

ILO STAFF HEALTH INSURANCE FUND

Record of Decisions
of the 251st Meeting of the Management Committee

Wednesday, 14 November 2018

at 10.30 a.m., ILO, room VI (R3 South)

Present:

Representing the insured persons of the ILO:

Mr. Pierre Sayour (Titular member)
Mr. Simon Brimblecombe (Substitute member)
Ms. Elisabeth Fombuena (Substitute member)
Ms. Azza Taalab (Substitute member)

Representing the Director-General:

Mr. Tilmann Geckeler (Titular member)
Mr. Fikri Gurzumar (Titular member)
Mr. Luca Bormioli (Titular member)
Mr. Sietse Buijze (Substitute member)

Other attendees:

Mr. Florian Léger, SHIF Executive Secretary
Ms. Heather Harris, SHIF Claims Supervisor
Ms. Corinne Michoud, SHIF Secretary

Apologies for absence were received from:

Representing the insured persons of the ILO:
Ms. Mireille Ecuivillon, Ms. Catherine Comte-Tiberghien

Representing the Director-General of the ILO:
Ms. Anne Drouin, Mr. Giuseppe Zefola

The meeting opens at 10.35 a.m.

Item 1: Approval of meeting agenda
(SHIF/MC/18/251/AG)

MC refers to document ref. SHIF/MC/18/251/AG and approves the agenda.

Item 2: Approval of the Record of Decisions of the 250th meeting of the Management Committee
(SHIF/MC/18/RD.250)

MC refers to document ref. SHIF/MC/18/RD.250. A member representing the insured persons proposes one amendment to item 5, which MC approves. In addition it is decided that, given the late submission of the Record of Decisions to MC members for review, MC members be allowed to provide comments until 16 November 2018. Should no comments be received by the Secretariat at that time, then the draft Record of Decisions of the 250th MC meeting will be considered as approved.

Item 3: Presentation of a revised SHIF investment policy
(SHIF/MC/18/251/3)

A representative of the administration introduces the agenda item.
The SHIF Guarantee fund has been invested primarily in a portfolio of global fixed Income assets through an external fund manager since its inception in 1991.
Since that time there has been no major change in asset classes.
Hsien Tan (TRES/OPS) presents the details of the changes in the portfolio proposed by the external fund manager and ILO Investment Committee.
This would broaden the assets classes available to the external fund manager with the objective of diversifying the portfolio.
Based on the projections made by the external fund manager, the long term expected return will increase to 4.2% (2.2% after hedging) from 3% (1% after hedging). The expected volatility will be lower (2.4% proposed versus 2.9% current).
The objective of capital preservation (security), liquidity and yield in that order will be maintained. Due to the introduction of new assets classes and a more complex structure, management fees will increase from 0.25% to 0.40% of assets under management.
MC agrees with the proposal.

Item 4: Write-offs and adjustments policy
(SHIF/MC/18/251/4)

The draft write-offs and adjustments policy is presented to the MC. The policy is needed as SHIF regulations and Administrative Rules are silent about write-offs and adjustments. In addition, the External auditors have recommended to have such a policy. **MC makes an amendment to the draft and adopts the policy.**

Item 5: General Meeting of insured persons

ES informs MC that the General Meeting will be shifted by 30 minutes and will start at 1pm at the request of the section of former officials of the ILO as the ILO reception for former officials will take place the same day at 5pm.

**Item 6: Financial situation as at 31.09.2018
and technical results for the period 01.01.2018 - 31.09.2018**

A representative of the administration presents the SHIF Financial situation as of 31.09.2018 as well as the technical results for the period 01.01.2018-31.09.2018. The Technical result for the period shows a small surplus of USD 300'000.

Item 7: Presentation of the SHIF online submission of claims

ES makes a presentation of the test version of the SHIF online submission of claims.

Item 8: Any other Business

No items are discussed under any other business.

The meeting ends at 1.00 p.m.
