

Geneva, 16 October 2020

Dear Member,

As unfortunately suspected several months ago, the economic and social assessment for the year 2020 is extremely negative. In our previous message sent through the annual report, 42,000 people had already lost their lives. Today, the number of deaths amounts to 1.05 million, the number of contaminations to 36 million, millions of jobs have been lost, and uncertainty continues to increase as well as social inequalities. This current situation is tragic and unfortunately far from over.

The United Nations System is also affected by this pandemic and must review its operating model in order to cope with the consequences, particularly financial and budgetary. ISCSMA, which includes La Mutuelle and the Provident and Insurance Group of International Officials (GPAFI) is to a lesser degree affected by the current situation linked to the pandemic. As the end of the year approaches, the Board of Directors would like to give you the following information:

GPAFI

The pandemic reminds us of the importance of checking your insurance coverage and ensuring it corresponds to your needs, whether it is the complementary health insurance, the loss of salary insurance (which comes into effect when the sick leave with full pay is exhausted), or life insurance. Insurance companies are in fact entitled to refuse membership if the person is already ill. GPAFI's activity has remained stable during the pandemic for the first 9 months of the year, and 2020 is expected to be good, even with the knowledge that the insurance premiums will not increase in 2021.

LA MUTUELLE

La Mutuelle's activity during the pandemic slowed down sharply as ordinary and housing loans granted to members during the year fell respectively by 23% and 15%. In addition, due to a separation plan within one of the affiliated organizations, outstanding ordinary and housing loans are also down respectively by 4% and 2%. Knowing that members' deposits increased by 1.20% and that investment income is negative, this future drop in income generated by loans will affect the result of this financial year and future years. In addition, it should be noted that the end of the year promises to be extremely uncertain with the US elections as regards the trend of the financial markets and consequently, the valuation of investments. The current temporary result of the CHF Fund, which is positive, will not require the use of the extraordinary reserve fund which had been further funded at the end of 2019 in anticipation of this difficult year. Should the unfavorable financial situation persist, the Board of Directors may be forced to adopt additional measures in addition to the current limitation of members' deposits in CHF, to continue to minimize risks and ensure sustainability.

Concerning the USD Fund, for which the income is generated only from investments, falling USD interest rates could ultimately be a major problem if charges were to exceed income. The Board of Directors has already reduced the interest rate distributed to members from 0.80% to 0.40% in order to begin to align it with market rates in force, and will need to determine the extent to which the viability of this Fund will be questioned over the next few years. The results of the year should however be positive.

ANNUAL GENERAL ASSEMBLY

Due to the pandemic, the Board of Directors will not convene a 2020 Annual General Assembly. It will be combined with the 2021 Annual General Assembly, to be held at the end of the first half of 2021.

OFFICES

La Mutuelle and GPAFI offices continue to operate normally, on site and telecommuting. Members may continue to use the services with, however, some necessary adjustments, particularly as far as bank transfers are concerned for security reasons (La Mutuelle). Due to the restrictions put in place by UNOG and linked to the health situation, visits from members external to UNOG are currently not possible. In case of emergency only, members can contact La Mutuelle and GPAFI to help find a solution.

IT SYSTEM

The call for tenders' process for the change of the IT system is being prepared and will be finalized at the end of the first half of 2021. The new IT system will allow GPAFI and La Mutuelle to be integrated on the same IT platform, to unify and improve members' services thanks to new IT tools which will increase the interaction with our services to become more fluid and efficient, such as mobile applications. Members will soon be invited to express their needs and expectations through a survey.

BOARD OF DIRECTORS

Following the departure of Mrs. Corinne Momal-Vanien from the United Nations, the Director General of the United Nations Office at Geneva has appointed Mr. Giovanni Pizzini to represent her on ICSMA Board of Directors. Mr. Giovanni Pizzini, Chief of the United Nations Mutual Insurance against Sickness and Accident (UNSMIS), has solid experience in the world of insurances, and his presence on the Board is a major contribution that will allow us to optimize the insurance services proposed by GPAFI.

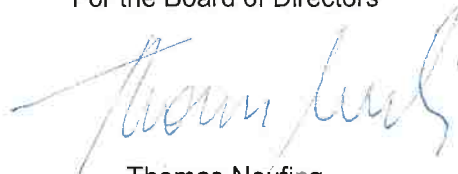
The Board of Directors wishes to emphasize the utmost importance of the work accomplished by Mrs. Momal-Vanien within the Board since her appointment in 2007, as well as her invaluable contribution to La Mutuelle, then to GPAFI, in particular in the establishment of effective risk management in order to ensure ICSMA's sustainability. During her mandate, Mrs. Momal-Vanien faced the subprime crisis, the strengthening of tax laws, the application of IPSAS standards, the integration of GPAFI into La Mutuelle's structure and the current health crisis. The Board of Directors warmly thanks Mrs. Momal-Vanien for the considerable experience and motivation she has provided and shared, including with the Secretariat, and wishes her every success in her new endeavor.

The composition of the Board of Directors is currently as follows:

President:	Mr. Thomas Neufing
Vice-President:	Mr. Giovanni Pizzini
Treasurer:	Mr. Adam Dobrogowski
Vice-Treasurer:	Mr. Benjamin Hauser
Secrétaire:	Mrs. Prisca Chaoui
Members:	Mrs. Myriam Foucher
	Mr. Hugues Noumbissie

The Members of the Board of Directors will keep you informed of the developments at the beginning of next year and send you their best health wishes.

For the Board of Directors



Thomas Neufing
President of the Board of Directors