



8th of December, 2014

Subject: UNFCU Decision on National Staff Accounts

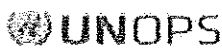
Dear Ali,

In reference to your emails yesterday and today and your remarks addressing the stand made by the national staff during the lunch break today, we wrote this letter on behalf of all national staff employed by UNDP Sudan following an overwhelming concern by all national staff affected by UNDP/UNFCU unilateral action and based on a series of consultations held with the staff (at both Khartoum and the field offices). While we fully appreciate your prospective role (as UN RC) in solving the issue, we seek your intervention in your capacity as the Resident Representative for UNDP Sudan since we are aware that other agencies have already taken several steps in addressing this issue which has a grave impact on their national staff.

With regard to rules and regulations referred to in your messages, and while we all agree on the utter importance of rules and regulations in governing the rights and responsibilities in UNDP's work, the Country Office payroll records clearly show that the UNFCU service in question had been provided for more than 10 years which obviously provides a whole new range of dimensions to the consequences of abruptness in implementing these rules along with the associated lack of information and misguidance by senior management which preceded this sudden action.

In early November 2014, the Bank of Khartoum alerted staff that the UNFCU service would be discontinued as of November 30th 2014.

Afterwards, an all staff country office meeting was held on 29 October 2014 in which the Deputy Country Director (O) explicitly assured staff that the UNFCU service would continue and stated that "*these are just rumors*". As a consequence, staff members refrained from withdrawing their savings, which included years of accumulated payroll deductions in addition to other deposits in their UNFCU accounts.



Staff Council

Surprisingly, on the 17th of November, UNFCU closed checking and saving accounts of national staff without prior notification and consultation and unilaterally transferred all funds of staff members' accounts to local saving accounts to be paid in SDG by Bank of Khartoum.

Staff members individually contacted UNFCU (mainly through online individual contacts) for clarification and the initial feedback they received was the US sanctions on Sudan. Meanwhile, no official feedback on the matter was received from the country office management for two weeks. Nonetheless, unofficial statements from the management was advising national staff that the action was ascribed to US sanctions on Sudan. Accordingly, staff members contacted the US government Office of Foreign Assets Control (OFAC) inquiring about the action; OFAC advised that national staff members accounts in UNFCU *"are not in violation of US sanctions on Sudan"*!! (attached a sample of US Treasury-OFAC Office responses).

To add to the confusion around the action, the affected national staff members later received formal letters from UNFCU on 4 December indicating that the reason for the closure of accounts was *"in accordance with your employers' staff rules for payroll deductions to UNFCU, your deposits are to be credited to the local staff savings account"*!!!. Up to now, staff members do not know what role UNDP, as their employer, played in creating this situation as indicated in the aforementioned UNFCU letters to staff members.

Implications

The abrupt and targeted closing of accounts of national staff through unilateral action from UNFCU without requests or authorization or even prior notice in addition to the UNFCU requesting staff members to immediately destroy the checkbooks and credit cards were perceived both as abusive, humiliating and discriminatory against national staff members.

The implications of this action are many (including legal, reputational and livelihood implications). Based on long years of established provision of the UNFCU service, The livelihood implications of this situation vary from one staff member to another; However, generally, and based on the long years of established provision of the UNFCU service, majority of national staff have made long term financial arrangements taking into account UNFCU deposits facilities which provided solutions to many of their problems such as medical treatments and education to them and their families and education. Abrupt application of the closure left some staff, who were outside Sudan, got stuck with suddenly ineffective UNFCU Master Cards.



UNOPS



Staff Council

As the UNFCU Letters create a new dimension of the case by accusing UNDP Management as "our employer", we would like the senior management to restore the confidence between it and their national staff through the following:

1. Revert the action to resume the service as it was by clearing the employer, "UNDP" role as mentioned in the UNFCU letter and undoubtedly communicate that to UNFCU,
2. Facilitate access to UNDP legal aid to the severely affected national staff members to address their cases against UNFCU.

Best Regards

Staff Association of UNDP Sudan

On Behalf of Members of the Staff Association

