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## INTERNATIONAL UNION FOR THE PROTECTION OF NEW VARIETIES OF PLANTS

Geneva

### CONSULTATIVE COMMITTEE

#### Ninety-Second Session Geneva, October 27, 2016

##### FINANCING OF LONG-TERM EMPLOYEE BENEFITS

*Document prepared by the Office of the Union*

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1. The purpose of this document is to report on developments with regard to financing of long-term employee benefits.

#### BACKGROUND

2. The background with regard to financing of long-term employee benefits is provided in documents CC/87/8, CC/89/3, and CC/91/3 entitled "Financing of long-term employee benefits".
3. The Consultative Committee, at its ninety-first session held in Geneva on March 17, 2016, noted the oral report by the Controller concerning the consideration of document A/70/590 by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) of the United Nations (see document CC/91/10 "Report on the Conclusions", paragraph 18).
4. The Consultative Committee noted that the upcoming session of the High-Level Committee on Management (HLCM) from the member organizations of the United Nations system, to be held in Vienna later in March 2016, would consider the financing of long-term employee benefits (see document CC/91/10 "Report on the Conclusions", paragraph 19).
5. With regard to possible measures for the containment of after-service health insurance liabilities, the Consultative Committee noted the administrative efficiency of any UPOV measures being consistent with WIPO measures and agreed that the plans of WIPO on this matter, which would be developed with due consideration for the measures developed by the Working Group of the UN CEB Finance and Budget Network, should be presented to the Consultative Committee (see document CC/91/10 "Report on the Conclusions", paragraph 20).
6. The Consultative Committee recommended to the Council the establishment of a separate UPOV bank account to hold funds allocated for financing UPOV's After-Service Health Insurance (ASHI) liability, and that the amount represented by the provisions for ASHI obligations at the end of the 2014-2015 biennium, together with the balance from the 6 per cent charge after deduction of the respective biennium's payments, if any, be transferred to that account starting from the 2016-2017 biennium and to apply to that account the investment policy that WIPO applied to the account for financing WIPO's ASHI liability (see document CC/91/10 "Report on the Conclusions", paragraph 21).

7. Based on the recommendations of the Consultative Committee, at its ninety-first session, the Council at its thirty-third extraordinary session in Geneva on the afternoon of March 17, 2016, "decided to establish a separate UPOV bank account to hold funds allocated for financing UPOV's After-Service Health Insurance (ASHI) liability, and that the amount represented by the provisions for ASHI obligations at the end of the 2014-2015 biennium, together with the balance from the 6 per cent charge after deduction of the respective biennium's payments, if any, be transferred to that account starting from the 2016-2017 biennium and to apply to that account the investment policy that WIPO applied to the account for financing WIPO's ASHI liability; [...]" (see document C(Extr.)/33/6 "Report on the Decisions", paragraph 8 (b)).

## DEVELOPMENTS

8. Following consideration of document A/70/590 by the ACABQ in February 2016, the United Nations General Assembly endorsed the conclusions and recommendations of the ACABQ, including a request to the United Nations Secretary-General to maintain the Working Group of the UN CEB Finance and Budget Network (Working Group) in order to study further options for increasing efficiency and containing costs.

9. The Working Group is currently working towards submitting a report to the resumed seventy-first regular session of the United Nations General Assembly with a deadline of November 2016. A survey was sent to the specialized agencies of the United Nations in May 2016 to collect the 2015 data for the United Nations ASHI plans, with a June 2016 deadline for submission of responses. A further survey is being prepared by the Working Group to be sent to Member States to collect information on their National Health Plans and the potential eligibility for Active Staff, Retirees and their dependents. Based on the results of this survey, a second survey will then be sent to certain Member States to obtain more detailed information on their National Health Plans.

10. *The Consultative Committee is invited to note the developments with regard to financing of long-term employee benefits reported in this document.*

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