

EUROPEAN COMMISSION

Cabinet of Vice-President Maroš Šefčovič Head of Cabinet

> Brussels, Ares (2011)

Dear colleagues,

Vice-President ŠEFČOVIČ has asked me to thank you for your letter and for the interest that you are taking in the draft proposal for amending the Staff Regulations and the Conditions of Employment of Other Servants.

Please let me briefly comment on the three main points you raised in your letter:

 The 2004 Reform changed the Staff Regulations in many respects. Some of the changes applied to existing staff and new recruits alike, while others came with transitional measures for staff already in place, and yet others, by their very nature, only applied to staff recruited after the new rules came into effect, notably lower entry-level salaries.

From the staff management perspective, the Commission Report that you quote in your letter shows a complex picture of the repercussions of the new career structure on the newly recruited colleagues, some of whom may benefit from more favourable overall career prospects, as compared to the pre-reform scenario.

If I interpret your concerns correctly, you feel that some of the transitional provisions that mitigated the impact of cost-saving measures on staff recruited before the 2004 Reform may have had a divisive effect. In this respect I would ask you to take into account the fact that certain transitional measures were needed to protect acquired rights and legitimate expectations of colleagues in service before the 2004 Reform. At the same time, there are transitional measures which provide for less favourable rules for staff recruited before the reform of 2004, cf. Art. 2 (2) of Annex XIII which foresees multiplication factors < 1 which are applied to the salaries of staff recruited before 2004 and make sure that their salaries are not increased by the change of the career structure. This diverse picture is inherent to most reforms of civil service or pension laws, be it at EU or national level.

Let me comment on another point you mention which seems to be the result of a misunderstanding of the career structure in place. You allege that the principle of

equal pay for equal work would no longer be respected. In fact, in a career based system like we have it in the European institutions, but also in several Member States' administrations, pay is linked to the grade of each civil servant. Promotions are granted for the merit in the job, not by appointment to another job. Consequently, administrator posts can be filled by an official in grade 5 as well as by an official in grade 14. This was already the case before the reform. In the old career structure, an administrator post could be filled by an official in grade A8 as well as by an official in grade A 4. In the new system, even directors-generals can be in two different grades and if they were recruited before 2004, the above mentioned multiplication factor <1 will apply – and reduce the salary foreseen in the salary grid.

Please note also that the draft proposal now under discussion equally provides for transitional measures for all staff in place, for instance with regard to the increase of the pensionable age to 65 years (see the draft of a revised Article 22 of Annex XIII to the Staff Regulations). In this respect staff recruited before 1 January 2013 would be covered by transitional measures and this would not be the case for staff to be recruited as of that date, in line with the concept followed in the context of the 2004 Reform.

2. As far as the implementation of the promotion rates laid down in Article 6 and Annex IB of the Staff Regulations is concerned, you must bear in mind that these rates reflect presumptions regarding career speed, i.e. the average time of service spent in each grade.

Therefore, when analysing the actual promotion rates, account needs to be taken of the particular structure of staff in certain grades as a result of the reform of the career structure and of recruitment after enlargement. These factors have contributed to the fact that the average seniority of officials in certain grades was rather low and did not allow for promotions to an extent that would have fully exhausted the percentages shown in Annex IB.

With a more stable population in the different grades as of 2012 the Commission expects to make full use of the promotion rates under Annex IB in the future. The draft of a revised evaluation and promotion system for the Commission put forward by DG HR provides for the creation of a joint monitoring committee, which will review the institution's achievement in terms of exhausting the promotion rates over time.

3. Regarding the envisaged reduction of staff over a period of approximately five years, the Commission is fully aware that such a measure requires great efforts by all institutions and staff if we want to maintain or even increase the institutions' output for the benefit of European citizens. The proposed increase in the working week will help to partially compensate for the cuts although many staff members already work more than 37.5 hours.

In order to mitigate the impact on their policy-making capacity, the institutions will have to increase their efficiency, e.g. by shifting jobs from the internal administrative support areas to core frontline activities and other organisational changes. The Commission has already shown that such efficiency gains are possible via its annual screening and redeployment exercises and I am convinced that there is still room for improvement, in the Commission as well as elsewhere. I believe that in the present economic and political circumstances the European institutions and their staff owe European citizens such an additional effort.

The draft proposal will be discussed in the coming weeks with staff representatives and in other internal fora with staff. The concerns which you express must be taken seriously and I am well aware of the particular challenges which the career structure introduced in 2004 represents for all our institutions in terms of career speed and internal succession planning for staff who will retire.

Juraj Nociar

Yours sincerely,

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