



CONFEDERATION DES ASSOCIATIONS DE RETRAITES DE L'OTAN  
CONFEDERATION OF NATO RETIRED CIVILIAN STAFF ASSOCIATIONS

SOUS LA PRESIDENCE D'HONNEUR DE  
MONSIEUR LE SECRETAIRE GENERAL DE L'OTAN

15 January 2020

CNRCSA(2020)0001

### **Newsletter 10**

This is the traditional CNRCSA Newsletter, to keep you updated on recent developments in matters of concern to the NATO retirees.

If you have any questions about the topics addressed herein, please be sure to put them to your respective associations. And feel free to send your comments to the CNRCSA Secretariat at the address [confed@cnrcsa.nato.int](mailto:confed@cnrcsa.nato.int).

The Bureau of the Confederation wishes all members of the four retired staff associations (ARO, ANARCP, NFSA and AROF) all the best for the New Year.

Please note that the name of the NAMSA Old Boys Association (NOBA) has been changed to NSPA Former Staff Association (NFSA).

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The following major issues were at the top of our agenda over the past year.

NATO decided, against the wishes of both serving and retired staff, to support the proposal by the Committee of Coordination on Remunerations (CCR) to cease indexing pensions on the salaries of serving staff and only adjust pensions for inflation.

The CNRCSA will be fighting this decision before the NATO Administrative Tribunal (NAT).

Progress on enhancing the sustainability of the NATO health insurance system has been slow due to misunderstandings over several initiatives, in particular the harmonization of supplementary insurance and the survey on primary insurance, and work on updating the Retirees' Medical Claims Fund (RMCF) study is ongoing.

## **1. CNRCSA STRUCTURE**

The CNRCSA Executive Committee met on 5 April and on 25 October 2019 (enlarged meeting). The CNRCSA Bureau, which is comprised of the Chair, the Vice-Chair, the Secretary and the Treasurer and is assisted by advisers, held several informal meetings during the year to make suggestions and prepare the agendas of the Executive Committee and the JCB, including its working groups.

In October 2019, Ms Isabelle Tezcan (ARO) was elected as Chair and Mr Robert Goyens (AROF) re-elected as Executive Secretary, both for a two-year period. Mr Olivier Guidetti (NFSA) and Mr Erwig Marquenie (ARO) are continuing in their terms as Vice-Chair and Treasurer respectively for one more year.

The EXCOM appointed the CNRCSA Delegates for the different nations/regions in the coming year during the enlarged meeting in October. They are listed under annex 1.

Our new Chair has identified an urgent need for better communication with our members. Our annual Newsletter is not enough. This became apparent this year, and is why we circulated a special information bulletin on pensions in September. A lack of efficient communication between the Executive Committee and our members also resulted in unwanted initiatives on insurance-related issues. It is hoped that a major upgrade of our website might offer a means of improving communication.

Below please find a summary of the topical issues addressed in 2019.

## **2. PENSION ISSUES**

Pensions were a key focus of our attention throughout 2019. Because we gave an update on them in a special information bulletin on 18 September (reproduced at Annex 2 to this newsletter), here we will just give you information about developments since the CCR's decision at the end of September. As we had feared, the CCR recommended that the Councils of the Coordinated Organizations approve major changes to the Coordinated Pension Scheme Rules as of 1 January 2020.

We want to thank all our members who, in response to the call by the Association of the Pensioned Staff of the Coordinated Organizations and of their Dependents (AAPOCAD) that was echoed by our four associations, signed the petition and took part in the protest in front of the CCR's meeting room in early July in Paris, to try to make the national representatives listen to reason.

We would also like to take the opportunity to stress the critical role the AAPOCAD plays in defending our coordinated pensions. If any of you are still on the fence as to whether to join, we urge you to do so without delay.

The CCR's recommendations can be summarized as follows:

- Pensions will no longer be adjusted using the salary adjustment method (which takes the consumer price index, a reference index and purchasing power parity into account). They will be adjusted annually based only on the consumer price index for the country of the scale used to calculate each pension.
- Pensions will also be adjusted in the course of the year whenever prices in a given country increase by 6% or more.
- The education allowance will no longer be paid to those pensioners who begin drawing their pension starting on 1 January 2025 or 2030 (the date of entry into force was left up to the governing body of each Organization).

Further to the change in the pension adjustment method, the CCR also recommended revising the actuarial calculation for the serving staff's new contribution to the Coordinated Pension Scheme. The rate of contribution, which for the past five years had been 9.5%, was set at 11.8% for the next five years, rather than the 12.1% initially calculated.

All these recommendations were approved by the Council on 25 October 2019. NATO opted for the furthest possible date for doing away with the education allowance for future pensioners, i.e. 1 January 2030. And, setting a new speed record, the Administration published the text of the Civilian Personnel Regulations (CPR) amended in line with these decisions on 5 November. Everyone drawing a coordinated pension was informed of the changes to the CPR when their pension for November and December was paid.

Annex 3 gives the table of pension adjustment indexes (column 2) and salary adjustment indexes (column 5) in various countries as of 1 January 2020.

As announced, the CNRCSA intends to respond vigorously and resolutely to these attacks on our pension scheme. These are far-reaching decisions, as they call into question our vested rights and specifically the freezing of the Coordinated Pension Scheme ratified by the nations in 1994 in the framework of the so-called Noordwijk Agreement. There is a risk that other components of the scheme may again be called into question over time, to our detriment. Our response will take the form of legal challenges before the NATO Administrative Tribunal, which will be lodged in the early days of the year with the support of our four constituent associations and the personal commitment of one member from each of them.

The AAPOCAD will support appeals in each of the Coordinated Organizations by funding the preparation of a compendium of arguments that could be used based on their specific requirements. That is why we will use the legal counsels chosen by the

AAPOCAD to prepare our appeals. Furthermore, we will coordinate our efforts with the Confederation of NATO Civilian Staff Committees (CNCSC, for serving staff), which is also planning to lodge an appeal, because we have the same interests in this important issue.

### **3. NATO GROUP INSURANCE CONTRACT AND ALLIANZ CARE ISSUES**

#### **A. CNRCSA Health Insurance Working Group**

Following Ms Isabelle Tezcan's election as Chair of our Confederation in October 2019, Mr Falko Bülling agreed to take over chairing our Health Insurance Working Group, until end of 2020.

The Working Group met several times in 2019, most often in a format expanded to include our RMCF representatives and together with the corresponding CNCSC working group. The lack of information to be provided by the Administration has been highlighted several times.

It is utterly critical, in our opinion, to federate the capabilities of our two Confederations in order to sustain our medical cover and the funding for it.

#### **B. Supplementary cover**

A focal point of the CNRCSA's concerns over the year was the harmonization of supplementary cover. It should be recalled that in addition to basic cover, under which we are reimbursed 100% of hospitalization, serious illness and medical treatment for handicapped children, Supplements A, B, C and D confer other advantages to serving and retired staff depending on the country (or the body) of their (last) post. A wish to harmonize that cover, in particular for cost control, had been expressed several years ago, and 2019 saw a number of developments in that issue.

Firstly, the International Staff had already decided to eliminate Supplement C (applicable in Turkey) at the request of serving staff in Turkey as of 1 January 2018. The Turkish retirees lodged an appeal with the NATO Administrative Tribunal, which ruled in their favour on 12 November 2019. One lesson that can be drawn from this judgment is that the NATO Administration is the only organizational body that is responsible for group insurance and group insurance supplements. As we are drafting this newsletter, we do not yet know how the Administration intends to give effect to implement the judgment.

In 2018, the CNCSC requested that the Administration eliminate the other supplements, which were applicable in Germany (apart from NETMA) and the Netherlands (Supplement B), France (Supplement D), and all other countries (Supplement A). This initiative, known as "harmonization", was challenged before it even got off the ground, mainly by Netherlands retirees.

In reality, as the CNRCSA Bureau and Executive Committee have reiterated since November 2018, when the matter was brought up for the first time in the Joint Consultative Board (JCB) Working Group on Insurance Matters, the legal questions raised by the harmonization initiative had to be addressed at the legal level first. Yet this critical step before decision-making has not happened.

Unfortunately, and despite all the CNRCSA representatives' assurances that retirees' rights were not being undermined at present, a disinformation campaign and uncoordinated initiatives were undertaken by some of our delegates and members, in particular an invitation to sign a petition to the NATO Secretary General. We regret these uncoordinated actions, which have resulted primarily in the CNRCSA – which under the CPR is the sole representative of retirees' rights and interests – being weakened and its working relationships with the Administration and the CNCSC being compromised.

### **C. From harmonization to modernization**

The idea of harmonization has been dropped in favour of a “modernization” of our health insurance. To be clear, it is not a question of cutting benefits but rather of making our cover better integrated and more dynamic for an optimal spread of risks across the entire insured population and more closely tracking changes in healthcare.

This modernization effort is an initiative of the Advisory Panel on Administration (AP), and we will have to pay close attention to it if we are to avoid being presented with a fait accompli. That is why the CNRCSA (in coordination with the CNCSC) is calling for a meeting of the JCB Working Group on Insurance Matters in early 2020 to discuss these issues fully transparently.

The CNRCSA itself proposed modernizing the concept of serious illness in early 2019. The CNCSC followed our lead, resulting in the creation of a joint initiative. The two Confederations hired an expert to draw up a report on the issue. The International Staff (IS) and Allianz Care are currently considering how to follow up on this proposal as part of the modernization of our health insurance. It would appear that our initiative has already had a positive impact, as in recent months certain cases (Alzheimer's in particular) have been covered as serious illness by Allianz Care more often than in the past.

### **D. Surveys**

Last year we announced that two surveys would be conducted in 2019. In the end only one of them was, in the spring.

For cost control purposes, all serving and retired affiliates have been asked to update the information on their primary insurance. Allianz Care sent out a questionnaire prepared by the IS. The aim is to ensure that all affiliates (principal insured members and dependents) who have other insurance, e.g. through a *mutuelle* in Belgium, submit their claims with it first and then only request reimbursement from Allianz Care for any

costs not covered by the primary insurance. Doing so not only decreases the insurance costs borne by the insurer (or, in the case of retirees, the RMCF) but also saves affiliates money, since their medical costs are generally 100% reimbursed. The survey on primary insurance is still ongoing, and we hope that the Administration will send out a summary of the findings in the course of the year.

The second survey initially planned is a customer satisfaction survey that has been postponed.

#### **E. Retirees' Medical Claim Fund (RMCF)**

We are continuing to pay close attention to the evolution of the RMCF. The value of the assets of the Fund grew in 2019 owing to sound investment choices, and in particular the balance of stocks and bonds in the portfolio. However, money out (medical reimbursements + Allianz Care fees) rose to the level of money in (contributions by beneficiaries and the employer). Under such conditions, the amount in the Fund depends even more than before on the return on investment. The Fund is increasingly vulnerable at present because of financial market uncertainty.

The RMCF Supervisory Committee has agreed that the International Service for Remunerations and Pensions (ISRP) should be asked to update the study on the outlook for the Fund. It is evident that the assumptions regarding certain key variables – demographics in particular – in the previous study should be reviewed and/or updated. For that purpose, the CNRCSA and the CNCSC jointly presented the Committee with new assumptions to be taken into account in the forecasts. The Committee also lent its agreement to representatives of both Confederations and of the NATO IS Administration holding a technical meeting with the IRSP study's authors to clarify the scenarios to be considered. That meeting should be held in early 2020.

#### **F. Change to the footnote to Article 51.2 of the CPR/Appeal supported by the CNRCSA**

The Administration complied with the Administrative Tribunal's decision on the appeal lodged by a NATO retiree. As a reminder (see Newsletter no. 9, 18 January 2019), the Tribunal annulled the complaints procedure because of an irregularity by the Administration. The Administration therefore resumed the proceedings in March 2019, this time in line with the CPR. The Complaints Committee's recommendation to the Secretary General was in the complainant's favour, but it has not been followed up. The complainant consequently lodged a new appeal. The Tribunal should rule on the substance of the case in March of this year.

#### **4. JOINT CONSULTATIVE BOARD (JCB)**

The JCB had three meetings in 2019, in March, June and November, which were chaired by the Assistant Secretary General for Executive Management (ASG EM). Since October 2019 Mr Giedrimas Jeglinskas, a Lithuanian, has served as ASG EM and thus chaired the last JCB meeting of the year.

These meetings offered the CNRCSA a chance to bring up its chief concerns, in particular the planned reform of the Coordinated Pension Scheme and health insurance matters. Much of the subject matter of these meetings concerns us in no way (the policy on harassment, for example) or only indirectly, such as the introduction of the Single Salary Spine (SSS) and the reform of the Defined Contribution Pension Scheme (DCPS). Yet our presence at JCB meetings is essential – it gives us oversight of ongoing discussions, and a voice whenever our interests are at stake.

Furthermore, this year saw a successful outcome to the CNRCSA's request to strengthen its mandate to represent and promote the interests of all NATO retirees. At the JCB's recommendation, on 4 November 2019 the Council approved an amendment to Article 90 of the CPR to this effect. The CNRCSA's responsibilities are now closely aligned with those of the CNCSC. This is high-level confirmation of the legitimacy of the Confederation's mission and recognition of our years of work.

## **5. CNRCSA WEBSITE AND DATABASE**

The CNRCSA-wide Membership Application Form (MAF) became available at the beginning of the year.

The challenge for 2020 is to rebuild the database and to make the Website more accessible for maintenance and changes by in-house specialists. Therefore the Website will temporarily indicate that it is "under construction", until the CNRCSA IT WG can come up with an updated, user-friendly system.

These urgent tasks will require an enhanced effort from the CNRCSA IT Team, which has been reinforced in order to cope with them.

## **6. PENSIONERS' DAY**

Arrangements for a Pensioners' Day are taking shape. This NATO Pensions Unit initiative, which the four constituent associations of the CNRCSA support fully, is expected to attract a great many pensioners to NATO Headquarters on Saturday, 20 June 2020. However, for security reasons, the number of participants is being capped at 200. We will provide further information once preparations for the event are more advanced.

- Annex 1: List of CNRCSA Delegates
- Annex 2: Special Information Bulletin N° 1
- Annex 3: Table of adjustments as at 1.1.2020



6 novembre/6 November 2019

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SOUS LA PRESIDENCE D'HONNEUR DE  
MONSIEUR LE SECRETAIRE GENERAL DE L'OTAN

28 September 2019

SPECIAL CNRCSA INFORMATION BULLETIN N°1

As Chairman of the Confederation of NATO Retired Civilian Staff Associations (CNRCSA) and on behalf of its Executive Committee, I am sending you this Special Information Bulletin because the Coordinating Committee on Remuneration (CCR) has made a very important decision at the end of the September round of meetings with the Committee of Staff Representatives (CRP) and the Committee of Representatives of the Secretaries General (CRSG). This decision will have a serious impact on our Coordinated Pension Scheme (CPS).

The main proposal is to delink the salary and the pension adjustments. The relation salary-pension is the essential element of the Scheme and the adjustment method. Delinking will unravel the whole set-up of the Scheme and open the floodgate to whatever other future changes the Nations might wish to impose on retirees who have little leverage and would therefore be in a weak position if the rules that apply to active staff were no longer to be followed for retirees.

In the Newsletter 9 that you received at the beginning of the year, it was explained that Nations in the CCR insisted on a holistic review of the CPS after they had scrutinized the full range of our allowances over the last years. Most allowances have been downgraded but the vested rights, in this process, were in general safeguarded so that we pensioners have not felt the negative impact of the CCR measures as active staff have.

It seems that our vested rights, for which we have to fight, will now be violated. This Special Information Bulletin summarizes the full range of actions we have taken so far. The present situation is serious and a matter of very deep concern.

In early 2018 when the CCR voiced that it was looking for savings in the Pension Scheme, Mr. Peter Olsen, the CCR legal adviser who is also its Vice-Chairman and happens to be the former NATO legal adviser, explained in a working document that the concept of vested rights would make it impossible to bring any changes to the Scheme that would go beyond mere administrative amendments such as for instance the contribution rate. The only change that could be possible, in his view, was to raise the pensionable age by only a few years.

At the June 2018 meeting of the NATO Joint Consultative Board (JCB), Mr. W. Bush, Assistant Secretary General for Executive Management, indicated that he had made a statement at the CRSG in Paris confirming that the CPS was a closed scheme and that revisiting it was both unnecessary and unproductive. We expressed our appreciation for the stance then taken by NATO on the issue.

In January 2019, the Chair of the Confederation of NATO Civilian Staff Associations (CNCSC) met with the Secretary General who clearly re-affirmed that the CPS was frozen and would not be reopened.

At the AAPOCAD meeting held in February 2019, the Board was made aware of the latest rounds of CCR meetings. A CRSG paper had been circulated proposing the delinking of the pensions from the salaries in the following three main areas; (1) the pensions would be reviewed yearly on the basis of inflation only and would no longer automatically follow the salary adjustments; (2) pensioners would no longer be entitled to education allowance, a measure that would apply to some 80 pensioners of which 25 from NATO; (3) the new salary scale for Luxembourg would apply only to A grades and not to B and C grade personnel and to pensioners. It appeared that the delinking originated in the French CCR delegation which was not willing to give the benefit of a new Luxembourg scale stating that the only purpose of the new scale was to attract new Staff to NSPA.

The CRSG paper showed that the proposal was supported by all Coordinated Organizations except the OECD. The AAPOCAD decided that actions had to be taken followed, if necessary, by legal appeals. A preliminary study by Mr. G. Palmieri, AAPOCAD Bureau member and former CRP Chairman, was tabled.

He stated, among others, that when Nations in 1994, now 25 years ago, decided in Noordwijk to set up new pension schemes for new entrants, the CPS had been frozen to safeguard the vested rights of its affiliates. This was laid down in an agreement concluded between the three CCR entities and laid down in the 34th report of the CCR adopted by all Councils.

He added that in 1974 when staff in the Provident Fund were enticed to transfer their assets into the Pension Scheme, they were guaranteed by special approval in each Council that their assets would be converted in a pension amount, in accordance with Article 36 of the pension rules (the salary-pension relation).

Additionally, it was agreed that the pension contribution rate would be calculated on the basis of the salary-pension relation. This contribution would have been too high if delinking were to take place. Mr. Palmieri further noted that none of the new pension systems including inflation had an affordability clause and that keeping such a clause after delinking would widely open the door for other future infringements. In the margins of the AAPOCAD meeting, all Chairmen of Retirees' Associations of the other Coordinated Organizations were urged to write letters to their Administrations, when possible jointly with their relevant active staff Associations, to insist on the frozen character of the CPS. They all did (of course except the OECD). The letter signed by us and the CNCSC was dated 28 February.

On 21 March, we attended another JCB meeting at which the Administration remained silent on the issue.

In early May before the AAPOCAD General Assembly, the AAPOCAD Chair sent the members a petition to be addressed to the CCR Chair to mark their opposition to, in particular, any rescinding of the link between pensions and salaries of active staff. This petition was to be signed by members and to be delivered on 2 July when the round of CCR meetings would start. We asked our four constituent Associations to circulate the petition among their members to get as many signed petitions as possible. AAPOCAD agreed to collate all petitions. The process was a great success: 2942 petitions were signed of which two thirds from AAPOCAD members.

The day before the AAPOCAD General Assembly held at the end of May, its Board unanimously agreed that the delinking should be considered as a matter of principle and not just as another way of calculating the yearly pension adjustment. AAPOCAD committed itself to resort to coordinated legal actions, should the delinking proposal be adopted, and to take part in the industrial action and demonstrations planned to take place on 2 July when the round of CCR meetings would start in the OECD buildings in Paris.

At the General Assembly the CCR Chair held a speech indicating, among others, that he was opposed to the violation of vested rights, but he gave the impression to be of the opinion that adaptation to inflation was only a different calculation method which could result in a better outcome for pensioners. Our view is different, and we asked him therefore how he could reconcile his own position on delinking with the CCR legal adviser's opinion who felt that only the raise of the pensionable age could possibly be considered as not violating vested rights. He answered that, according to him, the delinking would not be seen as a violation by the CCR legal adviser and promised to look further into the matter.

A JCB meeting was scheduled for 21 June. The preliminary agenda was short but again silent on the issue at stake. We asked to add the CPS review to the agenda. As no further information was coming, we prepared a letter for the meeting in which reference was made to the joint CNCSC/CNRCSA letter to the Administration, dated 28 February, which had remained unanswered so far, and focused on the Noordwijk Agreement and the pensioners' vested rights that would be violated, should the CCR proposals be adopted. We further stressed that Article 36 of the pension rules was the core of the CPS and could not be scrapped without unravelling the complete CPS. We requested that NATO honor its word that the CPS was closed and frozen, and to rally to the OECD position.

ASG Bush responded to the letter, confirming that NATO had consistently stated that the CPS was a closed scheme but that it was in all parties' interest to reach agreements; refusal to do so might lead to adverse outcomes. NATO did not advocate changes to the adjustment method, but these could be tolerated in the context in which changes wished by Nations would be inevitable. We indicated that the issue was a matter of principle for pensioners and that we could not accept that the basic tenet of the pension rules be broken with the effect that Nations would be enticed to further break down our pension system and might later realign the coordinated pensions with national pensions. No further response in writing was received.

On 2 July demonstrations and industrial actions took place at the OECD buildings in Paris. Many active coordinated staff were present as well as pensioners of which our AROF members. The petitions were handed over. The action was considered as having impressed the meeting attendees. However, at the end of the short July round of CCR discussions, it seemed that the proposals had been finalized and could be expected to be adopted on 26 September at the latest.

This situation could not go unnoticed on our side. We therefore wrote a letter to the Secretary General, dated 12 July, reminding him of his promise that the CPS was closed, stating that no answers had been received to our letters and insisting again on the Noordwijk Agreement, the vested rights and the importance of Article 36. We further stressed that the delinking proposal had no valid organizational, financial or budgetary base but resulted solely from the fact that Nations had failed to pay their contributions in the past.

A written answer was received on 9 August from the Deputy Secretary General stating that the Secretary General did not favor nor advocate changes to the now closed CPS, but also indicating that NATO wished to avoid any more harmful and unilateral reforms that the CCR could adopt if the organizations failed to engage in a meaningful dialogue. These contradictions could not be taken for granted. After some considerations on the way ahead, the CNRCSA Bureau decided to request a meeting with the Director of the Private Office (DPO).

On 3 September, your Chairman and Vice-Chairman met the DPO. He had read our letters. ASG Bush was also present. The vital importance of Article 36 for pensioners was stressed again, being the core of the CPS without which the scheme would fall apart. We also voiced our displeasure with the lack of transparency, shown by the Administration as the matter was kept away from the JCB. Staff and pensioners cannot be expected to have any confidence in NATO as an employer if it goes that far as rescinding rules that have been frozen without bringing the matter to fora like the JCB that exist to discuss personnel policy. We indicated that a flood of appeals should be expected.

The DPO understood our points perfectly but ASG Bush said to be afraid of CCR unilateral decisions. We recommended that NATO Secretary General should join his OECD counterpart who stands firm in saying that there is a limit in the options the head of an Organization can tolerate without losing the confidence and support of his staff. The DPO, as could be expected, promised to look into the matter as he fully understood that vested rights were an issue of principle.

The September round of CCR meetings has ended at the time you are reading this updated Bulletin. We could only wait and see. Nothing was heard officially after our meeting with the DPO. The rumour was however that after study at NATO HQ, a realignment with the OECD position could be expected. From comments confirmed by other Organizations, we learned that NATO had considered modifying its position at the joint CRP/CRSG meeting held on 24 September but, to everyone's surprise, NATO renounced to do so at the final and decisive CCR meeting of 26 September. The CCR recommendation contains only a dissenting OECD Annex. We are very disappointed that NATO does not recognize its responsibility towards its staff and retirees.

The Chairs of the Retirees' Associations of Co-ordinated Organizations met with AAPOCAD in Paris on 27 September to discuss their course of action in preparation of the AAPOCAD Board meeting on 11 October. The intention is to propose that, based on a common legal framework in preparation, each Association would draft appeals to be signed in each Coordinated Organization by its members, after notification of the adoption of the CCR recommendation by each Council. Today, it seems to be realistic to expect that the recommendation will be agreed by all Councils, including OECD.

The CNRCSA Bureau wished to draw the attention of the membership of our constituent Associations, through this Bulletin, on very serious and preoccupying developments. For the very first time the future position of pensioners is at stake and in danger now that it can be expected that the NATO Council will approve the delinking between salaries and pensions as proposed by the CCR. We pensioners have little leverage and will bear the full brunt of whatever measures the Nations deem fit.

We cannot afford to lose this battle because our standing as pensioners will collapse. We will prepare appropriate appeals to be signed by as many pensioners as possible so that the Organization will be flooded and will realize the damage it did. You will be kept informed.

A handwritten signature in black ink, consisting of a stylized 'H' and 'R' followed by a horizontal line.

Hessel Rutten  
Chairman CNRCSA

## ANNEX 1

## CO-ORDINATED ORGANISATIONS

## SALARY ADJUSTMENT INDICES PER DUTY COUNTRY AT 1 JANUARY 2020

	Reference index (NCS net salary evolution in real terms)	Consumer price index HICP (otherwise CPI)	Reference index x Consumer price index (col. 1 x col. 2 + 100)	Effect of PPP curves (Appendix 2, Annex to the 244 <sup>th</sup> Report)	ADJUSTMENT INDICES  applicable at 01.01.2020 to salary scales in force at 31.12.2019	
	(1)	(2)	(3)	(4)	(5)	
AUSTRALIA		101.6 <sup>CPI</sup>	101.9		101.9	AUSTRALIA
AUSTRIA		101.6	101.9		101.9	AUSTRIA
BELGIUM		101.3	101.6		101.6	BELGIUM
CANADA		102.0 <sup>CPI</sup>	102.3	0.5	102.8	CANADA
DENMARK		100.5	100.8		100.8	DENMARK
FINLAND		101.1	101.4		101.4	FINLAND
FRANCE		101.4	101.7	0.9	102.6	FRANCE
GERMANY		101.5	101.8	0.6	102.4	GERMANY
GREECE		100.2	100.5	2.0	102.5	GREECE
HUNGARY		103.4	103.7	1.7	105.5	HUNGARY
ICELAND		102.2	102.5	0.2	102.7	ICELAND
IRELAND		101.1	101.4		101.4	IRELAND
ITALY		100.8	101.1	- 0.7	100.4	ITALY
JAPAN	100.3	100.7 <sup>CPI</sup>	101.0	4.4	105.4	JAPAN
KOREA		100.7 <sup>CPI</sup>	101.0		101.0	KOREA
LUXEMBOURG <sup>1</sup>		101.3	101.6		101.6	LUXEMBOURG <sup>1</sup>
MEXICO		103.9 <sup>CPI</sup>	104.2		104.2	MEXICO
NETHERLANDS		102.7	103.0	0.2	103.2	NETHERLANDS
NEW ZEALAND		101.7 <sup>CPI</sup>	102.0		102.0	NEW ZEALAND
NORWAY		102.1	102.4	2.2	104.7	NORWAY
POLAND		102.3	102.6		102.6	POLAND
PORTUGAL		100.7	101.0	5.0	106.0	PORTUGAL
SPAIN		100.6	100.9	0.4	101.3	SPAIN
SWEDEN		101.6	101.9	0.4	102.3	SWEDEN
SWITZERLAND		100.7	101.0		101.0	SWITZERLAND
TURKEY <sup>2</sup>		115.7	116.0		116.0	TURKEY <sup>2</sup>
UNITED KINGDOM		102.0	102.3		102.3	UNITED KINGDOM
UNITED STATES		101.6 <sup>CPI</sup>	101.9		101.9	UNITED STATES

NOTES: <sup>1</sup> Belgium index also applies to Luxembourg in accordance with the 244<sup>th</sup> Report. The application of the adjustment index for Luxembourg is subject to the adoption of the 259<sup>th</sup> CCR Report by the CO councils.

<sup>2</sup> Country concerned by a special adjustment to be deducted (see Annex 1a).



