

INTERNATIONAL TROPICAL TIMBER COUNCIL

COMMITTEE ON FINANCE AND ADMINISTRATION Distr. GENERAL

CFA(XXXVI)/8 1 October 2021

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THIRTY-SIXTH SESSION 29 November – 3 December 2021 Virtual Session

STAFF HEALTH INSURANCE

[Item 10 of the Provisional Agenda]

1. Rule 504 of the ITTO Staff Regulations and Rules provides all staff members with a health insurance scheme, where the premium for the scheme is subsidized by the Organization at a percentage proposed by the Executive Director for the approval of the Council. For staff members who are nationals of or permanently resident in Japan, Regulation 5.3 of the Staff Regulations and Rules stipulates that they shall participate in the Japanese social security scheme and the Executive Director shall make necessary arrangements, including payment of compulsory contributions by the Organization, as required under such scheme. For non-Japanese staff members rates for subsidizing their health insurance were separately established at the Third Session of the Council in 1987 (reiterated under Decision 6(XXIX) - see annex), and have not been revised since.

2. A review of the latest situation within the United Nations System was conducted and in accordance with document ST/IC/2021/10, the current costing of United Nations insurance programmes are as follows:

Costs are borne by the plan participants and the Organization as follows: (a) For United States-based plans, the United Nations and plan participants bear the costs collectively through a "two thirds to one third" cost-sharing arrangement approved by the General Assembly;

(b) For the UN Worldwide Plan, costs are borne by the United Nations and by plan participants collectively through a 50/50 cost-sharing arrangement approved by the General Assembly;
(c) Neither the portions of the monthly premium of plan participants nor those of the organizations are prorated. The full monthly premium amount will be collected regardless of the date on which coverage begins within a month.

3. As ITTO's health insurance plan is not based in the United States, the 50/50 cost-sharing arrangement mentioned under item (b) above would be applicable for ITTO under the United Nations rules. An assessment of cost increases from applying the current United Nations rules was conducted and it was determined that any increase would be marginal and could be covered within the existing budget allocations under the "D2. Accident/Health Insurance" sub-heading in the Administrative Budget for the approved 2021 budget and the proposed 2022-23 budget.

4. In order to reflect the most efficient and fair policy for staff members, the Secretariat proposes to change the policy on costs to be subsidized by the Organization for health insurance premiums to be based on prevailing United Nations rates. As in the case of most revision to rules, staff members who have joined prior to the rule change should have an acquired right to receiving the original subsidy rate if it is beneficial to them.

5. The Committee on Finance and Administration may wish to consider the proposal of the Secretariat and, if appropriate, recommend to the Council for its approval.

Annex - Decision 6(XXIX)



INTERNATIONAL TROPICAL TIMBER COUNCIL

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TWENTY-NINTH SESSION 30 October – 4 November 2000 Yokohama, Japan

DECISION 6(XXIX)

MEDICAL AND HEALTH INSURANCE FOR NON-JAPANESE STAFF MEMBERS

The International Tropical Timber Council,

Noting the provisions of Rule 504 of the ITTO Staff Regulations and Rules on Accident and Health Insurance;

<u>Recalling</u> the provisions for Social Security of Staff Members of the Organization approved by Council at its Third Session (November 1987, Yokohama) as contained in Document ITTC(III)/4;

<u>Recognizing</u> the inadequacies of the health and medical insurance approved at the Third Session for staff members who are not Japanese nationals or permanent residents of Japan as discussed by the Committee on Finance and Administration at its Sixth and Seventh Sessions;

<u>Decides</u> to authorize the Executive Director to make arrangements for health and medical insurance coverage for non-Japanese staff members under the International Health and Hospital Plan (IHHP) Principal Health Plan, with an annual deductible of US\$300.00 per insured person, of the firm International Health Insurance danmark a/s, which has an administrative office in Tokyo, Japan;

<u>Also decides</u> to continue to subsidize the premium for medical and health insurance for such staff members at the same percentages that had already been decided at the Third Session of the Council, i.e.

D-1 and higher	 32%
P-5	 33%
P-4	 35%
P-3	 39%
P-1 & P-2	 47%
GS-6 & GS-7	 80%
GS-5	 90%
GS-1 to GS-4	 92%

<u>Further decides</u> to authorize the Executive Director to make arrangements for life insurance coverage to compensate for staff members in the event of death, injury or illness attributable to the performance of duties on behalf of the Organization", in accordance with Rule 504 (a) (i) of the Staff Regulations and Rules with a maximum coverage of Japanese Yen 30 million per staff member for those in the Professional and higher categories and of Japanese Yen 15 million per staff member for those in the General Service category.

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