



**STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MR. DHISADEE CHAMLONGRASDR, COUNSELLOR, PERMANENT MISSION OF THE KINGDOM OF THAILAND TO THE UNITED NATIONS, ON AGENDA ITEM 134: PROGRAMME BUDGET FOR THE BIENNIUM 2016-2017: AFTER-SERVICE HEALTH INSURANCE, AT THE FIRST PART OF THE RESUMED SEVENTIETH SESSION OF THE FIFTH COMMITTEE OF THE UNITED NATIONS GENERAL ASSEMBLY (NEW YORK, 4 MARCH 2016)**

Mr. Chairman,

1. I have the honor to speak on behalf of the Group of 77 and China on agenda item 134: Programme budget for the biennium 2016-2017 on After-service health insurance (ASHI).

2. At the outset, the Group of 77 and China wishes to thank the Director of the Accounts Division, Office of Programme Planning, Budget and Accounts, Mr. Pedro Guazo, for his introduction of the Secretary-General's report on managing after-service health insurance liabilities, as contained in document A/70/590, and the Chair of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), Mr. Carlos Ruiz Massieu, for his introduction of the report of the ACABQ, as contained in document A/70/7/Add.42.

Mr. Chairman,

3. The Group of 77 and China attaches great importance to the welfare of the United Nations staff members and is genuinely sympathetic with the settlement of their end-of-service liabilities, including those related to after-service health insurance as many of them cannot benefit from the national social security schemes of Member States, owing to their service with the United Nations.

4. In our view, after-service health insurance is an issue with long-term implications for both the Members States and the United Nations staff and, therefore, deserves careful consideration of the Fifth Committee. Given the significance and complexity of this issue, a holistic approach for a long-term solution needs to be adopted by taking into account the common international practice including on funding mechanisms and investment. As the ACABQ mentions in its report, the funding and administration of after-service health insurance benefits is an issue of system-wide concern that would best be

resolved through a system-wide approach.

5. The Group of 77 and China notes that the aggregate after-service health insurance liability of the United Nations system grew from \$12.1 billion in 2012 to \$16.1 billion in 2014. The Group also notes that the significant growth in after-service health insurance liability valuations — up to 40 per cent in some cases — over the past three years is primarily attributable to the fall of some two percentage points in the discount rates used in the valuations. In this regard, the Group concurs with the recommendation by the ACABQ in standardizing general valuation methodology and the establishment and application of key after-service health insurance liability valuation factors across all organizations of the United Nations system.

6. The Group of 77 and China notes the diversity of health insurance plans across the United Nations system both in terms of the markets in which they operate and the staffing categories which they serve. In this regard, the Group is of the view that opportunities do exist for consolidation of health insurance plans at the various levels, for the purpose of achieving financial and operational economies and efficiencies, while maintaining access to quality health care.

7. The Group of 77 and China takes note of other key elements outlined in the report of the Secretary-General including those related to funding for after-service health insurance liabilities, investment of reserves, broadening mandate of the UN Joint Staff Pension Fund and specific recommendations of the Working Group. The Group will be interested to learn details of these elements during our informal consultations.

Mr. Chairman,

8. The Group of 77 and China assures you of our constructive participation in the consultations on this agenda, bearing in mind the fundamental interests of United Nations staff, and will work closely with the other delegations in order to find a practical and comprehensive solution to this issue.

I thank you, Mr. Chairman.