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United Nations Educational, Scientific and Cultural Organization	• • •	
Organisation des Nations Unies pour l'éducation, la science et la culture	•	39 C/36 Part II Add.
Organización de las Naciones Unidas para la Educación, la Ciencia y la Cultura		25 October 2017 Original: English
Организация Объединенных Наций по вопросам образования, науки и культуры	• • •	
منظمة الأمم المتحدة للتربية والعلم والثقافة	•	
联合国教育、 科学及文化组织	Item <b>10.4</b> of the provisional agenda	
REPORT BY THE DIRECTOR-GENERAL ON THE STATE		

## OF THE MEDICAL BENEFITS FUND

## PART II: FINANCIAL SITUATION

ADDENDUM

## COMMENTS OF THE UNESCO STAFF UNION (STU)

Pursuant to Item 9.2.E.7 of the UNESCO Human Resources Manual, the UNESCO Staff Union (STU) submits its comments on the reports by the Director-General.

1. The STU welcomes the clarity of this document, and wishes only to request that the ideal minimum reserves level, to cover reimbursement of claims, be set at 18 months, instead of 15 months, and that the adjustment of the contributions should be made when the level of reserves falls below 15 months, not 12 months (para. 8 and Item 2 of the Draft Resolution). These were the levels recommended by the External Auditor's Report on the MBF in 2005, and adopted in the Director-General's Global Plan of Action: 5. *Measures relating to contributions and financial management*, detailed in 172 EX/36 of 19 August 2005.

2. The STU requests that a regular evaluation on the long-term evolution of the Fund's accounts be carried out. It also supports the recommendation no. 2 of the External Auditor that "the term of the contract should be extended, to reduce the disruptions caused by the changeover to the new Administrator".

3. As far as ASHI is concerned, the STU is deeply concerned by the impact on it of the high number of temporary contracts (short-term contracts, service contracts, consultants, etc.) in UNESCO. Holders of these contracts, meaning almost half of the workforce of our Organization, do not contribute to ASHI, which will lead to financial disaster.

