## Subject: Annual adjustment of salaries and pensions: legal actions

As promised in my e-mail of 21 December 2011, I write to update on further developments regarding the annual adjustment of remuneration and pensions.

The Commission has today decided to bring an action against the Council in the Court of Justice for not adopting the annual adjustment to remuneration and pensions of EU staff, thus breaching the Staff Regulations.

As you know, the salaries and pension of EU staff are adjusted in accordance with a method enshrined in the Staff Regulations, which guarantees that the purchasing power of EU staff develops in parallel to the purchasing power of national officials. In 2011, national officials in the eight Member States used in the method lost 1.8% of their purchasing power. This loss, which has to be applied to salaries and pensions of EU civil servants, combined with a high increase in the cost of living in Brussels (3.6%), results in a +1.7% salary adjustment for EU staff in Belgium and Luxembourg.

The Council has decided to challenge before the Court of Justice the Commission's assessment that the conditions for applying the exception clause, as laid down in the Staff Regulations and interpreted in the case-law, have not been met. The Commission will defend its assessment, since it is based on transparent and broadly available economic and social data.

I can reassure you that the College remains attached to the method, which was adopted by the Council in 2004 for the period of nine years, and will defend the legal order of the Union.

Maroš Šefčovič Vice-President of the European Commission