

AAPOCAD



ASSOCIATION DES AGENTS PENSIONNÉS DES ORGANISATIONS COORDONNÉES ET DE LEURS AYANTS DROIT
ASSOCIATION OF PENSIONED STAFF OF THE CO-ORDINATED ORGANISATIONS AND THEIR DEPENDANTS

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The Life of the Association

As I informed you in the January bulletin, after eight years at the helm of AAPOCAD, I have not sought re-election to this position, which I have found both energising and taxing. Like all institutions, AAPOCAD needs new blood at regular intervals. The past ten years have seen a certain degree of turnover on our Governing Board, and it is now time for the Chair to follow suit in this renewal. To judge by the relentless determination of some of the Delegations to the Co-ordinating Committee on Remuneration (CCR) to attack the status of serving and retired staff, the next few years are going to be tough. I have worked hard to keep AAPOCAD on the path followed by my predecessors, Chairmen Erhart Poincilit and Yves Borius, and I hope to hand over to my successor, who will be elected at the meeting of the Governing

Board on 13 October, an Association in good working order.

A. Financial position

After a few years in the red, chiefly because of increased management costs as a result of the reduction in the logistical support provided to us by the OECD — although this support remains very important, indeed, essential to us — our accounts are again showing an annual surplus, and our cash reserves are gradually recovering. One reason for this is the increase in the membership subscription rate from 0.09% to 0.11% in 2012, which increased the average cost of membership per person from €40 to €48 between 2012 and 2016. Another is the IT upgrade, which allowed us to modernise our management systems.

B. Management of the Association

This computerisation required a certain initial investment, but also helped to generate savings and increase the services offered in several fields. Our members can keep up to date with all our activities, especially those involving Co-ordination, almost in real time, thanks to the AAPOCAD website. Most of our documents are sent by e-mail to those who have chosen to receive them electronically, and this helps us save considerable sums in printing and postage. All communications between Members of the Governing Board are exchanged by e-mail, which saves time and publication costs. Over half of the votes for the election of Members of the Governing Board are now cast electronically, saving postage costs for those voting, and leading to a significant reduction in the number of invalid votes. That said, we remain sensitive to the fact that a certain number of our Members do not use a computer and we still follow the old procedures for those who prefer them.

C. Administration of AAPOCAD

Since 2010, the Governing Board has reformed itself by reducing the number of its Members, which has had the effect of breathing new life into it. Between 2010 and 2016, the number of elected Members fell by a quarter, from 41 to 29. The total number of potential participants in meetings, both elected and non-elected (honorary Chairmen and Vice-Chairmen, Regional Delegates and Chairmen of Associations), amounts to 55, however, which may seem high but guarantees that the Board's is properly representative of the diversity of our Members in terms of Organisation and country of residence. The annual running costs of the Governing Board (transport and accommodation for Members attending the three annual meetings) have remained stable at around €25,000 since 2010.

D. Members

The number of Members rose from 2,358 in 2009 to 2,853 in 2016, after two recruitment drives targeted at non-Member pensioners, conducted in collaboration with the ISRP. This may seem like a small increase, but sadly around 80 of our Members pass away each year, and this naturally affects the total (in 2016, for example, we welcomed 100 new Members and mourned the loss of 78). One negative point to be made about the composition of AAPOCAD's Membership is the under-representation of B- and C-grade staff, which is reflected in the make-up of the Governing Board, where we are sorry to report that there are also too few female Members. This situation is due to the lower number of female candidates in both groups and not due to the choice of electors. In more general terms, it is a fact that AAPO-

CAD's representativeness remains insufficient. Our Members only account for slightly over a third of the total pensioner population, despite our best efforts, and particularly the determination of the Chairmen of the Pensioner Associations of each Organisation to persuade their Members of the vital role played by AAPOCAD in defending their interests within the Co-ordination system. It may also be that our situation partly reflects a more general trend of increasing disinterest in political or social activism, which can be seen in particular in the falling rates of unionisation and soaring voter abstention rates in many countries. In any event, we must pursue our efforts to improve our representativeness.

Co-ordination

General remarks

AAPOCAD's core mission is to represent the pensioners of the Co-ordinated Organisations and to defend their rights within the Committee of Staff Representatives (CRP). Ever since AAPOCAD was first set up, and to even greater effect since its recognition as the official representative of all pensioners in 2004, the Association has fought alongside serving staff to defend their rights. Despite the constant efforts of Government representatives to weaken or even abolish some of those rights, we have, so far, been able to protect most of them. The tax adjustment system, the principle of applying the same adjustment to the remuneration of serving staff and pensioners, the use of adjustment methods that respect the parallelism of remuneration in national civil services with the Co-ordinated Organisations have all been preserved. As you will see below in "Recent developments", the fight goes on, and nothing is ever definitively won when government representatives perpetually attempt to align the status of staff and pensioners in the Co-ordinated Organisations with the least favourable status in their national administrations.

We must continue to fight, always in collaboration with serving staff, to rein in the destructive aims of the CCR. Legal action is one of our key weapons. The creation of AAPOCAD's legal committee, which helped revive the CRP's Legal Working Group, is one example of our activity in this field. And in 2013 it led to the joint organisation by the CRP and AAPOCAD of the Luxembourg Colloquium on the legal protection of international civil servants. I would like to stress the significance of AAPOCAD's contributions to the studies that lend invaluable assistance to those defending our positions in the Co-ordination, some of which are listed below. I am most grateful to their authors.

We also need to compare our problems and action to those of the pensioners of other International Organi-

sations, outside the Co-ordination system, and it was with this aim in mind that AAPOCAD took the initiative to organise a first Conference of Retired and Pensioned Staff of Intergovernmental Organisations in March, in order to pool people's experiences in defending their rights, pension schemes and tax status.

Recent developments of Co-ordination

1. Salary adjustment method and salary moderation clause

As we informed you last January in Bulletin 58, the moderation clause that some Delegations to the CCR wanted to apply to the salary adjustment method was a major issue to resolve this year. At the last Co-ordination meetings, which were held at ESRIN in Frascati between 12 and 15 June, the three committees reached a compromise that preserved what we see as one of the fundamental principles of the adjustment mechanism, which is the parallelism between the remuneration of civil servants in the reference countries and that of officials in the Co-ordinated Organisations. This clause applies a floating average in order to spread the change in the reference index over two years if that change is greater than 2% in either direction. There is a catch-up at 31 December of the same year. The detailed description of the clause is given in the CRP's Bulletin No. 10, which is available on the AAPOCAD website.

This compromise allowed us to fend off the initial proposal put forward by a majority of national Delegations, which would have frozen the reference index at 100 if, in at least three national civil services, pay had been flat or fallen, and would have applied a 2% cap to adjustments without catch-up.

2. Study of pension schemes

The International Service for Remunerations and Pensions (ISRP) has described the different pension schemes of the Co-ordinated Organisations, ahead of the upcoming discussions of the Co-ordinated Pension Scheme. The Committee of Representatives of the Secretaries/Directors-General (CRSG), moreover, has presented the results of a benchmarking study of pay in the Co-ordinated Organisations and in their recruitment basins, which identifies a certain number of disparities to the detriment of the Co-ordinated Organisations. The Dutch Delegation, for its part, presented the results of a report carried out by the firm SEO Amsterdam Economics which compared civil servants' pay in the Co-ordinated Organisations to that in other International Organisations and some national civil services. The report was heavily criticised by all bodies on the CCR for its flawed methodolo-

gy, a great number of errors and the fact that it was made public before the Organisations cited had been given an opportunity to comment. It has been taken down from the website of the Dutch government in order to allow the Co-ordinated Organisations to request corrections.

The **2018 Programme of Work** has been approved: the next agenda items will concern the examination of the Co-ordinated Pension Scheme and the education allowance.

2017 General Assembly

The European Space Agency (ESA) very kindly agreed to host AAPOCAD's General Assembly on the premises of ESTEC (European Space and Technology Centre) in the Dutch town of Noordwijk on 18 and 19 May. Noordwijk occupies a special place in the history of Co-ordination. In 1993 and 1994, the Co-ordination process was confronted with a major crisis caused by disagreements between the CRP, CRSG and CCR over the financing of the pension scheme. At a meeting held on 20 and 21 April 1994 the three committees finally found common ground, and the so-called Noordwijk Compromise put the 1974 pension scheme on a sound financial footing. A few days before another decisive Co-ordination meeting, again on ESA premises, but this time in Frascati, and needing to strike a compromise, this time on the salary adjustment method, we felt that a "pilgrimage" to Noordwijk might bring us luck!

Our General Assembly began with some warm words of welcome from Franco Ongaro, Head of ESTEC and Director of Technology, Engineering and Quality (D/TEC). After a brief and interesting presentation of his establishment, he stressed the need to not only attract, but also retain highly qualified staff in order to obtain the best possible results for the mission entrusted to ESTEC. Maintaining competitive working conditions in the future should be a central objective. He also announced the number of retirements expected in the coming years, which concerned "15% of the workforce", generating a substantial need for new intake. After wishing us a successful General Assembly, Mr Ongaro confirmed his attendance at our closing dinner.

Since his election as Chairman of the CCR, we have been honoured to welcome Syd Maddicott¹ to our General Assembly; he gave a precise summary of the role of the CCR and his role as Chairman thereof. The CCR is responsible for impartially defending the process of Co-ordination while saving money for both the Organisation and the Member countries. He felt that generally the

¹ The speeches given by the guest speakers at the General Assembly are appended.

decisions taken by the CCR were reasonable and taken after consulting legal opinion, but that the decision-making process was very slow. In short, Chairman Maddicott was of the opinion that Co-ordination was in good health.

The next speaker to take the floor, Xavier Imbert, was present in his capacity as both a member of the Pensions Administrative Committee of the Co-ordinated Organisations (PACCO), standing in for Bernard Job, and the Vice-Chairman of the CRSG, representing its Chairman, Patrice Billaud-Durand, who was unable to attend. After welcoming us to ESA, where he is the head of the Social and Central Affairs Division, he gave a very detailed account of the CRSG's position during the drawn-out discussion of the moderation clause and presented his committee's point of view on the pension review, which is on the Co-ordination timetable for the end of the year.

Gabriele Cascone, the Vice-Chairman of the CRP, standing in for its Chairman, Jean-Pierre Cusse, began by pointing out the major role played by AAPOCAD in the CRP. He went on to restate the position of the staff representatives, who hold that a moderation clause is not needed as long as salaries and pensions reflect the trend in national civil services. He then set out their position on the pension schemes, and underlined the consequences of the Member countries' failure, in the past, to pay their contributions.

He was followed by Margaret Gilman-Jaouen, standing in for Jean-François Poels, Head of the International Service for Remunerations and Pensions (ISRP), who was at pains to emphasise the problems involved in managing a growing number of pensions.

The Assembly then proceeded according to the usual agenda, including a presentation of the accounts and the budget for 2018, the results of the elections and the Chairman's report. The full record will be available in the January 2018 Bulletin.

The day ended with a closing dinner co-chaired by Syd Maddicott and Franco Ongaro. On Saturday morning, there was a very interesting guided tour of the ESTEC centre and its space museum, followed in the afternoon by a visit to the Mauritshuis museum in The Hague, on which artistic and cultural note our Assembly concluded.

The 2018 General Assembly will probably be held in Paris at the OECD's headquarters.

Conclusion

Before bringing this last editorial to a close, I would like to thank all those who have helped our Association to grow and to continue to represent and defend our pensioners during my term of office:

First, I am grateful to all our Members who, through the Governing Board, have encouraged and supported me in the challenging task of defending our interests in the Co-ordination process. The meetings of the Governing Board have sometimes been animated, and sometimes quite turbulent — a sign of its vitality. But all have ended with unfailing support for my work. I also owe a debt of gratitude to the Regional Delegates and Chairmen of the Associations on the Governing Board, who provide a key liaison with all the pensioners (I know they will forgive me for not listing them all by name, but I must mention Rüdiger Neitzel who does such important work in Germany).

I have had the benefit of the support and experience of colleagues who are pillars of AAPOCAD and experts in Co-ordination: Ivan Divoy, Raymond Van Schendel, Jonathan Sharpe (who sadly passed away last spring), and the permanent presence of the Members of the Bureau. My special thanks go to my predecessor Yves Borius, from whom I learnt much as Executive Secretary and whose advice has always been consistently useful. An Association such as ours cannot fulfil its task unless its Chairman has a dependable team: Steve Potter and Elfi Lindner, who successively took on the roles of both Treasurer and Executive Secretary, Michèle Lobin who is our current Treasurer; Ivan Divoy, Michel Garrouste and Jean Le Ber who have always advised me and attended Co-ordination meetings alongside me.

I must also thank those who have taken on less visible tasks, with whom we rarely cross paths, but without whom the entire machine would grind to a halt: Doris Cachin, our permanent assistant, as well as her predecessor, whose name will be familiar to almost all of you, Susan Whittinghill, who unfortunately passed away at the beginning of the summer. Colette Giret, who was Assistant Treasurer for many years, Cécile Poincloux and Nadine L'Helgoualch, who help the secretariat update our records. Our minute-writers, Françoise Moore, Françoise du Villard, Indira Brisset, James Moore and Malcolm Gain, whose work allows us to keep a record of all our meetings, also deserve the sincerest appreciation. Many thanks also to our auditor Gunnar Westholm.

It would be impossible not to acknowledge the heads and representatives of the institutions with which we work. The Secretary-General of the OECD, who has always warmly welcomed our General Assemblies and supported our work; the OECD's administrative and hu-

man resources departments which, despite budgetary pressure, provide us with considerable logistical support; the Joint Pension Administration Section (JPAS) and its head Sylvie Vanston, followed by the ISRP, whose head, Jean François Poels, with his close colleagues Antoine Michelet and Margaret Gilman-Jaouen are always on hand to listen to our requests and maintain the best possible relations with the pensioners, and of course Jules Buffaert and his successor Axel Reichl at Unit 2 in NATO.

I will also mention in particular our colleagues at the CRP, especially Chairmen Gianni Palmieri and Jean Pierre Cusse, who have always treated AAPOCAD as a full Member of their Committee and who have been as dynamic and resourceful in defending the interests of pensioners as they have those of serving staff. Many thanks

also for the regular publication on the *CRP Bulletin*, (available on our website) which is a very useful and informational tool.

My thanks go out to all of you, especially any I may have inadvertently overlooked in these acknowledgements. I may be stepping down from the Chairmanship but I am not leaving our Association, for which my services remain available if they should prove to be useful. I wish the next Chairman every success; and may he or she enjoy all the support and encouragement that the AAPOCAD community so freely gave to me during my term of office.

Bernard Wacquez
Chairman



Governing Board Elections

759 Members voted in this year's elections, a slight decrease compared to last year's turnout. Like last year, we circulated the election documents in paper form to all Members. The number of electronic votes (401) exceeded those by correspondence.

There were 8 vacant posts. Only one Organisation (NATO) presented four candidates for three posts. The other Organisations had the same number of vacancies as candidates.

Six of the posts were filled by the re-election of Members whose existing mandates had come to an end: Messrs Emmett, Roden, Garrouste, Le Ber, Veldhuyzen and Palmieri. Mr. Moore was re-elected after a year where he was not elected to the Board but served on the Bureau as Member responsible for the summary records. Mrs. Isabelle Tezcan has been newly elected at NATO. Congratulations to both new and returning Members!

Two Members whose mandate expired this year did not stand for re-election: Mr. Wacquez and Mr. Neitzel. Both will remain Members of the Bureau as Honorary Chairman and Honorary Vice-Chair respectively. The post of Chairman of AAPOCAD will be filled by vote at the next Governing Board meeting on 13th October 2017.

The Association expresses its warmest thanks to Mr. Wacquez and Mr. Neitzel for their important contributions and achievements during their mandates.

Elfriede Lindner
Executive Secretary

Election Results for the Governing Board

All the votes received by mail and electronically were counted on 4 May 2017 by the appointed scrutineers (Mrs. Cachin, Davies-Feiner, Leguillier, L'Helgoualch, and Poincloux), under the Chairmanship of Mrs. Lindner. The result of the elections is as follows:

Number of votes cast :	759
Invalid votes:	34
Valid votes cast:	725 (of which 401 electronically)

The candidates have received the following numbers of votes:

1) NATO (3 vacant posts)

Peter EMMETT	472
William RODEN	445
Isabelle TEZCAN	479
Francesco VELTRI	292

2) OECD (2 vacant posts)

Michel GARROUSTE	586
James MOORE	547

3) ESA (2 vacant posts)

Jean LE BER	574
Robert VELDHUYZEN	537

4) CoE (1 vacant post)

Giovanni PALMIERI	571
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As a result, the following candidates are declared elected or re-elected*:

NATO :	Messrs. Emmett*, Roden*, Mrs Tezcan
OECD :	Messrs. Garrouste* et Moore
ESA :	Messrs. Le Ber* et Veldhuyzen*
CoE :	Mr. Palmieri*

Results certified consistent with the count performed by the scrutineers,
Paris, 4 May 2017, Certified, the Executive Secretary,

E. Lindner



ANNEXES

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Annex 1 - Statements by Invited Guests

Mr Syd Maddicott
Chairman of the CCR

Dear Fellow Pensioners,

I am very pleased to be invited to address you again at your annual General Assembly. This will allow me to say:

“As I said in my speech at the General Assembly recently....” (Some may imagine that I mean the United Nations General Assembly!)

I’ll cover a few topics in my remarks today – my own role as Chairman of the Co-ordinating Committee on Remuneration (CCR), the process of Co-ordination itself and I’ll try and give an update on what is happening in Co-ordination at the moment, especially as it may affect pensioners of the Co-ordinated Pension Scheme.

The role of Chairman is a manifold one. First, I am the Chairman of the CCR (the body which represents the views of the Member States of all the Co-ordinated Organisations). That, believe me, can be difficult enough as the Member States often have differing views. When it came to reviewing the Remuneration Adjustment Method (RAM) last year, CCR Delegates were split in almost equal proportions in favour of the four possible combinations of salary movement in the civil services of the eight reference countries (real/nominal and gross/net) on which it should be based.

But at Co-ordination meetings I am also obliged to chair joint meetings of the CCR and the Committee of Representatives of the Secretaries/Directors-General (CRSG) and tripartite meetings of the CCR, CRSG and Committee of Staff Representatives (CRP). I occasionally chair meetings of the CCR and CRP, too. In all such meetings, I have to represent the views of the CCR but at the same time, I also have to act impartially as Chair. It should not be assumed that my job is to defend the positions taken by the CCR, either in Co-ordination meetings

or as I address you here today, but I do, of course, have a responsibility to see that the views of the Member States are made clear. As I said when I was interviewed by Member States nearly two years ago, I do not follow the agenda of any Member State or States (including the State that proposed my candidature). Nor do I have an agenda of my own. My position is one of impartiality.

If I have come to one conclusion after nearly two years in my job, it is that the role of the Chairman must to some extent be to defend the process of Co-ordination itself. I have found myself on occasion giving advice to the CCR that certain courses of action, certain positions, should be considered carefully in case they may cause harm to Co-ordination.

My reasoning is that Co-ordination has benefits for all concerned.

For the six Co-ordinated Organisations, it provides a means of working within a system of allowances, salary adjustments and pension rules that would cost much more to operate if each Organisation had to do the work itself. In addition, another (18) Organisations are entitled to use the output of the CCR’s recommendations for a fair Associate Organisation fee. All the Organisations can justify their allowances and pay to their Governing Councils because they are delivered as part of a wider system independently agreed by Member States represented in the CCR.

Some senior managers may complain from time to time that the decisions of the CCR do not deliver high enough compensation packages; others may complain that they cannot handle, within constrained budgets, the salary adjustments and allowances awarded through Co-ordination. But broadly speaking Co-ordination delivers for the Organisations, whose views are represented in the process by the CRSG.

Co-ordination also delivers for the staff and pensioners of the Organisations. Co-ordination tends to prevent Organisations taking arbitrary decisions on compensation and pension arrangements at times of financial pressure. Decisions of the CCR tend, on the whole, to be reasonable (I am sure the other speakers could mention some exceptions!) and the CCR takes legal advice on its recommendations, with the possibility of legal challenges from Co-ordinated Organisation staff (or pensioners) being considered before any action is decided upon. The close involvement of the CRP in the Co-ordination process is an important element in ensuring that staff and pensioners are treated fairly. AAPOCAD is well represented on the CRP and your own Delegates to the CRP make a contribution, one of which I will mention later.

The Member States gain some benefits from the process, too. They have a forum, which can influence the way that pay is adjusted and they can exert some control over the allowances paid to staff. It is easier for decisions to be justified in the capitals of Member States when those decisions are seen to be taken under the aegis of a well-established international system. That does not mean that all Member States are entirely happy with what they get out of Co-ordination but some are perhaps coming to realise that Co-ordination is not the best place to attempt to address major budgetary questions. Member States need, perhaps, to improve their liaison with their representatives at the Organisations themselves. Co-ordination is time-consuming and can be highly technical (and, I will confess, tedious at times). If I have one major criticism of the process, it is the time taken to come to decisions. However, I am pleased to report that in the last year there have been a number of decisions reached resulting in CCR recommendations.

I will mention the principal decision reached since your last Assembly – an agreement on the new Remuneration Adjustment Method, which came into effect from 1 January 2017 and will last for at least four years. This was agreed at an Extraordinary Co-ordination meeting last July and was achieved in time despite some difficult negotiations. I am very pleased to be joined here today by the two Vice-Chairs of the CRSG and CRP respectively, Xavier Imbert and Gabriele Cascone. Along with me, they presided over the Extraordinary meeting of July 2016. Their help and skill was essential in ensuring we had an agreement all could live with. I should point out that one feature of the new method agreed was the improved treatment of staff in high-inflation countries. Last week the CCR signed off three reports giving increases in pay and allowances to Co-ordinated Organisation staff in Turkey because of the high inflation, which prevails there.

That agreement on the new Remuneration Adjustment Method was contingent on the three Committees coming to a further agreement on a ‘moderation clause’ (or an ‘Addendum’ to use the neutral term). This was to be agreed by the end of June this year and come into effect on 1 January 2018.

A number of CCR Member States were concerned about the results of the existing method, which could be seen to give reasonably generous increases to Co-ordinated Organisation staff while civil servants’ pay awards in their own countries were severely depressed. The moderation clause, which was brought forward by the CCR, sought to solve this ‘average syndrome’ issue and also to limit ‘inappropriate’ or ‘excessive’ pay awards. The CRSG eventually responded with a ‘trimming procedure’ in which the highest and lowest countries would be excluded from the average on which the Co-ordinated Organisation reference index is based. I might add that at the Co-ordination meeting in December at which the CRSG presented this proposal, we also saw a very cogent (in my humble opinion) presentation by your AAPOCAD Delegate Jean le Ber on which I again congratulate him.

The CCR expressed its disappointment with the trimming procedure and the CRSG eventually came back with a further set of options in March 2017, some of which were loosely based around the CCR’s original proposals. One Organisation could not join the CRSG consensus on the range of options. The CCR considered these options and there was some further negotiation at the March 2017 meeting.

The CCR then held a special meeting on its own in Paris on 9 May at which the options were examined thoroughly. The CCR now has near-consensus on its position, which will be to support a version of the CRSG’s Option 3 that has a trigger, which potentially limits pay awards. There will be some debate about provisions for ‘smoothing’ or ‘return to normal’ after the trigger has applied. Many CCR Delegations favour no such ‘return to normal’ but most can live with a partial return to normal and that is the CCR’s position. The CCR also favours a limit on pay awards (with a symmetrical floor and a ceiling). Whether a return to normal is necessary in this case is a subject for further debate. The CCR will enter positively into the final stages of the negotiations with the CRSG and CRP at Frascati next month and I am optimistic about a final deal on an Addendum.

You would think that at any meeting of pensioners the subject of pensions (and any potential reforms) would be of major interest. However while, the CCR has agreed to undertake a holistic review of pensions, there

are at present no proposals on the Co-ordinated Pension Scheme (CPS) that would affect existing pensioners. So my comments are for your general interest only. The Franco-Belgian proposal on tax adjustment remains on the table. The other areas the CCR will consider over the remainder of the year are the normal retirement age for the CPS and the level of staff contributions. The process will be aided by a pensions workshop to take place at the forthcoming Frascati Co-ordination meeting in June in which a number of elements, including legal, financial and actuarial questions will be considered.

The other things on the work programme that are worth mentioning are the review of the Education Allowance (which is, I think, the only major allowance not to have been reviewed in recent years). This will, I am sure, be a particularly sensitive topic for Co-ordination. NATO will also be giving the meeting in Frascati a presentation on the single spine salary structure it intends to introduce. Success with it at NATO may lead other Co-ordinated Organisations to consider it, too. I think Co-ordination has been relatively busy in the period since I chaired my first meeting in September 2015. Much of the agenda then under negotiation has now been dealt with and this may enable us to dispense with the December ('in case of need') meeting this year. I see Co-ordination as being in reasonable health and remaining fit to serve the needs of management, staff and the contributing Member States of the Co-ordinated Organisations.

Lastly, it would be wrong to conclude my remarks without thanking the International Service for Remunerations and Pensions (ISRP) for the work that they do in undertaking all the analysis required to enable the three Committees to establish their positions on the key issues. This is very much appreciated, I am sure, by all three Committees.

Thanks for your kind attention. I wish you the best for the remainder of your Assembly.

Syd Maddicott

Mr Xavier Imbert
Vice-Chair of the CRSG

Dear Mr. Chairman, Dear Members of AAPOCAD,

I would like to thank you for this invitation, which is my first meeting with the AAPOCAD General Assembly.

For the last ten years, I have represented ESA and our Director-General on the Committee of Representatives of the Secretaries/Directors-General (CRSG), of which I have been one of the two Vice-Chairs.

I am here today in two roles—mainly as the Vice-Chair of the CRSG, standing in for Patrice Billaud-Durand but also as a Member of the Pensions Administrative Committee of the Co-ordinated Organisations (PACCO), standing in for Bernard Job. Patrice and Bernard send their apologies for not being able to be present today.

I will address two subjects:

- The CRSG's position on the moderation clause;
- The CRSG's position on the possible pension reforms.

But before going into these subjects, I would like to say a few words about the CRSG:

- It is one of the three Co-ordination committees, whose Members work in the Human Resources Departments of their respective Organisations.
- Its task is difficult: ensuring that the employment conditions discussed within Co-ordination are attractive enough to attract and retain the best staff—and that the Co-ordinated Pension Scheme remains a good scheme. We must be accountable to our governing bodies in order to manage our Organisations, sometimes under difficult economic conditions (zero growth, control of wage costs, the termination of certain programmes, the surging cost of pensions, etc.). Therefore, our action can sometimes be halfway between the views and interests of the CCR and those of the CRP.

I would like to highlight the great diversity that exists among the six Co-ordinated Organisations:

- their size (250 staff at EUMETSAT and 5700 at NATO);
- their budgets;
- the nationalities represented (at NATO and the OECD from different continents, and only Europeans in the other four Organisations). As a result, there are different problems linked to expatriation. For example, the need to bring non-Europeans to the OECD and NATO has implications for the employment of spouses;
- location: two Organisations have several sites in Europe, while the other four are mainly established in one country, which affects Purchasing Power Parities (PPPs), for example;
- very different contractual policies: the Co-ordinated Organisations with a high turnover do not have the same constraints as those with permanent contracts and a career perspective;
- more generally, human resources policies can be quite different (e.g. career development, rewarding performance etc., and this has implications for remuneration policies, as well as issues such as retirement age and, therefore, pension schemes.)

So it can be difficult to put all this together within the CRSG and to speak with one voice. But that remains our goal, at the cost of the occasional concession.

I am coming now to the two themes of my speech today:

- The CRSG’s position on the moderation clause;
- The CRSG’s position on the possible pension reforms (specifically the tax adjustment.)

1. The CRSG’s position on the moderation clause

A little history

As you must know, the proposal for a salary moderation clause was put forward by a certain number of CCR Delegates during discussions of the new salary adjustment method about a year ago.

This clause was first communicated to the other two committees at the end of the discussions in June 2016. We had been told that this was a *sine qua non* for the CCR Delegations to agree to the renewal of the adjustment method that had been in force for four years.

This proposal, formulated *in extremis* at the last tripartite meeting before the summer of 2016, which was the meeting at which the new method was to be recommended by the CCR, caused a great deal of dissent within the other two committees, especially the CRSG. The main reason given to justify it was the “average syndrome”, namely that some Delegations could not explain in their capitals the increases granted by the co-ordinated adjustment system, which sometimes differed substantially from the national civil services.

At this same session in June 2016, the CRSG argued that while it could understand the problem, it could not accept:

- the practice of suddenly revealing a proposal at the last meeting that had never been discussed with the other two committees; or
- the content of the proposal which was based on two parts: a **trigger** consisting of a reference index reduced to zero if at least two of the eight reference countries had a national reference index equal to or less than 100 and an upper limit **of 102 (or 2%) on the value of the Co-ordinated benchmark.**

It was therefore decided to hold an extraordinary Co-ordination meeting in July 2016. The three committees agreed on the following at the end of this meeting:

- a proposal for a new salary adjustment method very similar to the old method (even improving the treatment of countries with high inflation) valid for a four-year period (1 January 2017 to 31 December 2020);
- discussions started as soon as possible on the content of a moderation clause, to be introduced in an addendum to the new method, which the CCR should adopt no later than its June 2017 session for Council submission at the six Co-ordinated Organisations and initial implementation on 1 January 2018.

The CRSG undertook to examine the clause in good faith, calling on statistical and economic experts from the OECD.

In order to carry out this analysis and formulate a clause that met the objectives, we asked the CCR to remind us of what they wanted to achieve.

The CCR indicated that there were two main objectives in adopting a moderation clause:

- addressing the above-mentioned “average syndrome”; and one which was new to us
- avoiding salary increases perceived to be “inappropriate”.

During a Co-ordination meeting in December 2016, some CCR Delegates made it clear that their objective was better-controlled budgetary costs within our Organisations, especially payroll.

I will not go into further details of the discussions that followed or the different types of clauses that were considered by the CRSG and discussed with the CRP and the CCR, which should reach a result before June 2017.

The CRSG’s position regarding a revealing figure

We remain convinced that the salary adjustment method is mathematically correct and that it reflects faithfully national trends and even that it is prudent, remaining below the curve:

- the adjustment method for the Co-ordinated Organisations produced real annual salary growth of 0.2% between 2000 and 2017, well below the median salary growth in the eight reference countries (0.5%); the salary increases granted since 2000 reflect the real increase in the remuneration of reference civil services.

The Principles of a moderation clause according to the CRSG

- 1) The results of the adjustment method are and remain the norm while the affordability clause or any moderation clause should be the **exception**.
- 2) The results of the adjustment method must be **stable, predictable and objective** in order to produce transparent, indisputable, and therefore **non-arbitrary** adjustment indices.

3) The results must also **respect the principle of parallelism with the national civil services (NCS)** of the eight reference countries and the equivalence of purchasing power between the staff members of the Co-ordinated Organisations.

4) In the course of the discussions, and to implement this parallelism, another element appeared to be important for the CRSG: the principle of **“return to normal”** according to which salary moderation should subsequently be lifted after a certain time. (This principle is strongly opposed by the Delegations who consider that some increases are “inappropriate” and, more fundamentally, that salary levels should be controlled by this method).

The CRSG’s approach in the negotiations with the CCR

Reminder: In December 2016, the CRSG put forward a proposal for a technical moderation clause on salary, recommended by OECD experts (a **trimming** procedure, or **“truncated average”**, which limits the volatility of national benchmarks in a given year year, while preserving parallelism). This proposal was **rejected** by the CCR (which felt that it did not meet its objectives) and the CRSG was asked to formulate clause proposals closer to that proposed by the CCR in June.

This created a small “schism” within the CRSG between the Co-ordinated Organisations that considered that the only acceptable method was trimming and that the CCR’s desire to lower officials’ remuneration levels exceeded the role of the CCR, and those who, while largely sharing these views, but aware of the CCR’s determination to impose a moderation clause, were in favour of continuing discussions in order to “limit the damage” and propose other alternatives. This even led to exchanges at the highest level between the Secretaries-General and Directors-General of the various Co-ordinated Organisations, with the OECD Secretary-General intervening and making an official declaration in person at the ESA headquarters where the Tripartite was held in early March.

Finally, the CRSG put a number of options on the table in February 2017, and the OECD annexed its own position to that document.

But our objective, as stated above, was to reach an agreement with the CCR that could be shared by the six Co-ordinated Organisations.

As Chairman Maddicott just said, the CCR met on 9 May in order to finalise its position (which I understand is still open to discussions with the other two committees). The CRSG and the CRP held a bilateral meeting the

day before yesterday and the final decision will be taken on 13 to 15 June at the Tripartite meeting which will be held at ESA in Frascati, near Rome.

The CRSG will do all that is in its power to convince the CCR to adopt one of the options that satisfy the criteria that I mentioned above and reach a consensus with the six Co-ordinated Organisations.

2. The CRSG position on the pensions review

Rest assured, I will be more concise on the pensions review, for the simple reason that it has not yet started! However, it is on the agenda of the next Co-ordination meeting in June 2017, where a pensions workshop will be held.

Two themes have been discussed for many years:

- the tax adjustment; and to a lesser extent
- the contribution ratios between Member countries and staff
- These two questions concern Articles 42 and 41 of the pension scheme regulations

It is precisely because no agreement has been reached on these two issues between the CCR and the other committees that the former decided to review them in the context of a more general review of the different pillars of pensions.

Feasibility of a co-ordinated pension scheme reform according to the CRSG

In principle, the CRSG is not opposed to a re-examination and possible reforms of the Co-ordinated Pension Scheme.

However, it notes that up until now major changes have been brought in by introducing new schemes applicable to newcomers, without affecting the current staff (or pensioners, for that matter!).

The CRSG informed the CCR of its readiness to examine any idea that would satisfactorily fulfil reasonable and justified objectives. Prerequisite: The need to clearly define such objectives and to examine the legal feasibility of possible measures to limit operational and litigation risks. There remains the requirement to avoid attacking key and fundamental elements of the Co-ordinated scheme.

It is to discuss these points that a half-day will be dedicated to a pensions workshop at the next Tripartite meeting in June.

I would like to turn now to the CRSG's position on the two aspects of the pension scheme currently being considered by the CCR.

The CRSG's view of the tax adjustment

The CRSG has clearly opposed the CCR's intention to reform the tax adjustment system, as it does not see the value or the objective of such a reform.

Amendment of Article 41 of the Co-ordinated Pension Scheme

The CRSG is **committed to the uniform application of the Co-ordinated Pension Scheme** in all Co-ordinated Organisations, and is therefore not in favour of flexibility in the employee-Member country contribution ratio by Organisation. The representation of the Council of Europe to the CRSG shows some restraint on this subject, since this request for amendment originated from the governing body of its own Organisation.

Concerning these two measures (tax adjustment and contribution ratio), we also drew the CCR's attention to potential **legal risks**.

I will not say more on these pension issues today, but it is clear that as soon as the question of the moderation clause has been settled (that is to say in one month's time!), they will be very high on the CCR's agenda.

I am sure that Patrice Billaud-Durand will have some interesting news to share with you at the next AAPOCAD General Assembly 2018!

I would like to thank you again for your invitation and for your attention and I wish you an excellent General Assembly.

Xavier Imbert

Mr Gabriele Cascone
Vice-Chair of the CRP

I would like to thank you for the invitation. I am here with you today to replace the CRP Chairman, Jean-Pierre Cusse, who asked me to send his regards.

AAPOCAD is a crucial Member of the CRP. Corporate memory, experience, knowledge of the files, as proven by the AAPOCAD's most recent contributions to the discussions on the salary adjustment method and moderation clause (Many thanks to Mr. Jean Le Ber.). Since my joining of the CRP in February 2014, I have been able to appreciate and learn a lot from the AAPOCAD Chairman and his colleagues. We, as CRP hope to be able to count on this outstanding AAPOCAD support also for the future.

Moving to the issues of the day, the main topics are pensions and the so-called moderation clause. Let me tackle them in reverse order.

You have heard the CCR Chair and the CRSG positions on this issue. The CRP is, unsurprisingly, aligned with the CRSG view that any break of the parallelism is unacceptable. Let me explain what is at stake in principle, sparing you the technicalities.

First of all, let me go back to what Jean Le Ber brilliantly indicated in his study on the topic: there is no need for a moderation clause, the adjustment of our salaries follows tightly the evolution of salaries in the civil services in Member States. There is a "perception" from nations of "inappropriate pay rises" which is not justified by any objective analysis. But in the age of "post-truth", objective analysis is out of fashion.

The real issue, as the CRP has listened with growing concern in the past months from a number of CCR Delegates, is not the annual adjustment, but the "salary package" of international staff. In other words, what at least these CCR Members have in mind is to use a "moderation clause" as a surreptitious way to progressively reduce the salaries of international staff to a lower level that they consider "more appropriate".

However, in this way, and notwithstanding what nations have themselves committed to, those CCR Members are ready to abandon the parallelism between the evolution of our salaries and those of national civil services. But if we abandon this parallelism for arbitrary cuts and reductions, what is left of "a stable, objective and foreseeable method" (Here I am quoting the CCR.)? And to bring it even one step forward, what is left of the Co-ordination? Why accept lengthy and complex negotiations to lead to arbitrary and unfair outcomes? For that,

we can fight the battle in front of our own Councils! And I am wondering if those nations who are now so strict on pushing for these positions are realising that they might be preparing the ground for the demise of the Co-ordination. But then, everybody will assume his or her responsibilities.

That is why, for the CRP, the respect of certain key principles is fundamental. And, sorry to disagree here with the CCR Chair, to say as he did in the past that there are many ways to look at parallelism also belongs to the "alternative facts" that should have no place in an honest negotiation. And to this honest and serious negotiation the CRP remains open and committed until the last moment available, if the CCR wants it.

Now let me turn to the issue of pensions. Let me first reassure the audience, there is no threat in anything being discussed to the conditions of those who have already retired and I am deeply jealous of that!

What the CCR has planned is a "holistic" review of the Co-ordinated pensions system. We are not yet sure where this is going. We will have a first idea when the initial discussions take place next month in Frascati but, here again, let me point out a few principles:

- In the 40+ years of existence of the Co-ordinated Pension Scheme, nations have knowingly accumulated liabilities and have had to increase their payments to finance the pensions. The reasons for this are pretty evident: nations did not want to put their contributions in a fund at the time when those contributions were due, and, in some cases (such as NATO), they were even taking the contributions of active staff and using them for a different purpose, making sure that not a penny (or cent) was left in the pot. Now they start to complain that pensions are expensive, that the accumulated liabilities are too onerous, that things must be changed to reduce their costs. This is a situation that nations have created for themselves in not honouring their past debts and we will never accept that they use a "holistic review" (There are indeed some great spin masters in the CCR minting these expressions.) as a means to avoid the burdens that they have created for themselves.

I thank you very much and I wish you an excellent General Assembly.

Gabriele Cascone

Mrs Margaret Gilman-Jaouen

Head of Computation Unit,

*International Service for Remuneration and Pensions
(ISRP)*

Thank you Mr Chairman, Ladies and Gentlemen,
Dear Pensioners,

It is an honour and a pleasure to be with you for your annual meeting and I thank you for inviting me here.

It is customary for the Head of the International Service for Remunerations and Pensions (ISRP) to tell you about its activities. Jean-François Poels was unfortunately not able to come this year and he has asked me to apologise for his absence and also to send you his sincere greetings.

While I am used to addressing future retired staff in meetings and during retirement information seminars, and I am always happy to talk to pensioners individually, this is the first time that I have found myself facing such a splendid assembly of pensioners! Collectively you are quite awe-inspiring!

As you know, the ISRP was created from two entities common to all the Co-ordinated Organisations, which were from the outset responsible for the development of salary scales for the staff as well as the administration and uniform application of pensions. Over the years, we have extended our range of activities to the administration of pension reserve funds, actuarial work and co-operation with other non-Coordinated International Organisations. But your relationship with the ISRP as a pensioner is linked with the calculation unit, which as its name suggests, calculates your pension rights and your monthly payment.

As regards the management of pensions more specifically, two calculation units have been set up.

Although Unit 1 of the Calculation Unit, for which I am responsible, is located administratively in the OECD's Paris headquarters, our offices have been located in the new premises in Boulogne-Billancourt with the rest of the ISRP since October 2016. The ISRP manages the pensions of five Co-ordinated Organisations—and I am including the pensioners of the Western European Union, dissolved in 2011—and five non-Coordinated Organisations with a scheme that is comparable to ours.

My counterpart Axel Reichl heads Unit 2 of the Calculation Unit, which is located in Brussels at NATO headquarters and covers all NATO sites.

The two calculation units work together. Every three months, all accounts for the settlement of new pensions and entitlements within the Co-ordinated Organisations, including NATO, are reviewed and validated by an internal approval committee, which is in Paris, prior to communication to PACCO (Pensions Administrative Committee of the Co-ordinated Organisations), which then recommends final approval by the Organisations in accordance with its mandate.

The European Centre for Medium-Range Weather Forecasts (ECMWF), located in Reading, United Kingdom, manages the payroll of its pensioners, while the ISRP carries out a number of tasks on its behalf, such as the approval of the accounts, the calculation of pensions and the tax aspects. These pensioners have Francesco Daniso as their main contact.

This is why, depending on your case, your contact may have a postal and email address either at OECD, NATO or ECMWF, and why you see them on the annual ISRP letter.

The ISRP is composed of 40 people, twelve of whom work in calculation unit 1, where our core business is pension management and payroll. In this team of twelve, eight payroll managers deal with the correct application of the pension settlement so that you receive what you are entitled to.

You will appreciate how effective they are when I tell you that last month nearly 7000 pensions were paid by these eight managers in Unit 1.

By December 2016, the total number of pensions for Co-ordinated and Associated Organisations, was 10,528 (!) compared with 9,759 in December 2015, 8% more than the previous year. In the same period, the number of pensions in the New Pension Scheme increased from 72 in December 2015 to 94 in December 2016 or 31%.

In the Co-ordinated Organisations in 2016, 69% of pensioners were resident in four countries: 37% in France, 11% in Belgium, 11% in Germany, and 10% in the Netherlands.

Our work is regulated by the monthly payment deadline. All of our actions are guided by the pension regulations and its uniform application.

Please note that within a month we have about ten days to enter any changes you send us by post or email.

In addition to your communication, we also handle:

- Organisations' requests (education allowances, insurance contributions, etc.);
- Changes in benefits over time, anticipated pensions of pensioners reaching the age of 60, dependent children reaching the age limit;
- Application of new salary scales;
- The application of the new tables to calculate the tax adjustment for almost all Member countries;
- Oh, yes! And then, the new pensions of your former colleagues when they too take retirement;
- And more sadly, the termination of pension entitlements at death and the calculation of pensions for surviving spouses and dependent children.

Indeed, the days of the calculation unit team are well filled.

The amendments are verified internally both in terms of calculation and in terms of the correct application of the Regulations. After these checks, we produce a summary record and accounting files for the Organisation, as well as remote transmission orders that are sent to the bank of the Organisation so that you get paid, and the payslips issued in your name.

This is the complex work that is co-ordinated by the managers, the accountant, our assistant, my deputy and me, as well as our data processing specialist. At our request, an external accounting firm checks that the bank statements of the pension accounts match the payroll documents produced every month by the ISRP.

Between two payments, our team researches the answers to questions you have asked to ensure that your request complies with the regulations and that you receive what you are entitled to. We stay in permanent contact with the Human Resources of your former Organisations in order to do this. We like to imagine that you are our uncles and aunts (for younger managers) or our dear colleagues (for those who have been in the unit for twenty years or more), in order to give you the best of ourselves, because as well as being good at maths, our managers very much appreciate the human aspect of our work and the contact with you.

In addition, the rules and regulations have two other requirements on top of this monthly work: sending out the Annual Form and the statements of annual bene-

fits and the confirmation that the pension was declared to the tax authorities.

This does not just involve the technical side of issuing them, but most importantly, the updates following the returns of these forms. Then we determine who should receive a reminder. And then we do everything we can to find out why a particular pensioner has not responded, before we suspend payment of the benefit.

My team has asked me to speak to you with a view to improving service for everybody, in a way that makes sense, so that they can focus on the essentials.

Please don't worry and call us after you return your document to ask if we have received it. If we do not receive your form, you will receive a reminder.

If you have questions about how to fill in your tax return, you should seek advice from your tax centre. We are not entitled to give tax advice in the ISRP.

Also, a small reminder that the amounts on the statements of benefits are stated before deduction of the contributions to insurance and the Associations. The tax adjustment calculation is based on this amount, in accordance with the instructions of the Member countries. It is checked every year. Organisations report this amount and the tax adjustment to tax services within Member countries.

The team has asked me to urge you to give the ISRP the contact details of a trusted person, authorising them to contact this person in case you have to be absent for a long time. This person can notify you that the ISRP is trying to reach you, so that you can contact us and avoid the suspension of payments.

I would like to mention a recent problem concerning the bank of three Organisations. This bank wants to increase payment security. We have been working on this with the bank as well as the Organisations since last year. A technical problem between the software and the bank's platform caused a processing delay in foreign currency transfers, despite numerous interventions. Our managers contacted all the pensioners affected (about 250 payments) by email or by post on the day to warn them of the delay, which was also worrying because the incident happened just before the weekend of 1 May. Most payments went through prior to the weekend. There were some issues related to SWIFT BIC codes which were changed without warning, but they were not related to the same problem. Thank you for your patience. I would like to point out that, as far as I know, for the twenty years I have been in the pension service, this

is the first time that ISRP has been late with any payment.

I would like to take this opportunity to give my special thanks to Brigitte Consigny, who is retiring this summer, for her dedicated work as the payroll manager for the Council of Europe, and in the past for ESA and WEU. Some of you already know her, and since she has just received an invitation to join AAPOCAD, you may have the opportunity to meet her as a new Member!

Mr President, I shall stop here. But first, I would like to say thank you to you and your dynamic, efficient and pleasant team. Long live AAPOCAD! And thank you to all of you!

Margaret Gilman-Jaouen



**Annex 2 - Photos of the 2017 General Assembly
Noordwijk, The Netherlands**



Photos Courtesy of Mrs. Elfi Lindner, Executive Secretary & Mr. Malcolm Gain, Regional Delegate of France



Annex 3 - Composition of the Governing Board

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2017**

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Annex 4 - Financial Situation and Budget 2016 – 2018

Situation as at 31 December 2016

The AAPOCAD's accounts for the year 2016 show first of all a relative stability of revenues, i.e. plus 1.51 per cent, and a reduction of expenses by 8.16 per cent. These variations result in a surplus of 32,238.17 Euros compared to 18,960.46 Euros in 2015.

The major part of the income comes from the membership contributions of 152,485.64 Euros from a total of 2,642 Members as of December 31, 2016. As last year, financial income decreased by 330 Euros for the year 2016 despite an increase in assets on the Savings Account, since interest rates are constantly falling. In addition, a 2015 expenditure, for which the invoice had not yet been received at the time of the closure of the 2015 accounts, had been provided for in the budget for 2015. At the beginning of 2016, the invoice finally proved to be less than the provision, which generated revenues recorded on the 2016 accounts as "Adjustment of previous year" for an amount of 1,099.67 Euros.

The major part of the savings is due to the organisational costs of the 2016 General Assembly. It should be noted that every other year the General Assembly is held in Paris, which was the case in 2016 at OECD Headquarters. The 2016 expenditure was 668.50 Euros compared to 5,513.50 Euros in 2015. There are also savings in the travel expenses for the Governing Board Members, in particular for the General Assembly.

Accrued liabilities of 19,409.27 Euros correspond to services rendered in 2016 by the OECD and whose invoices have not yet been received, but were charged to the 2016 accounts.

The assets of AAPOCAD amounted to 311,795.78 Euros, an increase of 11.53 per cent over the previous year.

Revised budget 2017 and draft budget for 2018

The revised budget for 2017 takes into account the actual figures for 2016 and mainly the cost of a General Assembly outside France as in 2015. Currently, the cost estimates for the General Assembly in Noordwijk in 2017 will be closer to 7,000 Euros compared to 3,000 Euros budgeted in initially. The income from membership contributions has been readjusted by an increase of 1,000 Euros.

In total, except for unexpected events by the end of 2017, a surplus of 3,800 Euros will be available after financing the General Assembly in Noordwijk at the ESTEC Headquarters in The Netherlands and the AAPOCAD Conference of Associations of Pensioners/Retirees of Intergovernmental Organisations (1,575 Euros).

In the 2018 draft budget, savings on spending are anticipated for the organisation of the 2018 General Assembly in Paris. In the light of the 2016 accounts and the revised 2017 budget, we can estimate a surplus of 10,800 Euros if revenue from membership contributions remains stable.

Michèle Lobin
Treasurer

AAPOCAD

TABLE 1
INCOME AND EXPENDITURE 2015-2016 AND DRAFT BUDGET 2017-2018
(Euros)

	2015	2016		2017		2018
	Outturn	Revised Budget	Outturn	Initial Budget (a)	Revised Budget	Draft Budget
INCOME						
Subscriptions	150,927.67	151,000.00	152,485.64	151,000.00	152,000.00	152,000.00
Interests / Capital gains or losses	2,213.34	2,000.00	1,879.54	2,000.00	1,800.00	1,800.00
Adjustment of previous year	0.00	0.00	1,099.67	0.00	0.00	0.00
	153,141.01	153,000.00	155,464.85	153,000.00	153,800.00	153,800.00
EXPENDITURE						
General Assembly: a) reception	2,480.00	500.00	668.50	2,000.00	2,000.00	1,000.00
b) other (room rental, interpretation)	3,033.50	1,000.00	0.00	3,000.00	7,000.00	1,000.00
	5,513.50	1,500.00	668.50	5,000.00	9,000.00	2,000.00
Travel - Coordination missions	7,064.77	8,500.00	5,916.48	8,500.00	8,500.00	8,500.00
- Governing Board	23,664.09 *	20,000.00	16,210.95	20,000.00	20,000.00	20,000.00
- Regional Delegates*	0.00	5,000.00	5,162.10	5,000.00	5,000.00	5,000.00
	30,728.86	33,500.00	27,289.53	33,500.00	33,500.00	33,500.00
Experts/consultants/CRP	6,176.97	7,000.00	3,945.10	7,500.00	7,500.00	7,500.00
Miscellaneous**	1,364.50	500.00	447.15	500.00	500.00	500.00
Representation	179.75	500.00	306.00	500.00	500.00	500.00
Secretariat (salary)	71,791.62	74,000.00	72,507.16	75,000.00	75,000.00	75,000.00
Office supplies, computer, telephone	4,296.64	3,000.00	3,097.00	3,000.00	3,000.00	3,000.00
Document printing	3,979.49	4,000.00	3,228.92	4,000.00	4,000.00	4,000.00
Packaging and postage	10,149.22	12,000.00	11,737.32	12,500.00	12,500.00	12,500.00
Assistance and participation in appeals	0.00	4,500.00	0.00	4,500.00	4,500.00	4,500.00
	97,938.19	105,500.00	95,268.65	107,500.00	107,500.00	107,500.00
Total expenditure	134,180.55	140,500.00	123,226.68	146,000.00	150,000.00	143,000.00
SURPLUS OR DEFICIT	18,960.46	12,500.00	32,238.17	7,000.00	3,800.00	10,800.00

(a) Approved at the General Assembly 2016

* Travel expenses of non-elected Regional Delegates to Governing Board meetings (included until 2015 in the previous line)

A.A.P.O.C.A.D.

Table 2

FINANCIAL SITUATION 2012 - 2016
(Euros)

	2012	2013	2014	2015	2016
<u>Income</u>	105,072.75	138,662.73	139,236.09	153,141.01	155,464.85
<u>Expenditure</u>	109,775.42	141,747.46	128,383.14	134,180.55	123,226.68
<u>Surplus/Deficit</u>	-4,702.67	-3,084.73	10,852.95	18,960.46	32,238.17
<u>Net assets as at 1st January</u>	0.00	236,614.97	233,590.71	258,933.66	279,557.41
<u>at 31st December presented by Assets</u>	236,614.97	233,590.71	258,933.66	279,557.41	311,795.58
Amounts receivable	5,545.00	0.00	0.00	0.00	0.00
Investments *)	240,879.09	224,660.37	247,242.00	249,455.34	286,334.88
Bank	8,249.75	22,367.07	28,902.35	45,038.51	44,861.75
Cash	10.60	31.72	6.72	130.42	8.42
Reimbursement advance		5,500.00			
Total *)	254,684.44	252,559.16	276,151.07	294,624.27	331,205.05
<u>Liabilities</u>					
Amounts payable	18,069.47	18,968.45	17,217.41	15,066.86	19,409.47
Total (net) *)	236,614.97	233,590.71	258,933.66	279,557.41	311,795.58

*) includes from 2014 "Pfändner Fund": 20.000 € on Savings Account

Certified exact,

Michèle LOBIN
Treasurer

