

Mr Maroš ŠEFČOVIČ  
Vice-President  
and Commissioner for Inter-institutional Relations  
and Administration.  
**European Commission**

Brussels, 5<sup>th</sup> September 2011

Dear Vice-President, Commissioner Šefčovič,

On 13<sup>th</sup> July we, as a group of officials recruited after the 2004 Reform, plus supporting colleagues, addressed to you a first letter (now with more than 470 signatories), reflecting our initial concerns about the announcement of a new Reform of the Staff Regulations. Taking stock of the current state of human resources management practices, and of the requests of the colleagues signing that first letter, we have further elaborated four principles that could help to frame a constructive discussion of the Reform project.

### **A. The staff is an asset to be motivated**

In the announcement of the reform we, staff of the EU Civil Service (EUCS), are presented as a **cost**. We rather see ourselves as an essential **asset** of the EU, selected through highly demanding competitions. We bring to our Institutions, day after day, an enormous collective amount of professionalism, experience, linguistic skills, multiculturalism and multinationality, matched by few other public services in the world. We ensure the independence and political neutrality of the EUCS, and its continuity of operations, enabling it to respond to long-term global challenges.

**Motivation** is essential for a highly-skilled workforce providing intellectual output; should it be eroded, the negative consequences could substantially outweigh the projected savings.

Motivation depends crucially on the trust in the long-term stability of our working conditions. It requires recognition of the fact that being separated from our own families, friends and hometowns we pay a price, both tangible and intangible, for joining the European project. After the deteriorated conditions imposed by the 2004 Reform on all staff recruited after 1/05/2004, the prospect of yet another cut-down of **unknown impact** is worrisome. The ongoing discussions point towards a reversal of firmly established policies (e.g. life-work equilibrium, geographical balance of the staff). We now seem to be heading towards recurring reforms of our working conditions at the beginning of every new financial period. Another major uncertainty is related to the future of our **pension scheme**. Its liability, i.e. the amount owed by the Member States to the scheme, was evaluated to be €37 billion at the end of 2010. Current European financial circumstances could call into question some Member States' ability to honour pension arrangements. Moreover, the impact of the proposed 5% reduction in staff numbers on the sustainability of the pension scheme has not been publicly discussed. Uncertainty on the future work conditions of the EUCS staff keeps rising. Will the EU be able to attract and retain the best talents in the future?

### **B. The existing division must be corrected**

The 2004 reform of the Staff Regulations has *de facto* led to a **separation** of the European Civil Service into two career paths. This has been recognised by the Court of Justice and by the recent Report of the Commission COM(2011) 171 final of 30.3.2011. As a result, **equal work** (responsibilities, duties) **for unequal pay** has become a widespread perception within the EUCS, when post-2004 officials compare themselves with their pre-2004 colleagues. Both officials and non permanent staff (temporary agents, contractual agents and *interimaires*) are affected by this demotivating feeling, which impairs competition among staff for internal positions, and damages the climate of our working environment.

Long-term good functioning of the Institutions depends on **correcting** this division. It is not only a financial matter (see section **D** below) but also a matter of career opportunities: access to management positions is significantly delayed for post-2004 employees. The "faster careers" promised as a compensation are not materializing; actual post-2004 careers appear to be slower than established by the 2004 Staff Regulations.

Degraded retirement conditions add to this growing divergence. If the demographic evolution requires a delay in the retirement age, then it is fair to ask that any intended changes to this and to any other retirement conditions are **equally applied** to all the EUCS without exceptions. Moreover, guarantees must be obtained from the Member States on the clear long-term sustainability of our pension scheme so that active staff benefit from the same certainty about their pensions as their predecessors who have already retired.

### C. All roles are important

Many highly qualified **AST colleagues** are *de facto* covering AD tasks and duties. Thus upward mobility must be improved from the AST towards the AD career, intensifying recent improvements to the certification procedure. New AD staff selected through external competitions should be joined by a significant amount of equally qualified internal talent, already knowledgeable about the Institutions.

Colleagues who work as **non-permanent staff** are also highly valuable. To grant them reasonable mid-term career perspectives, provided that they demonstrate their value, would improve their contribution to the European Institutions. Moreover, their post-EU career arrangements should be facilitated.

When new officials have already matured working experience within the European Institutions under a non-permanent status, this experience should be **taken into account** for their initial grading, since the Institutions benefit directly and significantly from it.

### D. Let us learn the lessons from the 2004 Reform

The post-2004 officials have already paid a huge price: their salaries and pensions are the source of the declared 'savings of the 2004 Reform'. In some cases, the amount is lower by *circa* -30%, computed life-long. Any new reform **should not** hit again those who have already borne the cost of the previous reform; especially people hired as AST1 and AD5, again affected by the current proposals.

Any future reform project should **distribute** the impact, helping other measures designed to limit existing imbalances (see section **B** above).

Conditions of **full equality** and solidarity must be ensured to highly qualified professionals from all over the EU, in order to keep the European Career sufficiently attractive. Newcomers, including those arriving from future Member States of the Union, cannot be treated differently from established officials.

Since no theoretical analysis can fully predict the consequences of the reform of a complex organisation like the EU institutions, **monitoring** tools should be established to follow closely and publicly its impact on the staff, with the aim of steering reform towards its intended objectives.

We think that the four major principles highlighted reflect the long-term interest of European Institutions, that they are realistic, and that they can generate a wide and valuable consensus. To ignore them for the sake of short-term goals would be a disservice to the European Union in the long run, so as to the Member States themselves, given the model role that the European Institutions often play within the EU. In order to use these principles as guidance for a constructive discussion towards our shared goal of improved effectiveness and efficiency, we have started to translate them into a table with specific proposals, annexed to this letter. Being aware that your services are interacting with all stakeholders, aiming to build the widest possible consensus for a reform, we intend to provide them with these ideas.

Please rest assured of our loyal contribution and of our willingness to contribute to your endeavour.

Respectfully yours,

[enclosed list of signatories]

*Copies: President and Members of the College of Commissioners*

## A first set of fifteen proposals deploying these principles

Principle	Proposals	Brief justification
<b>A</b> <b>EUCS Staff</b> <b>are valuable</b> <b>assets to be</b> <b>motivated</b>	<p><b>[1]</b> Conduct an independent impact assessment of the Reform project from the viewpoint of human capital management and equal treatment of the EUCS staff.</p>	<ul style="list-style-type: none"> <li>• Motivation of a highly vocational workforce, regularly engaged in tight-deadline conceptual work about delicate dossiers.</li> </ul>
	<p><b>[2]</b> Maintain the current level of flexibility to support the established EU policies about balance of professional career and working life.</p> <p>Since current proposals announce an increase of the hours of compulsory presence in the office, we ask that the Reform Project details (for this and other curtailing measures) what alternative tools for flexibility will be implemented if the proposal is kept.</p>	<ul style="list-style-type: none"> <li>• Many colleagues are working in the office well beyond 37,5 h per week (not counting missions and work at home), whenever it is required. Their generous motivation should not be discouraged.</li> <li>• Respect of established flexitime policies.</li> <li>• Continuity of EU strategic human resources' policies.</li> </ul>
	<p><b>[3]</b> Provide adequate recognition of the travel and communication needs of EUCS staff required to maintain contact with their societies of origin.</p> <p>Since current proposals announce a cap to the number of leave days granted for this end, we ask that the Reform Project details (for this and other curtailing measures) what alternative ways of recognition will be implemented if the proposal is kept.</p>	<ul style="list-style-type: none"> <li>• Ensure equal treatment of officials whose hometown is far away from Brussels, and of cases where air travel is not appropriate. All officials have a right to maintain their roots.</li> <li>• Ensure long-term equal participation of all Member States in the EUCS staff.</li> </ul>
	<p><b>[4]</b> Develop the concept of Corporate Social Responsibility as an integral part of the human resources policy of the Institutions.</p> <p>The rules should promote officials' social activity and direct contact with citizens outside working hours (e.g. voluntary work during a leave for a development/humanitarian/environmental protection/social project.)</p>	<ul style="list-style-type: none"> <li>• To bring a double dividend of motivated staff and social recognition for the European Institutions.</li> </ul>
<b>B</b> <b>The existing</b> <b>EUCS</b> <b>division must</b> <b>be corrected</b>	<p><b>[5]</b> Open a specific social dialogue for improving the convergence within the EUCS, in order to identify and implement specific corrective measures.</p> <p>Measures could include, but not be limited to, (i) internal competitions, (ii) temporary adaptation of promotion thresholds, and (iii) re-grading processes, among others. In any case, their effect should be carefully monitored in order to verify that the real convergence goals are being attained.</p>	<ul style="list-style-type: none"> <li>• Improved long-term dignity, team spirit and business climate for all the European Institutions.</li> <li>• Prepare the EUCS to transition smoothly, ensuring management continuity, when a significant part of the current generation of medium-high AD grades (AD12-AD13) approaches retirement (around 2020).</li> </ul>
	<p><b>[6]</b> Guarantee the respect of promotion rates established by the 2004 Staff Regulations.</p> <p>Since on average they have not been respected for the period 2004-2010, we ask that the Reform Project identifies with detail the gap and specifies the corrective measures need to bring the Institutions to a situation equivalent to that which would have resulted from a regular application of the rates established by the 2004 Staff Regulations.</p>	<ul style="list-style-type: none"> <li>• Respect of EU law</li> <li>• Motivation of EUCS staff</li> </ul>
	<p><b>[7]</b> Review the eligibility grades for junior &amp; middle management positions, setting:</p> <ul style="list-style-type: none"> <li>• at AD8 grade (plus 4 years of AD experience) the eligibility for Head of Unit;</li> <li>• at AD7 grade (plus 2 years of AD experience) the eligibility for Deputy Head of Unit and Head of Sector.</li> </ul> <p>Additionally, ensure absolute publicity and transparency of internal selection processes for junior and middle management positions, including selection deliberations.</p>	<ul style="list-style-type: none"> <li>• Recognise and tap, without cost for the Institutions, the vast existing reserves of management talent and experience brought in by the 2004 Reform for grades currently under AD9.</li> <li>• Unblock personal careers artificially deprived of chances to succeed by the recruitment conditions imposed <i>ex post</i>, contradicting competition notices and reserve list definition.</li> </ul>
	<p><b>[8]</b> Ensure the sustainability of the Pension Scheme of EU Officials.</p> <p>Make available to all EU staff clear and transparent data and projections on the future of the pension scheme. Evaluate the impact on the scheme of the 5% reduction in staff numbers proposed in the financial perspectives. Guarantees must be given that, from the entry into force of the new reform on, contributions to the pension scheme, both those of the staff and those of the Member States, are paid to a well-identified budget line, in line with the spirit of a defined benefit pension scheme.</p>	<ul style="list-style-type: none"> <li>• There is currently a €37 billion liability on the part of the Member States to the EU pension scheme. The future of this scheme has become increasingly uncertain as the liability has increased, thereby putting currently active staff –specially post-2004 staff– at a disadvantage compared to their predecessors, who have enjoyed a secure pension scheme. The Reform provides an opportunity to resolve this uncertainty before it becomes critical.</li> </ul>

Principle	Proposals	Brief justification
<b>C</b> <b>All EUCS roles are important</b>	<p><b>[9]</b> Enhance both transparency and capacity of the current certification procedure.            Currently, candidates do not always perceive that access criteria and development of the certification procedure do ensure equal opportunities. Periodical internal competitions should be used, open to all qualified AST officials of the Institution, to identify under objective criteria the best candidates.</p>	<ul style="list-style-type: none"> <li>• Ensure that a significant proportion of properly qualified AST officials can progress to the AD career under fair, transparent conditions.</li> </ul>
	<p><b>[10]</b> Increase the flexibility of rules for hiring non-permanent staff to ensure that specialised expertise and accumulated knowledge is used with increased efficiency.  <i>(e.g. experts with high-value know-how could work for the EUCS up to 10 years)</i></p>	<ul style="list-style-type: none"> <li>• Improve operational capability of the Institutions and efficiency of non-permanent staff.</li> <li>• Save time and money spent on selection procedures, reducing the impact of both learning and exit periods.</li> </ul>
	<p><b>[11]</b> Invest in stable, highly qualified and multinational secretarial positions.</p>	<ul style="list-style-type: none"> <li>• Secretarial staff is a strategic asset of Units: they handle confidential documents, ensure cohesion within the Unit (especially when intensity of missions is significant), and are key for knowledge management and business continuity of the Unit.</li> </ul>
	<p><b>[12]</b> Inform non-permanent staff, including national experts, about prolongation/termination decisions at least 4 months before the contract expiration.</p>	<ul style="list-style-type: none"> <li>• Dignity of non-permanent staff.</li> </ul>
<b>D</b> <b>Let us learn the lessons from the 2004 Reform</b>	<p><b>[13]</b> Monitor the full consequences of any agreed changes to the Staff Regulations.            Design and implement a mechanism for their periodical and systematic evaluation and reporting. Analytical monitoring should be ensured for all branches of career, grades, age brackets, gender and country of origin. The EU Institutions' reports in this regard should be issued at least annually, and subject to independent review.</p>	<ul style="list-style-type: none"> <li>• To have a pragmatic, facts-based description of the consequences of the Reform which allows to assess its reality and to fine-tune or rectify it, according to needs.</li> </ul>
	<p><b>[14]</b> Ensure that all staff of new or existing Member States can join the EUCS under career and financial conditions equal to those of current staff.            Their access conditions should be only regulated by the principle of demonstrated personal merit in open competitions. No further 'lower classes' of EUCS officials should be created.</p>	<ul style="list-style-type: none"> <li>• Unity and dignity of the EUCS.</li> </ul>
	<p><b>[15]</b> Intensify the transparency for the entire EU staff of all the negotiation process, encompassing all constraints and dimensions to be pursued.            Provide to the workforce a detailed real-time outlook of the situation, points agreed and disagreed, alternatives and mitigating measures, etc.</p>	<ul style="list-style-type: none"> <li>• Credibility and participation, aiming for long-term acceptance of any Reform.</li> <li>• Motivation of the EUCS staff.</li> </ul>

Definitive proposal for Siobhán