

167. The actuarial present value of accumulated (promised) plan benefits (which does not take into account future increases in pensionable remuneration) is determined by independent actuaries and the amount is derived by applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of

payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

168. The Fund is applying the guidance included in IAS 26.28 (b) and discloses the actuarial present value of promised retirement benefits in the notes to its financial statements.

Key assumptions

169. The significant actuarial assumptions used are the same as those used in the valuation as of 31 December 2019:

- Life expectancy of participants (2017 United Nations Mortality Tables adjusted for forecast improvements in mortality);
- Age specific retirement and turnover assumptions;
- Additional assumptions regarding percentage of benefit commuted, percent of married and so forth;
- Annual investment return of 6.0% which serves as the discount rate for liabilities; and
- Annual rate of 2.5% for cost-of-living increases in pensions.
- No adjustment to the liabilities has been made on account of the COVID-19 pandemic, since its impact cannot be readily quantified until the next full valuation of the Fund, to be performed as of 31 December 2021.

170. These key assumptions were recommended by the Committee of Actuaries and adopted by the Pension Board at its sixty sixth session in July 2019. The foregoing actuarial assumptions are based on the presumption that the Fund will continue. Were the Fund to be terminated, different actuarial assumptions and other factors may be applicable in determining the actuarial present value of accumulated plan benefits.

Statement of accumulated benefits

171. The actuarial present value of accumulated plan benefits as of 31 December 2020 is as follows (See Note 1.11 for the description of the pension adjustment system):

(Millions of United States dollars)

	If future pension payments are made under Regulations:	
	Without pension adjustments	**With pension adjustments**
(1) Actuarial value of vested benefits		
(a) Participants currently receiving benefits	26 589	35 701
(b) Vested terminated participants	1 142	1 963
(c) Active participants	17 676	24 343
(d) Total vested benefits	**45 407**	**62 007**
(2) Non-vested benefits	984	1 252
(3) Total actuarial present value of accumulated plan benefits	**46 391**	**63 259**

Information on participation in UNJSPF

172. The last valuation was provided by the consulting actuaries as at 31 December 2019 based on participation below. The participation in the plan developed as follows:

	As of 31 December 2019
Active Participants accruing benefits	
Number	119 932
Annual remuneration (in millions)	$11 467
Average remuneration	**$95 613**
Inactive Participants no longer accruing benefits	
Number	11 651
Annual benefits payable at Normal Retirement Age (in millions)	$119
Average benefit payable at Normal Retirement Age	**$10 219**
Retired Participants and beneficiaries	
Number	79 975
Annual benefits (in millions)	$2 455
Average benefit	**$30 697**

19. Commitments and contingencies

19.1 Investment commitments

173. As of 31 December 2020 and 2019, the Fund was committed to the following investment commitments:

(Thousands of United States dollars)

	31 December 2020	31 December 2019
Real Estate Funds	3 035 723	2 736 907
Private Equity	3 303 070	2 912 648
Infrastructure Funds	209 497	224 881
Timberland Funds	11 270	11 270
Total commitments	**6 559 560**	**5 885 706**

174. In the private equity and real estate, infrastructure and timberland investments, funds are drawn down in accordance with the terms and conditions of the fund agreements. The fund agreements are unique to each individual investment. However, funds are drawn down to (a) fund investments in assets that have been purchased or are being contracted for purchase; and (b) pay fees earned by the general partner or manager under the terms and conditions of the fund agreement.

19.2 Lease commitments

175. As of 31 December 2020 and 2019, the Fund was committed to the following lease commitments:

(Thousands of United States dollars)

	31 December 2020	31 December 2019
Obligations for property leases:		
Less than 1 year	560	5 745
1-5 years	17 903	-
Greater than 5 years	51 107	-
Total property leases obligations	**69 570**	**5 745**

176. The leases for the Fund’s office in New York expired on 31 December 2020. A renewal of the leases for the period of 11 years with the first year rent free was agreed with the landlord on 31 December 2020.

19.3 Legal or contingent liabilities and contingent assets

177. There are no contingent liabilities arising from legal actions and claims that are likely to result in a material liability to the UNJSPF.

178. Contingent assets are excluded from the statement of net assets available for benefits on the basis that the inflow of economic benefits is not virtually certain but reliant on the incurrence of an event outside of the control of the Fund. There were no contingent assets as at 31 December 2020 or 31 December 2019.

20. Risk assessment

179. The Fund's activities expose it to a variety of financial risks including, but not limited to, credit risk, liquidity risk, and market risk (including currency risk, interest rate risk and price risk).

180. The Fund's investment risk management program seeks to measure and monitor the risk to which the Fund is exposed and seeks to minimize potential adverse effects on the Fund's financial performance, consistent with the Fund's Strategic Asset Allocation policy. The Investments Committee (IC) provides advice to the RSG on investment strategy and reviews the investments of the Fund at its quarterly meetings. The IC advises on long term policy, asset allocation and strategy, diversification by type of investments, currencies and economic sectors and any other matters.

181. The Fund uses different methods to measure, monitor and manage the various types of financial risks to which it is exposed. These methods are explained below.

20.1 Credit risk

182. Credit risk is defined as the potential risk that a borrower or counterparty will fail to meet its obligations in accordance with agreed terms, resulting in a loss. The risk of a trading partner not fulfilling its obligations to another in a timely manner is a risk that all obligors face. Ensuring adequate control over credit risk and effective risk management is critical to the long-term sustainability of the Fund. The Fund manages risk by addressing the following important areas:

- Approving and maintaining appropriate credit exposure measurement and monitoring standards;
- Establishing limits for amounts and concentrations of credit risk, monitoring and implementing a review process for credit exposure; and
- Ensuring adequate controls over credit risk.

183. The Fund is primarily exposed to credit risk in its Fixed Income asset class. The Fund manages credit risk in line with the authorized investment policy statement and the relevant fixed income benchmarks. The benchmark requires at least one of the following well-known credit rating agencies (S&P, Moody's or Fitch) to have rated the issue/issuer.

184. Following tables summarize the credit ratings obtained from rating agencies (Moody's, S&P or Fitch) for the Fund's fixed-income portfolio as of 31 December 2020 and 2019. The Fund uses Moody's issue ratings as the primary source for the information shown in the tables. If issue is not rated, then Moody's issuer rating is used. If issue/issuer is not evaluated by Moody's then issue/issuer ratings are obtained from S&P or Fitch.

As at 31 December 2020:

(Thousands of United States dollars)

Fixed Income	Ratings Aaa /AA to Aa3/AA-	A1/A+ to A3/A-	Baa1/BBB+ to Baa3/BBB-	Ba1/BB+ to B3/B-	Not rated (1)	Grand Total
Government and agencies securities	17 867 385	859 661	1 647 622	625 880	-	**21 000 548**
Asset backed securities	152 242	-	-	-	-	**152 242**
Corporate bonds / Commercial paper	58 848	149 013	167 850	-	-	**375 711**
Municipal/provincial bonds	24 103	-	-	-	-	**24 103**
Commercial mortgage-backed	771 043	-	-	-	-	**771 043**
Funds - corporate bond	-	-	-	-	53 884	**53 884**
Total	**18 873 621**	**1 008 674**	**1 815 472**	**625 880**	**53 884**	**22 377 531**
Percentage	**84.34%**	**4.51%**	**8.11%**	**2.80%**	**0.24%**	**100.0%**

(1) One security amounting to $53.9 million was a bond fund, and as such, was not evaluated by any credit rating agency.

As at 31 December 2019:

(Thousands of United States dollars)

Fixed Income	Aaa /AA to Aa3/AA-	Ratir gs A1/A+ to A3/A-	Baa1/BBB+ to Baa3/BBB-	Ba1/BB+ to B3/B-	Not rated (1)	Grand Total
Government and agencies securities	15 725 534	1 463 835	1 082 996	590 847	-	**18 863 212**
Asset backed securities	157 585	-	-	-	-	**157 585**
Corporate bonds	45 031	479 792	70 643	-	-	**595 466**
Municipal/provincial bonds	37 873	-	-	-	-	**37 873**
Commercial mortgage-backed	704 655	-	-	-	-	**704 655**
Funds - corporate bond	-	-	-	-	53 740	**53 740**
Total	**16 670 678**	**1 943 627**	**1 153 639**	**590 847**	**53 740**	**20 412 531**
Percentage	**81.67%**	**9.52%**	**5.66%**	**2.89%**	**0.26%**	**100.0%**

(1) One security amounting to $53.7 million was a bond fund, and as such, was not evaluated by any credit rating agency.

185. Maturity analysis of fixed income securities as at 31 December 2020 and 2019 is as follows:

(Thousands of United States dollars)

Maturity	31 December 2020	31 December 2019
Less than 1 year	1 581 072	959 882
1 -5 years	4 348 672	3 150 021
5 - 15 years	5 488 058	6 119 642
Greater than 15 years	10 959 729	10 182 986
Total	**22 377 531**	**20 412 531**

20.2 Liquidity risk

186. Liquidity risk is the risk of not meeting cash requirements for the Fund's obligations. Cash requirements can arise from settlement needs for various investment trades, capital calls from uncalled or unfunded commitments, and benefit payment disbursements in various currencies. The Fund manages its liquidity risk by investing the vast majority of its investments in liquid securities.

20.3 Market risk

187. Market risk is the risk of change in the value of plan assets due to various market factor movements such as asset price, interest rates, major market index movements, currency exchange rates and market volatility. The Fund has adopted Value at Risk (VaR) as a parameter to measure the market risk, in addition to standard deviation and tracking risk. Value at Risk is a universally accepted parameter to communicate market risk for financial institutions and asset management institutions. The Fund also has risk tolerance for investment risks in the Investment Policy approved by the RSG. Based on this risk tolerance, a risk budget has been assigned to each portfolio manager. The risk budget is modified once a year.

188. Value at Risk (VaR), as a single number, summarizes the portfolio's exposure to market risk as well as the probability of an adverse move or in other words, level of risk. The main purpose of VaR is to assess market risks that result from changes in market prices. There are three key characteristics of VaR: (a) the amount (in percentage or dollar terms), (b) the time horizon (in this case, one year) and (c) the confidence level (in this case, 95%). When reported as 95% confidence, VaR(95) number (in percentage or in dollar terms) indicates that there is 95% chance that portfolio losses will not exceed the given VaR95 number (percentage or dollar terms) over a year. In addition, the Fund reports tail risk or expected shortfall, which measures the average expected loss for the 5% of the time when the losses exceed VaR(95). The Fund also reports contribution to risk. Considering the risk of the whole Fund as 100%, contribution to risk indicates how much of the risk is contributed by that asset class. Contribution to risk is additive (all contributions will add up to 100%). VaR(95) is not additive due to the diversification effect.

189. The table below depicts four important aspects of risks. It shows volatility or standard deviation in percentage, followed by VaR(95) for the given portfolio in percentage terms. Contribution to risk indicates how much each asset class is contributing to the total Fund risk. Clearly, total Fund risk is 100% and each of the asset class below indicates the contribution to the risk. Expected shortfall at 5% (because the Fund is indicating VaR at 95%), indicates average value or expected value of losses for the 5% of the times when losses exceed VaR95.

190. All numbers in the chart below are reported for a one-year term horizon. For 2020, the estimated volatility on absolute basis (benchmark not included) of the total fund was 13.37%, the estimated value-at risk VaR (95%) was 17.61%, and the estimated expected shortfall ES (95%) was 34.00%. VaR of 17.61% indicates that there is 95% chance that portfolio losses will not exceed the 17.61% over a year. The asset class with lowest VaR (lowest risk) is cash and short term, followed by fixed income and total equities, and the asset class with highest VaR (highest risk) is real estate, followed by private equity, infrastructure and timberland. The contribution to risk statistics is driven by the asset class 1) risk, 2) weights in portfolio, 3) correlation with other assets in the portfolio. Accordingly, for 2020, total equity portfolio contributed 82.41% to total fund risk, while fixed income contributed -0.48%, real estate 10.95%, and private equity 6.88%. As of 31 December 2020, equities represented 59.19 % of the net assets available for benefits.

191. All numbers in the chart below are annualized using historical simulation.

2020:

Asset Class	Volatility (Standard Deviation)	VaR (95%)	Contribution to Risk	Expected Shortfall (5%)
Total fund	13.37	17.61	100.00	34.00
Total equity	18.52	25.05	82.41	47.12
Fixed income	2.88	4.12	(0.48)	6.74
Cash and short term	0.09	0.13	0.00	0.18
Real estate	26.77	31.98	10.95	69.50
Private equity	18.36	25.97	6.88	48.05
Commodities	-	-	-	-
Infrastructure	18.13	25.61	0.21	47.75
Timberland	18.13	25.16	0.03	47.75

Note: Figures are reported from MSCI RiskMetrics as of 31 December 2020. Percentages are rounded to the nearest two decimal places; 0.00 indicates a value smaller than 0.01 but not zero.

2019:

Asset Class	Volatility (Standard Deviation)	VaR (95%)	Contribution to Risk	Expected Shortfall (5%)
Total fund	6.86	11.32	100.00	17.45
Total equity	10.17	18.16	86.17	26.08
Fixed income	2.58	4.36	(0.24)	5.65
Cash and short term	0.16	0.25	0.00	0.34
Real estate	12.83	21.59	7.09	30.42
Private equity	9.88	17.62	6.65	25.48
Commodities	10.41	17.38	0.04	24.76
Infrastructure	9.67	17.52	0.26	25.32
Timberland	9.67	17.52	0.03	25.32

Note: Figures are reported from MSCI RiskMetrics as of 31 December 2019. Percentages are rounded to the nearest two decimal places; 0.00 indicates a value smaller than 0.01 but not zero.

192. Since early 2020 and through the date the financial statements were approved, the outbreak of the novel coronavirus (COVID-19), which the World Health Organization declared a pandemic, continues to cause significant uncertainty in the world economy. The significant increase of Volatility (Standard deviation), VaR (95%) and expected shortfall (5%) in 2020 as compared to 2019 were due to the unprecedented market volatility primarily caused by the COVID-19 pandemic

193. Although VaR is an important tool for measuring market risk, the assumptions on which the model is based give rise to some limitations. Key assumptions include, a 1-day holding period to hedge or dispose of positions which, may not be the case for illiquid assets or may be due to adverse market conditions; a 95% confidence level, which indicates that there is a 5% probability of losses exceeding the VaR at 95%; VaR calculated on an end-of-day basis, which does not reflect changes during the trading day; and the use of historical data and Monte Carlo simulation, which may not cover all possible scenarios, especially those of an exceptional nature.

Price risk:

194. The Fund is exposed to equity securities price risk. This arises from investments held by the Fund for which prices in the future are uncertain. Where non-monetary financial instruments − for example, equity securities − are denominated in currencies other than the US dollar, the price is initially expressed in non-US dollar denominated currency and is then converted into US dollars, which will also fluctuate because of changes in currency exchange rates.

195. At 31 December 2020 and 31 December 2019, the fair value of equities exposed to price risk was as follows:

(Thousands of United States dollars)

	31 December 2020	31 December 2019
Common and preferred stock	46 584 756	40 686 191
Funds – exchange traded funds	1 577 111	1 388 880
Funds - common stock	8 888	138 935
Stapled securities	74 460	95 135
Total equity instruments	**48 245 215**	**42 309 141**

196. Considering the total Fund risk as 100%, the contribution to risk due to equities is 82.41% (2019: 86.17%) to the total fund risk and the rest is contributed by all other asset classes.

197. The Fund also manages its exposure to price risk by analyzing the investment portfolio by industrial sector and benchmarking the sector weights.

198. The Fund's equity investment portfolio by industrial sector based on General Industry Classification Standards as of 31 December 2020 and 2019 was as follows:

	31 December 2020		31 December 2019	
General Industry Classification Standards	**Fund's equity portfolio**	**Benchmark****	**Fund's equity portfolio**	**Benchmark***
Financials	13.50%	14.16%	16.25%	17.29%
Information Technology	21.43%	22.26%	17.80%	17.69%
Communication Services	9.31%	9.68%	8.27%	9.01%
Consumer Discretionary	13.49%	13.61%	11.82%	11.03%
Consumer Staples	6.33%	6.83%	6.70%	7.48%
Energy	2.88%	3.20%	5.15%	5.40%
Health Care	11.44%	11.60%	11.85%	12.15%
Industrials	8.61%	7.86%	8.33%	8.30%
Materials	4.77%	5.23%	4.49%	4.90%
Utilities	2.44%	2.98%	2.78%	3.43%
Real Estate	2.34%	2.59%	2.89%	3.32%
Others	3.46%	Not applicable	3.67%	Not applicable
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

** Benchmark source: 80% MSCI World Developed ESG and 20 % MSCI Emerging Markets ESG, customized to excludes tobacco, and certain modalities of armament and thermal coal companies.
* Benchmark source: MSCI All Country World Index, customized to excludes tobacco, and Controversial weapons.

199. The following table analyses the Fund's concentration of equity price risk in the Fund's equity portfolio by geographical distribution (based on counterparty's place of primary listing or, if not listed, place of domicile).

	31 December 2020	**31 December 2019**
North America	55.5%	56.0%
Europe	14.8%	17.3%
Asia Pacific	9.6%	9.7%
Emerging Markets	20.1%	17.0%
Total	**100.0%**	**100.0%**

Currency risk

200. The Fund is one of the most globally diversified pension funds in the world and therefore holds both monetary and non-monetary assets denominated in currencies other than the US dollar, the Fund's base currency. Currency exchange risk arises as the value of financial instruments denominated in other currencies fluctuates due to changes in currency exchange rates. Management monitors the exposure to all currencies. The unrealized foreign exchange gain/loss is primarily attributable to the fluctuation in currency exchange rates during the period.

201. The Fund does not use hedging to manage its non-US dollar denominated currency risk exposure, because the Fund expects currency impact to net out to zero over a full market cycle, as has been the case historically. Currency risk refers to risk due to foreign exchange rate changes.

202. The tables below illustrate the foreign exchange risk exposure of the Fund by class of investments. These summarize the Fund's cash and investments at fair value as of 31 December 2020 and 2019 respectively. Net financial assets amounting to $28.8 million in 2020 (2019: net financial assets of $44.4 million), not held at fair value (Note 5) are excluded from this table. Assets held in exchange-traded funds (ETFs) or externally managed specialty funds are included as United States dollar assets.

As at 31 December 2020						
Currency	**Equity**	**Fixed income**	**Real assets**	**Alternative and others**	**Cash**	**Total**
United States dollar	35.93%	23.40%	5.32%	4.71%	0.69%	70.05%
Euro	4.21%	0.05%	0.73%	0.88%	0.02%	5.89%
Japanese yen	3.93%	-	0.17%	-	0.00%	4.10%
Hong Kong dollar	3.06%	-	-	-	0.00%	3.06%
British pound sterling	2.20%	-	0.17%	0.11%	0.00%	2.48%
South Korean won	1.59%	0.38%	-	-	0.00%	1.97%
Canadian dollar	1.43%	0.02%	0.30%	-	0.00%	1.75%
Swiss franc	1.36%	-	-	-	0.01%	1.37%
Australian dollar	1.08%	0.00%	0.22%	-	0.00%	1.30%
Indian rupee	0.98%	0.14%	-	-	0.00%	1.12%
Brazilian real	0.49%	0.45%	-	-	0.00%	0.94%
Mexican peso	0.25%	0.52%	-	-	0.00%	0.77%
South African rand	0.46%	0.16%	-	-	0.00%	0.62%
Swedish krona	0.58%	-	-	-	0.00%	0.58%
Indonesian rupiah	0.12%	0.40%	-	-	0.00%	0.52%
Chinese Yuan Renminbi	0.44%	-	-	-	0.00%	0.44%
Russian ruble	0.05%	0.36%	-	-	0.00%	0.41%
Thai baht	0.09%	0.32%	-	-	0.00%	0.41%
Malaysian ringgit	0.11%	0.29%	-	-	0.00%	0.40%
Danish krone	0.37%	-	-	-	0.00%	0.37%
Polish zloty	0.03%	0.23%	-	-	0.00%	0.26%
Philippine peso	0.10%	0.11%	-	-	0.00%	0.21%
Singapore dollar	0.17%	-	-	-	0.00%	0.17%
Egyptian pound	-	0.10%	-	-	0.00%	0.10%
Turkish lira	0.04%	0.06%	-	-	0.00%	0.10%
Peruvian sol	-	0.09%	-	-	0.00%	0.09%
Hungarian forint	0.02%	0.07%	-	-	0.00%	0.09%
Czech koruna	-	0.08%	-	-	0.00%	0.08%
New Israeli shekel	-	0.07%	-	-	0.00%	0.07%
Colombian peso	-	0.07%	-	-	0.00%	0.07%
United Arab Emirates dirham	0.06%	-	-	-	0.00%	0.06%
Chilean peso	-	0.05%	-	-	0.00%	0.05%
Norwegian krone	0.04%	0.00%	-	-	0.00%	0.04%
Romanian Leu	-	0.03%	-	-	0.00%	0.03%
New Zealand dollar	0.03%	-	-	-	0.00%	0.03%
African franc	-	-	-	-	0.00%	0.00%
Pakistani Rupee	-	-	-	-	0.00%	0.00%
Grand Total	59.22%	27.45%	6.91%	5.70%	0.72%	100.00%

Note: Percentages are rounded to the nearest two decimal places. 0.00% indicates a value smaller than 0.01% but not zero.

	As at 31 December 2019					
Currency	**Equity**	**Fixed income**	**Real assets**	**Alternative and others**	**Cash**	**Total**
United States dollar	35.40%	23.95%	5.67%	4.16%	0.56%	69.74%
Euro	4.88%	0.05%	0.72%	0.69%	0.02%	6.36%
Japanese yen	3.79%	-	0.19%	-	0.01%	3.99%
British pound sterling	2.91%	-	0.19%	0.09%	0.00%	3.19%
Hong Kong dollar	2.63%	-	-	-	0.00%	2.63%
Canadian dollar	1.78%	0.03%	0.32%	-	0.00%	2.13%
South Korean won	1.11%	0.43%	-	-	0.00%	1.54%
Swiss franc	1.51%	-	-	-	0.01%	1.52%
Brazilian real	0.73%	0.70%	-	-	0.00%	1.43%
Australian dollar	1.13%	0.03%	0.24%	-	0.00%	1.40%
Indian rupee	0.79%	0.17%	-	-	0.00%	0.96%
Mexican peso	0.27%	0.63%	-	-	0.00%	0.90%
Malaysian ringgit	0.15%	0.36%	-	-	0.00%	0.51%
South African rand	0.39%	0.12%	-	-	0.00%	0.51%
Russian ruble	-	0.50%	-	-	0.00%	0.50%
Swedish krona	0.48%	-	-	-	0.00%	0.48%
Thai baht	-	0.43%	-	-	0.00%	0.43%
Danish krone	0.31%	-	-	-	0.00%	0.31%
Polish zloty	-	0.24%	-	-	0.00%	0.24%
Singapore dollar	0.21%	-	-	-	0.00%	0.21%
Philippine peso	0.10%	0.10%	-	-	0.00%	0.20%
Turkish lira	0.06%	0.08%	-	-	0.00%	0.14%
Peruvian sol	-	0.10%	-	-	0.00%	0.10%
Czech koruna	-	0.09%	-	-	0.00%	0.09%
Hungarian forint	-	0.08%	-	-	0.00%	0.08%
New Israeli shekel	-	0.08%	-	-	0.00%	0.08%
Colombian peso	-	0.07%	-	-	0.00%	0.07%
Chinese Yuan Renminbi	0.07%	-	-	-	0.00%	0.07%
Norwegian krone	0.05%	0.00%	-	-	0.00%	0.05%
Chilean peso	-	0.05%	-	-	0.00%	0.05%
Egyptian pound	-	0.04%	-	-	-	0.04%
Romanian Leu	-	0.03%	-	-	0.00%	0.03%
New Zealand dollar	0.02%	-	-	-	0.00%	0.02%
African franc	-	-	-	-	0.00%	0.00%
Pakistani Rupee	-	-	-	-	0.00%	0.00%
Grand Total	**58.77%**	**28.36%**	**7.33%**	**4.94%**	**0.60%**	**100.00%**

Note: Percentages are rounded to the nearest two decimal places. 0.00% indicates a value smaller than 0.01% but not zero.

Interest rate risk

203. Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets' interest rates on the fair value of financial assets and liabilities and future cash flows. The Fund holds fixed interest rate securities, floating-rate debt instruments, cash and cash equivalents that expose the Fund to interest rate risk.

204. The table below summarizes the Fund's relative sensitivity to interest rate changes versus its reference Fixed Income benchmark. This measure of duration for the portfolio indicates the approximate percentage change in the value of the portfolio if interest rates change by 100 basis points.

	2020		2019	
	Fund	**Benchmark**	**Fund**	**Benchmark**
Effective duration	4.96%	4.81%	5.00%	4.89%

205. Effective duration is the sensitivity to interest rate. This means if the interest rate changes by 1%, the Fund can lose or gain approximately 4.96% (2019: 5.00%) compared to benchmark, which can lose or gain approximately 4.81% (2019: 4.89%). This primarily arises from the increase/decrease in the fair value of fixed interest securities. Floating rate debt instruments comprise approximately 1% of the total fixed income investments used for calculating effective duration as of 31 December 2020 and 31 December 2019.

21. Budget information: Reconciliation between the actual amounts on a comparable basis and the statement of changes in net assets available for benefits

206. Differences between the actual amounts on a comparable basis with the budget and the actual amounts recognized in the financial statements can be classified into the following:

(a) Basis differences, which occur when the approved budget is prepared on a basis other than the accounting basis, as stated in Note 3.14.
(b) Timing differences, which occur when the budget period differs from the reporting period reflected in the financial statements. There are no timing differences for UNJSPF for the purposes of comparison of budget and actual amounts.
(c) Entity differences, which occur when the budget omits programs or entities that are part of the entity for which the financial statements are prepared. There are no entity differences for UNJSPF.

(Thousands of United States dollars)

	2020	2019
Actual amount on a comparable basis	89 396	71 763*
Basis differences		
Asset additions/disposals	-	(2 222)
Depreciation, amortization and impairment	3 724	2 464
Unliquidated obligations	924	5 322
Prepayments	(1 661)	(722)
Employee benefits	12 341	16 087
Other accruals	(1 530)	(927)
Actual amount for administrative expenses in the statement of changes in net assets available for benefits	**103 194**	**91 765**

* Actual amount on a comparable basis refers to the actual amounts of the administrative expenditure related to the Fund and does not include the expenditure related to the United Nations.

207. The above reconciliation illustrates key differences between total administrative expenditure on a budget basis (modified cash basis) and total expenditure on an IPSAS basis. The main differences can be categorized as follows:

- Depreciation/amortization expense: Fixed assets and intangible assets meeting the threshold for capitalization are capitalized and depreciated/amortized over their useful lives on an IPSAS basis. Only depreciation/amortization expense is recognized over the useful lives of the asset whereas the total expense is recognized on a budget basis at the time of acquisition.
- Expense recognition: On a budget basis expenditure is recognized at the time of disbursement or commitment as unliquidated obligations. Under IPSAS, expenses are recognized at the time goods or services have been received. Unliquidated obligations for goods or services not received or prepayments are not recognized as expense. Economic services received but not paid for are recognized as expense under IPSAS.
- Employee benefits: On a budget basis, employee benefit expenses are recognized when the benefit is paid. Under IPSAS, an expense for an employee benefit should be recognized in the period in which the benefit is earned, regardless of time of payment. IPSAS therefore recognizes expenses for post-employment benefits such as after service health insurance, annual leave or repatriation benefits.

22. Funds under management

208. Funds under management are defined as other UN funds for which the Fund has engaged the services of external fund managers, independent of the Fund.

209. Pursuant to General Assembly Resolution 2951 dated 11 December 1972 establishing the United Nations University and General Assembly Resolution 3081 and Article IX of the UNU Charter (A/9149/Add.2), the OIM is providing oversight services for the investments of the UNUEF (United Nations University Endowment Fund) that are outsourced to BlackRock Financial Managers Inc. with a separate custodian bank. Formal arrangements between OIM and UNUEF regarding these services have been agreed upon. Resulting funds are reflected in the accounts of the United Nations University. There is no commingling of investment funds with those of the United Nations Joint Staff Pension Fund which are maintained separately. Costs of OIM management advisory fees amounting to $50,000 per year are reimbursed by UNUEF to OIM and recorded as Other investment related income.

23. Related party transactions

Key Management Personnel

210. Key management personnel remunerated by the Fund for the years ended 31 December 2020 and 31 December 2019 are as follows:

	Number of individuals	Compensation and post adjustment	Entitlements	Pension and health plans	Total remuneration	Outstanding advances against entitlements	Outstanding loans
		(Thousands of United States dollars)					
2020	5	995	457	228	1 680	-	-
2019	4	857	343	204	1 404	-	-

211. Key management personnel are the Chief Executive (Note 1.2), the RSG, the Deputy Chief Executive, Director of OIM and the CFO as they have the authority and responsibility for planning, directing and controlling the activities of the Fund.

212. The aggregate remuneration paid to key management personnel includes: net salaries, post adjustment, and entitlements such as representation allowance and other allowances, assignment and other grants, rental subsidy, personal effect shipment costs, and employer pension and current health insurance contributions.

213. There are no outstanding advances against entitlements of key management personnel as at 31 December 2020 and 2019.

214. Key management personnel are also qualified for post-employment benefits (Note 11) at the same level as other employees. The actuarial valuation of the benefits for the key management personnel are, as follows:

(Thousands of United States dollars)

	31 December 2020	31 December 2019
ASHI	423	377
Repatriation grant	180	163
Annual leave	79	76
Total	**682**	**616**

Other related parties

215. While no transactions occurred with the following parties, they are considered as related parties and a summary of the Fund's relationship with these parties is as follows:

United Nations General Assembly

216. The United Nations General Assembly is the highest legislative body for the Fund. It reviews reports submitted by the Pension Board, approves the budgets for the Fund, decides on new UNJSPF member organizations and amends the Fund’s Regulations.

Member Organizations participating in the Fund

217. The Member Organizations of the Fund (international, intergovernmental organizations) join the Fund by decision of the United Nations General Assembly and at the time of admission agree to adhere to the UNJSPF Regulations. Each UNJSPF member organization has a staff pension committee and a secretary to the committee; the committees and their secretariat are an integral part of the Fund’s administration.

International Computing Centre

218. The International Computing Centre (ICC) was established in January 1971 pursuant to Resolution 2741 (XXV) of the United Nations General Assembly. ICC provides information and communications technology services to Partners and Users in the United Nations System. As a Partner bound by the Mandate of the ICC, the Fund would be proportionately responsible for any third party claim or liability arising from or related to service activities of the ICC as specified in the ICC Mandate. At 31 December 2020, there are no known claims that impact the Fund. Ownership of assets is with ICC until dissolution. Upon dissolution, the division of all assets and liabilities amongst Partner Organizations shall be agreed by the Management Committee by a formula defined at that time.

219. The role of ICC is to:

- provide Information Technology services on a full cost-recovery basis;
- assist in exploiting networking and computing technology;
- provide Information Management services;
- advise on questions related to Information Management;
- provide specialized training.

24. Reclassification and comparative numbers

220. Beginning in 2020, the Fund has updated the presentation of the statement of net assets available for benefits by reclassifying investments in commodity funds from Alternative and other investments to Real assets. The change is intended to provide more meaningful information to the users of the financial statements in line with the Investment policy statement.

221. As a result, certain line items have been amended in the statement of net assets available for benefits and related notes to the financial statements. All comparative figures have been adjusted to confirm to the current year's classification. The reclassification has no impact in net assets available for benefits. As at 31 December 2020, the Fund does not have any investment in commodity funds.

222. The net zero effect of reclassifying commodity funds from Alternative and other investments to Real assets in the statement of net assets available for benefits will be as follows:

(Thousands of United States dollars)

	Previously reported as at 31 December 2019	Regrouping	After regrouping as at 31 December 2019
Investment			
Equities	42 309 141	-	42 309 141
Fixed income	20 412 531	-	20 412 531
Real assets	5 201 835	63 897	5 265 732
Alternatives and other investments	3 626 467	(63 897)	3 562 570
Total	**71 549 974**	**-**	**71 549 974**

25. Subsequent events

223. General Assembly resolution A/RES/75/246 dated 7 January 2021, noted the report of the Representative of the Secretary-General on the proposal of the Pension Board to engage, for the first time, in a range of derivative instruments available to the Fund, to effectively manage the Fund's investments and address the increasing complexity of the global capital markets environment and authorizes the Secretary-General to conduct margin trading for the limited purpose on a trial basis for two years. The Fund is currently assessing the feasibility of implementation of this pilot program and expecting to report more detailed proposals to the General Assembly at its seventy-sixth session, including information on the use of derivative instruments, engagement in margin trading and participation in securities lending, as well as compliance measures, with a view to ensuring strict adherence to the existing policies and accountability framework and a cost-effective investment strategy.

224. Only the Fund's management has the authority to amend these financial statements.

Annex - Statistics on the operations of the Fund

Table 1: Number of participants as of 31 December 2020

Member Organization	Participants as at 31 December 2019	New Entrants	Transfer In	Transfer Out	Separations	Adjustments [2]	Participants as at 31 December 2020	Percent increase / (decrease)
United Nations [1]	85 363	6 468	234	239	4 643	220	86 963	1.9%
ILO	3 939	404	25	31	282	5	4 050	2.8%
FAO	11 760	1 282	80	77	692	12	12 341	4.9%
UNESCO	2 539	149	11	12	172	4	2 511	(1.1%)
WHO	11 056	732	63	49	598	15	11 189	1.2%
ICAO	761	34	5	8	53	-	739	(2.9%)
WMO	374	20	5	2	45	(1)	353	(5.6%)
IAEA	2 802	181	17	26	197	-	2 777	(0.9%)
IMO	365	10	2	1	16	2	358	(1.9%)
ITU	748	56	7	6	38	2	765	2.3%
WIPO	1 216	58	8	5	60	2	1 215	(0.1%)
IFAD	612	50	11	7	35	(2)	633	3.4%
ICCROM	45	5	-	-	1	-	49	8.9%
EPPO	20	1	-	-	2	-	19	(5.0%)
ICGEB	175	6	-	-	13	-	168	(4.0%)
WTO/Tourism	89	3	-	-	3	-	89	0.0%
ITLOS	41	-	2	1	2	-	40	(2.4%)
ISA	43	4	-	1	2	-	44	2.3%
UNIDO	712	30	9	5	33	2	711	(0.1%)
ICC	1 230	28	10	18	71	-	1 179	(4.2%)
IPU	47	3	-	-	7	-	43	(8.5%)
IOM	6 897	1 312	47	33	527	9	7 687	11.5%
STL	449	20	5	17	55	2	400	(10.9%)
CTBTO	300	27	4	7	15	-	309	3.0%
TOTAL	**131 583**	**10 883**	**545**	**545**	**7 562**	**272**	**134 632**	**2.3%**

1) The United Nations Headquarters, regional offices and all funds and programmes
2) Corrections of prior years' erroneous entries

Table 2: Benefits awarded to participants or their beneficiaries during the year ended 31 December 2020

Member organization	Number of benefits awarded											
	Retirement benefit	Early retirement benefit	Deferred retirement benefit	Withdrawal settlement		Child's benefit	Widow & widower benefit	Other death benefit	Disability benefit	Secondary dependency benefit	Transfer under agreement	Total
				< 5 Years	> 5 Years							
United Nations [1)]	380	316	589	2 380	754	723	101	-	93	3	13	5 352
ILO	22	15	39	161	36	14	3	-	3	-	2	295
FAO	87	108	101	271	95	147	18	-	9	-	1	837
UNESCO	24	14	44	72	10	20	3	-	3	-	2	192
WHO	63	51	93	248	108	103	19	-	6	-	3	694
ICAO	12	5	6	24	5	6	-	-	-	-	1	59
WMO	13	10	3	14	3	4	-	-	2	-	-	49
IAEA	33	13	72	58	14	10	-	-	6	-	1	207
IMO	1	3	4	5	-	2	-	-	3	-	-	18
ITU	8	13	6	5	2	6	-	-	4	-	-	44
WIPO	12	9	6	22	3	7	3	-	4	-	-	66
IFAD	10	2	8	10	3	2	-	-	1	-	-	36
ICCROM	-	-	-	1	-	-	-	-	-	-	-	1
EPPO	-	-	-	2	-	-	-	-	-	-	-	2
ICGEB	6	3	-	1	-	1	-	-	-	-	-	11
WTO	2	-	3	-	-	-	-	-	-	-	-	5
ITLOS	1	-	-	1	-	-	-	-	-	-	-	2
ISA	-	-	-	-	2	-	-	-	-	-	-	2
UNIDO	9	3	9	6	2	1	-	-	4	-	-	34
ICC	3	3	28	21	14	-	1	-	1	-	-	71
IPU	2	-	3	2	-	-	-	-	-	-	-	7
IOM	16	8	31	354	109	7	1	-	4	-	1	531
STL	6	5	11	10	20	6	1	-	2	-	-	61
CTBTO	-	1	-	14	-	-	-	-	-	-	-	15
TOTAL	**710**	**582**	**1 056**	**3 682**	**1 180**	**1 059**	**150**	**-**	**145**	**3**	**24**	**8 591**

1) The United Nations Headquarters, regional offices and all funds and programmes

Table 3: Analysis of periodic benefits for the year ended 31 December 2020

Type of Benefit	Total as at 31 December 2019	New	Benefits discontinued, resulting in award of survivor's benefit	All other benefits discontinued	Total as at 31 December 2020
Retirement	29 225	710	(344)	(552)	29 039
Early retirement	17 065	582	(200)	(337)	17 110
Deferred retirement	8 102	1 056	(54)	(389)	8 715
Widow	11 775	121	684	(587)	11 993
Widower	1 121	29	73	(53)	1 170
Disability	1 798	145	(29)	(43)	1 871
Child	10 855	1 059	-	(1 500)	10 414
Secondary dependent	34	3	-	(3)	34
Total	**79 975**	**3 705**	**130**	**(3 464)**	**80 346**

Table 4: Inventory of deferred and active entitlement cases

	As at 31 December 2020		As at 31 December 2019	
	Number	**%**	**Number**	**%**
No payment due at all				
Possible Re-employment under Article 21	**17**	**< 1%**	**101**	**2%**
No immediate payment due				
Deferred Retirement Benefit - Art.30 (payment not due until retirement age or from early retirement age)	349		499	
Deferment of Choice - Art.32 (benefit election/payment deferred by the beneficiary up to 36 months)	3 149		3 615	
Total	**3 498**	**80%**	**4 114**	**76%**
Not ready for payment				
Cases reviewed but required more information/clarification	**692**	**16%**	**900**	**17%**
For payment (case inventory)				
Cases in progress	57		86	
Cases scheduled for review	87		181	
Total	**144**	**3%**	**267**	**5%**
Grand total	**4 351**		**5 382**	