



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

SOUS LA PRESIDENCE D'HONNEUR DE
MONSIEUR LE SECRETAIRE GENERAL DE L'OTAN

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NEW YEAR'S NEWSLETTER 2024

Dear retired colleagues,

On behalf of the Bureau and the Executive Committee of the Confederation of NATO Retired Civilian Staff Associations (CNRCSA), I should like to wish all members of the four retired staff Associations (ARNS, ANARCP, NFSA and AROF) a very happy and healthy New Year.

I am attaching, for your information, an update on the major issues that were dealt with by the CNRCSA during 2023 and that affect all of us as retirees. If you have questions about any of the issues, please do not hesitate to contact your Association.

Many of these issues also affect our active staff colleagues and the CNRCSA continues to liaise closely with the Confederation of NATO Civilian Staff Committees (CNCSC) to ensure a coordinated position wherever possible.

Over the course of 2023, we saw a number of changes in key appointments.

Within the Confederation, we welcomed Jean-Philippe Prouteau as the new chair of the Association of NATO Retirees in France – the AROF. As chair of the AROF, he automatically becomes a member of the Confederation's Bureau. Jean-Philippe brings to our Confederation a wealth of experience and knowledge of NATO human resource issues as he spent many years as Human Resource Manager at the NATO Science and Technology Organisation in Paris.

At NATO Headquarters, there have also been some significant changes among staff who deal with retiree issues.

Mr Carlo Borghini was appointed the new ASG EM at the beginning of 2023 and he has already displayed his commitment to supporting our retiree community. Mr Borghini addressed the CNRCSA Executive Committee at its autumn meeting and answered questions in a very open and transparent manner.

The Deputy Assistant Secretary General for Human Resources, Ms Nathalie Matthijs, will be leaving to take up a new appointment at the start of this year. On your behalf, I should like to congratulate Ms Matthijs on her new appointment and thank her for the strong support she showed for all NATO retired staff.

Finally, Mr Dominique Beckers took up his post as the new Head of the NATO Pensions Unit in November. There is also a new post of Deputy Head of the Pensions Unit and additional temporary staff have been hired. The increase in staffing levels is very much welcomed and, for the first time in a long time, the Pensions Unit is up to strength. We are extremely lucky to have our own dedicated Pensions Unit and, on your behalf, I would like to thank the team for all that they did for us during that long period when they were significantly understaffed.

A handwritten signature in black ink, appearing to read 'J Parish', with a long, sweeping flourish extending upwards and to the right.

Jonathan Parish
Chairperson, CNRCSA

Annex:

New Year's Newsletter 2024 - Update on Major Issues of Concern to the CNRCSA

NEW YEAR'S NEWSLETTER 2024 - UPDATE ON MAJOR ISSUES OF CONCERN TO THE CNRCSA

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1. CNRCSA STRUCTURE AND REPRESENTATIVES

There are four independent Associations representing retired NATO civilian staff:

- the Association of Retired NATO Civilian Staff (ARNS) that represents around 1400 retired staff who used to work at the NATO Headquarters in Brussels ;
- the Association of NATO/ACE Retired Civilian Personnel (ANARCP) representing about 1200 retired staff who had worked in the NATO military structure or in any of the NATO Agencies ;
- the NATO Support and Procurement Agency (NSPA) Former Staff Association (NFSA) representing about 460 retired staff who formerly worked at the NSPA or in one of its Agencies ; and
- the Association of NATO Retirees in France (AROF) representing around 100 retired staff who had worked for the various NATO entities located in France.

These four Associations all work individually to protect the specific interests of their own retired staff. However, there are some issues that affect the staff from all four Associations, and this is where the Confederation of NATO Retired Civilian Staff Associations (CNRCSA) has a role to play. The Confederation's role is described in the NATO Civilian Personnel Regulations and it includes the following five tasks:

1. providing a forum for the examination of matters of interest to retired NATO staff as a whole, to include proposals aiming at the protection of their collective interests;
2. representing the interests of retired NATO staff on matters which affect them directly;

3. giving advice on matters submitted to it by the competent administrative authorities;
4. representing the views of retired NATO staff as a whole, notably in the Joint Consultative Board and other joint committees where participation of the CNRCSA is provided for; and
5. representing the views of retired NATO staff who are entitled to a pension under the Coordinated Pension Scheme in the Association of Pensioned staff of the Coordinated Organisations and their Dependants (AAPOCAD).

It is important to emphasise that the role of the CNRCSA is to address issues of interest to retired NATO staff as a whole and that the CRCSA does not interfere with the autonomous mandates of the four individual Associations who deal primarily with issues of a more local nature.

The work necessary to fulfil the CNRCSA's designated role is directed by an Executive Committee, which includes four representatives from each of the four NATO Associations of retired civilian staff. As at 31 December 2023, the Executive Committee consisted of:

ARNS:	Gérard Malet Billy Roden Erwig Marquenie Jonathan Parish
ANARCP:	Hessel Rutten Huub Simons Marc Stevenson Süleyman Acar
NFSA:	Olivier Guidetti Bernard Burnet Patricia Munaut Christiane Baretti
AROF:	Jean-Philippe Prouteau Jacques Devaux Robert Goyens Rodger Hickman

To ensure the proper day-to-day functioning of the CNRCSA, the Executive Committee elects, from its members, a Bureau; the Bureau comprises the four elected positions of Chairperson, Vice-chairperson, Treasurer and Executive Secretary as well as any Association Chairperson who does not hold one of the four elected positions in the Bureau. Chairpersons of CNRCSA Working Groups and other advisers are also invited to participate in Bureau meetings when appropriate.

Following the scheduled elections held at the Executive Committee meeting in October, the Bureau currently consists of:

Chairperson	Jonathan Parish (ARO, until October 2025)
Vice-chairperson	Olivier Guidetti (NFSA, until October 2024)
Treasurer	Erwig Marquenie (ARO, until October 2024)
Executive Secretary	Bob Goyens (AROF, until October 2025)
Other Bureau members:	Gerard Malet (as Chairperson of the ARO) Hessel Rutten (as Chairperson of the ANARCP) Jean-Philippe Prouteau (as Chairperson of the AROF) Billy Roden (as a Special Adviser).

As well as electing the Bureau, the Executive Committee appoints individuals to represent the CNRCSA at a number of key NATO joint committees and boards. The four that are of most importance to the CNRCSA are:

- **The Joint Consultative Board (JCB).** This is the Board where the NATO Administration consults with the Human Resource representatives of the principal NATO bodies, as well as with the representatives of the Confederation of NATO Civilian Staff Committees (CNCSC) and the CNRCSA, and makes recommendations for subsequent endorsement by the Secretary General and the Supreme Commanders. The JCB also has a number of working groups and the two Confederations are also represented on those working groups. In 2023, the Executive Committee changed the schedule of its meetings so that it could meet just before the meetings of the Joint Consultative Board (JCB). This enabled the Executive Committee to provide clear direction to the CNRCSA's representatives at the JCB and it is intended to continue with this practice in 2024.
- **The Retirees' Medical Claims Fund (RMCF) Supervisory Committee.**
- **The Defined Contribution Pension Scheme (DCPS) Management Board.**
- **The Plenary Meetings of the Confederation of NATO Civilian Staff Committees (CNCSC).** The CNCSC is the Confederation representing all the active staff and it always invites the CNRCSA to send an observer to its Plenary meetings.

Finally, the Executive Committee also elects annually the Chairpersons and members of the CNRCSA Working Groups.

2. THE NATO MEDICAL PLAN

Phase One of the Modernized NATO Medical Plan was implemented at the beginning of 2023. While there were, as expected, a few teething problems, the vast majority of retired staff are happy with the extra cover that the Modernised Plan has delivered and with the improved performance of Allianz. During the course of 2022, there had been consistent reports of delays in reimbursing medical expenses and answering the Allianz phoneline,

as well as problems with Allianz My Health application; these problems seemed to arise far less frequently in 2023.

The CNRCSA's attention at the start of 2023 was focused on helping retirees to understand the main changes and to support the Administration in finding solutions to those initial teething problems. Attention in the latter part of 2023 year was focused on preparing for Phase Two of the Modernisation of the Medical Plan.

This Phase Two work should have started earlier in 2023, but it had to be delayed as two retirees submitted an appeal against some of the changes that were introduced in Phase One of the Modernised Medical Plan. Work on Phase Two couldn't therefore start until it was clear that the Administrative Tribunal would not overturn the changes that had been introduced in Phase One.

In October, the Administrative Tribunal heard the two appeals which were subsequently dismissed. Consequently, necessary preparatory work for Phase Two has now commenced and seeks to bring further improvements to the NATO Medical Plan. For example, it will include

- Updating the list of serious illnesses;
- Developing proposals for specific cover for Long Term Care and Home care, including cover for non-medical assistance;
- Developing proposals for cost-containment. This is particularly important because the costs dictate the premiums;
- Providing greater clarity over the handling of cases of hardship. We need reassurance that potential hardship cases will be looked at sympathetically.

The CNRCSA has already submitted its proposals for updating the list of serious illnesses and also for improving the cover for long-term care and including cover for non-medical assistance in the home. It is hoped that these proposals can provide the basis for an early agreement with a view to implementation of the improved cover at the beginning of 2025.

It is important to note that the Confederation of NATO Civilian Staff Committees (CNCSC), which represents the active staff, has insisted that this Phase Two work also look at the rebalancing of premiums that active and retired staff pay into the Retirees' Medical Claims Fund (RMCF). It has been agreed that this issue will be addressed by the Joint Consultative Board (JCB) and not by the RMCF Supervisory Committee. The CNRCSA does not believe that any rebalancing is necessary but, nevertheless, the Joint Consultative Board Working Group on Insurance will start to discuss this issue at its next meeting in February 2024.

Finally, there has been significant progress on the issue of the deductibility of health insurance contributions from the taxable amount of pension in Belgium and Luxembourg. The Belgian Authorities have agreed that the health insurance contributions are compulsory contributions as part of the NATO Social Plan and are therefore eligible for deduction for taxation purposes. Once the Belgian federal tax office has informed all the local tax offices of this change, the NATO Administration will inform retirees in Belgium of how the overpaid tax will be reimbursed. The NATO Administration is now using the Belgian agreement as the basis for its discussions with the Luxembourg Authorities. It is understood that the initial discussions with the Luxembourg Authorities were encouraging and that a similar solution will be found.

3. PENSIONS

Issues related to the Coordinated Pension Scheme (CPS) are dealt with primarily by the Association of Pensioned Staff of the Coordinated Organisations and of their Dependants (AAPOCAD). The CNRCSA has a dedicated seat on the AAPOCAD Governing Board and, in addition, several NATO retirees have been elected directly to the Governing Board and to the AAPOCAD Bureau; this ensures that NATO's interests are well represented within the AAPOCAD.

Furthermore, the AAPOCAD recently decided to open its membership to members of NATO's Direct Contribution Pension System (DCPS). Those of you who are not already members of the AAPOCAD are encouraged to join; details can be obtained from your Association.

With respect to the CPS, the revised adjustment methodology continues to be applied consistently and correctly. Many retirees received a special adjustment in the course of 2023 to reflect an increase of more than 6% in the Harmonised Index of Consumer Prices in the country concerned. The annual adjustments for 2024 will be confirmed during this month and the new rates will most likely be paid at the end of February, but will be back-dated to 1 January 2024.

With respect to the DCPS, from the perspective of active and retired staff, it has many shortcomings. However, from the perspective of the nations, it is a success because it is so much cheaper for them than the CPS it replaced. Nevertheless, the two Confederations continue to push hard for improvements and there have been indications of progress in recent months.

For the CNRCSA, the number one priority with the DCPS at the moment is to solve the problem caused by Germany's decision to tax the DCPS lump sum. This decision has led to considerable worry among staff and retirees whose fiscal residence is in Germany; until there is clarity on the issue, they face financial uncertainty and are unable to make any long-term financial planning.

The Secretary General has discussed this problem personally with the German Chancellor and a high-level Task Force has been established to try to find a solution to the problem. Due to the sensitivity of the issue with Germany, the discussions remain confidential and the current state of progress is not known.

If any of you with your fiscal residence in Germany do receive a demand to pay tax on your DCPS lump sum, you are requested to inform your Association and also Cemre Yildiz (yildiz.cemre@hq.nato.int) in the NATO Pensions Unit.

4. COMMUNICATIONS

As a matter of principle, the Confederation channels all its communication to retired staff through the four Associations. However, the CNRCSA had also wanted to establish its own dedicated website. Unfortunately, the new website that was set up last year had to be taken down after only a very short period of activity. This was because the NATO Office of Security (NOS) raised concerns about the security of the site, and the CNRCSA lacked the financial and technical resources to solve the issues the NOS had raised. Furthermore, it became extremely complicated to adhere to new personal data protection policies. The CNRCSA is now looking into other solutions, but this is a complex problem that will take time to resolve.

On the subject of communication, it is regrettable that the CNRCSA received a number of complaints in 2023 about the tone of language used by retired staff when speaking with security guards at the NATO headquarters and when emailing staff in the NATO Administration. Whenever you have such dealings directly with members of the NATO staff, please remember to be courteous.