

**Seventy-fourth session**

Item 137 of the provisional agenda*

Proposed programme budget for 2020**Conditions of service and compensation for officials other than Secretariat officials: members of the International Court of Justice and President and judges of the International Residual Mechanism for Criminal Tribunals****Report of the Secretary-General****Part one****I. Introduction**

1. The General Assembly, in paragraph 10 of its resolution [65/258](#), decided to re-establish a three-year cycle for the review of the conditions of service and compensation for the members of the International Court of Justice and the judges and ad litem judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda. The most recent comprehensive review was conducted in 2016 and presented in a report of the Secretary-General to the Assembly at its seventy-first session ([A/71/201](#)). In its resolution [71/272 A](#), the Assembly took note of the reports of the Secretary General ([A/71/201](#), [A/68/188](#), [A/66/617](#)) and the letter dated 1 February 2012 from the President of the International Court of Justice addressed to the President of the General Assembly ([A/66/726](#)), and endorsed the conclusions and recommendations contained in the reports of the Advisory Committee on Administrative and Budgetary Questions ([A/66/709](#), [A/68/515](#) and [A/68/515/Corr.1](#) and [A/71/552](#)) subject to the provisions of its resolution. In addition, the Assembly requested the Secretary-General to submit for its consideration, at the main part of its seventy-fourth session, a comprehensive proposal on options for a pension scheme taking into account, inter alia, the following considerations:

(a) Possible new scheme scenarios, and those presented in the report of the Secretary-General ([A/68/188](#)), if relevant;

(b) Projected estimated costs to the Organization for each scenario compared with the present pension scheme;

* [A/74/150](#).



(c) The expected benefits and disadvantages of each scenario and the views and comments of relevant stakeholders.

2. Part one of the present report does not refer to the judges and ad litem judges of the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia, as the Tribunals closed on 31 December 2015 and 31 December 2017, respectively.

3. In order to facilitate consideration of the issues to be reviewed, the present report is structured as follows: part one is devoted to the remuneration of the members of the International Court of Justice and the President and judges of the International Residual Mechanism for Criminal Tribunals (section II) and other conditions of service of those individuals (section III); contains the recommendations of the Secretary-General (section IV); a statement on the financial implications in respect of those recommendations (section V); and refers to the next comprehensive review (section VI); part two focuses on the comprehensive review of the pension schemes for the members of the International Court of Justice, the President of the International Residual Mechanism for Criminal Tribunals and judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda.

II. Remuneration

A. Members of the International Court of Justice

4. Article 32 of the Statute of the International Court of Justice provides, *inter alia*, that each member of the Court shall receive an annual salary (para. 1), and that the salaries and allowances shall be fixed by the General Assembly and may not be decreased during the term of office (para. 5).

5. The emoluments of the members of the Court are *sui generis*. However, on the occasion of the periodic comprehensive reviews of the emoluments and conditions of service of the members of the Court, information on the net remuneration of senior Secretariat officials, the Chair of the Advisory Committee on Administrative and Budgetary Questions, the Chair and Vice-Chair of the International Civil Service Commission and the members of the Joint Inspection Unit has been the reference point for purposes of comparative assessment. To facilitate comparison, annex I contains a summary of the salaries of an Under-Secretary-General serving in The Hague, the members of the International Court of Justice and the judges of the International Criminal Court in euros and the equivalent in United States dollars at the official United Nations operational rate of exchange for the month concerned.

B. Ad hoc judges of the International Court of Justice

6. Under article 31 of the Statute of the International Court of Justice, persons chosen by parties to cases before the Court to “take part in the decision on terms of complete equality with their colleagues” (para. 6) are known as ad hoc judges. Under article 32, paragraph 4, of the Statute, they “shall receive compensation for each day on which they exercise their functions”. The compensation of the ad hoc judges was first defined at the time when the original remuneration system of the Permanent Court of International Justice (the predecessor of the International Court of Justice) was established, in 1922; it was then composed of two elements described as a “fee” and a “subsistence payment” and applied pro rata to the days when service was provided to the Court. In order to maintain the requirement of “complete equality” expressed in paragraph 6 of article 31 of the Statute, with regard to variances created

by the “subsistence payment” element and the ad hoc judges’ place of residence, the General Assembly decided, in 1980 (resolution 35/220) and in 1985 (resolution 40/257), to redefine the compensation package of the judges of the Court.

7. The Secretary-General recalls that, for the purpose of payments to ad hoc judges, annual salary had been last defined in paragraph 3 of General Assembly resolution 40/257 as follows: ad hoc judges were to be compensated, for each day they exercised their functions, one three-hundred-and-sixty-fifth of the sum of the annual base salary and interim cost-of-living supplement payable at the time to a member of the Court (A/61/554, para. 84). Under that definition, the post adjustment system introduced in paragraph 7 of Assembly resolution 61/262 also applies to ad hoc judges.

8. Additional details on the historical background of the determination of the amount of the compensation of the ad hoc judges were presented in the report of the Secretary-General to the General Assembly at its fortieth session (A/C.5/40/32, paras. 35–41).

C. International Residual Mechanism for Criminal Tribunals

9. The International Residual Mechanism for Criminal Tribunals was established by the Security Council in its resolution 1966 (2010) to carry out a number of essential functions of the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia after the completion of their respective mandates. The branch of the Residual Mechanism for the International Criminal Tribunal for Rwanda began functioning on 1 July 2012 and that of the International Tribunal for the Former Yugoslavia on 1 July 2013.

10. The Security Council, in its resolution 1966 (2010), requested the two Tribunals to take all possible measures to expeditiously complete all their remaining work, as provided in the resolution, no later than 31 December 2014, to prepare their closure and to ensure a smooth transition to the Residual Mechanism, including through advance teams in each of the Tribunals. Annexes 1 and 2 to the resolution contain the Statute of the International Residual Mechanism for Criminal Tribunals and the transitional arrangements for the Tribunals. Article 8 of the Statute of the Residual Mechanism stipulates that the terms and conditions of service of the judges for each day on which they exercise their functions for the Mechanism shall be those of the ad hoc judges of the International Court of Justice. The terms and conditions of service of the President of the Mechanism shall be those of the judges of the International Court of Justice. In the event that the President of the Mechanism were to be elected from among the existing permanent judges of the Tribunals and were to be permitted to maintain his or her existing contractual relationship with the United Nations, his or her original conditions of service would continue to apply (A/66/709, para. 17).

11. The judges of the Residual Mechanism will only receive remuneration or benefits after they are appointed to exercise their functions within the Mechanism. They will not receive any remuneration or benefits for being on the roster. For every trial and referral within the jurisdiction of the Mechanism, except for cases of contempt, the President will appoint three judges from the roster to compose a Trial Chamber. In all other circumstances, the President shall appoint a single judge from the roster.

D. Common historical background

12. The General Assembly has conducted periodic reviews of the emoluments of the members and ad hoc judges of the International Court of Justice, the judges and ad litem judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda, and the President and judges of the International Residual Mechanism for Criminal Tribunals, the most recent comprehensive review having been undertaken at its seventy-first session (see [A/71/201](#)), as requested by the Assembly in paragraph 10 of its resolution [65/258](#).

13. In paragraph 6 of its resolution [61/262](#), the General Assembly endorsed the proposal of the Secretary-General contained in his report of 2 November 2006 ([A/61/554](#), para. 80), whereby the annual salaries of the members of the International Court of Justice and the judges and ad litem judges of the two Tribunals would comprise an annual base salary with a corresponding post adjustment per index point equal to 1 per cent of the net base salary, to which would be applied a post adjustment multiplier for the Netherlands or for the United Republic of Tanzania, as appropriate.

14. The Secretary-General had also proposed that, on the occasion of future revisions to the base salary scale applicable to staff in the Professional and higher categories that are effected through the consolidation of post adjustment multiplier points into the base scale with a corresponding readjustment in the post adjustment multipliers, the annual base salary of the members of the International Court of Justice and the judges and ad litem judges of the Tribunals also be adjusted by the same percentage and at the same time ([A/61/554](#), para. 83).

15. Since the most recent comprehensive review of the matter, the General Assembly has revised the scale of gross and net salaries for staff in the Professional and higher categories in its resolutions [71/264](#), [72/255](#) and [73/273](#). Accordingly, the annual base salary applicable to the members of the International Court of Justice and the judges of the two Tribunals was revised from \$172,978 to \$174,742 effective 1 January 2017, from \$174,742 to \$176,437 effective 1 January 2018, and from \$176,437 to \$179,666 effective 1 January 2019.

16. For comparison purposes, table 1 below sets out the salaries, including post adjustment, of the members of the International Court of Justice and the President of the International Residual Mechanism for Criminal Tribunals, serving in The Hague, in euros, as well as the equivalent in United States dollars at the official United Nations operational rate of exchange for the month concerned.

Table 1
Salaries (including post adjustment) of the members of the International Court of Justice and the President of the International Residual Mechanism for Criminal Tribunals for the period from January 2016 to December 2018

<i>Month and year</i>	<i>Salary (euros)</i>	<i>Salary (United States dollars)</i>
January 2016	17 128	18 739
February 2016	17 832	19 489
March 2016	17 550	19 244
April 2016	17 132	19 402
May 2016	17 189	19 489
June 2016	17 223	19 201
July 2016	17 235	19 128
August 2016	17 339	19 244

<i>Month and year</i>	<i>Salary (euros)</i>	<i>Salary (United States dollars)</i>
September 2016	17 223	19 201
October 2016	16 985	19 042
November 2016	17 186	18 783
December 2016	17 327	18 393
Total, 2016	207 530	229 556
January 2017	17 360	18 159
February 2017	17 506	18 683
March 2017	17 618	18 683
April 2017	17 312	18 595
May 2017	17 475	18 974
June 2017	17 412	19 498
July 2017	17 369	19 760
August 2017	17 366	20 430
September 2017	17 265	20 751
October 2017	17 300	20 401
November 2017	17 340	20 139
December 2017	17 292	20 488
Total, 2017	208 615	234 562
January 2018	17 278	20 643
February 2018	17 210	21 378
March 2018	17 220	21 128
April 2018	17 209	21 246
May 2018	17 251	20 834
June 2018	17 571	20 408
July 2018	17 340	20 070
August 2018	16 951	19 849
September 2018	17 321	20 187
October 2018	17 134	20 040
November 2018	17 377	19 746
December 2018	17 370	19 761
Total, 2018	207 232	245 292

III. Other conditions of service

17. The other conditions of service of the members of the International Court of Justice include the special allowance of the President and of the Vice-President when acting as President, the compensation of ad hoc judges, education allowance, survivors' benefits, travel and subsistence regulations and retirement benefits (see annex II).

18. Background on other conditions of service of the members of the Court is provided in the report of the Secretary-General submitted to the General Assembly at its forty-eighth session.¹

19. In section VIII, paragraph 4, of its resolution 53/214, the General Assembly approved the recommendations of the Advisory Committee on Administrative and Budgetary Questions on, inter alia, the other conditions of service of the judges of the Tribunals. Background on other conditions of service of the judges of the Tribunals is provided in the report of the Secretary-General to the Assembly at its fifty-second session (A/52/520, paras. 19–21). The other conditions of service include the special allowance of the President and of the Vice-President when acting as President, the education allowance, survivors' benefits, travel and subsistence regulations and retirement benefits (see annex II).

20. In its resolution 56/285, the General Assembly endorsed the recommendations and observations of the Advisory Committee on the other conditions of service (A/56/7/Add.2, para. 8), in which the Committee reiterated its view that the members of the International Court of Justice should cover the total cost of their participation in the health insurance plans and that the Organization should not have to contribute at all to the cost of their participation.

A. Special allowance of the President and of the Vice-President when acting as President

International Court of Justice

21. Article 32 of the Statute of the Court provides that the President shall receive a special annual allowance (para. 2) and that the Vice-President shall receive a special allowance for each day on which he or she acts as President (para. 3). As is the case with remuneration, the allowances “shall be fixed by the General Assembly” and “may not be decreased during the term of office” (para. 5).

22. In its resolution 65/258, the General Assembly, noting that the workload of the President of the Court, and that of the Vice-President when acting as President, had increased since 1987 (the last time the allowance was adjusted), decided to increase their special allowance from \$15,000 to \$25,000 per year and from \$94 to \$156 per day, respectively.

International Residual Mechanism for Criminal Tribunals

23. The amount of the special allowance for the President of the Residual Mechanism is the same as that established for the President of the International Court of Justice.

B. Assistance with education costs

24. The General Assembly, in paragraph 12 of its resolution 61/262, decided to extend its decision on the level of education grant for the members of the International Court of Justice and the judges of the two Tribunals. The International Civil Service Commission last reviewed the level of the education grant in 2012 (see A/67/30).

25. Background information on the genesis and evolution of the issue of assistance with education costs for members of the International Court of Justice and judges of

¹ See A/C.5/48/66, paras. 16–21 on special allowances of the President and of the Vice-President when acting as President; paras. 22 and 23 on compensation of ad hoc judges; and paras. 24–31 on the costs of educating children.

the Tribunals is provided in reports of the Secretary-General submitted to the General Assembly at its forty-eighth and sixty-fifth sessions (A/C.5/48/66, paras. 24–29, and A/65/134, paras. 19–20 and 74–79).

26. The General Assembly, in paragraph 2, section VI, of its resolution 71/272 A, decided to extend the revised education grant scheme for staff members in the Professional and higher categories, which was adopted by the Assembly in its resolution 70/244 and introduced as of the school year in progress on 1 January 2018, to the members of the International Court of Justice and the President of the International Residual Mechanism for Criminal Tribunals.

C. Survivors' benefit

27. Concerning the establishment of a survivors' lump-sum benefit in the event of the death of serving members of the International Court of Justice, the General Assembly, in its resolution 40/257 C, approved the recommendation of the Advisory Committee to establish, in addition to the existing pension scheme, a death-benefit scheme for the members of the International Court of Justice. Under the provisions adopted by the Assembly, survivors of members of the Court who die while in office are compensated in the form of a lump-sum payment equivalent to one month of salary for each year of service, subject to a minimum of three months and a maximum of nine months of salary. The lump-sum benefit is distinct from the applicable survivors' pension benefits.

28. Concerning the establishment of a survivors' lump-sum benefit in the event of the death of serving judges of the Tribunals, the General Assembly, based on its consideration of the note by the Secretary-General (A/C.5/54/30), approved the recommendations of the Advisory Committee and established a lump-sum benefit whereby survivors of the judges would be compensated in the form of a lump-sum equivalent to one month of base salary for each year of service, subject to a minimum of one month and a maximum of four months (resolution 54/240 A, para. 7). The lump-sum benefit is distinct from the applicable survivors' pension benefits.

D. Travel and subsistence regulations

29. In its resolution 37/240, the General Assembly approved the travel and subsistence regulations of the International Court of Justice. In section VIII, paragraph 5, of its resolution 53/214, the Assembly also approved the travel and subsistence regulations for the judges of the International Tribunal for the Former Yugoslavia contained in annex II to the report of the Secretary-General (A/52/520).

30. More background information on the issues of travel and subsistence allowances for members of the International Court of Justice and judges of the Tribunals is provided in the report of the Secretary-General submitted to the General Assembly at its sixty-fifth session (A/65/134, paras. 26–28, 80 and 81).

31. In its resolution 71/272 A, the General Assembly endorsed the recommendation of the Advisory Committee that the language of the travel and subsistence regulations applicable to the members of the International Court of Justice and the President of the International Residual Mechanism for Criminal Tribunals be updated in line with the new relocation package for staff in the Professional and higher categories, which was adopted by the Assembly in its resolution 70/244 and took effect on 1 July 2016, and that the reference to "assignment grant" be revised to make reference to the "settling-in grant" provisions applicable to senior officials of the Secretariat of the

United Nations, and confirmed the changes to the entitlement for relocation shipment under the new relocation package approved by the Assembly in its resolution [70/244](#).

E. Relocation allowance

32. Background information on the genesis and evolution of the relocation allowance payable to members of the International Court of Justice and judges of the two Tribunals is provided in the report of the Secretary-General submitted to the General Assembly at its sixty-fifth session ([A/65/134](#) and [A/65/134/Corr.1](#)).

F. Retirement benefits

33. The current pension arrangements for the members of the International Court of Justice, the President of the International Residual Mechanism for Criminal Tribunals and the judges of the two Tribunals are detailed in paragraph 29 of part two of the present report.

IV. Recommendations

Remuneration and other conditions of service

34. The Secretary-General proposes no changes in the current remuneration system and other conditions of service of the members of the International Court of Justice and the President and judges of the International Residual Mechanism for Criminal Tribunals on the occasion of the present periodic review.

V. Financial implications

35. Should the General Assembly approve the recommendation of the Secretary-General contained in paragraph 34 above, no budgetary implications would arise under the programme budget for 2020.

36. The estimates of financial implications regarding the proposals of the Secretary-General on a pension scheme for the members of the International Court of Justice, the President of the International Residual Mechanism for Criminal Tribunals and the judges of the two Tribunals are provided in section VI of part two of the present report.

VI. Next comprehensive review

37. In accordance with the three-year review cycle established in paragraph 10 of General Assembly resolution [65/258](#), the next comprehensive review of the conditions of service and compensation for the members of the International Court of Justice and the President and the judges of the International Residual Mechanism for Criminal Tribunals will be undertaken at the seventy-seventh session of the Assembly.

Part two

Comprehensive review of the pension schemes for the members of the International Court of Justice, the former judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda and the President of the International Residual Mechanism for Criminal Tribunals

I. Introduction

1. The General Assembly, in section VI of its resolution [71/272 A](#), requested the Secretary-General to submit for its consideration, at the main part of its seventy-fourth session, a comprehensive proposal on options for a pension scheme for officials other than Secretariat officials: members of the International Court of Justice and the President of the International Residual Mechanism for Criminal Tribunals. The Assembly specified that the proposal should take into account, inter alia, the following considerations:

- (a) Possible new scheme scenarios, and those presented in the report of the Secretary-General ([A/68/188](#)), if relevant;
- (b) Projected estimated costs to the Organization for each scenario compared with the present pension scheme;
- (c) The expected benefits and disadvantages of each scenario and the views and comments of relevant stakeholders.

In addition, the Assembly specified that the proposal should take into account the integrity of the Statute of the International Court of Justice and other relevant statutory provisions, the universal character of the Court, principles of independence and equality and the unique character of membership of the Court.

2. Part two of the present report is submitted pursuant to the above request. In order to facilitate consideration of the issues, part two has been divided into the following sections: background, review of methodology, analysis of current retirement benefits, pension benefit design options, comparison with other supreme courts, analysis of design options, financial implications and conclusions.

II. Background

A. International Court of Justice

3. The members of the International Court of Justice are entitled to retirement pensions in accordance with article 32, paragraph 7, of the Statute of the Court, the specific conditions of which are governed by regulations adopted by the General Assembly. From 11 December 1963 to 1 January 1991, pensions constituted one half of the annual salary of judges who completed a full nine-year term, with a proportional reduction for judges who did not complete a full term. Judges who were re-elected received one six-hundredth of their annual salary for each further month of service, up to a maximum pension of two thirds of their annual salary.

4. With the adoption of General Assembly resolution [45/250 B](#), the pension entitlement was changed to a fixed amount. As from 1 January 1991, members of the Court who had ceased to hold office, had reached the age of 60 and had served a full

term of nine years were entitled to an annual pension benefit of \$50,000, with a proportional reduction for judges who had not completed a full term. For members of the Court who were re-elected, the pension entitlement was increased by an additional \$250 per month for each further month of service, up to a maximum pension of \$75,000 a year.

5. A review of the pension benefits and the corollary aspects of the pension scheme for the members of the Court was presented in the reports of the Secretary-General to the General Assembly at its forty-eighth, forty-ninth, fiftieth and fifty-third sessions (see [A/C.5/48/66](#), [A/C.5/49/8](#), [A/C.5/50/18](#) and [A/C.5/53/11](#)).

6. During its fifty-third session, in compliance with the request of the General Assembly (see resolution [50/216](#)), the Secretary-General provided an actuarial analysis covering the design of the pension scheme for the members of the Court, the methodology used to determine pensionable remuneration, contributory participation and retirement benefits, including early retirement and surviving spouse pension benefits (see [A/C.5/53/11](#)).

7. On the basis of the analysis and findings of the report of the consulting actuary, the Secretary-General believed that the pension scheme for the members of the Court should provide adequate after-service benefits to judges having met the requisite eligibility criteria relating to retirement age and period of service based on the premise that the pension benefit maintains a standard of living as replacement income.

8. At the same session, the Advisory Committee on Administrative and Budgetary Questions agreed with the recommendations made by the Secretary-General in paragraphs 40 (a), (c), (d) and (f) of his report ([A/C.5/53/11](#)), concerning revisions to the pension scheme regulations of the members of the Court ([A/53/7/Add.6](#), paras. 15–17). Those revisions related to the level of the retirement pension, the fact that the pension scheme should be non-contributory and the introduction of an actuarial reduction factor at a rate of one half of 1 per cent per month being applied in the case of early retirement. However, in paragraph 18 of its report, the Advisory Committee pointed out that the pension benefit would be based on half of the then annual salary of \$160,000, that is, \$80,000. Under the circumstances, the Committee did not believe it was necessary to continue increasing pension benefits for judicial service in excess of nine years, especially since the Court pension scheme was non-contributory, and therefore, in paragraph 19 of its report, the Committee recommended that henceforth there no longer be an increase in pension benefits for re-elected judges. The Committee also recommended that pensions in payment be automatically revised by the same percentage and at the same date as salary adjustments ([A/53/7/Add.6](#), para. 20).

9. In section VIII, paragraph 1, of its resolution [53/214](#), the General Assembly approved the recommendations of the Advisory Committee on the emoluments, pensions and other conditions of service of members of the Court.

10. In the 2001 review of the conditions of service, the Registrar of the Court provided the Secretariat with a table listing pension payments and observed that pensions were disproportionate for retired members of the Court and/or surviving spouses. In order to rectify that inequity and to have all former members of the Court treated equally, the Court advanced its position that pensions in payment should ideally be aligned with pensions under the present regime. However, the Advisory Committee, in its 1998 report ([A/53/7/Add.6](#)), had considered that such an alignment would not be advisable because it would entail considerable expense for the United Nations. In view of that, the Court did not ask for alignment of pension *stricto sensu*. However, concerned as it was by the level of pension payments to former members, the Court suggested that steps could be taken to remedy the disparity in payments by an increase, to the extent possible, in pension payments to its former members.

11. In that regard, it was the view of the Secretary-General that, as the General Assembly was the sole authority determining the conditions of service and pension benefits of the members of the Court, the issue of pension payments should be brought to the attention of the Assembly for its consideration. In its 2001 report ([A/56/7/Add.2](#), para. 10), the Advisory Committee pointed out that a pension entitlement was established at the time of retirement and under the conditions of service in effect at that time. Moreover, the Committee recalled that it had recommended and the Assembly had approved a recommendation that pensions in payment be automatically revised by the same percentage and at the same date as salary adjustments; the Committee was of the view that the recommendation continued to provide the necessary protection for pensions in payment against an increase in the cost of living.

12. In his report ([A/C.5/59/2](#) and [A/C.5/59/2/Corr.1](#), paras. 94 and 95), the Secretary-General, following his recommendation that emoluments of the members of the Court and the judges of the Tribunals be increased from \$160,000 to \$177,000, stated that, based on the decision of the General Assembly contained in section VIII of its resolution [53/214](#) to set the retirement pension for the members of the Court at half the annual salary, the annual retirement benefit of a member of the Court retiring in 2005 would increase from \$80,000 per annum to \$88,500 with effect from 1 January 2005 and that, based on the proposed increase in the base salary of the members of the Court, it was recommended that pensions in payment be increased by 10.6 per cent, effective 1 January 2005. He also mentioned that, as the Court was concerned by the effect of the devaluation of the United States dollar vis-à-vis the euro on the level of pension payments to former members, the Court would appreciate it if steps could be taken to remedy the disparity in payments by an increase, to the extent possible, in pension payments to former members. It was the view of the Secretary-General that consideration should be given to applying the floor/ceiling mechanism to pensions in payment to former judges and their survivors who resided in the eurozone countries to protect the level of pensions from further erosion.

13. In section III of its resolution [59/282](#), the General Assembly decided, with retroactive effect from 1 January 2005, to increase the annual value of all pensions in payment by 6.3 per cent as an interim measure and pending a decision at its sixty-first session based on a comprehensive report on the conditions of service and compensation for the members of the Court and the judges of the two International Tribunals.

14. In compliance with the request of the General Assembly contained in paragraph 11 of its resolution [61/262](#), the Secretary-General commissioned a study by a consulting firm on options for designing pension schemes, including defined-benefit and defined-contribution schemes, taking into account the possibility of calculating pensions on the basis of the number of years served rather than the term of office. The report was presented to the Assembly on 16 April 2008 ([A/62/538/Add.2](#)).

15. The Advisory Committee on Administrative and Budgetary Questions, having reviewed the report, made a series of recommendations (see [A/63/570](#)). It endorsed the proposals of the Secretary-General, in particular the proposal that the level of pension should be determined by reference to years of service rather than term of office. However, it did not endorse the proposal of the Secretary-General that the retirement benefit of the members of the Court be increased from 50 per cent to 55 per cent of the annual net base salary (excluding post adjustment) by reference to nine years of service, and recommended that members of the Court who are re-elected should receive one three-hundredth of their retirement benefit for each further month of service beyond nine years, up to a maximum pension of two thirds of annual net base salary (excluding post adjustment).

16. The General Assembly, in its resolution [63/259](#), endorsed the conclusions and recommendations of the Advisory Committee. At the same time, it recalled paragraph 11 of its resolution [61/262](#), in which it had requested the Secretary-General to report on options for designing pension schemes, and noted that the Secretary-General had proposed essentially only one option and that, rather than seeking the expertise available within the Organization, had relied on the services of a consultant. The Assembly accordingly decided that the emoluments, pensions and other conditions of service for the members of the Court and the judges of the Tribunals should next be reviewed at its sixty-fifth session, including options for defined-benefit and defined-contribution pension schemes, and in that regard, requested the Secretary-General to ensure that, in that review, he take full advantage of the expertise available within the United Nations.

17. In compliance with paragraph 8 of General Assembly resolution [63/259](#), the Secretary-General engaged the expertise of the United Nations Joint Staff Pension Fund. The Pension Fund, while lacking the staff and resources to undertake such a study on its own, collaborated with the Office of Human Resources Management of the Secretariat in conducting a thorough study of retirement plan alternatives.

18. The General Assembly, in paragraph 5 of its resolution [65/258](#), decided to review at its sixty-sixth session the pension schemes for the members of the International Court of Justice and the judges of the two Tribunals. The Assembly also stipulated that the review should include options for defined-benefit and defined-contribution pension schemes, as well as a proposal for a mechanism that might be used to determine retirement pension benefits, taking into account acquired pension benefit rights accrued prior to serving in the Court or the Tribunals. The Secretary-General, pursuant to that request, submitted his report to the Assembly ([A/66/617](#)).

19. In the above-mentioned report, the Secretary-General proposed four design options for a pension scheme: defined-benefit, defined-contribution, cash lump-sum through hybrid defined-benefit/defined-contribution, and a two-tiered system of accumulation (the pension scheme currently applied to the members of the International Court of Justice and the judges of the two Tribunals). The comments and concerns of the Court regarding the compatibility with its Statute of certain aspects of the proposal were brought to the attention of the President of the General Assembly in a letter dated 1 February 2012 from the President of the International Court of Justice ([A/66/726](#)).

20. In its decisions [66/556 B](#), [68/549 A](#) and [69/553 A](#), the General Assembly deferred ultimately to the seventy-first session its consideration of the recommendations on the pension schemes for the members of the International Court of Justice and the judges of the two Tribunals, as proposed in the reports of the Secretary-General ([A/66/617](#)) and the Advisory Committee on Administrative and Budgetary Questions ([A/66/709](#)), and in the letter from the President of the International Court of Justice addressed to the President of the General Assembly ([A/66/726](#)).

21. In its resolution [71/272 A](#), the General Assembly, *inter alia*, took note of the report of the Secretary General ([A/66/617](#)) and the letter from the President of the International Court of Justice addressed to the President of the General Assembly ([A/66/726](#)), endorsed the conclusions and recommendations contained in the reports of the Advisory Committee on Administrative and Budgetary Questions ([A/66/709](#), [A/68/515](#) and [A/68/515/Corr.1](#) and [A/71/552](#)), subject to the provisions of its resolution, and requested the Secretary-General to submit for its consideration, at the main part of its seventy-fourth session, a comprehensive proposal on options for a pension scheme taking into account the considerations indicated in paragraph 1 of part two above.

B. The International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda

22. With regard to the pension benefits of the judges of the two former International Tribunals, it may be recalled that the General Assembly, in section VIII, paragraph 6, of its resolution [53/214](#), approved the pension scheme regulations for the judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda. The Assembly approved a pension scheme for the judges of the Tribunals on the basis of the recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions ([A/53/7/Add.6](#), para. 29), wherein the Committee recommended that the pension benefit for the judges of the two Tribunals be based on that applicable to the members of the International Court of Justice, prorated to account for the difference in length in the terms of appointment, namely, nine years for the members of the Court versus four years for the judges of the two Tribunals.

23. The General Assembly is reminded that the two Tribunals have closed and any residual functions have been taken over by the International Residual Mechanism for Criminal Tribunals pursuant to Security Council resolution [1966 \(2010\)](#). As there are no longer any active judges serving from either tribunal, the Residual Mechanism has taken over the function of making monthly pension payments to retired judges and beneficiaries of the two Tribunals. Article 8 of the Statute of the Mechanism stipulates that the terms and conditions of service of the President of the Mechanism shall be those of the judges of the International Court of Justice.

III. Comprehensive review

24. In compliance with the request of the General Assembly contained in its resolution [71/272 A](#), the Secretary-General has again taken advantage of the expertise available within the United Nations in updating the comprehensive review of the pension schemes for the members of the International Court of Justice and the President of the International Residual Mechanism for Criminal Tribunals. Given the importance and scope of the review, the findings of the study were shared with the Court and the Residual Mechanism. The present document is therefore the fruit of collaborations between the United Nations Joint Staff Pension Fund and the Office of Human Resources, with the views and comments of the Court and the Residual Mechanism also taken into account. The Office of Programme Planning, Finance and Budget was also consulted.

25. An actuarial study was also required to consider the liabilities and costs of the current and alternative schemes. In the absence of internal staff resources in the Pension Fund, the study was conducted in conjunction with the consulting actuary of the Pension Fund, Buck (hereafter referred to as the consultant).

Methodology

26. The study was completed in the following phases:

(a) The benefits provided to judges in comparable positions throughout the world (see annex III) were compared;

(b) As with the prior study, four retirement benefit design options were developed, including income replacement comparisons. The options respond to the request to present possible new schemes for the General Assembly to consider. The financial implications of the current scheme and the alternatives were estimated.

The advantages and disadvantages of each alternative are discussed. In addition, the Court's comments regarding the alternatives are also incorporated into the present report.

27. It is anticipated that any changes that may be adopted by the General Assembly as a result of the present review will not have an impact on the pensions of serving or retired judges if those changes are less favourable than current arrangements. Serving and retired judges will, it is expected, be "grandfathered in" on the basis of their existing conditions of service in order to adhere to article 32, paragraph 5, of the Statue of the Court, which provides that the salaries, allowances and compensation of the members of the Court shall be fixed by the Assembly and may not be decreased during their term of office. That applies equally to the retirees and beneficiaries under the International Residual Mechanism for Criminal Tribunals.

IV. Analysis of current retirement benefits provided to the members of the International Court of Justice, the former judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda and the President of the International Residual Mechanism for Criminal Tribunals

28. There are currently 15 serving judges in the International Court of Justice. As of the end of 2018, there were 83 retirees and beneficiaries receiving monthly payments, 32 from the International Court of Justice and 51 from the International Residual Mechanism for Criminal Tribunals.

29. The pension benefits provided to current judges are summarized in table 1.

Table 1
Summary of current retirement benefit provisions

Normal retirement age	60
Amount of retirement benefit	50 per cent of judge's annual net base salary (excluding post adjustment) prorated for less than 9 years of service (or approximately 0.463 per cent times net base salary for each of the first 108 completed months) plus 0.154 per cent times net base salary for each additional month of service in excess of 108. Maximum 66.67 per cent of final salary. Minimum benefit after 9 years of service is \$85,040
Earliest retirement age	Age at end of term
Early retirement reduction	0.5 per cent per month applied in the case of early retirement prior to age 60
Frequency and amount of post retirement cost-of-living adjustment	At the same time as the base salary is revised. Benefits are adjusted by the same percentage as base salary changes
Amount of benefit for surviving spouse	Surviving spouse pension: in the event a judge predeceases his/her spouse, such spouse shall be entitled to immediate commencement of 50 per cent of the pension otherwise payable to the judge at the time of death

Earliest start date of surviving spouse benefit	The date an eligible judge passes away
Early retirement reduction for surviving spouse benefit	Actuarial reduction factor of 0.5 per cent per month up to 50 per cent, applied if payment commences prior to the date the judge would have been age 60
Dependent child benefit	Each unmarried child under the age of 21 shall be entitled to receive 10 per cent of the member's pension, unreduced for early payment
Earliest start date of child benefit	Immediately from the date an eligible judge retires or dies in service
Vesting	After 3 years of completed service
Amount of disability benefit	Accrued benefit reduced by 0.5 per cent per month benefit commences prior to age 60, up to a maximum 50 per cent reduction (based on service projected to end of current term)
Earliest start date of disability benefit	Immediately from the date of disability
Contributions by judges	Non-contributory

30. Based on the provisions set out in table 1, assuming a nine-year term of office, a retiring judge would receive approximately 50 per cent of his/her final salary at retirement age 60 or above. Should the participant wish to start his/her pension earlier than age 60, the pension benefit would be reduced by 0.5 per cent for each month that the benefit begins before age 60. A surviving spouse of a deceased judge would receive one half of the benefit that the participant would have received or was receiving at the time of death. Surviving dependent children are also eligible to receive a death benefit from the current scheme. Participants who become disabled while in office are eligible to have income continued for life, commencing immediately upon disability.

31. In general, members of the Court are hired late in their careers. Most judges complete approximately 9 to 10 years of service and, on average, retire at about age 68. Most judges are married and some still have dependent children.

32. Pension benefits provided by the Court and the Residual Mechanism are not pre-funded. Retirees and beneficiaries are paid from the assessed budget of each organ on a pay-as-you-go basis.

33. The liability for the projected benefits by organ, including current retirees, as at 31 December 2018, is shown in table 2.

Table 2
Liability for projected benefits

(As at 31 December 2018)

	<i>International Court of Justice</i>	<i>International Residual Mechanism for Criminal Tribunals</i>
Active judges	25 603 803	
Retired judges/beneficiaries	25 504 453	41 556 879
Total liability for existing members	51 108 256	41 556 879
Prospective judges ^a	23 572 005	–
Total	74 680 261	41 556 879

Note: Based on the same assumptions used to value the liabilities of the United Nations Joint Staff Pension Fund, including a 6 per cent nominal annual interest rate and United Nations mortality tables.

^a Includes new judges projected to be appointed over the next 30 years.

34. The expected 40-year cash flows by entity for current retirees/beneficiaries for active judges, assuming retirement at the end of their projected term of office, and for prospective new judges who have yet to join the International Court of Justice, are shown in annex IV to the present report, which sets out the estimated pay-as-you-go costs for the scheme.

V. Pension benefits: design options

Plan design considerations

35. When retirement schemes are designed, multiple concepts are considered, including the amount and sufficiency of the benefit, the cost and financial reporting of the scheme, administration requirements, communication and employee appreciation of the benefits.

36. From an employer perspective, retirement income sufficiency not only considers continuation of income but also the competitiveness of the scheme in the context of staffing needs. From a social perspective, many countries provide a national social security benefit that serves as either a minimum or main source of retirement income.

37. The amount and sufficiency of various plan design alternatives can be compared using a replacement ratio, which is the amount of final salary replaced by the periodic pension income. Irrespective of the plan design, using actuarial principles, benefits can be converted to comparable monthly amounts using replacement ratios. Another method to compare and understand how benefits are earned under different schemes is to review the rate at which benefits are earned (accrued) from year to year of service. The accrual rates help establish ways to design an effective benefit formula to reach replacement ratio targets at separation.

38. From a design perspective, because the members of the International Court of Justice are hired late in their careers, other sources of retirement income could be recognized by the General Assembly when considering the adequacy of the retirement income being provided through the Court's scheme. Starting with an overall replacement ratio target from all sources, and subtracting an allowance for social insurance benefits, the remaining retirement income would be considered as earned by the employee throughout his/her career, which could include personal savings. For

example, assuming an 80 to 100 per cent final salary replacement ratio target and subtracting 15 to 20 per cent for social insurance benefits leaves a 60 to 85 per cent replacement ratio that would be provided by benefits earned with employers over the course of a career and by personal savings.

39. In considering the level of retirement benefits members of the Court have earned over the course of their career, it is reasonable to assume that an overall replacement ratio from all sources (including defined-benefit and defined-contribution schemes and social insurance benefits) should provide a target income not exceeding 100 per cent of final salary. That is, the standard of living would be maintained but not improved upon retirement from the Court. It is also considered reasonable to assume that some form of indexed adjustment would be applied to pension income to account for changes in cost of living after retirement.

40. The competitiveness of benefits when considering the appointment and retention of Court judges is difficult to quantify owing to the limited comparative data available. However, the concept of a judge not accepting an appointment to the Court owing to insufficient retirement benefits has not and cannot practicably be studied. Benefits of various other international courts are compared later in the present report.

41. An additional variant in pension plan design is whether to require the judges to contribute towards the scheme. However, with respect to the Court, it should be borne in mind that the members of the Court do not currently contribute towards their pensions. The non-contributory nature of the pensions of the members of the Court is a principle of long-standing, which was already firmly established at the time of the League of Nations in respect of the Permanent Court of International Justice and which has consistently been reaffirmed since that time by the General Assembly. In its resolution 86 (I) of 11 December 1946, the Assembly reaffirmed that the costs of the pensions of members of the International Court of Justice were to be borne entirely by the United Nations and to be regarded as expenses of the Court, that is to say, members of the Court would not have to contribute to the pension fund for the Court. As a result, that concept has not been pursued as part of the present study.

42. Costs and financial reporting requirements also need to be taken into account when considering the design of a retirement scheme. As the pension benefits provided by the Court and the International Residual Mechanism for Criminal Tribunals are not pre-funded, the actual cost of benefits paid each year is reflected in the budget, and the liabilities of the entire scheme are reported on the United Nations balance sheet. That situation is identical to the manner in which the United Nations after-service health insurance plan is financially managed at the current time.

Option A **Defined-benefit scheme**

43. The current scheme for judges is known as a defined-benefit scheme, which promises a specified benefit on retirement that is predetermined by a formula based on the employee's earnings history, length of service and age, rather than depending on investment returns. It is "defined" in the sense that the formula for computing the benefit is known in advance. Under that option, it is proposed that the scheme be maintained but an alternative level of benefits for newly appointed judges should be considered.

Option B **Defined-contribution scheme**

44. Option B is a pension scheme that provides an account balance, where interest accrues both before and after retirement based on the actual earnings of underlying investments. Individual accounts are set up for participants and benefits are based on

the amounts credited to such accounts through employer contributions and, if applicable, employee contributions, plus any investment earnings on the money in the account. Only employer contributions to the account are guaranteed, not the future benefits. The amount of benefit expected to be provided by option B is directly related not only to the amount of contribution made, but also to the length of time the money is invested. The effects of compound interest will have a significant growth effect only over a long period of time. Therefore, in defined-contribution plans, future benefits fluctuate on the basis of investment earnings.

Option C

Cash lump-sum through hybrid defined-benefit and defined-contribution schemes

45. Another alternative is to consider making a lump-sum payment from payroll to a retiring judge in lieu of providing any pension benefits. In essence, that single sum would represent what may be considered as a full and fair amount for forgoing the right to a pension. Option C could be considered an attractive offer to future members of the Court, especially to those who may have already earned adequate pension benefits prior to serving in the Court. However, it is to be noted that the right of the members of the Court to a pension in the form of a regular income has been recognized since the inception of the Court.

Option D

Maintaining the current pension benefit scheme

46. Option D is to keep the pension benefit scheme of the members of the Court as is.

VI. Comparison of other supreme courts

47. When comparing the schemes of other supreme courts and other international courts around the world, it was found that most are using the defined-benefit pension approach. The most common type of formula used is based on the employee's final earnings. Table 3 compares the replacement ratios of various supreme and international courts for a retiring judge with the current situation at the International Court of Justice. It is to be noted that the level of benefits for nine years of service varies widely and that the benefit for members of the Court is above the average, at 50 per cent of final salary.

Table 3

Comparative replacement ratios after nine years of service

<i>Courts</i>	<i>Replacement ratio (percentage)</i>
International Court of Justice	50.00
United States Supreme Court	90.00
Supreme Court of Canada	60.00
Supreme Court of the United Kingdom of Great Britain and Northern Ireland	20.88
High Court of Australia	54.00
Supreme Court of Japan	11.39
European Court of Justice	38.48
European Court of Human Rights	18.00
International Criminal Court	12.50
Average	39.47

48. The rate at which benefits are earned for each year of service under each scheme studied is shown in table 4. It is particularly instructive to compare the benefit level earned after 10 years when considering each court. For example, under the pension scheme for the European Court of Justice, 42.75 per cent of average salary is provided after 10 years of service compared with only 20 per cent for the European Court of Human Rights. However, after a full career both plans provide 70 per cent of final average salary, demonstrating that it is possible to design schemes to meet the plan sponsor's specific goals for retention and retirement income.

Table 4
Current pension accrual rates

<i>Court</i>	<i>Annual accrual rate for initial term</i>	<i>Maximum benefit percentage</i>	<i>Benefit percentage after 10 years</i>
International Court of Justice	5.56% for first 9 years, 1.85% thereafter	66.67	52
United States Supreme Court	10%	100	100
European Court of Justice	4.275%	70	42.75
European Court of Human Rights	2%	70	20
International Criminal Court	1.389%	12.5	12.5
High Court of Australia	6%	60	60
Supreme Court of Canada	6.67%	66.67	66.67
Supreme Court of Japan	1.266%	–	12.66
Supreme Court of the United Kingdom of Great Britain and Northern Ireland	2.32%	–	23.32
United Nations Joint Staff Pension Fund	1.5% for first 5 years; 1.75% for the next 5 years; 2% thereafter up to 20 years	70	16.25

49. A more detailed summary of key provisions for each court is included in the comparison in annex III.

VII. Analysis of design options

Option A

Defined-benefit scheme: alternative formulas

50. After adjusting for social insurance benefits, as noted above, it would not be unreasonable to assume that retirement income from all other sources earned during a career could provide 60 to 85 per cent of final salary in order to maintain the same standard of living as just before retirement. The 60 to 85 per cent of final salary would be provided by benefits earned with employers over the judges' careers, as well as personal savings. Assuming a 35-year career (the career basis for United States Social Security) under a defined benefit plan, that would mean that the theoretical benefit formula would be between 2.43 and 1.71 per cent for each year of service (times final salary). That compares to the current accrual rate for the International Court of Justice of 5.56 per cent for the first nine years of service and 1.85 per cent for the next nine years of service.

51. Some accommodation in accrual rate could be envisaged to account for the loss in benefits that judges may experience by leaving prior employment without full reflection of the highest career salary levels in the determination of pension benefits

from prior employers. Generally, members of the Court assume office at an average age of 58 and remain in service for, on average, 9 to 10 years. If a judge could have remained at his prior employer accruing a pension right during that 9- to 10-year period, and if that employer provided a defined-benefit pension based on final or final average pay, then the loss of improvements applied to the salary multiplier for the benefit at the prior employer would affect the pension paid from that employer by 25 to 40 per cent (assuming a range of annual salary increases of 3 to 4 per cent). Applying a 30 per cent load to the theoretical accrual rates of 2.43 to 1.71 per cent to adjust for the effect of the lost salary increases the accrual rates to 3.16 to 2.22 per cent per year of service. Table 5 compares the current scheme to that alternative range. In addition, the table also includes, as alternative 3, an accrual rate of 3.7 per cent, designed to match the long-term accrual rates of the existing formula and the recommended formula from the previous comprehensive study (A/66/617).

Table 5
Alternative defined-benefit plan formulas: replacement ratios

(Percentage)

	<i>Current scheme</i>	<i>Alternative 1 (3.16 per cent per year of service accrual)</i>	<i>Alternative 2 (2.22 per cent per year of service accrual)</i>	<i>Alternative 3 (3.7 per cent per year of service accrual)</i>
Benefit after 9 years of service	50.00	28.44	19.98	33.33
Benefit after 18 years of service	66.67	56.88	39.96	66.67

52. Because of the variety in type and level of benefits provided by former employers of existing judges and by social insurance programmes, achieving a uniform and appropriate replacement ratio is difficult. An alternative defined-benefit plan design must therefore be based on theoretical considerations. The actual replacement ratio for an individual judge from all sources earned during a career will ultimately depend on the level of pension accrual actually earned.

53. In considering the approach proposed above, it may be pointed out that membership on the Court is a unique elective position which has always been treated as an autonomous career. Taking into account the previous employment histories of the members and the benefits accruing therefrom could be considered inconsistent with that long-standing approach. A pension scheme that was designed to take into consideration the prior employment of the existing members of the Court might also face legal and practical difficulties in its administration.

54. Furthermore, it might be assumed that the terms of office of members of the Court are continuous with a previous career with pension rights that could be utilized at any time without restriction or penalty. As a result, it could be argued that any approach based on assumptions regarding the prior employment of members of the Court and the benefits accruing therefrom would inevitably favour judges from countries offering a good pension entitlement and other social security benefits over those from countries unable to provide comparable benefits, or indeed any benefit at all. That approach could therefore be considered discriminatory and objectionable on that basis alone. It might also have adverse consequences on the Court's universal character, inasmuch as it could dissuade candidates from certain countries that do not offer the level of benefits assumed from standing for election to the Court.

55. In addition, it has been argued that the absolute independence that is expected of the members of the Court implies that their previous professional careers cannot be directly linked to their mandate at the Court. A pension scheme that took into account prior national income and corresponding national pensions could directly jeopardize the Court's independence.

56. In that connection, it may be recalled that, in 1995, it was the considered view of the then Secretary-General that the prior employment of the members of the Court should not be taken into consideration in establishing the level of income replacement for their pensions. In so doing, he endorsed a study by a consulting actuary, which stated (A/C.5/50/18, annex, para. 2.13):

It could be argued, in establishing an appropriate level of replacement income, that consideration should be taken of sources of income from prior employment. We have difficulty with this argument, for several reasons. First, some members of the Court begin service at an age when they would not typically be entitled to full retirement benefits from their previous employment and, indeed, at an age when there could be a significant loss of the benefits that would otherwise accrue if they had not agreed to serve on the Court. Second, even if one were to assume that an adequate source of income from prior employment existed because a member joined the Court while in receipt of a full pension from a former employer, there would be practical difficulties – in addition to questions of equity between members – in attempting to modify the accrual rate to take account of such income. Third, if one subscribes to the view that an adequate replacement income should be provided by the scheme, it follows that one must either choose to ignore other sources of income in measuring pre-retirement and post-retirement income or choose to include both sources when measuring pre-retirement and post-retirement income; in either case, we arrive at the same general conclusion that it is appropriate to provide pension benefits that replace a reasonable proportion of the income earned while serving as a member of the Court.

Option B
Defined-contribution scheme

57. As previously noted, future benefits fluctuate on the basis of investment earnings in defined-contribution plans. However, because the judges are expected to have a relatively short period of service, the effect of compound interest return is expected to be minimal. That means that significantly large contribution amounts would have to be contributed during the career of the judge to accumulate to an amount that could provide the same annual benefit as the current scheme. At retirement, the account balance would be paid as a lump sum and the judge would decide how to invest and draw down the distribution.

58. For example, consider a judge who retires at 68 with 10 years of service. The lump sum value of the current pension at retirement is around 7.41 times base pay. The annual contributions required to fund a defined-contribution plan to accumulate that lump sum over a 10-year period would be around 66 per cent of base pay per year. Compare that to the current scheme of paying nothing for 10 years but providing an annual payment of 50 per cent of base pay for the rest of the judge's lifetime.

59. For illustrative purposes, table 6 shows some sample fixed contribution rates and annual equivalent accrual rates that can be expected based on a defined-contribution scheme and various assumed investment returns. The accrual rates in table 6 could be compared with the accrual rates shown in tables 4 and 5.

Table 6
Annual equivalent accrual rates: 10 years of service and retirement age of 68

(Percentage)

<i>Investment return</i>								
<i>3 per cent per year</i>			<i>5 per cent per year</i>			<i>7 per cent per year</i>		
<i>Annual contribution rate</i>	<i>Replacement ratio</i>	<i>Annual equivalent accrual rate</i>	<i>Annual contribution rate</i>	<i>Replacement ratio</i>	<i>Annual equivalent accrual rate</i>	<i>Annual contribution rate</i>	<i>Replacement ratio</i>	<i>Annual equivalent accrual rate</i>
3	2.1	0.21	3	2.3	0.23	3	2.5	0.25
5	3.5	0.35	5	3.9	0.39	5	4.2	0.42
7	5.0	0.50	7	5.5	0.55	7	5.9	0.59
10	7.1	0.71	10	7.8	0.78	10	8.4	0.84
15	10.6	1.06	15	11.7	1.17	15	12.6	1.26
20	14.2	1.42	20	15.6	1.56	20	16.9	1.69
40	28.4	2.84	40	31.3	3.13	40	33.7	3.37
50	35.5	3.55	50	39.1	3.91	50	42.1	4.21
60	42.6	4.26	60	46.9	4.69	60	50.6	5.06

Note: Assumes an annual salary increase of 3 per cent, an annuity conversion based on United Nations mortality tables and a 6.5 per cent interest rate, and annual cost-of-living adjustments of 3 per cent.

60. As noted above, the defined-contribution design requires advance funding while the defined-benefit scheme pays benefits after retirement. Under the defined-contribution scheme, the risk of investment return and longevity is assumed by the participant.

61. A defined-contribution design has administrative challenges, including record-keeping and investment selections, relative to the current pay-as-you-go defined-benefit design. Given the fact that defined-contribution benefits require a significant time to accrue by utilizing the effects of compound interest, a defined-benefit scheme would more easily produce the prospective benefit levels in the relatively short time the judges are in office.

62. Ancillary benefits such as those for death and disability benefits are not specifically provided under a defined-contribution plan. Rather, in those instances, the account balance would be distributed.

Option C

Cash lump-sum through hybrid defined-benefit and defined-contribution schemes

63. Another alternative is to consider making a lump-sum payment from payroll to a retiring judge in lieu of providing any pension benefits. In essence, that single sum would represent what may be considered a full and fair amount for forgoing the rights to a pension. That option could be considered an attractive offer to members of the Court, especially to those who may have already earned adequate pension benefits prior to serving in the Court. There are many ways to develop the amount of an appropriate lump-sum payment. Generally, sample formulas would be similar to what are known as hybrid retirement plans, as follows:

(a) Cash balance design: a theoretical account balance would be maintained under the assumption that the employer would set aside a percentage of an employee's salary each period and the balance set aside would earn interest at a guaranteed set rate. At retirement or termination, the theoretical account balance would be paid;

(b) Pension equity design: a single sum is developed at retirement based on a given percentage of the employees' final average or final salary for each year of service. Some plans use percentages that increase as service increases.

64. An example of alternative (b) is to develop a formula that would duplicate the amount that the employer might contribute to a defined-benefit plan on behalf of an employee. For example, under the United Nations Joint Staff Pension Fund, a staff member contributes one third of the cost of the pension benefit, or 7.9 per cent of pensionable remuneration, for each year of employment. The Organization contributes the remaining two thirds of the cost, or 15.8 per cent of pensionable remuneration. Therefore, a simplified estimated benefit provided by the employer could be determined by multiplying 15.8 per cent across service years to the final salary to reach a lump-sum payment. For the average judge with 10 years of service, that would equate to a single payment of 1.58 times final salary or 0.176 times years of service times final salary. In comparison, that same average judge retiring at the average age of 67 would, under the current scheme, receive a pension with an estimated value of almost seven times final salary. That particular example can be converted to an annual accrual rate, using the actuarial assumptions, in order to compare it with the rates set out in table 4. The comparative annual accrual rate is 1.15 per cent per year and the benefit percentage after 10 years is 11.5 per cent.

65. The cash-balance design acts much like a defined-contribution scheme in that it is difficult to accrue meaningful benefits during short periods of service. The pension equity design can be more easily designed to meet specific benefit-level goals. It should be borne in mind that a lump-sum design would require an immediate cash outlay by the Organization, rather than spreading the pension payments out over the lifetime of the participant, as with the current scheme.

66. As noted above, option C would involve payment of a lump-sum amount in lieu of a pension. It would therefore amount to the abolition of the current judge's pension in return for a payment. It would seem difficult to reconcile the adoption of such a scheme with article 32, paragraph 7, of the Statute of the Court, which, as has already been observed, confers on members of the Court a right to a pension.

Option D Maintaining the current pension benefit scheme

67. Option D is to keep the pension benefit scheme of the members of the Court as is. Currently, the pension plan is a two-tiered system of accumulation, with a 5.56 per cent annual accrual rate in the first nine years of service, followed by a 1.85 per cent annual accrual rate thereafter, not to exceed a maximum benefit percentage of 66.67 per cent (replacement ratio).

VIII. Financial implications

68. There are two separate financial considerations that were studied relative to the plan design alternatives: annual budgeted costs and the overall liabilities as reported in the financial statements of the United Nations.

69. As previously noted, the current pension scheme is not pre-funded and retirees and beneficiaries are paid from the budgets of the International Court of Justice and the International Residual Mechanism for Criminal Tribunals. Because no change is being proposed for existing and retired judges, the liabilities for existing plan members remain unchanged irrespective of any changes in future benefits for new judges. In addition, the expected cash payments will not be affected for until those

new judges begin to retire, which will be many years in the future. Therefore, the financial implications of any change in scheme will be realized gradually over time.

70. In order to demonstrate the differences in the options from a financial perspective, two separate calculations have been completed. Table 7 sets out the various budget ramifications for the optional design alternatives for a new judge, appointed 1 January 2020, who is paid \$179,666 annual base salary and will retire in nine years.

Table 7

Comparison of actual cash outlay by the United Nations on a pay-as-you-go basis

	<i>Payments prior to separation</i>	<i>Payments at separation after 9 years of service</i>	<i>Payments at separation after 18 years of service</i>
Current scheme (option D)	\$0	\$89,833 per year for life	\$119,783 per year for life
Option A, alternative 1	\$0	\$51,097 per year for life	\$102,193 per year for life
Option A, alternative 2	\$0	\$35,897 per year for life	\$71,794 per year for life
Option A, alternative 3	\$0	\$59,883 per year for life	\$119,783 per year for life
Option B, 20% of base salary contribution	\$35,933 per year	\$0 (invested account balance is paid)	\$0 (invested account balance is paid)
Option C, 0.176 times service times final salary	\$0	One-time payment of \$284,590	One-time payment of \$569,181

71. Table 8 shows the budgeting ramifications as a percentage of payroll if benefits were pre-funded.

Table 8

Comparison of pre-funding costs and benefit levels

	<i>United Nations pre-funding (annual contribution paid for 9 years)</i>	<i>Replacement ratio after 9 years of service</i>
Current scheme (option D)	66.67% of base salary	50% of final salary
Option A, alternative 1	38% of base salary	28% of final salary
Option A, alternative 2	27% of base salary	20% of final salary
Option A, alternative 3	44.44% of base salary	33.33% of final salary
Option B, 20% of base salary contribution	20% of base salary	14% of final salary (assuming drawdown of account balance)
Option C, 0.176 times service times final salary	—	One-time payment of \$284,590

72. Because option C provides for a one-time payment from payroll at separation, there would be no need for pre-funding.

73. Spouse's and children's benefits can be a high-cost proposition in any retirement scheme as the age of a participant increases in defined-benefit schemes. Spousal benefits of 50 per cent, however, are not uncommon in the court systems. Given the higher age of the judges, children's benefits are less likely to be utilized and would not add a significant cost. The cost of disability benefits is also expected to be quite low. However, because relatively few judges are covered by those benefits, adverse experience with regard to disability or other ancillary benefits could produce unexpectedly high costs.

IX. Conclusions

74. With respect to staff members of the Secretariat, the United Nations Joint Staff Pension Fund was designed on the premise of establishing certain levels of replacement ratios for specific years of service for career employees in both the General Service and Professional categories. The specific benefit level chosen matched that of United States Government employees at the time the Pension Fund was designed. The General Assembly also wished to provide spousal and children's benefits, as well as disability benefits. There is a partial lump-sum feature, but the Assembly chose to maintain the majority of the benefit as a periodic annuity payment. Employees pay for one third of their benefit from the Pension Fund. There is also cost-of-living protection. Some of those items, in particular the ancillary benefits, are difficult to provide under a defined-contribution scheme. In addition, as with the original United States comparator scheme, the Assembly decided to assume all of the investment and mortality risk associated with retirement benefits provided to employees. Therefore, a defined-benefit scheme remains the most appropriate pension benefit design for United Nations staff members.

75. The General Assembly has repeatedly affirmed that the conditions of service and compensation for non-Secretariat officials of the United Nations shall be separate and distinct from those for officials of the Secretariat. Nevertheless, the defined-benefit scheme (options A and D) may also continue to be considered an appropriate retirement benefit scheme for new members of the International Court of Justice. The comparator practices may be taken as an important indicator for that purpose. Other factors to consider may be the high cost of providing equivalent benefits through the defined-contribution modality (option B), together with the high cost of administering the funds that need to be invested and managed under that option. Option C is the easiest to administer but might be the least appreciated by the judges, who may consider it a severance payment rather than an accommodation for a retirement benefit.

76. As was noted in the previous comprehensive review of the pension schemes (A/66/617), the most favoured application of the defined-benefit option would be to change the current two-tiered system of accumulation from 5.56 per cent in the first 9 years of service, followed by 1.85 per cent thereafter, not exceeding a maximum of 66.67 per cent, to a linear system of accumulation of 3.7 per cent per year for 18 years and nothing thereafter. That would have the effect of reducing the front load, with future members of the Court receiving less in pension benefits for the first 9 years of their service (noting that the average term of office, historically, has been 10 years) and reducing the overall liability of Member States. It also might be thought to encourage longer periods of service (by re-election) and thereby reduce the term of payout of the benefits, assuming that the average age of recruitment remains as it is currently, at 58 years of age. That would reduce the estimated liability for new judges

projected to assume office over the next 30 years, from \$23,572,005 to \$19,872,861 (a reduction of \$3,699,144).

77. It might be argued that, by encouraging members of the Court to stand for re-election, a change to a linear system of accumulation could have adverse consequences for the rotation of the bench and, with it, for the universal character of the Court. In accordance with article 13 of the Statute of the Court, nine years constitutes a career at the Court. Any change to the pension system that was premised on members serving more than that one term would, to that extent, be inconsistent with the Statute.

78. It may be argued that equality between the members of the Court, as well as between the principal legal systems of the world that they represent, is a fundamental principle underlying the Statute of the Court. Parties appearing before the Court are sovereign States, not individuals. It is therefore essential, it might be said, for the proper administration of international justice, that sovereign States be assured that the judges before whom they appear are sitting on terms of complete equality with each other. The principle of equality between judges is therefore fundamental to ensure that the sovereign equality of States is guaranteed in judicial proceedings between them. Any pension scheme that involved members of the Court receiving different treatment in terms of their pensions would be inconsistent with that principle. The same would hold true of any change to the current pension scheme that resulted in new members of the Court receiving benefits that were substantially different from those enjoyed by sitting members of the Court. In that connection, it should be recalled that one third of the membership of the Court is renewed every three years. Therefore, it may be contended that, were a new pension scheme to be adopted, it would have to offer benefits broadly comparable with those offered under the present scheme. Any other approach may not be in accordance with the Court's Statute. For those reasons, the option of retaining the current pension benefit scheme may be considered.

79. The Court has expressed a strong preference for the option of no change, stating that the current pension benefit scheme is satisfactory, for the most part, and that it is in accordance with the its Statute and with the principles of equality and independence of the members of the Court which underpin it.

80. **The General Assembly is invited to take note of the present report.**

Annex I

Salaries of senior officials in The Hague

	<i>Under-Secretary-General</i>		<i>Judge of the International Court of Justice</i>		<i>Judge of the International Criminal Court</i>	
	<i>Euros</i>	<i>United States dollars</i>	<i>Euros</i>	<i>United States dollars</i>	<i>Euros</i>	<i>United States dollars</i>
January 2016	14 793	16 184	17 128	18 739	15 000	16 411
February 2016	15 401	16 832	17 832	19 489	15 000	16 393
March 2016	15 158	16 620	17 550	19 244	15 000	16 447
April 2016	14 797	16 757	17 132	19 402	15 000	16 988
May 2016	14 846	16 832	17 189	19 489	15 000	17 007
June 2016	15 031	16 757	17 404	19 402	15 000	16 722
July 2016	14 885	16 521	17 235	19 128	15 000	16 648
August 2016	14 975	16 620	17 339	19 244	15 000	16 648
September 2016	14 875	16 583	17 223	19 201	15 000	16 722
October 2016	14 670	16 446	16 985	19 042	15 000	16 816
November 2016	14 843	16 222	17 186	18 783	15 000	16 393
December 2016	14 964	15 886	17 327	18 393	15 000	15 924
Total, 2016	170 852	228 078	197 823	264 082	180 000	240 296
January 2017	14 842	15 525	17 360	18 159	15 000	15 690
February 2017	14 967	15 973	17 506	18 683	15 000	16 009
March 2017	15 062	15 973	17 618	18 683	15 000	15 907
April 2017	14 801	15 898	17 312	18 595	15 000	16 112
May 2017	14 940	16 222	17 475	18 974	15 000	16 287
June 2017	14 886	16 670	17 412	19 498	15 000	16 797
July 2017	14 850	16 894	17 369	19 760	15 000	17 065
August 2017	14 847	17 467	17 366	20 430	15 000	17 647
September 2017	14 760	17 741	17 265	20 751	15 000	18 029
October 2017	14 791	17 442	17 300	20 401	15 000	17 689
November 2017	14 825	17 218	17 340	20 139	15 000	17 422
December 2017	14 784	17 517	17 292	20 488	15 000	17 773
Total, 2017	177 427	197 509	205 435	228 687	180 000	200 519
January 2018	14 630	17 479	17 278	20 643	15 000	17 921
February 2018	14 572	18 102	17 210	21 378	15 000	18 634
March 2018	14 580	17 890	17 220	21 128	15 000	18 405
April 2018	14 572	17 990	17 209	21 246	15 000	18 519
May 2018	14 607	17 641	17 251	20 834	15 000	18 116
June 2018	14 878	17 280	17 571	20 408	15 000	17 422
July 2018	14 683	16 994	17 340	20 070	15 000	17 361
August 2018	14 353	16 807	16 951	19 849	15 000	17 564
September 2018	14 666	17 093	17 321	20 187	15 000	17 483
October 2018	14 508	16 969	17 134	20 040	15 000	17 544

	<i>Under-Secretary-General</i>		<i>Judge of the International Court of Justice</i>		<i>Judge of the International Criminal Court</i>	
	<i>Euros</i>	<i>United States dollars</i>	<i>Euros</i>	<i>United States dollars</i>	<i>Euros</i>	<i>United States dollars</i>
November 2018	14 713	16 720	17 377	19 746	15 000	17 045
December 2018	14 708	16 732	17 370	19 761	15 000	17 065
Total, 2018	175 470	207 696	207 232	245 292	180 000	213 078

Annex II

Conditions of service and compensation for the members and ad hoc judges of the International Court of Justice, and for the President and judges of the International Residual Mechanism for Criminal Tribunals

	<i>International Court of Justice</i>		<i>International Residual Mechanism for Criminal Tribunals</i>	
	<i>Members</i>	<i>Ad hoc judges</i>	<i>President</i>	<i>Judges</i>
Annual net salary as of January 2019	\$239,135 per annum, including post adjustment [January 2019 post adjustment multiplier for the Netherlands = 33.1]	1/365 of annual net salary per day worked	\$239,135 per annum, including post adjustment [January 2019 post adjustment multiplier for the Netherlands = 33.1]	1/365 of annual net salary per day worked
Special allowance	President: \$25,000 per annum Vice-President (when acting as President): \$156 per day	Not applicable	President: \$25,000 per annum	Not applicable
Travel expenses	For resident judges: Journey for the judge, spouse and recognized dependant(s) upon appointment and termination to/from the seat of the Court from/to his/her home established at the time of appointment. Return journey for the judge, installed spouse and recognized dependant(s) every second calendar year For non-resident judges: A maximum of three return journeys for the judge and one close relative residing with him/her every year, from his/her home at the time of appointment to the seat of the Court to attend sessions of the Court	Return journey of any ad hoc judge, and one close relative residing with him/her, from his/her home to the seat of the Court or the place where the session is held, when the presence of the ad hoc judge is certified by the President of the Court as necessary for official business	Journey for the President, spouse and recognized dependant(s) upon appointment and termination to/from the seat of the Tribunal from/to his/her home established at the time of appointment. Return journey for the President, installed spouse and recognized dependant(s) every second calendar year. Cost of excess baggage is not allowable as an expense unless the excess is necessarily carried for official business reasons	Same as ad hoc judges of the International Court of Justice

	<i>International Court of Justice</i>		<i>International Residual Mechanism for Criminal Tribunals</i>	
	<i>Members</i>	<i>Ad hoc judges</i>	<i>President</i>	<i>Judges</i>
	For all judges: Cost of excess baggage is not allowable as an expense unless the excess is necessarily carried for official business reasons			
Subsistence allowance	Payable under the conditions of standard rates applied to officials of the United Nations Secretariat plus 40 per cent	Not applicable	Payable under the conditions of standard rates applied to officials of the United Nations Secretariat plus 40 per cent	Not applicable
Removal expenses	For resident judges: Relocation shipment or unaccompanied shipment of personal effects and household goods applicable to senior officials of the United Nations	Not applicable	Relocation shipment or unaccompanied shipment of personal effects and household goods applicable to senior officials of the United Nations	Not applicable
	For non-resident judges: Unaccompanied shipment of personal effects and household goods applicable to senior officials of the United Nations, upon approval by the President of the Court			
Settling-in grant	For resident judges: Amount applicable to senior officials of the United Nations	Not applicable	Amount applicable to senior officials of the United Nations	Not applicable
	For non-resident judges: Up to one half of the amount applicable to senior officials of the United Nations, upon approval by the President of the Court			

	<i>International Court of Justice</i>		<i>International Residual Mechanism for Criminal Tribunals</i>	
	<i>Members</i>	<i>Ad hoc judges</i>	<i>President</i>	<i>Judges</i>
Relocation allowance	<p>For resident judges: 24 weeks of annual net base salary (for 9 continuous years of service or more) or 18 weeks of annual net base salary (for more than 5 but less than 9 continuous years of service), payable upon completion of service and resettlement outside the Netherlands. For less than 5 continuous years of service, a lump sum prorated on the basis of the ceiling of 18 weeks of annual net base salary</p> <p>Entitlement is not applicable to non-resident judges</p>	Not applicable	24 weeks of annual net base salary (for 9 continuous years of service or more) or 18 weeks of annual net base salary (for more than 5 but less than 9 continuous years of service), payable upon completion of service and resettlement outside the Netherlands. For less than 5 continuous years of service, a lump sum prorated on the basis of the ceiling of 18 weeks of annual net base salary	Not applicable
Pension	<p>The normal retirement age is 60. The amount of retirement benefit is 50 per cent of the judge's annual net base salary (excluding post adjustment) prorated for less than 9 years of service (or approximately 0.468 per cent times net base salary for each of the first 108 completed months) plus 0.154 per cent net base salary for each additional month of service in excess of 108. Maximum 66.67 per cent of final salary</p> <p>(Minimum of 3 years' service)</p>	Not applicable	Same as members of the International Court of Justice, prorated to account for the difference in length in terms of appointment (i.e., 9 years for the Court, 4 years for the International Tribunal for the Former Yugoslavia). (Minimum of 3 years' service). If the President were to be elected from among the existing permanent judges of the International Tribunal for the Former Yugoslavia and were permitted to maintain his/her existing contractual relationship with the United Nations, his/her original conditions of service would continue to apply. Therefore, pursuant to article 32, paragraph 5, of the Statute of the Court, any changes to the pension scheme that	Not applicable

	<i>International Court of Justice</i>		<i>International Residual Mechanism for Criminal Tribunals</i>	
	<i>Members</i>	<i>Ad hoc judges</i>	<i>President</i>	<i>Judges</i>
			would lead to a decrease in pension benefits would not apply	
Survivor's benefit	50 per cent of the pension benefit or a lump sum, as final settlement, of twice the yearly pension benefit otherwise payable at the time of death	Not applicable	50 per cent of the pension benefit or a lump sum, as final settlement, of twice the yearly pension benefit otherwise payable at the time of death	Not applicable
Education grant	For resident judges: Applicable under the same rules and regulations governing United Nations staff Not applicable to non-resident judges	Not applicable	Applicable under the same rules and regulations governing United Nations staff	Not applicable
Disability	Payment of salary during a period of ill-health or disability that would prevent a member from performing his/her duty during the service period. No liability beyond that point	Not applicable	Payment of salary during a period of ill-health or disability that would prevent the President from performing his/her duty during the service period. No liability beyond that point	Not applicable

Annex III

Comparison of the pension benefits of members of the International Court of Justice with the pension benefits of judges in comparable judicial positions

<i>Courts</i>	<i>Benefit formula</i>	<i>Normal retirement age</i>	<i>Early retirement</i>		<i>Participant contribution</i>	<i>Ancillary benefits</i>		
			<i>Age</i>	<i>Reduction</i>		<i>Disability</i>	<i>Survivor</i>	<i>Children</i>
International Court of Justice	50 per cent of annual net base salary (excluding post adjustment), prorated for less than 9 years of service (or 108 completed months), plus, for members serving a new term after 31 December 1998, 0.154 per cent times final salary for each month of service past 9 years, to a maximum of 66.67 per cent	60 (3 years to vest)	As at the time of separation	0.5 per cent per month between retirement age and normal age of retirement	None	Yes	Yes	Yes
United States Supreme Court	Lifetime pension: 100 per cent of salary with a minimum of 10 years and age plus service = 80 (that is, age 65 with 15 years of service, 66 plus 14...70 plus 10)	Lifetime			2.2 per cent of salary (including during retirement; covers survivor and children benefits)	Yes	Yes	Yes
European Court of Justice	4.275 per cent of final basic salary per year in office; maximum pension of 70 per cent of basic salary last received	65			10.25 per cent of basic salary	–	–	–

<i>Courts</i>	<i>Benefit formula</i>	<i>Normal retirement age</i>	<i>Early retirement</i>		<i>Participant contribution</i>	<i>Ancillary benefits</i>		
			<i>Age</i>	<i>Reduction</i>		<i>Disability</i>	<i>Survivor</i>	<i>Children</i>
European Court of Human Rights	2 per cent of gross salary per year of service to a maximum of 70 per cent; may, alternatively, elect to receive a lump sum	63				No	Yes	No
International Criminal Court	1.389 per cent of annual salary at time of retirement per year of service up to a maximum of 12.50 per cent of salary	60 with 3 years of service	Age at end of term of office	0.5 per cent per month between retirement age and normal retirement age	None	Yes	Yes	Yes
High Court of Australia	Retire after minimum retirement age with 10 years of service: 60 per cent of current salary; retire at maximum retirement age with 6 to 10 years of service: 6 per cent of current salary service	Minimum 60 Maximum 70	^a			Yes	Yes	No
Supreme Court of Canada ^b	66.67% final salary, prorated for less than 10 years	15 years of service and age plus service at least 80; 10 years of service and age 70	55 with 10 years of service	Prorated benefit based on service earned compared with benefit that would have been earned at normal retirement age	1 per cent of salary	Yes	Yes	Yes

<i>Courts</i>	<i>Benefit formula</i>	<i>Normal retirement age</i>	<i>Early retirement</i>		<i>Participant contribution</i>	<i>Ancillary benefits</i>		
			<i>Age</i>	<i>Reduction</i>		<i>Disability</i>	<i>Survivor</i>	<i>Children</i>
Supreme Court of Japan	1.266 per cent of indexed career average salary	60 rising to 65 by 2025	–	–	15.508 per cent of salary	Yes	Yes	Yes
Supreme Court of the United Kingdom of Great Britain and Northern Ireland	2.32 per cent of highest salary (during last 3 years in office) per year of service	65 with 5 years of service	60 with 5 years of service	Actuarially reduced	1.8 per cent of capped salary (for survivor and children's benefits) until retirement or completion of 20 years of service	Yes	Yes	Yes
Under-Secretary-General Assistant Secretary-General	United Nations Joint Staff Pension Plan 1.5 per cent of final average pay for the first 5 years of service; 1.75 per cent for the next 5 years; 2.0 per cent for the subsequent 20 years, with 1.0 per cent for service in excess of 30 years to a maximum of 65 per cent of final average pay after 38.75 years of service		60 hired prior to 1 January 1990 62 hired after 1 January 1990	Varies based on normal retirement age	Participants contribute 7.90 per cent of pensionable earnings; employer contributes 15.80 per cent of pensionable earnings	Yes	Yes	Yes

^a If voluntary exit occurs (a) prior to attainment of age 60, or (b) prior to age 70 with less than 10 years of judicial service, or (c) at age 70 with less than 6 years of judicial service, no benefit is payable if the judge commenced office prior to 1 July 2006.

^b Employees of the Supreme Court of Canada participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. The benefits are integrated with the Canada and Quebec Pension Plans.

Annex IV

Projected annual pension benefit payments, including retired, active and prospective judges

(United States dollars)

<i>Year</i>	<i>International Court of Justice</i>	<i>International Residual Mechanism for Criminal Tribunals</i>	<i>Total</i>
2019	2 907 845	3 066 830	5 974 675
2020	2 876 465	3 100 581	5 977 046
2021	2 835 066	3 180 628	6 015 694
2022	3 349 125	3 223 071	6 572 196
2023	3 298 921	3 242 813	6 541 734
2024	3 239 188	3 266 030	6 505 218
2025	3 830 484	3 274 475	7 104 959
2026	3 755 107	3 273 337	7 028 444
2027	3 673 074	3 263 861	6 936 935
2028	4 576 698	3 245 397	7 822 095
2029	4 495 173	3 217 349	7 712 522
2030	4 410 393	3 179 168	7 589 561
2031	4 340 343	3 130 391	7 470 734
2032	4 387 062	3 070 631	7 457 693
2033	4 493 119	2 999 655	7 492 774
2034	4 603 595	2 917 392	7 520 987
2035	4 719 002	2 823 958	7 542 960
2036	4 839 616	2 719 605	7 559 221
2037	4 965 898	2 604 572	7 570 470
2038	5 098 670	2 479 299	7 577 969
2039	5 238 697	2 344 575	7 583 272
2040	5 386 267	2 201 624	7 587 891
2041	5 541 241	2 051 974	7 593 215
2042	5 703 128	1 897 210	7 600 338
2043	5 871 381	1 739 176	7 610 557
2044	6 045 507	1 580 020	7 625 527
2045	6 224 909	1 422 104	7 647 013
2046	6 408 746	1 267 779	7 676 525
2047	6 596 105	1 119 274	7 715 379
2048	6 786 290	978 470	7 764 760
2049	6 978 904	846 871	7 825 775
2050	7 173 753	725 776	7 899 529
2051	7 371 053	616 289	7 987 342
2052	7 429 998	519 020	7 949 018
2053	7 486 023	433 936	7 919 959
2054	7 539 841	360 558	7 900 399
2055	7 463 627	298 109	7 761 736

<i>Year</i>	<i>International Court of Justice</i>	<i>International Residual Mechanism for Criminal Tribunals</i>	<i>Total</i>
2056	7 383 216	245 647	7 628 863
2057	7 299 373	202 071	7 501 444
2058	7 092 517	166 323	7 258 840
