The proposal I suggest to be considered by the Executive Committee, of ANARCP and CNRCSA, is related to changes to Annex IV of the NCPR.

It is not my intention to change anything of the Co-ordinated Pension Scheme rules. This proposal comes out of the analysis made to the three Social Security Systems governing the NATO International Civilian employed in NATO. By reading the regulation governing the Provident Fund and those governing the Defined Contribution Pension Scheme, I found out a discrepancy in relation to those governing the Co-ordinated Pension Scheme. Specifically,

In **Annex VII. A** of the NCPR we find the

Regulations governing the **NATO Provident Fund**. Properly,

Art. 9 par 7 says;

Payments made in settlement of the individual accounts of members of the staff shall be regarded as emoluments and, as such, are covered **either** **by Article 19 of the Ottawa Agreement or by Article 7 of the Paris Protocol.**

In **ANNEX 6** of the NCPRwe find the

Regulations governing the **NATO Defined Contribution Pension Scheme**

Article 5 Contributions, par 5.1 says :

Contributions to the Scheme form part of the emoluments of the Scheme member. As such, contributions are covered **either by Article 19 of the Ottawa Agreement or by Article 7 of the Paris Protocol as appropriate**.

While in the

**ANNEX 4** of the NCPR related to

Regulation governing the **Co-ordinated pension Scheme**

Article 41 Staff member’s contribution - Costing the scheme

1. Staff members shall contribute to the Pension Scheme.
2. The staff members’ contribution to the Pension Scheme shall be calculated as a percentage of their salaries and shall be deducted monthly.

**Without any reference to the Ottawa Agreement and to the Paris Protocol.**

According to me, Mr. Chairman, this sentence should continue to say, as it is specified for the Provident Fund and for the Defined Contribution pension Scheme:

1. The staff members’ contribution to the Pension Scheme shall be calculated as a percentage of their salaries and shall be deducted monthly. **As such, contributions are covered either by Article 19 of the Ottawa Agreement or by Article 7 of the Paris Protocol as appropriate**.

This change doesn’t have any impact on the Pension Scheme because the contribution to the three Schemes comes from the same salaries and we ask to change the NCPR.

The other proposal is related to the definition of the emolument that the Retired NATO Civilians, belonging to the Pension Scheme, receive from NATO.

I would like to point out at a principle, without referring to all the documents related to the establishment of the Coordinated Pension Scheme, mentioned in the working paper:

CCG/W ( 75 ) 9

Dated Paris 19 February 1975

Coordinated Committee of Government Budget Experts

Note by the Secretaries-General of the Co-ordinated Organisations

In paragraph 6 of this document, the Secretaries General of the Co-ordinated Organizations stated:

The pension of an official of the Co-ordinated organisations is a **DEFERRED INCOME**.

In Annex IV of the NCPR we find different definition of the emolument received by the affiliated to the Co-ordinated Pension Scheme, sometime they are called benefit, sometime emolument and sometime pension.

Having in mind that the **annuity** received by a NIC, affiliated to the Co-ordinated Pension Scheme, **is not** a Pension, it should be nice if the same wording is always used in Annex IV of the NCPR and specifically

**“ DEFERRED INCOME”**

These, Mr. Chairman, are the two changes I propose to your attention and for your consideration. Thank you,

Mr. Vincenzo Arzeni

Italy Regional Representative to CNRCSA and NATrep to ANARCP