



Review of the Staff Regulations

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Status of the file

- **6 informal Trilogues** took place to reach a political agreement between the 3 Institutions involved in the ordinary legislative procedure
- First political agreement reached in the 5th Trilogue, on 19 June
- Final Trilogue, on 25 June, confirmed the **political agreement**
- European Parliament (EP) Committee of Legal Affairs (**JURI**) endorsed the new text by very large majority on 27 June
- **Coreper** approved the compromise text by comfortable QMV on 28 June, with 274 votes in favor and 71 against.
- **EP** adopted the compromise text in the plenary session on 2 July with a very comfortable majority, with of 522 votes in favour, 150 against, 39 abstentions
- The compromise text was submitted to the College in its' meeting on 2 July
- Text will become definitive in first reading when the Council approves formally the position adopted by the EP
- **Entry into force: 1st January 2014**, except the suspension of the method



Compromise

The compromise includes the following elements:

- Method, levy and the pension contribution
- Pensions
- Careers and performance
- Geographical balance
- Working conditions
- Rights and obligations



Method

- Maintains the **principle of parallelism**
- Sample increases to **11 MS** (the 8 used in the past: ES, IT, FR, DE, UK, BE, LU, NL + 3 new: AT, SE, PL) = 85% of the EU GDP
- **National inflation indexes for BE & LU** will be used to take account of the changes in the cost of living in Brussels and Luxembourg
- **Salary and pension updates would take place automatically** on the basis of values calculated by Eurostat without the intervention of EP and Council (**no legislative procedure**)

Method: clauses

- **Moderation clause:** postpones for 9 months any increase or decrease in purchasing power of over 2% per year.
- **Crisis clause** when EU staff should not gain in purchasing power if there is a drop in the EU GDP under -3%.

Gross Domestic Product	Consequences on the specific indicator	Date of payment of the second part
[-0,1 % ; -1 %]	33 % ; 67 %	1 April of year n + 1
]-1 % ; -3 %]	0 %; 100 %	1 April of year n + 1
below -3 %	0 %	-

- **Recovery clause:** if GDP decreases under - 3%, the gain in purchasing power is paid when the GDP reaches the pre-crisis level.
- **Correction clause:** if there is a gap between forecast and observed data that affects the application of the crisis clause, then retroactive corrections will be made.



Method: suspension, review and duration

- Method suspended for two years
 - No adjustment (upwards or downwards) of salary scales, pensions and allowances in 2013 and 2014.
 - Only correction coefficients will be adjusted.
- Two review clauses
 - Commission submits a report in 2018 and 2023.
 - If appropriate the Commission makes a proposal to review the method in 2023.
- Duration
 - Will apply until 31 December 2023
 - Will continue to apply beyond 2023 until EP and Council have adopted a new method following a Commission's proposal

Comparison between the method in force between 2004 and 2012 and the new proposition

	Method in force between 2004 and 2012			New proposed method - simulations over the period 2004-2012		
Year	Cost-of-living (%)	Purchasing power (%)	Annual adjustment (%)	Cost-of-living (%)	Purchasing power (%)	Annual adjustment (%)
2004	1.8	-1.2	0.7	2.4	-1.2	1.2
2005	2.2	0	2.2	2.8	0	2.8
2006	2.1	0.2	2.3	2.6	0.2	2.6
2007	1.4	0	1.4	1.4	0	1.4
2008	4.4	-1.3	3	6.6	-1.3	4.1
2009	0.9	2.6	3.7	-0.9	0	-0.9
2010	2.4	-2.2	0.1	2.6	0.6	3.1
2011	3.6	-1.6	1.7	3.3	-1.6	1.4
2012	2.6	-1.1	1.7	2.3	-1.1	1.2
Cumulative value over the period 2004-2012	23,9	-4,6	18,1	23,8	-4,5	18,1



Ongoing cases: 2011 adjustment

Commission / Council

- Case C-63/12 – to annul the Council Decision
- Case C-196/12 – to declare the failure to adopt the Commission Proposal

Council / Commission

- Case C-66/12 – to annul the COM report on the exception clause and to declare the failure to apply the exception clause

Procedure

- Cases C-63/12 and C-66/12 were heard by the Court on 2 July 2013
- Opinion of the Advocate General on 12 September 2013
- Judgments are likely to be delivered before the end of 2013
- Case C-196/12 will be dealt without a hearing



Ongoing cases: 2012 adjustment and PCR

Commission / Council

- Case C-86/13 – to annul the Council Decision
- Case C-248/13 – to declare the failure to adopt the Commission Proposal

Council / Commission

- The Council did not bring an action against the Commission

Procedure

- Cases are pending; the date of the hearing has not been announced

Cases on the pension contribution rate

- Case C-453/12 for failure to adopt the 2011 Commission proposal, pending, the date of the hearing has not been announced
- Action on failure to adopt the 2012 Commission proposal to be introduced



Solidarity levy

- Will **apply again as from 1 January 2014** and continue as long as a new method has not been adopted by EP and Council (in principle until 31 December 2023)
- The **rate will be increased from 5,5% (as in December 2012) to 6%**, and for staff in grades AD15 step 2 and above to 7%
- Will **NOT apply to pensions or allowances**
- **Maintains the deduction from the base of an amount equivalent to the salary AST1/1**



Pension contribution

- The rate will be updated according to the same automatic procedure as the updates of salaries and pensions
- The periods of past observation used to simulate future salary developments of EU staff and interest rates of public debt of the MS will be gradually prolonged to reach 30 years
- The application of these provisions will be reviewed in 2018 and 2022

Pensionable age & accrual rate

Recruitment date	Accrual rate	Normal pensionable age	Mandatory retirement age			Age for early retirement		
			1 Compulsory retirement (except 2 and 3)	2 If requested and in the interest of the service	3 Exceptionally	From 01/01/2014 to 31/12/2015	From 01/01/2016 to 31/12/2016	From 01/01/2017
Staff recruited from 01/01/2014	1,8%	66	66	67	70	58		
Staff recruited between 01/05/2004 and 31/12/2013	1,9%	Between 63 and 65	65			55	57	58
Staff recruited before 01/05/2004	2,0%	Between 60 and 65	65					

Pensionable age – transition provisions

Age on 1 May 2014	Pensionable age	Age on 1 May 2014	Pensionable age
60 years and above	60 years	47 years	62 years 6 months
59 years	60 years 2 months	46 years	62 years 8 months
58 years	60 years 4 months	45 years	62 years 10 months
57 years	60 years 6 months	44 years	63 years 2 months
56 years	60 years 8 months	43 years	63 years 4 months
55 years	61 years	42 years	63 years 6 months
54 years	61 years 2 months	41 years	63 years 8 months
53 years	61 years 4 months	40 years	63 years 10 months
52 years	61 years 6 months	39 years	64 years 3 months
51 years	61 years 8 months	38 years	64 years 4 months
50 years	61 years 11 months	37 years	64 years 5 months
49 years	62 years 2 months	36 years	64 years 6 months
48 years	62 years 4 months	35 years	64 years 8 months



Pensions

Linking pensionable age to life expectancy

- Commission will assess every 5 years the evolution of pensionable age for staff in the civil services of the MS and the evolution of life expectancy of officials of the European Institutions
- Where appropriate, Commission will propose a change to the pensionable age of EU staff

Early retirement without reduction of pension right

- The possibility for early retirement without reduction of pension rights has been abolished

Early retirement is possible as from the age of 58 with a reduction of pension rights of 3.5% for each year worked less

- Only half of the reduction (1,75%) for staff in place between 60 and the pensionable age

Bonus for working after the pensionable age (Barcelona incentive)

- 1.5% of basic salary for staff recruited after 1 January 2014
- 2.5% of basic salary for staff recruited before 1 January 2014
- 5% of acquired pension rights at the age of 60 for older than 50 or with 20 years of service on 1 May 2004 (no change)



Leave in the interests of the service

Introduction of a new administrative status "Leave in the interests of the service"

- For organisational needs linked to the acquisition of new competencies and by decision of the appointing authority
- Conditions:
 - At the earliest 5 years before pensionable age
 - At least 10 years of service
- Number limited to maximum 5% of the officials in all institutions who retired the previous year
- Digressive monthly allowance from 100% to 70% of basic salary till pensionable age (in accordance with Annex IV)



AD Careers

- Heads of Unit, advisers and staff members in equivalent positions will be able to progress until AD 14.
- Other Administrators will be able to progress to AD 12 via the normal promotion exercises.
- To access AD13/AD14, obligation to pass a selection procedure to be appointed to a post of Head of Unit or equivalent, or Adviser or equivalent.
- Up to 15% of AD12 and AD13 can be promoted in this way every year.

Grade	Type of posts – Function group AD				
16					
15				Director	Director General
14					
13	Administrator	Head of unit or equivalent	Adviser or equivalent		
12					
11					
10					
9					
8					
7					
6					
5					

AD Careers – staff in transition

- Creation of a type of post of **AD** and **Senior AD in transition**
- Grades AD13 and AD14 only for management posts or Adviser after selection procedure
- Until 31/12/2015, officials holding **special responsibilities** may be assigned to the type of post "Head of Unit or equivalent" or "Adviser or equivalent" (max 5% of the AD officials)

Type of posts – Function group AD						
16						Director General
15						
14	Administrator senior in transition	Head of unit or equivalent	Adviser or equivalent	Director		
13	Administrator in transition					
12	Administrator					
11						
10						
9						
8						
7						
6						
5						

AD Careers and performance

Multiplication rates for guiding average career:

rates revised for entry grades and AD12 and AD13 grades

Grade	Administrators
13	15%
12	15%
11	25%
10	25%
9	25%
8	33%
7	36%
6	36%
5	36%



Careers and performance – transition measures for existing AD staff

2 supplementary steps as from 1st January 2016:
+2,8%, and +1,4% two years later, for the following staff:

- For all AD12 at the last step on an "administrator" post
- For all AD13 at the last step on an "administrator in transition" post



AST Careers

Grades AST10 and 11 reserved for **Senior Assistant**

- Post with significant responsibilities (management of a team, a budget, etc.)
- Appointed after a selection procedure (publication of a vacancy notice)

Assistant (grades AST 1 to 9)

- Will not perform any more secretarial tasks
- Possibility to progress by promotion exercise to AST9

New function group "AST/SC" (comprising six grades) for secretarial and clerical staff will be established

Grade	Type of post
11	Senior Assistant
10	
9	Assistant
8	
7	
6	
5	
4	
3	
2	
1	



Careers and performance: transition rules for existing AST staff

- Staff recruited in AST function group after 1 May 2004 will be placed in the "Assistant" (AST1-9) or "Senior Assistant" (AST10-11) category, depending on their current grade
- Current AST staff performing secretarial and clerical tasks recruited after 1 May 2004 as well as attested AST staff will be classified as "Assistant in Transition" and will be able to progress until AST9
- AST staff recruited before 1/05/2004 as ex-C officials will be classified as "Administrative Assistant in Transition" and will be able to progress until AST7 as currently
- AST staff recruited before 1 May 2004 as ex-D officials will be classified as "Support Agent in Transition" and will be able to progress until AST5

Grade	ex-D non attested	ex-C non attested	Other (ex-B, attested AST post 2004)
11			Senior Assistant in transition
10			
9			
8			
7			
6	Support Agent in transition	Administrative Assistant in transition	Assistant in transition
5			
4			
3			
2			
1			



Performance management (AST /AD)

- The minimum of 2 years in the grade before promotion of an official to the next higher grade is maintained.
- The minimum of 2 years in the step is maintained before the automatic advancement; but, in case of performance judged unsatisfactory, the advancement is suspended to 3 or 4 years.
- As regards incompetence, an official who receives 3 consecutive unsatisfactory reports will be downgraded by one grade. If the following 2 annual reports still show unsatisfactory performance, the official will be dismissed.
- When comparing merit in the promotion process, the level of responsibility exercised by staff will be systematically taken into account, in the same way as the appraisal reports and the use of languages (currently the level of responsibility is only considered "when appropriate").



Contract staff

- **The maximum duration of employment of contract staff 3b is extended** from 3 to 6 years
- Contractual staff (3a, 3b) in function groups GF II-IV may be allowed to take part in **internal competitions**:
 - Eligibility after 3 years of service in the Institution
 - GF II -> SC1/SC2; GF III -> AST1/AST2; GF IV -> AST1-AST4 + AD5/AD6
 - Total number of appointed laureates from contract staff will not exceed 5% of total appointments in a given grade of these function groups that year



Agencies - temporary staff

A new category of temporary staff, Article 2(f), for Agencies

Explicit reference to selection procedure enshrined in the SR:

- Limited range of recruitment grades: SC1 to SC2, AST1 to AST4 and AD5 to AD8.
- In duly justified cases, at grade AD9, AD10, AD11 or, on an exceptional basis, at grade AD12.

Reclassification:

- According to the promotion rates in Annex I.B.

Enhanced mobility:

- Maintaining same grade and step when moving from one Agency to another Agency.
- Possibility to second temporary staff in Agencies in the interests of the service to other bodies.



Agencies – implementing rules and committees

Harmonised implementation of the Staff Regulations:

- Commission's implementing rules shall apply by analogy also to the Agencies
- To take account of their particular circumstances, Agencies will be entitled to request the Commission's authorisation to adopt implementing rules which deviate from those of the Commission

Committees to be established:

- Common committees for two or more Agencies can be set up to increase flexibility as regards the various internal bodies that shape the social dialogue or that must be consulted before a decision is taken



Geographical balance

In order to address significant imbalance between nationalities among officials which is not justified by objective criteria, each institution will be given the possibility to adopt justified and appropriate measures.

Such measures should never result in recruitment criteria other than those based on merit.

After 2017 the EC will report to the EP and to the Council on the implementation of the appropriate measures by the EU institutions.



Working time

Working time, flexitime:

- **Working hours** should be increased to 40h/week without any compensation
- Exception: in cases of serious hardship, staff with children under 14 will have a reduced 38h/week (5% reduction) without salary reduction
- Explicit reference to **flexitime arrangements** will be enshrined in the Staff Regulations:
 - Up to AD/AST8 possibility of flexitime recovery in entire working days
 - AD/AST9 or higher possibility of flexitime recovery in half working days
 - Flexitime recovery will not be applicable to senior and middle managers



Working conditions (1)

Leave entitlements:

- The **annual travelling time** will be replaced by home leave and limited to a maximum of 2.5 days for every expatriate official based in the EU (for staff based outside the EU the number of days is decided by the AIPN)
- Annual payment of **travel expenses** will be rationalised by basing it on geographical distance between the official's place of employment and his place of origin
- **Leave on personal grounds** will be limited to 12 years (instead of 15 years)
- Rules on the reimbursement of **removal costs** will be simplified: the cost ceilings which take account of the official's or agent's family situation and of the average cost of removal and associated insurance will be introduced



Working conditions (2)

Staff in Delegation:

- Staff in Delegations, like officials in Headquarters, will be entitled to annual leave of 2 working days for each month of service, instead of the current 3.5 days. The gradual decrease will take place in 2014 (3 days) and 2015 (2.5 days).
- Official additional rest leave to take account of particularly difficult living conditions is maintained untouched.
- There will be a possibility to use a wider range of parameters to fix the allowance for living conditions.
- The conditions for granting the accommodation allowance will take better account of local situation. The allowance will be paid either as a flat-rate or reimbursement of rent.
- Annual travel in economy class.



Rights and obligations (1)

Check of conflict of interests:

- Before recruitment the Appointing Authority will examine whether the candidate's independence and absence of any conflict of interest.
- The candidate will fill a specific form, stating any actual or potential conflict of interest.
- If necessary, the Appointing Authority shall take any appropriate measures (applies also to officials returning after leave on personal grounds).

Cooling-off periods for senior officials:

- Explicit prohibition for senior officials, in the twelve months after leaving the service, to engage in lobbying or advocacy vis-à-vis the staff of their former Institution on matters for which they were responsible during the last three years in the service (applies "mutatis mutandis" for leave on personal grounds).



Rights and obligations (2)

Leave on Personal Grounds:

- Prohibition to engage in an occupational activity, whether gainful or not, which involves lobbying or advocacy vis-à-vis his institution and which could lead to the existence or possibility of a conflict with the legitimate interests of the institution.

Whistleblowing:

- Complaints by officials shall be examined before the expiry of the deadlines set in Article 90 (4 months);
- The institutions have to adopt internal rules notably on the procedure for handling of complaints and on the protection of the legitimate interests of the whistleblowers.



Communication activities

What has been done:

- EC **everybody staff e-mails** – the most recent on 2 July to announce the **video** with Vice-President Šefčovič
- Distribution of a **summary document** on Staff Regulations changes to Director Generals, Heads of Cabinets, Heads of Administrations of EU Institutions, Directors of Agencies (5 July)

What will follow:

- Update of the **Staff Regulations website** (incl. fact sheets per topic and link to forum for staff comments and questions)
- Publication of **FAQs** (regularly updated based on incoming questions)
- **Presentations** to Director Generals (17 July) and to Management teams of DGs (if requested)
- **Regular update** of state of play in GDR and RRH meetings

Your role ?



Implementation

- Close to 60 legal bases and other texts (GIPs, decisions, guidelines, etc.) are directly impacted by Staff Regulation related changes and need to be adapted
- A large majority of the amended articles entail IT developments (SYSPER2 or others)
- Association of Resource Directors and RRH network foreseen in relevant areas (Career, etc.)
- Inter-Institutional dimension