



The purpose of this newsletter is to keep the Chairs of the Staff Association and AAPOCAD informed of the dossiers being discussed in the Co-ordination process and of the CRP's position with regard to those dossiers.

For further information, we recommend that they consult their representative.

This newsletter will be published after every Co-ordination meeting, and will also be used to inform you of the agendas for meetings throughout the year.

Please do not hesitate to send us any suggestions you may have on how we can improve this newsletter to the best of our ability

CO-ORDINATION MEETINGS IN SEPTEMBER 2018

The representatives of Member countries (CCR), of the Secretaries- and Directors-General (CRSG), and of the staff (CRP) met on 26, 27 and 28 September 2018 and discussed the following issues:

- 1. Annual salary adjustment at 1 January 2019**
- 2. Annual adjustment of allowances and supplements expressed in absolute terms at 1 January 2019**
- 3. Education allowance**
- 4. Co-ordinated pension scheme (CPS)**
- 5. Salary scale for Luxembourg**
- 6. Review of the remuneration adjustment method**
- 7. Next meeting**

1. Annual salary adjustment at 1 January 2019

The CRSG presented its position on the salary adjustment based on ISRP calculations, taking account of the method set out in the 244th Report (salary adjustment method) including the moderation clause.

The three Committees gave the adjustment their approval. The Recommendation will therefore be presented to the governing bodies of the Co-ordinated Organisations for approval.

2. Annual adjustment of allowances and supplements expressed in absolute terms at 1 January 2019

The CRSG presented its position on the annual adjustment of allowances/benefits expressed in absolute terms in accordance with the applicable methodology. The allowances and supplements concerned are as follows: the basic family allowance, child's allowance, dependent child supplement, expatriation allowance for a dependent child, benefit for a handicapped child, supplement for disabled

child or severely disabled child, dependant's allowance, and supplement for disabled and dependent parent.

The three Committees gave the adjustment their approval. The Recommendation will therefore be presented to the governing bodies of the Co-ordinated Organisations for approval.

3. Education allowance

As we reported in previous CRP newsletters, the CCR wants to review the education allowance.

We informed you in Bulletin No. 13 that the CCR wanted the CRSG to provide full details about all aspects of its proposal in order to be able to move forward at the next meeting in September.

While a number of amendments have been made to the document further to the CRP's comments, the fundamental disagreement over the use of a flat rate remains an ongoing issue.

The CRP reiterated the dangers of the proposed flat-rate allowance and the fact that it rendered the education allowance meaningless.

While the CRP is not opposed to giving consideration to the use of a flat rate for certain types of expense, we remain opposed to application of a flat rate to the main category of expenditure, namely tuition fees.

We had hoped that the CCR would adopt a position with regard to the options proposed by the CRSG, namely an across-the-board flat rate or the reimbursement of actual expenses combined with limited application of flat rates to certain categories of expenditures. Unfortunately, this did not prove to be the case. We are therefore at the same point reached in June 2018.

4. Co-ordinated pension scheme (CPS)

At the June meeting, it had been agreed that the CCR would receive the assessment of the Executive Directors in time for the meetings in March 2019.

As a result, neither the CRP nor the CRSG saw the point of placing this item on the agenda.

The point in doing so for the CCR, however, was that to remind the other two committees of its determination to review the CPS.

5. Salary scale for Luxembourg

The CRSG presented a document setting out a specific salary scale for Luxembourg.

The CCR rapidly revealed its position, saying that it was in favour of the creation of this salary scale but opposed to the fact that it should benefit pensioners. The Chairman of the CCR referred to this adjustment as a "windfall" for pensioners. Some members of the CCR therefore suggested resolving this problem by amending one of the articles in the Pension Scheme Rules (Article 36¹).

¹ Article 36 of the Pension Scheme Rules, relating to the arrangements for the adjustment of benefits, shall be interpreted, in all circumstances and whatever the current salary adjustment procedure, as follows: Whenever the salaries of staff serving in the Co-ordinated Organisations are adjusted – whatever the basis for adjustment -- an identical proportional adjustment will, as of the same date, be applied to both current and deferred pensions, by reference to the grades and steps and salary scales taken into consideration in the calculation of these pensions.

This article clearly states that any adjustment of salaries must be accompanied by an identical proportional adjustment of pensions.

This proposal by the CCR is unacceptable to both the CRSG and the CRP.

If tomorrow we were to accept the separation of adjustments for serving officials and retired staff, this would leave the door wide open to making a distinction between married and single individuals, couples with and without children, etc.

The CRP is more determined than ever to defend our Pension Scheme.

6. Review of the remuneration adjustment method

The CCR Chairman suggested organising a meeting/instructional workshop on 5 December to present the current method to delegates. The other two Committees were invited to attend this workshop.

7. Next meeting

An extraordinary Co-ordination meeting was scheduled for 5–6 December 2018, at OECD headquarters in Paris.

The CRP “Pensions” working party will meet on the morning of 11 December 2018 at NATO headquarters in Brussels, ahead of the WGP/PACCO meeting which will take place on the afternoon of 11 December 2018 at NATO headquarters in Brussels. The discussions will primarily focus on the revision of the contribution rate to the Pension Schemes.

Life of the CRP

The CRP renewed its trust in the outgoing Bureau for a one-year term:

Chairman	Jean Pierre Cusse	OECD
Vice-Chairs	Alain Bataillé	ECMWF
	Gabriele Cascone	NATO

CRP representatives