

# CIRCULAR

FICSA/CIRC/1344  
Ref: Leg/c/Statutes

Geneva, 18 February 2021

To: Chairs, Member Associations/Unions  
Members of the Executive Committee  
Chairs and Vice-Chairs of Standing Committees

From: Evelyn Kortum, FICSA General Secretary

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**This communication is for action by FICSA member staff associations in  
follow-up to the decisions of the 74<sup>th</sup> Council**

**Proposed amendments to the financial rules of the FICSA Statutes**

**Deadline to reply in case of any objections 31 March 2021**

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The 74<sup>th</sup> FICSA Council agreed to the recommendation proposed by the Ad Hoc Committee on Administrative and Budgetary Questions, in agenda item 3 of its meeting, proposed amendments to Articles 2, 9, and 13 to the FICSA Financial Rules (refer to [FICSA/C/74/A&B/CRP.2](#)).

The purpose is to establish the new terms of reference for the level and use of the Reserve Fund; clarify on the use of rebates/discounts for early payment; expand the Termination Indemnity Fund to include Installation and integrate the emergency fund into the Reserves.

In accordance with Article 43 of the FICSA Statutes, adopted amendments to the Statutes shall come into force 30 working days after being communicated by the Executive Committee to the Membership, Unless otherwise decided by Council or more than one-third of the Full Members objects in writing within the time period.

**Therefore, should any Full Member association/union wish to object to any of the adopted amendments, the deadline for doing so shall be 31 March 2021 by writing to the FICSA Secretariat at [ficsa@un.org](mailto:ficsa@un.org).**

Original	Proposed amendment(s) (in blue text)
<p><b>Article 2</b> Regular contributions from the Membership and associations/unions holding other types of status shall fall due on the first day of the financial year. One quarter of assessed contributions becomes payable on each of the following dates: 31 March, 30 June, 30 September and 31 December. Any assessed contributions received by 31 March will entail a 5 per cent rebate and any assessed contributions received by 30 June will entail a 2.5 per cent rebate. <del>Rebates shall not be granted to Full and Associate Members and associations/unions holding other status when their contributions are assessed at CHF 2,000 or less.</del></p> <p><b>Article 9</b> A special reserve fund shall be established to be called “Reserve Fund for Termination Indemnities for the Staff of the Federation's Secretariat”. The amount of such reserve fund shall be established by the Council annually which will also determine the type of investment. The decision to utilise this reserve for purposes other than termination rests exclusively with the FICSA Council.</p> <p><b>Article 10</b> An emergency fund may be set up. It may be drawn upon by unanimous agreement of the Executive Committee, and the circumstances which required such action shall be communicated to the Council at its next regular session.</p> <p><b>Article 13</b> Any surplus at the end of the year should be credited to a reserve fund, unless otherwise decided by the Council.</p>	<p><b>Article 2</b> Regular contributions from the Membership and associations/unions holding other types of status shall fall due on the first day of the financial year. One quarter of assessed contributions becomes payable on each of the following dates: 31 March, 30 June, 30 September and 31 December. Any assessed contributions received by 31 March will entail a 5 per cent rebate and any assessed contributions received by 30 June will entail a 2.5 per cent rebate. <i>The rebates will be covered from the fund balance for each respective year.</i></p> <p><b>Article 9</b> A special fund shall be established to be called “<i>Termination Indemnities and Installation Fund</i>” for the Staff of the Federation's Secretariat”. The amount of this fund shall be <i>adjusted</i> by the Council annually <i>in accordance with the recommendation of the Treasurer. Unless authorized by the FICSA Council, this fund shall not be utilized for other purposes than termination or installation for new recruited staff.</i></p> <p><b>Article 10</b> <i>Integrated into Article 13</i></p> <p><b>Article 13</b> Any surplus at the end of the year should be credited <i>to a special fund called “Reserve Fund”, unless the Reserve Fund is already at the maximum stipulated level, in which case surplus</i></p>

	<p>will be available for use as will be decided by the Council.</p> <p>The Reserve Fund shall be provisioned to cover 18 months of FICSA operations as indicated in its program budget, on a three years average, i.e. the average budget amount over the last three years of FICSA program budget plus an additional 50%, to ensure that FICSA can cover all its liabilities, including any known short and long-term liabilities that FICSA may incur, that is not stated in the annual program budget. The Executive Committee can utilize up to a maximum of 25% of the reserves for unforeseen emergencies not covered by any other article of the financial rules upon by unanimous agreement of the Executive Committee. The circumstances which required such action shall be communicated to the Council at its next regular session.</p>
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