



UNITED NATIONS APPEALS TRIBUNAL
TRIBUNAL D'APPEL DES NATIONS UNIES

Judgment No. 2025-UNAT-1558

Jacques Cramatte *et al.*
(Appellants)
v.
Director General
of the International Bureau of the Universal Postal Union
(Respondent)

JUDGMENT

Before:	Judge Katharine Mary Savage, Presiding Judge Graeme Colgan Judge Gao Xiaoli
Case No.:	2024-1908
Date of Decision:	27 June 2025
Date of Publication:	30 July 2025
Registrar:	Juliet E. Johnson

Counsel for Appellants:	Christopher Bollen
Counsel for Respondent:	Ricardo Guilherme Filho

JUDGE KATHARINE MARY SAVAGE, PRESIDING.

1. The Appellants,¹ retirees of the Universal Postal Union (UPU or the Organization), contested the decision taken by the Director General regarding health insurance premiums for the period from 1 January 2023 to 31 December 2027 (contested decision).
2. By decision dated 19 December 2023 (impugned Decision), the UPU Appeals Committee (Appeals Committee) dismissed the application on the merits.
3. The Appellants lodged an appeal of the impugned Decision with the United Nations Appeals Tribunal (Appeals Tribunal or UNAT).
4. For the reasons set out below, the Appeals Tribunal dismisses the appeal and affirms the impugned Decision.

Facts and Procedure²

5. The Appellants are all retirees who participate in the UPU's health insurance scheme under which health insurance is obtained by the UPU from an insurance company for both active and retired staff members and their dependants, and subsidized, in part, by the UPU.³
6. From 2016 to the end of 2022, the UPU's health insurance was provided via Cigna International (Cigna), which introduced a cost-based system of premiums based on age categories.⁴
7. On 7 October 2022, a Working Group on health insurance, which included members of the UPU Retirees and Pensioners Association (ARPUPU), recommended that the UPU allow retirees and their dependants residing in Switzerland to access the Swiss healthcare system (LAMal

¹ Jacques Cramatte, Maria Ninette Cramatte-Monzón, Francis Leuenberger, Lise-Hélène Marcuard, Achim Van der Weg, Jean-Marie Gassmann, Robert Montandon, Jean-Pierre Steiger, Francis Meigniez, Catherine Meigniez, Claude Montellier, Vladimir Iatsenko, Joséphine Liberati, Annette Juul Enevoldsen, Marie-Charlotte Sudan, Richard Kigaraba, Jean-Pierre Bovet, Félix Cicéron, Janet Hann, Opa Guiro, Heikki Karvonen, Marie-Claire Martinez, Claude Voirol, Françoise Montchaud, Suprpto Martosuhardjo, Irene Gruber, Antoine Bezençon, Marie-Odile Pilley, Abdalla Serageldine, Charly Andre Scheidegger, Bruno Schafer, Charles Henneberger, Philippe Niederhauser, Andrée Vasas, and Marie-Thérèse Hebeisen.

² Summarized from the impugned Decision as relevant to the appeal.

³ Impugned Decision, para. 3.

⁴ *Ibid.*, para. 4.

scheme) for basic coverage while maintaining their eligibility for the UPU health insurance for supplementary coverage. This change was introduced into the UPU Staff Regulations and Rules at the end of 2022. Retirees residing in Switzerland could decide on their private arrangements for basic health insurance and receive from the UPU a subsidy in a flat-rate amount towards those costs.⁵

8. On 14 October 2022, the Working Group issued its report to the Tenders and Procurements Committee. It recommended that the health insurance offered by UNIQA Österreich Versicherungen AG, Zurich Branch (UNIQA), together with the LAMal scheme for Swiss residents, be accepted as the best offer, given that its total cost was the lowest and it offered the best health insurance coverage locally and internationally. The Working Group recorded however that the two tenders it had considered were at least 15 per cent more expensive than the premiums that were in place in 2022 and, for this reason, at its meeting on 7 October 2022 the Working Group had examined several scenarios for premium distribution among the different categories. Given the different views expressed in the Working Group, it was agreed to submit to the Director General two options for premium increase distribution:⁶

- (i) Option 3, which was supported by representatives of the Staff Association and ARPUPU and proposed a premium increase spread from 10 per cent to 18 per cent “(0-20: 10%; 21-64: 18%; 65-69: 17%; 70-74: 13%; and 75+: 11%)”; and
- (ii) Option 3.1, which was supported by the Chair and the Director of Human Resources and proposed a premium increase spread from 10 per cent to 17 per cent “(0-20: 10%; 21-64: 17%; 65-69: 17%; 70-74: 13%; and 75+: 12%)”.

9. On 10 November 2022, the Director General endorsed the recommendation of the Tenders and Procurements Committee to select UNIQA as the health insurance provider for the 2023-2027 period. Due to that offer necessitating higher premiums than those in place in 2022, the Director General chose to adopt Option 3.1 with the following distribution, by age, of the increase

⁵ *Ibid.*, para. 9.

⁶ *Ibid.*, paras. 10-11. Both options feature age ranges and the corresponding rates of premium increase.

of premiums: “a premium increase spread from 10% to 17% (0-20: 10%, 21-64: 17%; 65-69: 17%; 70-74: 13%, and 75+: 12%)”.⁷

10. The new health insurance system was implemented by Administrative Instruction (DHR) No. 15/Rev 9 of 17 January 2023 (UPU/AI/15/Rev.9), differentiating between active staff members together with retired staff members residing outside Switzerland (group A) and retired staff members residing in Switzerland (group B), and also differentiating between participants by age categories.⁸

11. Starting on 17 January 2023, the pension benefits received by retirees, including the Appellants, took into account the deductions reflecting the new system of premiums. They received a copy of UPU/AI/15/Rev.9 on 27 January 2023.⁹

12. On 15 February 2023, the Appellants submitted their request for review of the Director General’s decision to engage UNIQA. Implicit in it was the request for a review of the increased premium costs for participants. The Director General responded to the request by letter dated 16 March 2023.¹⁰

13. Between 13 and 19 April 2023, the Appellants filed their applications with the Appeals Committee.¹¹

The Appeals Committee Decision

14. The Appeals Committee dismissed the applications.

15. It found that the application challenging the contested decision to engage UNIQA and impose higher premiums was receivable under the standards set in the UPU Staff Regulations and based on the jurisprudence of the Appeals Tribunal. However, it was not possible to consider the Appellants’ claims that the UPU’s decision taken in 2016 to proceed with a risk- or cost-based system of distribution of premiums among different groups participating in the health insurance scheme amounts to discrimination against retirees because that system had been introduced in

⁷ *Ibid.*, para. 12.

⁸ *Ibid.*, para. 13.

⁹ *Ibid.*, para. 14.

¹⁰ *Ibid.*, paras. 15-16.

¹¹ *Ibid.*, para. 17.

2016 and the time limit for challenging it had long elapsed.¹² In 2016, the risk- or cost-based system replaced the solidarity principle under which the Appellants as retirees were subsidized by active staff members.¹³

16. The Appeals Committee noted that there was no evidence in the record before it that would have suggested that the health insurance premium increases or levels established for 2023 for the Appellants' age groups were inconsistent with the costs the insurance provider would be expected to incur for each of those age groups. The alternative offer considered during the procurement process, which was based on the solidarity principle, had a higher total cost than UNIQA's offer and did not provide equally good insurance coverage.¹⁴

17. The Appeals Committee found that no discrimination existed in the differential premiums imposed, whether on age or employment status, and that differences in premiums based on geographical residence based on "general goals and policies" responded to the wishes of a particular group.¹⁵

18. The Appeals Committee held that it was clear that the distribution for 2023 and the increases in the premiums were, at least in part, driven by conditions in the health insurance market and a rise in the cost-of-living standards more generally. The distribution for 2023 did not pertain to an acquired right.¹⁶ In addition, the UPU did not fail in its duty of care towards the Appellants. The Agreement between the UPU and the United Nations did not create obligations for the parties that their employees could rely on and did not create an obligation on the UPU to follow the United Nations distribution system for health insurance premiums.¹⁷ In addition, any alleged shortcomings in consulting with ARPUPU representatives in the Working Group on the final text of its report to the Tenders and Procurement Committee did not invalidate the process nor the contested decision.¹⁸

¹² *Ibid.*, paras. 32-33.

¹³ *Ibid.*, paras. 4 and 38.

¹⁴ *Ibid.*, paras. 38-39.

¹⁵ *Ibid.*, paras. 45-49. The Appeals Committee noted that the arrangement regarding retirees based in Switzerland had been adopted at the request of ARPUPU and its members.

¹⁶ *Ibid.*, para. 60.

¹⁷ Impugned Decision, paras. 51 and 53.

¹⁸ *Ibid.*, paras. 63-65.

Procedure before the Appeals Tribunal

19. On 18 March 2024, the Appellants filed an appeal of the Appeals Committee decision with the Appeals Tribunal, to which the Director General filed an answer on 17 May 2024.

Submissions

The Appeal

20. The Appellants request the Appeals Tribunal to rescind the contested decision insofar as it concerns the health insurance premiums, order that the UPU put in place a health insurance plan that complies with their fundamental and statutory rights, pay to each Appellant an appropriate indemnity as compensation for unfair health insurance premiums paid as of January 2023, and pay to each appellant CHF 6,000 for legal fees.

21. The Appellants submit that the Appeals Committee mischaracterized the decision contested before it, which was the decision to apply the new health insurance scheme as a whole to the Appellants. They argue that the Committee failed to examine (i) whether the scheme was discriminatory or not in that it failed to comply with the principle of equal treatment by discriminating between active and retired staff members, with retired staff paying much higher premiums than active staff; (ii) the legality of the premiums increasing with age when the scheme discriminated between retired staff based on their age; and (ii) whether the scheme discriminated between retired staff members residing in Switzerland and abroad, with a higher increase of premiums for the retirees residing in Switzerland.

22. The Appellants argue that the representatives of retired staff members in the Working Group did not agree to the effects of the implementation of the health insurance scheme. Furthermore, the Committee erred when it stated that the UPU contributed 50 per cent of the costs of the health insurance in respect of both aspects of the plan because the subsidy the retirees receive is not 50 per cent of their individual premium but the average of premiums in the canton of Bern. This leads to a violation of UPU Staff Rule 106.1(6) since the 50 per cent, stipulated in the Rules, is not always met.

23. The Appellants contend that the Appeals Committee failed to review all the elements of the test of finding an acquired right, namely that the term of contract in question is of a fundamental

nature and that allowing or disallowing the right is consequential to the employee's pay and benefits. In considering the element that the reason for the change is not a variable, such as the cost-of-living index, the Committee reached an incorrect conclusion. The increase in premiums for retired staff disproportionately exceeded the rise of similar Swiss premiums. The Committee misapplied the test and its reasoning was flawed, given that the acquired rights of the Appellants were violated.

24. Finally, the Appellants submit that the Committee has not shown that the UPU abided by its duty of care. By increasing their premiums in an unfair manner, the UPU failed to treat them with proper consideration and caused them undue injury. Repeated pleas from the representatives of ARPUPU were systematically rejected by other members of the Working Group who failed to consult them regarding parts of its recommendation. The UPU was not straightforward on the scope of the consultation process.

The Director General's Answer

25. The Director General requests the Appeals Tribunal to dismiss the appeal and the Appellants' associated requests for relief, including in respect of costs.

26. The Director General submits that the Appellants have failed to duly establish any of the five grounds of appeal, instead they merely attempt to relitigate their case. Even if the Appeals Tribunal were to consider the merits of the appeal, there are none.

27. The Director General contends that the Swiss principle of solidarity in health insurance is not applicable to the UPU. As an international organization, its health insurance arrangement may be based on a different distribution on premiums, especially taking into account the diverse character of its staff and the fact that since 2016 its health insurance has been age-based.

28. The Director General submits that the UPU has not breached the principle of non-discrimination or equal treatment and states that the Appellants have merely reiterated their arguments, examined in detail by the Appeals Committee. The Committee correctly observed that the distribution of the health insurance premiums is based on age groupings, not the staff member's status as employee or retiree. The Appellants have failed to submit any evidence of extraneous motives. The rate of the UPU's contribution does not differ between the various age groups and the distribution by age is widely used and is fair and reasonable. The Appellants have

failed to provide any evidence that the premium increases were inconsistent with the costs the insurance provider was expected to incur for each age group.

29. The Director General also submits that the Appellants have failed to substantiate their allegation of a small likelihood that the UPU's contribution in respect of the basic medical care coverage actually equates to 50 per cent. On the contrary, the evidence demonstrates that the UPU's contribution in 2023 and 2024 towards the premiums of the basic LAMal insurance exceeded 50 per cent of the relevant national average of premiums, meaning that the individual contribution of Swiss-based retirees would depend on the premiums of the local insurance providers of their choice and may be lower than the UPU's flat-rate subsidy.

30. The Director General argues that the Appellants do not have acquired rights to premium amounts or specific distribution categories. Having found that the second condition of the acquired rights test was not met, the Committee correctly concluded that there was no need to examine the other two elements. The Appellants' reference to premium increases over the last eight years is not pertinent, since the period before 2023 falls out of the scope of the present case. A comparison to the Swiss system is not sufficient to demonstrate the existence of an acquired right.

31. The Director General submits that the UPU has fully complied with its duty of care. Applying the solidarity regime demanded by the Appellants would mean that the retirees would be subsidized by the active staff members, to whom the UPU also has a duty of care. Affording representatives of ARPUPU consultations must not be equated to an unrestricted access to the prerogatives of the UPU's management. The exact final text of the tender documents and reports not having been shared with ARPUPU does not invalidate the cooperation and consultation, which was comprehensive. Furthermore, the UPU assisted the Swiss-based retirees in selecting the most appropriate private arrangements.

Considerations

32. The Appellants' first step in challenging the contested administrative decision taken in this matter was to seek review of that decision by the Director General. Dissatisfied with the outcome

of such review, the Appellants lodged an internal appeal with the Appeals Committee.¹⁹ Thereafter, the Appellants lodged an appeal with this Tribunal, in terms of Article 2(10) of the UNAT Statute.²⁰

33. This Appeal is therefore against the decision of the Appeals Committee concerning the contested administrative decision. Given its appellate jurisdiction conferred by Article 2(10) of the UNAT Statute, it follows that this Tribunal is, under Article 2(1), competent to hear and pass judgment on an appeal against the decision of the Appeals Committee in which it is asserted that the Appeals Committee has

- (a) Exceeded its jurisdiction or competence;
- (b) Failed to exercise jurisdiction vested in it;
- (c) Erred on a question of law;
- (d) Committed an error in procedure, such as to affect the decision of the case; or
- (e) Erred on a question of fact, resulting in a manifestly unreasonable decision.

34. Exercising its jurisdiction on this basis, the Appeals Tribunal may, in terms of Article 2(3) of its Statute, “affirm, reverse, modify or remand” the decision of the Appeals Committee and “may also issue all orders necessary or appropriate in aid of its jurisdiction and consonant with” the

¹⁹ See *G. (No. 6) v. UPU*, ILOAT Judgment No. 4672 (2023) which confirms this procedure.

²⁰ Article 2(10) of the UNAT Statute provides:

The Appeals Tribunal shall be competent to hear and pass judgement on an application filed against a specialized agency brought into relationship with the United Nations in accordance with the provisions of Articles 57 and 63 of the Charter of the United Nations or other international organization or entity established by a treaty and participating in the common system of conditions of service, where a special agreement has been concluded between the agency, organization or entity concerned and the Secretary-General of the United Nations to accept the terms of the jurisdiction of the Appeals Tribunal, consonant with the present statute. Such special agreement shall provide that the agency, organization or entity concerned shall be bound by the judgements of the Appeals Tribunal and be responsible for the payment of any compensation awarded by the Appeals Tribunal in respect of its own staff members and shall include, inter alia, provisions concerning its participation in the administrative arrangements for the functioning of the Appeals Tribunal and concerning its sharing of the expenses of the Appeals Tribunal. Such special agreement shall also contain other provisions required for the Appeals Tribunal to carry out its functions vis-a-vis the agency, organization or entity. Such special agreement may only be concluded if the agency, organization or entity utilizes a neutral first instance process that includes a written record and a written decision providing reasons, fact and law. In such cases remands, if any, shall be to the first instance process of the agency, organization or entity.

This provision follows Article 2(9) which provides similarly that this Tribunal is competent to hear and pass judgment on an appeal of a decision of the Standing Committee acting on behalf of the United Nations Joint Staff Pension Board. The Standing Committee of the United Nations Joint Staff Pension Board performs a similar role to that of the Appeals Committee in this matter.

Statute. In the case of a factual error under Article 2(1)(e) of the Statute, the Appeals Tribunal is competent, under Article 2(4)

- (a) To affirm, reverse or modify findings of fact of the [Appeals Committee] on the basis of substantial evidence in the written record; or
- (b) To remand the case to the [Appeals Committee] for additional findings of fact, subject to paragraph 5 of the present article, if it determines that further findings of fact are necessary.

35. What is clear is that this Tribunal is a creature of statute. It is not clothed with wide powers to impose its own decision for that of the Administration based on its assessment of the correctness of the contested decision. Instead, its task is to consider an appeal against the judicial review of the decision by the Appeals Committee on the basis of reasonableness, legality or fairness.

36. It was the Director General's decision, following the Working Group process undertaken, to engage UNIQA with effect from 2023 and implement the premiums set out as Option 3.1. The Appeals Committee correctly identified this as the contested administrative decision and treated the dispute before it as receivable on this basis. There is no dispute that the move away from the solidarity principle occurred in 2016 and that such decision is not the subject of the current appeal. This appeal therefore turns on the 2023 decision to implement premiums consequent to the engagement of UNIQA.

37. The new health insurance system was implemented by UPU/AI/15/Rev.9 of 17 January 2023, differentiating between active staff members together with retired staff members residing outside Switzerland (group A) and retired staff members residing in Switzerland (group B), and also differentiating between participants by age categories.²¹

38. From the grounds of appeal in this matter it is apparent that the issues before us are whether the Appeals Committee erred on a question of law or erred on a question of fact, resulting in a manifestly unreasonable decision.

39. This is not a pension matter but some of the pension cases are analogous with this case. As a general proposition it is important to emphasize that, as was made clear in *Ergüden*, when judging the financial decisions of the United Nations Joint Staff Pension Fund, or any other

²¹Impugned Decision, para. 13.

employee benefit fund for that matter, it is not for this Tribunal to determine the financial wisdom of a decision taken, or substitute its personal assessment of the economic advantages of one decision over another.²² Judges are not to set the levels of benefits in the pension fund on the basis of their financial acumen or their own perceptions of equity, which are matters of policy for the fund, best left to its specialists with appropriate expertise. As a result, it is the lowest tier of judicial review that applies in such instances.²³

40. At the same time, as was recognized by the former United Nations Administrative Tribunal in *Gretz et al.*, when a pension fund makes changes in the pension adjustment system it has an obligation to respect certain fundamental principles and must not take decisions which are arbitrary, but must ensure that it acts reasonably and adheres to the fundamental aim of the system.²⁴ This includes, in our view, ensuring compliance with its relevant founding deeds and rules of the fund.

Claim of discrimination

41. UPU Staff Regulation 1.6(2) requires that “[t]he Director General is responsible for taking necessary measures to protect staff members from exposure to any form of discrimination and harassment through preventive and corrective measures”. The Appellants’ complaint is that their right not to be discriminated against has been violated in that health insurance premiums imposed with effect from 2023 upon the engagement of UNIQA discriminate against them: (i) on the basis of age; (ii) on the basis of their retiree status when compared to active staff members; and (iii) on the basis of their country of residence, distinguishing between those living in Switzerland and those who do not.

42. The Appeals Tribunal has addressed the issue of discrimination in numerous Judgments. In 2011, this Tribunal stated in *Tabari*:²⁵

The different treatment becomes discriminatory when it affects negatively the rights of certain staff members or categories of them, due to unlawful reasons. But when the

²² *Mehmet Selman Ergüden v. United Nations Joint Staff Pension Board*, Judgment No. 2022-UNAT-1198, para. 38.

²³ *Ibid.*

²⁴ Former Administrative Tribunal Judgment No. 403, *Gretz et al.* (1987), paras. 11-12.

²⁵ *Tabari v. Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East*, Judgment No. 2011-UNAT-177, para. 26.

approach is general by categories, there is no discrimination, whether the difference is motivated in the pursuit of general goals and policies and when it is not designed to treat individuals or categories of them unequally.

43. In *Elmi*, we upheld this jurisprudence and noted that there is no prohibition on every form of differential treatment between staff members:²⁶

[D]ifferent treatment constitutes discrimination only when there is no lawful and convincing reason for [it, such as when] based on an *a priori* unlawful criterium such as gender or race, or when there are no significant differences between the categories of staff members being treated differently.

44. It follows that in order to decide if discrimination exists or not, it must be determined first whether or not there has been a difference in treatment or differentiation between persons or categories of people. If differentiation is shown to exist, then there must be a rational connection between the differentiation in question and the lawful or legitimate purpose it is designed to achieve. If a rational connection exists and the differentiation is found to be justified and fair, then no discrimination has occurred.

45. There is no dispute that the premiums imposed in 2023 differ according to factors such as age, retirement status and country of residence. In issue is whether there is a rational connection between this differentiation and the lawful or legitimate purpose it is designed to achieve.

46. There can be no dispute that higher insurance premiums were payable by retired UPU staff members, including those resident in Switzerland, following the appointment of UNIQA. However, there is no support for the Appellants' contention that the principle of solidarity used in the Swiss social security law applies to them, as since 2016 such principle has no longer been applied by the UPU. There is no bar on the UPU as an international organization to have in place health insurance arrangements for current and former staff members based on differential premiums. What is required is that there is a rational connection between the differentiation among premiums and the lawful or legitimate purpose this differentiation is designed to achieve.

47. Importantly, it is not for this Tribunal to determine the financial wisdom of a decision taken, or substitute its personal assessment of the economic advantages of one decision over another. It is apparent from the material placed before us that a thorough process was undertaken

²⁶ *Elmi v. Secretary-General of the United Nations*, Judgment No. 2016-UNAT-704, paras. 32-33.

in the Working Group which gave consideration to the reasons for the differential premium payments proposed. Both active and retired staff members were represented during this process, with options then presented to the Director General for decision. Such recommendations from well-run working groups are not always unanimous but it is ultimately for the Administration to determine such issues, informed by the working group's views.

48. What the evidence shows is that the rate of the UPU's contribution does not differ between the various age groups and there is no evidence that the premium increases are inconsistent with the costs the insurance provider was expected to incur for each age group. Insurance and health insurance is risk-based.

49. It is apparent that there existed a rational connection between the differentiation among premiums based on age, as opposed to status as active staff member or retiree, and the lawful and legitimate purpose this differentiation was designed to achieve, which was to ensure an economically viable health insurance scheme for current and future participants. We accept that the distribution of premiums by age is widely used and there is nothing before us to suggest that it is unfair or unreasonable.

50. Similarly, the distinction drawn between those living in Switzerland and abroad, implemented at the request of ARPUPU as the representative of retirees in the Working Group, was rationally connected to the same lawful and legitimate purpose.

51. It follows that the finding that the resultant premium differentiation effected was neither unjustified nor unfair cannot be faulted. The Appeals Committee did not err on a question of law in finding as much, nor did it err on a question of fact in such a manner as to result in a manifestly unreasonable decision.

Breach of acquired rights

52. The Appellants state that the contested decision breaches their acquired rights as the UPU Staff Rules expressly provide that the Staff Rules may be amended "without prejudice to the acquired rights of staff members".

53. The Appeals Committee correctly had regard to the reason for the change effected, in determining whether the Appellants held an acquired right and finding that there would normally

not exist such a right if the relevant provision depended on variables such as the cost-of-living index. Health insurance premiums depend by their nature on precisely such variables. In finding as much the Appeals Committee did not err. On the material before it, it was apparent that the Appellants did not hold an acquired right to premium amounts or specific distribution categories. Therefore, we are unable to agree with the Appellants' contentions regarding the Appeals Committee's alleged failure to consider the test for determining an acquired right and the consequences of the change, and its alleged error in misapplying the test having caused its reasoning to be flawed.

Breach of duty of care

54. The Appellants contend that the UPU has a duty of care towards its retired staff members and that it must act fairly, justly and transparently in dealing with them. They contend that the UPU failed to do so by increasing their health insurance premiums with age in an unfair manner and with no lawful reason, which caused them undue injury.

55. However, distributing the increase of premiums in the manner preferred by the Appellants would have the result that retirees would be subsidized by active staff members, to whom the UPU also has a duty of care. Representatives of ARPUPU were involved in the Working Group and in consultations regarding the issue. The UPU was not obliged to share the final text of tender documents or reports with ARPUPU, nor did this cause the process to be unfair. It was undisputed that the UPU assisted Swiss-based retirees in selecting the most appropriate private arrangements. There is therefore no basis on which to find that the UPU had failed to comply with its duty of care.

Final remarks

56. In conclusion, the facts showed that the premiums imposed were consistent with the costs the insurance provider would be expected to incur for each of those age groups and that there was no proof that age-based discrimination existed. No discrimination between active and retired staff members was found to exist since the distribution of premiums was not based on their status as employee or retiree. In addition, there existed no discrimination on the basis of residence despite arrangements in place for retirees based in Switzerland being different from all other categories of active staff members and retirees residing outside Switzerland, in that this differentiation was based on "general goals and policies" and responded to the wishes of a particular group, i.e. retirees residing in Switzerland. The UPU was not obliged to adhere to the United Nations distribution

system for health insurance premiums where no agreement existed between the UPU and the United Nations. The distribution for 2023 and the increases in the premiums were driven by conditions in the health insurance market and a rise in the cost-of-living standards more generally and did not pertain to an acquired right.

57. The higher increases were effected on active as well as retired staff members, which latter group was well represented in the Working Group process. There is no reason to consider the UPU to have failed in its obligations of due care towards the Appellants. We agree with the Appeals Committee that the alleged shortcomings in consulting with ARPUPU representatives in the Working Group on the final text of its report to the Tenders and Procurement Committee did not invalidate the process nor the contested decision.

58. For these reasons, the appeal falls to be dismissed and the decision of the Appeals Committee stands to be affirmed.

Judgment

59. The appeal is dismissed, and the Universal Postal Union Appeals Committee decision dated 19 December 2023 is hereby affirmed.

Original and Authoritative Version: English

Dated this 27th day of June 2025 in New York, United States.

(Signed)

Judge Savage, Presiding

(Signed)

Judge Colgan

(Signed)

Judge Gao

Judgment published and entered into the Register on this 30th day of July 2025 in New York, United States.

(Signed)

Juliet E. Johnson,
Registrar