AD HOC RESOLUTION 96

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English only

Report by the Secretariat

ITU ASHI FUNDING

Summary

This document contains an overview of the ITU ASHI funding, including basics, current financial situation, possible options for the future and goals for PP-26.

Action required

This document is transmitted to the Ad hoc group **for information**.

Financial implications

n/a

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References

none

ITU ASHI funding

PP-26

Doha November 2026

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Overview of ASHI

1. ASHI basics
2. Current financial situation
3. Options for the future
4. Goals for Plenipotentiary

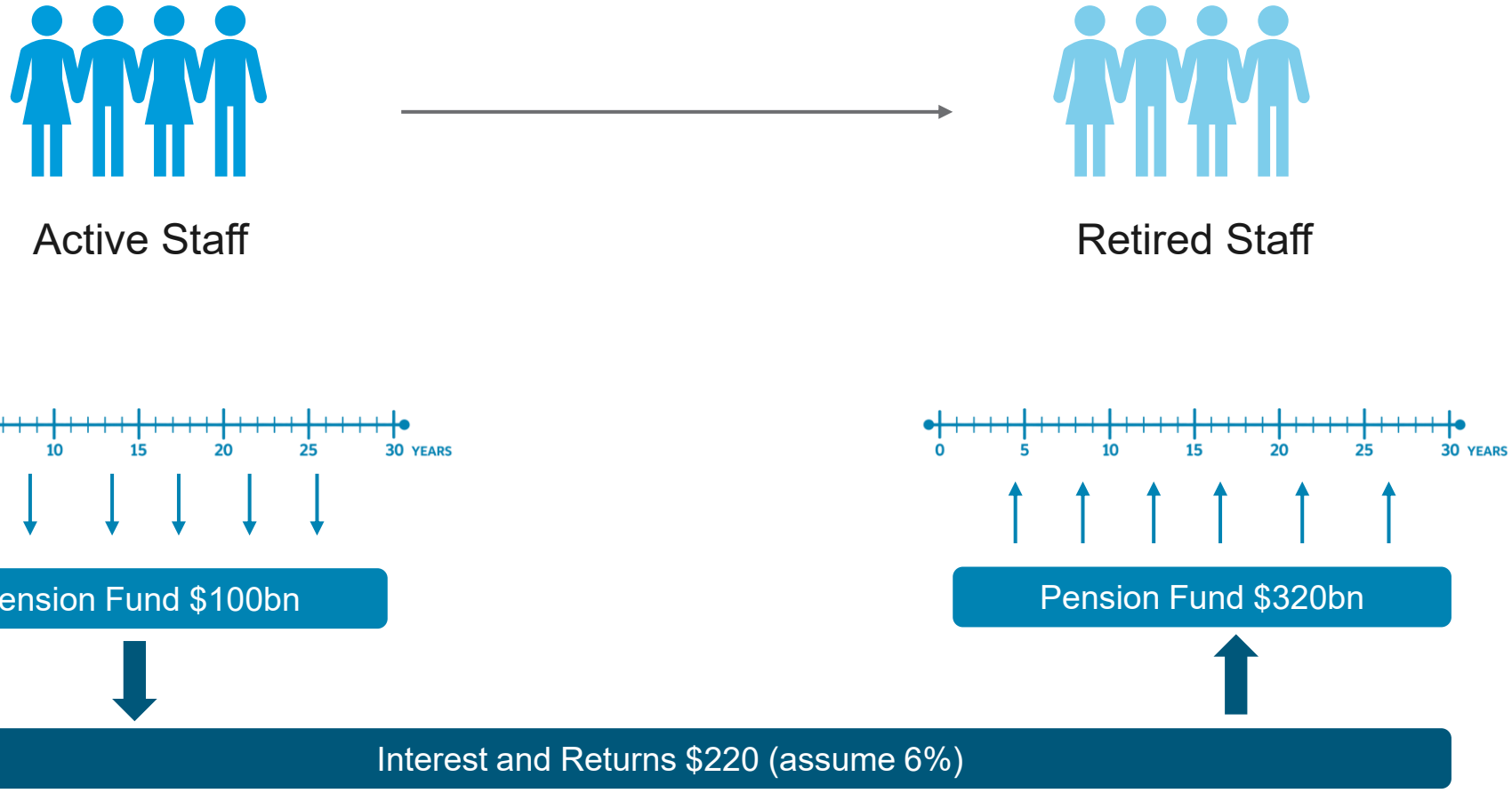
What is ASHI

Definition

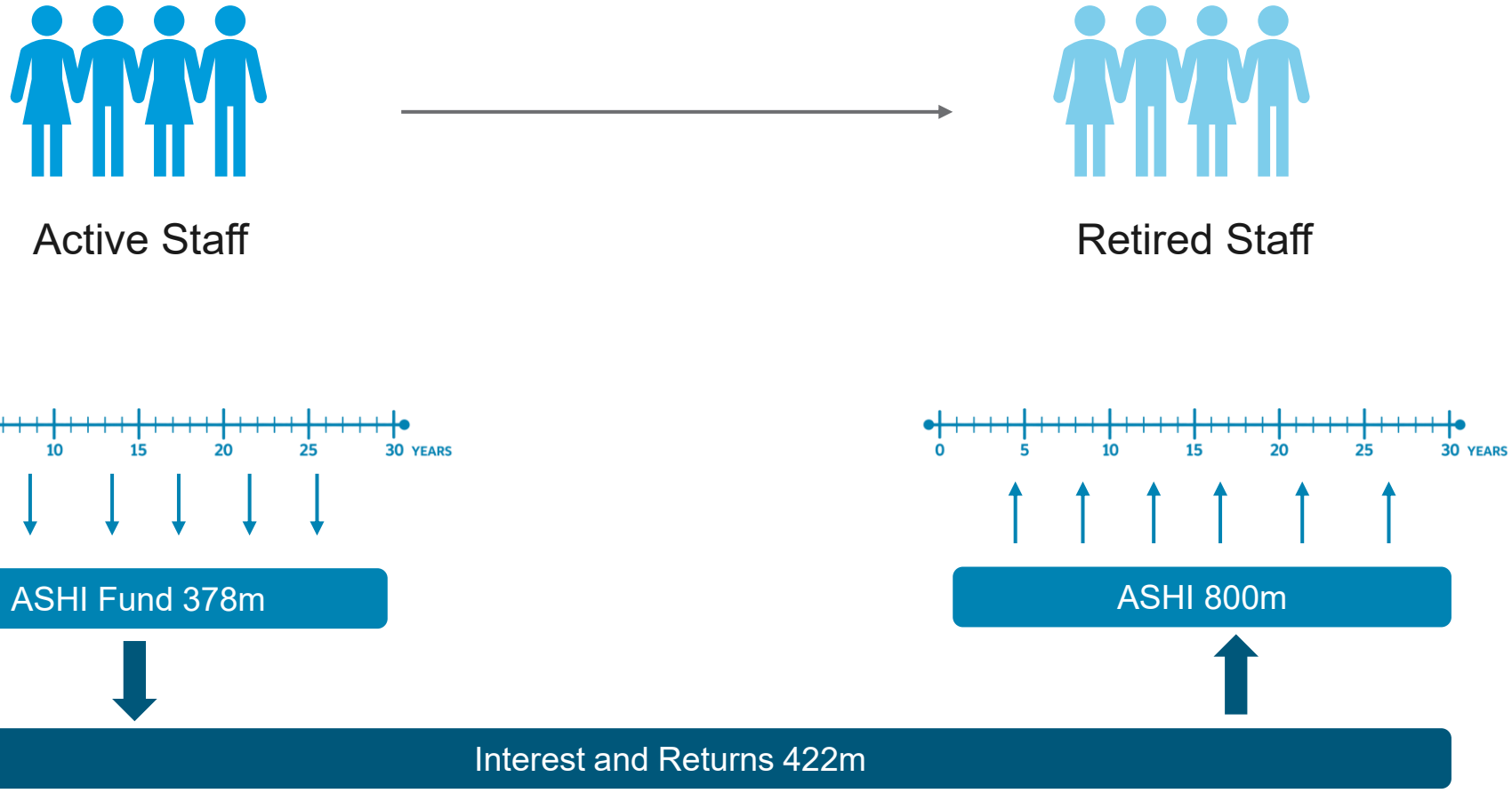
After-Service Health Insurance is the obligation to fund health insurance benefits for eligible staff after they retire.

Region	Indicative health-care costs as % of retirement/household income	Relative burden
Western / Northern Europe	~5–10%	Low
United States / North America	~10–15%	Moderate
Africa	~10–20%	High / highly variable
Middle East	~10–20%	High / highly variable
Asia	~15–30%	High
Latin America / Caribbean	~8–15%	Moderate–high
Average Retiree Spend On Health Costs	**5-30%**	

Overview of pension (UNJSPF)



Overview of ASHI (if we funded like pension)



Balances end 2025 – CHF 378m

Who is covered: Staff who separate at 55 or older with at least 10 years of UN system service, and at least 5 consecutive years in UNSMIS just before separation. Spouses, dependants, survivors and disability pensioners are also covered.

Who pays: Premiums are shared. ITU pays two-thirds and the retiree pays one-third. Active staff and ITU share premium at 50%.

What it costs ITU: The ASHI obligation, as measured by the actuarial valuation, is shown below for 2024 and 2025.

Description (CHF '000)	31 December 2025	31 December 2024
Balance as at 01 January	415,835	375,271
- Net Current Service Cost	*14,048*	*11,095*
- Finance charge	*5,753*	*7,046*
Total expenses recognized in the statement of financial performance	**19,801**	**18,141**
- Obligation due to changes in Demographic assumptions	(7,026)	10,602
- Obligation due to changes in Financial assumptions	(47,713)	20,635
- Obligation due to experience during the period	6,300	1,511
Total Actuarial (gain) loss recognized in net assets	**(48,439)**	**32,748**
Contributions during the period	**(8,373)**	**(10,325)**
Total - Obligations under ASHI plan	**378,824**	**415,835**

ITU has set aside **CHF 15m** for ASHI.

Does not invest.

ITU has negative net assets due to ASHI

Statement III: Statement of changes in net assets

As at 31 December 2025 (in thousands of CHF)

Description	ITU Reserve account	Other reserves & funds	Extra-budgetary reserves	ASHI actuarial gains / (losses)	Accumulated surplus / (deficit)	Net assets Total
31 December 2023	**26,271**	**65,557**	**13,353**	**31,911**	**(394,447)**	**(257,355)**
Surplus/(deficit) for the year 2024	5,396	(1,507)	1,010	-	(32,764)	**(27,865)**
Other adjustments	(1,000)	1,000	-	(32,748)		**(32,748)**
31 December 2024	**30,667**	**65,050**	**14,363**	**(837)**	**(427,211)**	**(317,968)**
Surplus/(deficit) for the year 2025	8,032	897	(894)	-	(17,915)	**(9,880)**
Other adjustments	(6,879)	4,924	2,355	48,439	(399)	**48,440**
31 December 2025	**31,820**	**70,871**	**15,824**	**47,602**	**(445,525)**	**(279,408)**

Net assets are negative

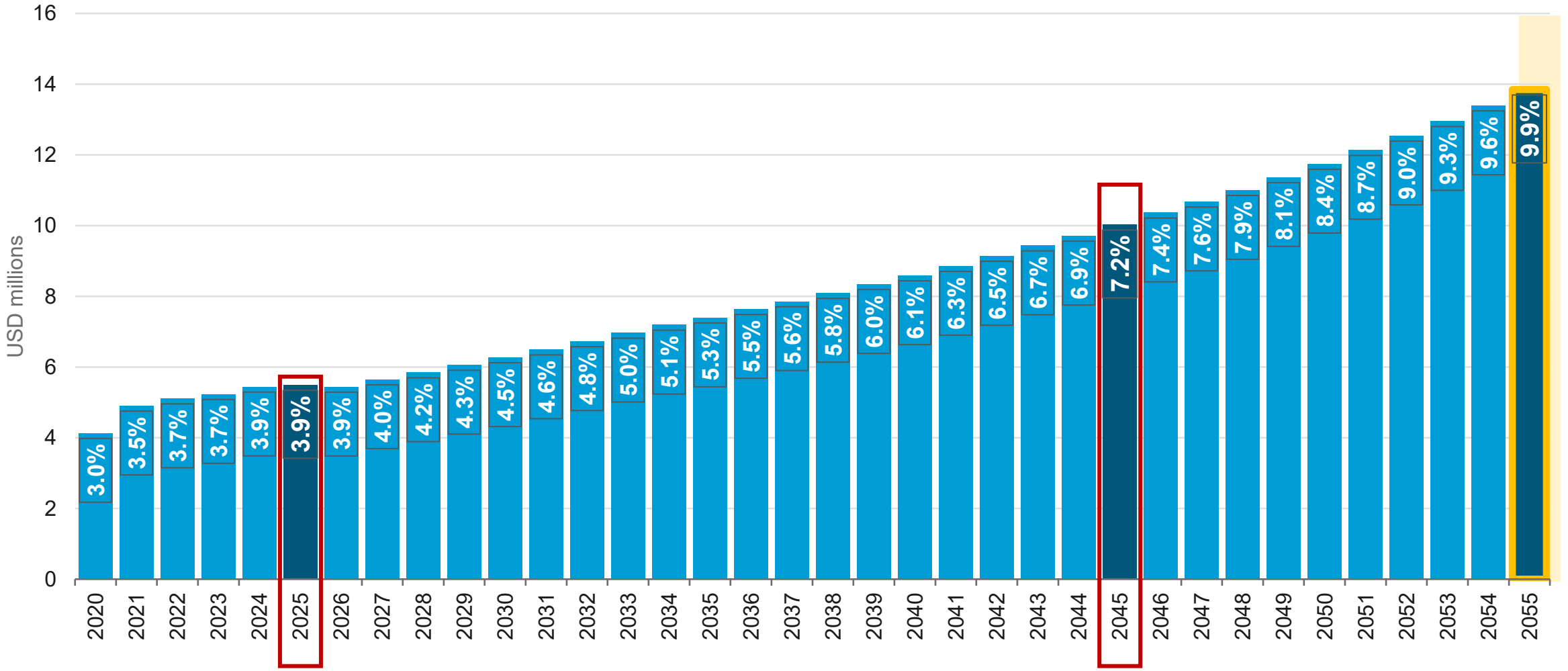
External Auditors Report 2024

1.26 The unfunded liability remains ITU's most significant financial risk and Members should regularly review the existing arrangements for both the provision of services and to confirm that the funding strategy for the costs and liability remain the most appropriate for the circumstances of the Union. Our review identified several funds held in other reserves with limited activity, such as the ITU Staff Superannuation and Benevolent Funds (CHF6.5 million). Management should consider whether it would be appropriate to obtain authority from Members to redesignate these funds to increase the funding level of ASHI.

1.27 In our 2022 report, we highlighted that despite pressures on core resources, ITU held several cash backed reserves and fund balances. While some balances may be restricted for specific purposes, we continue to consider that management should undertake a specific review and considered the need to review any conditions to determine whether they remain relevant and appropriate and engage Members accordingly. We therefore continue to **reiterate our earlier recommendation (2022: R.10) that ITU should review its current fund and reserve balances**.

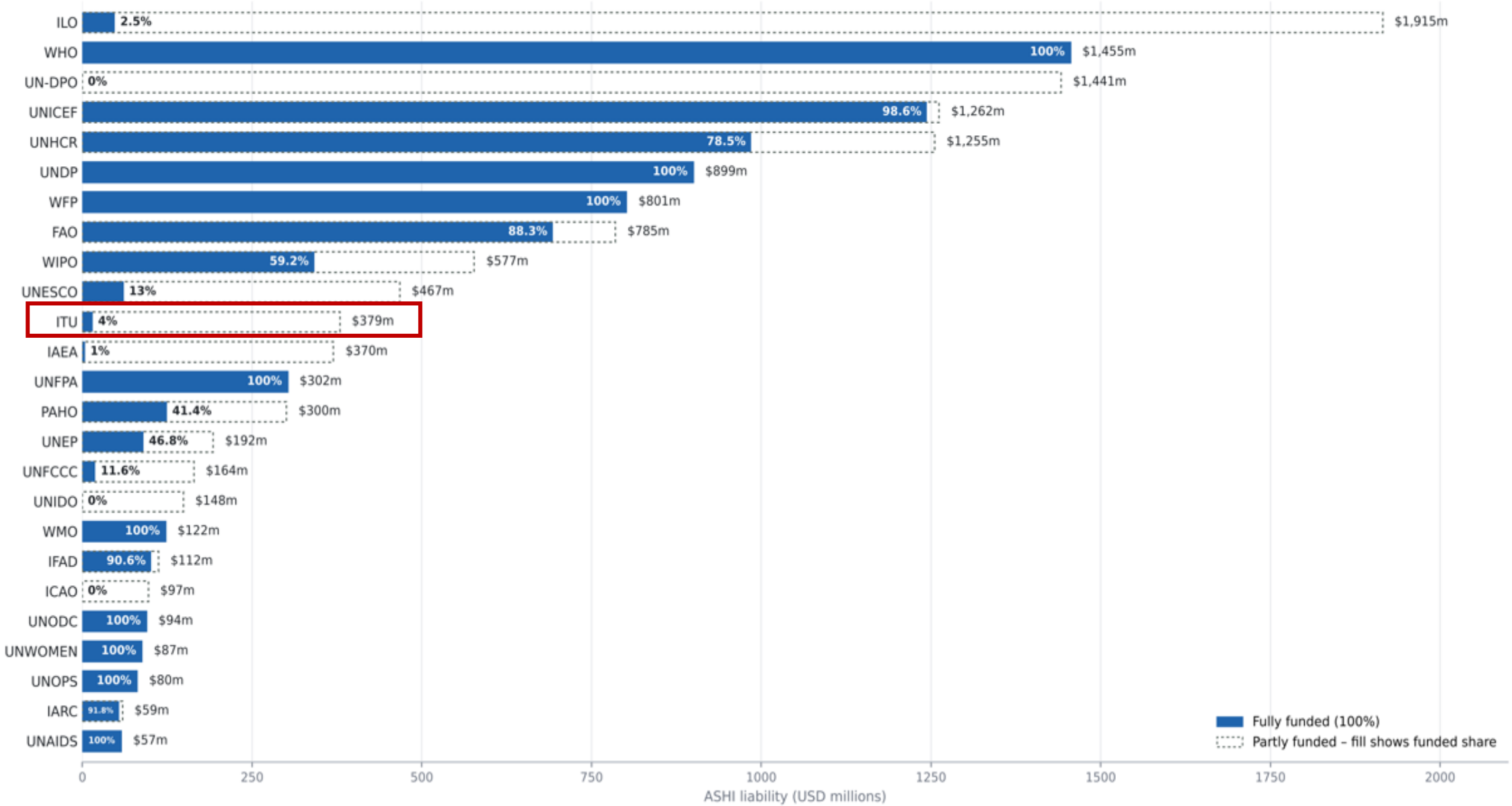
ITU management comment: *ITU has taken note of this recommendation and ITU secretariat will put forward to Council various proposals to increase funding to ASHI liability*

The expected unfavourable trends of retirees vs. new hires, as well as the increase in medical inflation and premiums will result in an increase in future pay-as-you-go



Labels show pay-as-you-go as % of annual payroll (USD 140 million per year). **Highlighted: 2025, 2045 and 2055.**

Benchmarking to UN agencies



Options

1

Do nothing – continue pay-as-you-go.

Liability stays unfunded; annual cost to the budget keeps rising.

Funding required



None upfront

2

Take action now – fund gradually and invest.

Lowest total contribution: smaller, steady amounts with more years of investment returns.

Funding required



Moderate

3

Take action later – fund and invest later.

Higher contributions to catch up: fewer years to accumulate and earn returns.

Funding required



Highest

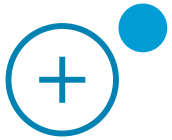
Proposals for consideration



Establish funding targets



Review existing personnel-related reserves



Additional contributions or increasing to funding



Establish dedicated ASHI investment strategy



Governance and monitoring