

number of retired participants, changing

8. The Secretary-
funding
-as-you-accrue
costs beginning in 2023. The strategy entails maintaining pay-as-you-go funding for a closed group of existing staff and retirees and initiating a charge against salary costs to provide for the future ASHI benefits of new staff.
9. Given the high sensitivity to demographic and economic factors, gradual partial funding of up to 75% of the ASHI liability is proposed through a 6% charge against salary costs. Periodic reviews of reserve fund balances and cash flows will be required to ensure progressive and adequate funding.
10. While the proposed strategy will initially require additional assessment, it will considerably reduce budget requirements in the long-term, securing the financial viability of the ASHI programme.

Mr. Chairman,
Distinguished Members,

11. The health care benefits provided by the ASHI programme are a vital element of social security for eligible retiring staff as they enable the Organization to ensure retiree access to appropriate health care wherever they reside at a cost that takes into consideration their pension income. The Secretary-General attaches a high importance to this programme and its ongoing sustainability. Adoption of the proposed funding strategy will serve to ensure financial viability over the long-term while also providing more evenly distributed and ultimately lower budgetary requirements.