



CONFEDERATION DES ASSOCIATIONS DE RETRAITES DE L'OTAN
CONFEDERATION OF NATO RETIRED CIVILIAN STAFF ASSOCIATIONS

SOUS LA PRÉSIDENTE D'HONNEUR DE
MONSIEUR LE SECRÉTAIRE GÉNÉRAL DE L'OTAN

ORIGINAL: ENGLISH

CNRCSA(2022)R/2

07 December 2022

REPORT ON THE ENLARGED MEETING OF THE CNRCSA EXECUTIVE
COMMITTEE WITH CNRCSA DELEGATES AND NATIONAL REPRESENTATIVES
HELD IN THE SHAPE CLUB
ON FRIDAY 21 OCTOBER 2022 AT 10:30 A.M.

The meeting was preceded by an EXCOM meeting of the four constituent Associations to elect a Vice-Chairperson and a Treasurer of CNRCSA for two years. See Item II.

OPENING REMARKS

The Chairperson welcomed the EXCOM members, the CNRCSA Delegates and the National Representatives; he thanked ANARCP and in particular Jean Vanderwal for all the work done for hosting the meeting. Attendance is shown in the distribution list at the end of this report.

I. ADOPTION OF THE AGENDA

Document: CNRCSA(2022)A/2, dated 16 October 2022

The EXCOM adopted the agenda. The Executive Secretary was asked, in future, to send out the agenda several weeks before the meeting. This was accepted, knowing that modifications could be applied till a few days before the meeting. (**Action item 1**)

II. ELECTION RESULTS

Chairperson Jonathan Parish announced that the EXCOM held a vote between 10:00 am and 10:30 am under secret ballot to elect the Vice-Chairperson: Olivier Guidetti was reelected. Treasurer remained Erwig Marquenie, as he was the only candidate. Both candidates were thanked, congratulated, and applauded.

III. APPROVAL OF THE REPORT OF THE PREVIOUS MEETING

Document: CNRCSA(2021)R/2 dated 25 November 2021

The document had been approved by silence procedure ending 29/11/2021. No remarks had been received on its 4 attachments sent on 09 February 2022.

IV. FOLLOW-UP TO DECISIONS MADE AT THE PREVIOUS MEETING

Document: CNRCSA(2021)R/2, Annex 4 dated 09 February 2022

- Item 1: Bank fees on pensions: No action could be obtained by AAPOCAD.
Advice: contact the NPU in the beginning of the year.
- Item 2: Taxation Invalidity pensions in the Netherlands: new discussions are ongoing.
- Item 3: Today no urgent need is felt for a separate representation of the Iberian Insula.
- Item 4: Status of the group insurance in the US: a restructuring took place.

The question of the Norwegian delegate on how to get the most accurate information on the evolution of the monthly inflation index in her country was answered by referring to the information published by OECD on the internet.

V. ANNUAL REPORTS ASSOCIATIONS AND CNRCSA DELEGATES - NATIONAL REPRESENTATIVES

AROF indicated difficulties in France for accreditations of hospitals by Allianz. NFSA had sent its report in writing. In summary:

- a. The different actions undertaken during the COVID period were emphasized.
- b. Invited the Bureau and EXCOM to reflect on the renovation of the members in the Associations.

ANARCP:

- a. Was still doubtful on whether the NATO Modernization Plan on Health Care is in conformity with the Dutch National Regulations and considers that the Affinity Option Pro is not completely covering the current Supplement B.
- b. Asked for translation into German of the new texts.

ARO:

- a. Tried to organize together with NATO IS and ALLIANZ presentations on the Modernization plan (note: done).

- b. Was preparing a document for NATO/IS on the fiscal status of medical care contributions (note: done).
- c. Was in discussion with NATO IS for acquiring extra ARO/CNRCS office space.

Delegates and representatives underlined delays by Allianz in reimbursement of medical costs and in answering enquiries; concerns about the lack of progress in the field of long-term care; and translation in their own language for the survivors of NATO pensioners concerning their rights and duties. ANARCP referenced a document they established some years ago containing very useful information on this matter and it was agreed that it should be reviewed to see if it could be issued more widely. (**Action Item 2**)

VI. CNRCSA BUREAU PROPOSAL ON THE FUTURE ORGANISATION OF DELEGATES AND NATIONAL REPRESENTATIVES

The Chairperson stated that his primary task was to coordinate the views of the four constituent Associations and to formulate a common CNRCSA standpoint for the JCB discussions. For guidance he relies on the Bureau and the EXCOM of CNRCSA. The inclusion of CNRCSA DELEGATES and NATIONAL REPRESENTATIVES complicated this coordination process. It was clear from several interventions that not all experiences from the past had been successful and it was therefore agreed to integrate CNRCSA DELEGATES nor NATIONAL REPRESENTATIVES no longer in the CNRCSA structure, while leaving the ASSOCIATIONS free to organize themselves as they wish with national or regional representatives. ANARCP stated it plans to reintegrate the National Representatives in their structure, while ARO, AROF and NFSAs stated they probably won't.

VII. CNRCSA WEBSITE

7.1. A presentation of the Website was given by the CNRCSA IT Advisor, Michel Geeraerts.

7.2. The website is in active use since 18 October 2022. All Associations are asked to motivate their membership managers to assist to follow up training sessions. (**Action Item 3**)

7.3. The IT WG is still investigating to find a company to take over the full maintenance of the site and will report back in the EXCOM spring meeting 2023. (**Action Item 4**)

7.4. The chairperson thanked Michel Geeraerts, Klaas van den Broek and Erwig Marquenie for their tremendous work.

VIII. HEALTH INSURANCE ISSUES

8.1. The Modernisation of the NATO Medical Plan had been adopted by the JCB during its meeting on 7 July.

8.2. Four documents are (to be) issued:

- a. General information on the process followed to establish the Modernization Plan (note: done).
- b. FAQ (note: done, will be updated after the briefings).
- c. Affinity Products and their price per category (note: done).
- d. Plan for information of active and pensioned agents (in process).

Concerning issue d. the following remarks were noted regarding information sessions in person:

- a. ARO: was coordinating sessions with NATO/IS, Allianz and the active Staff. (note: done, planning communicated to its members).
- b. ANARCP: was coordinating sessions with the active staff in The Hague and Brunssum (note: done, sessions have taken place).
- c. NFSA: had organized with NATO/IS and Allianz a special session for its members to take place during its General Assembly on 9 December.
- d. AROF: members had been invited to participate in two sessions with the active staff in the Paris region on 27 and 29 October).

8.3. In his annual report as Chair of the HI WG, H. Simons invited the members of the WG to continue their important work in the follow up of the Modernization and especially to concentrate on proposals for long term care including non-medical care, updating the list of serious illnesses and methods for cost containment. The WG remains open for day-to-day problems of the CNRCSA members that are of common interest.

IX. RMCF

9.1. Value of Fund. The Chair of ARO reported that over the last months, the value of the Fund assets had fluctuated between € 370 and € 390 million. A further decrease occurred in September, down to € 360 million, i.e. 12% below the amount reached one year before. (note: at the end of October 2022, the value had climbed back to € 372 million). This situation reflects the developments observed in the financial markets. Positive elements remain the good management by Vanguard and the balanced structure of the portfolio, which dilutes the risks.

9.2. The ISRP updated study:

The ARO Chair highlighted that one of the conclusions of the ISRP updated study is that having all pensioners contributing to the RMCF would postpone the depletion of the Fund only by 7 years (central scenario of the previous study was 5 years). In the CNRCSA view, in the long run, the main factor to ensure the sustainability of the Fund remains cost containment.

Among the assumptions to be considered when drawing projections of the Fund, a key factor is the future population of beneficiaries. The current assumption taken by ISRP is that 28% of A and L new joining staff and 54% of B and C would serve long enough to be beneficiaries. However, the CNRCSA question the validity of this

assumption and has requested that, in addition to the assumptions already taken, a new estimate be established by assuming that only 25% of serving staff under DCPS would be eligible.

Furthermore, it was pointed out that an important element to consider will be the effects of the Modernization of the NATO Medical Plan. NATO/EM and Allianz plan to make an impact assessment of the modernization two years after its implementation and, therefore, the CNRCSA believes that the results of this impact assessment need to be available before making any decision about possible contributions to the Fund by retirees having left NATO before 2016.

X. LEGAL MATTERS

10.1. In his verbal report, H.Rutten mentioned that the last two Administrative Tribunals (AT) of the remaining Coordinated Organizations also rejected the pensioners claim to leave the annual adjustment methodology of the Coordinated pension system as it was before. He underlined that, in their judgements, the "acquired rights" principle was even more jeopardized than by their previous judgements.

10.2. Although the cases before the NATO AT by Mr. Klockenhof and Mr. Bappert concerning the taxation of their DCPS lumpsum by the German Authorities had been lost, they continued before the German tax courts with financial and political support by NATO. (note: during the recent JCB, its Chairperson underlined that the Secretary General and the Private Office were actively engaged in trying to find a solution to the problems caused by Germany's decision to tax the DCPS lump sum). The EXCOM tasked the CNRCSA Chairperson to do his utmost to insist on a clear position of Germany, to be obtained via NATO/IS, before year's end, to remove the uncertainty of the incumbents in Germany asap. (**Action Item 5**)

XI. CCR/AAPOCAD/PENSION/DCPS ISSUES

11.1. Annual Pension Adjustment 2022 and forecast 2023.

The AROF Chair stated that, based on statistics from the Nations, the AAPOCAD Chair followed the evolution of the official inflation indices of approximately 10 nations on a monthly basis. The table he established showed that the number of national indexes exceeding 6 percent in this period of high inflation had been, and continues to be important. But it has to be acknowledged that the new methodology agreed by the CCR had been respected: up to today, each time the threshold had been reached, special adjustments had been applied and the ISRP and the NPU had retroactively adapted the pensions. For 2023, the same methodology will continue to apply.

11.2. The NATO Pension Unit

The CNRCSA Chairperson highlighted that the NPU was suffering not only from the loss of its Section Head Mr. Axel Reichl (departure on long illness), but also from general understaffing; this had had an impact on the NPU's ability to deal promptly with its tasks and with the enquiries that were submitted to it. As a result of decisions taken at the Madrid NATO summit, it is now intended to increase the staff of the section and

to fill up the posts through the normal recruitment procedure. Associations are invited to inform their members of the temporarily difficult situation and the steps being taken to overcome it. **(Action Item 6)**

11.3. Pension Taxation Issues

a. Taxation Health Insurance Premiums in Belgium

The ARO Chair stated that a draft text was under preparation by ARO to explain the situation and to ask NATO/IS to request the BE authorities to review their restrictive approach regarding the deductibility of these premiums. (note: text officialized and sent to NATO/IS).

b. Taxation Health Insurance Premiums in Luxembourg

The ADAN Chair stated that a draft text was under preparation by ADAN to explain the situation and to ask NATO/IS to request the LU authorities to consider the Health Insurance cover from NATO (through ALLIANZ) as equal to a national and not to a private insurance. (note: text officialized and sent to NATO/IS).

c. The AROF Chair provided information on an AAPOCAD initiative to study the rules for the payment of social contributions on coordinated pensions in France. He further stated that the AAPOCAD Ad Hoc WG was confronted with a sudden demand as a result of a decision by some of the Tax inspectors in the ALSACE region: more than 35 pensioners from The European Council (EC) and one NATO pensioner had suddenly received a demand to pay 9,1% of social contributions on their pensions, with retroactive effect till 2018. This new fact is being followed up by the EC Administration as well as by the Ad Hoc WG. In January 2023 the Ad Hoc WG hopes to have a clear view on the number of people concerned and will continue to discuss the way forward. **(Action Item 7)**.

11.4 DCPS Issues

The relevant information was given under point 10.2.

XII. JCB MEETINGS

12.1. The report of the meeting on 7 July 2022 had not been finalized yet (note: done during the JCB meeting on 27 October 2022).

12.2. The CNRCSA Chairperson listed the items to be addressed during the next JCB meeting and summarized the CNRCSA points he intended to express, based on the discussions and decisions taken during the EXCOM meeting. The Enlarged EXCOM approved these points. The EXCOM members will receive the Chairpersons report of this meeting (done).

XIII. RELATIONS WITH CNCSC

The CNRCSA Chairperson stated that these relations remain excellent, and he referred to the report he had issued on the CNCSC meeting that had recently been held in Thessaloniki. Both Confederations have the same priorities concerning the follow-on work for the NATO Medical Plan, although there is a major point of disagreement concerning the review of the distribution of contributions to the NATO Medical Plan and in particular the CNCSC intent to delete footnote of article 51 of the Civilian Personnel Regulations which provides for an exemption of payment of premiums for a certain category of retired staff.

XIV. RELATIONS WITH AAPOCAD

H. Rutten, being a Vice-Chairman of AAPOCAD provided a short back-briefing of the recent AAPOCAD Governing Board meeting and the General Assembly. He reported that, for the time being, no meetings of big importance have taken place on CCR level, as any new methodology for salary calculations is only foreseen to be effective from 2025.

XV. FINANCIAL MATTERS

15.1. The Treasurer presented the 2021 Financial Report and emphasized that it had been audited and the auditor had issued an "unqualified opinion". Accordingly, the CNRCSA EXCOM approved the Treasurer's report for 2021.

15.2. Financial Situation. The Enlarged EXCOM took note of the verbal report by the Treasurer of the 2022 Financial Situation.

15.3. Draft(s) for Budget 2023. The Treasurer presented two options for the draft Budget for 2023; one retaining the current contribution rate and one with a slightly increased contribution rate. The ANARCP objected to the draft containing an increase to 3 Euros of the contribution of each Association member to the budget of the Confederation, as their GA had to make the decision: this will only take place next year. Therefore, the earliest date for an increase would be at the start of 2024. The CRCSA EXCOM decided to accept the budget proposal retaining the 2 euros member contributions and to block the expenditures foreseen for legal advice in 2023 (see Annex 3).

15.4 NATO Subsidy. The CNRCSA Chairperson explained that he and the Treasurer do their utmost to keep this subsidy to cover meeting and travel costs at the highest possible level.

XVI. MANDATES AND TASKS OF EXCOM MEMBERS AND ADVISORS

The EXCOM discussed how to achieve a better balance between representatives of the Associations in the different functions and mandates of the CNRCSA and its WGs, as well as on different Supervisory Committees and other Boards. The ARO Chair was requested to contact Mr. Groenen to see if he would be willing to support Mr. Rutten in dealing with legal matters. (**Action Item 8**). The EXCOM

approved a slightly revised CNRCSA Task List (see Annex 1) and invited the CNRCSA Chairperson to try to obtain the necessary agreements by the respective authorities to increase CNRCSA representation on the DCPS Management Board and the RMCF Supervisory Committee (this is reflected by “to be confirmed” in the CNRCSA Task List at Annex 1. **(Action Item 9)**)

XVII. ANY OTHER BUSINESS

ARO repeated that the access rules to NATO IS remain as before the COVID crisis.

XVIII. DATE AND PLACE OF NEXT MEETING

The next EXCOM would normally be held in NATO HQ Brussels in the spring and the Chairperson suggested to have the second one organized at the end of October 2023 again at SHAPE, which was accepted with pleasure by ANARCP.

At the end of the meeting, the Chairperson thanked J. Vanderwal and R. Goyens for the excellent organization of the EXCOM meeting.

Robert Goyens
Executive Secretary

Annex(es): 1. CNRCSA tasks 2022/2023
2. Action list
3. Budget 2023

Distribution: (and attendance list)	EXCOM Members:	ARO/ARNS: Gerard Malet Erwig Marquenie William Roden Jonathan Parish NFSA/ADAN: Olivier Guidetti Christiane Barette Bernard Burnet Patricia Munaut AROF : Robert Goyens Jacques Devaux (<i>excused</i>) Rodger Hickman (<i>excused</i>) Jean Michel Torres (<i>excused</i>) ANARCP : Hessel Rutten Huub Simons Marc Stevenson Suleyman Acar
	Working Groups:	IT WG: Michel Geeraerts DCPS WG: Birgit Huetten (<i>excused</i>) HI WG: Huub Simons
	CNRCSA Delegates and National Representatives:	BE : Yves Sanders DE : Gert Thorsen (<i>excused</i>) FR : Rodger Hickman (<i>excused</i>) GE : Vacant IT : Vincenzo Arzeni (<i>excused</i>) LU : Danielle Degrotte NL : Huub Simons NO: Kirsten Marie Holmen TU : Yigit Gucer UK: Denis Rait represented by David Woodcock US : Replacement <i>excused</i>
	CNRCSA Assistant	Irene Jongbloed (<i>excused</i>)
Organizer:ANARCP	Jean Vanderwal	

Courtesy copy: CNCSC Chairman, Mr. Hassink

North Atlantic Treaty Organization - Organisation du Traité de l'Atlantique Nord

Boulevard Leopold III – B-1110 Bruxelles – Belgique c/o ARO/ARNS



Boards, Committees and Working Groups: CNRCSA members annually appointed by the Executive Committee

Name	Primary	Replacement	Members	Advisor
CNCSC (Observer)	Jonathan Parish	Olivier Guidetti Billy Roden		
DCPS Management Board	Birgit Huetten Hessel Rutten*	Erwig Marquenie		Birgit Huetten
Health Insurances	Huub Simons		Aad vander Zanden Suleyman Acar Olivier Guidetti Danielle Degrotte Robert Goyens Andie Hill Billy Roden Sarah Stone	Huub Simons
IT	Michel Geeraerts		Klaas van den Broek Luc Henrotay Françoise Lailié Erwig Marquenie	Michel Geeraerts
JCB	Jonathan Parish Huub Simons	Olivier Guidetti Billy Roden		
Legal Matters	Hessel Rutten	Eddy Groenen *		
RMCF Supervisory Committee	Gérard Malet Erwig Marquenie Huub Simons *			
Treasurers	Erwig Marquenie		Patricia Munaut Jean Vanderwal Jean Michel Torres	

*To be confirmed



Bureau CNRCSA: 2 members elected alternatively for 2 years

Chair Jonathan Parish **Vice-Chair** Olivier Guidetti **Executive Secretary** Robert Goyens **Treasurer** Erwig Marquenie

(The Bureau also permanently includes the 4 Chairmen and invites consultants and advisors as appropriate)

Executive Committee CNRCSA: Members of the Associations, annually appointed to the CNRCSA

	ARO/ARNS		
ANARCP			
Hessel Rutten	Chair	G�rard Malet	Chair
Huub Simons	Vice-Chair	Billy Roden	Honorary Chair
Marc Stevenson	Secretary	Erwig Marquenie	Treasurer
Suleyman Acar	Member	Jonathan Parish	Member
AROF		NFSA/ADAN	
Robert Goyens	Chair	Olivier Guidetti	Chair
Jacques Devaux	Vice-Chair	Bernard Burnet	Secretary
Jean Michel Torres	Treasurer	Patricia Munaut	Treasurer
Rodger Hickman	Member	Christiane Baretta	Member

Advisors CNRCSA: CNRCSA members annually appointed by the Executive Committee

Michel Geeraerts (ARO/ARNS) Chair IT WG
 Birgit Huetten (ARO/ARNS) Chair DCPS WG
 Huub Simons (ANARCP) Chair Health Insurances WG

Assistant CNRCSA: Irene Jongbloed

LIST OF ACTION ITEMS

<u>No</u>	<u>Para</u>	<u>Subject</u>	<u>By whom</u>
1.	I	Send the agenda of meetings several weeks in advance	Executive Secretary
2.	V	Review ANARCP document for survivors of NATO pensioners concerning their rights and duties to see if it could be issued more widely	Chair, HI WG
3.	VII, 7.2	Motivate the membership managers to follow training sessions	Associations
4.	VII, 7.3	Report to next EXCOM on options for maintenance of the website	Chair, IT WG
5.	X, 10.2	Get clear position by the end of the year on the taxation by Germany of the DCPS lumpsum	Chairperson CNRCSA
6.	XI, 11.2	Inform members of actual and future staffing situation in the NPU	Associations
7.	XI, 11.3.c	Inform EXCOM on social contributions in France	Chair, AROF
8.	XVI	Contact Mr. Groenen to see if he would be willing to support Mr. Rutten in dealing with legal matters	Chair, ARO
9.	XVI	Request extra CNRCSA representation on the DCPS Management Board and the RMCF Supervisory Committee	Chairperson CNRCSA

BUDGET ESTIMATE CNRCSA

	Budget Estimates in EUR Base 2 EUR per member
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INCOME

CONTRIBUTIONS

	ANARCP				2,400.00
	ARO				2,600.00
	AROF				200.00
	NFSA				1,200.00
Grant NATO IS					14,000.00
Financial products					p.m.
					20,400.00

EXPENSES

Missions					14,000.00
Legal Expenses					*(5 000,00)
Update Website					4,600.00
Miscellaneous					pm
					18,600.00

Balance					1,800.00
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