

The purpose of this newsletter is to keep the Chairs of the Staff Association and AAPOCAD informed of the dossiers being discussed in the Co-ordination process and of the CRP's position with regard to those dossiers. For further information, we recommend that they consult their representative.

This newsletter will be published after every Co-ordination meeting, and will also be used to inform you of the agendas for meetings throughout the year.

Please do not hesitate to send us any suggestions you may have on how we can improve this newsletter to the best of our ability.

CO-ORDINATION MEETINGS IN JUNE 2021

Introduction by the CRP Chair

Dear colleagues,

The CRP continues to have to operate in a virtual work environment, which is beginning to take its toll as there is nothing better than human contact. Nevertheless, the virtual meetings kept us in a constant and a regular contact. In fact, we saw each other more often than usual, when meetings are only held face-to-face. What we are going through is long and tiring, with the way we live being put to the test, but I hope that this this newsletter finds you in relaxed summer form and that we will soon see better days.

As they did for the previous session, the representatives of Member countries (CCR), of the Secretaries-and Directors-General (CRSG) and of the staff (CRP) met virtually on 21 - 23 June 2021¹ and discussed the following issues:

- 1. Review of the salary adjustment method
- 2. Co-ordinated Pension Scheme (CPS)
- 3. Election of the CCR Chairman
- 4. 2022 programme of work and Calendar of meetings
- 5. Next meetings

1. Review of the salary adjustment method²

In the wake of the Covid-19 health crisis and its economic repercussions, the CCR seized the opportunity to give itself an additional means of not applying the annual salary adjustment that is part of the current method. The CCR's idea was to introduce a new "exception clause" into the salary method in order to synchronise salary evolutions in the reference countries and the implementation of salary adjustments in the Co-ordinated Organisations.

The priority for the CRP, and the CRSG, was on the one hand to defend the salary adjustment method and negotiate the level at which the exception clause would be triggered in order to ensure that it was

¹ The Co-ordination meetings were initially scheduled for 23 - 25 June 2021.

² CCR/CRSG/CRP/WD(2021)11 and CCR/CRSSG/CRP/WD(2021)13

only intended for use in exceptional situations, i.e. in the event of a major crisis, and on the other hand to prevent any attempt to modify the basic principles of the salary method.

The CRP and CRSG managed to obtain, not without a fight and in spirit of compromise, that the threshold for the trigger be lowered to -3% (i.e. the exception clause would only be triggered if the weighted average of GDP forecasts for all eight reference countries was less than or equal to -3%). If this were to occur, the salary increase linked to salary evolutions on the national civil services would be implemented on 1 December of year N+1 instead of on 1 January of year N+1, in order to smooth the adjustment. The portion of the linked to the two other factors (inflation and purchasing power parities) would be granted on 1 January of year N+1.

Moreover, the CRP insisted on the fact that the effects of the exception clause had to be only temporary, and that its implementation could under no circumstance have a permanent negative impact on individuals who would be affected by the application of the clause. The CRP were thinking in particular of officials to retire during a major crisis and the subsequent triggering of the exception clause, as it would be unfair for them to have to suffer the repercussions for the rest of their lives.

The new salary adjustment method recommended by the CCR has to be submitted to the Councils of the Co-ordinated Organisations for approval and entry into force on 1 January 2022.

2. Co-ordinated Pension Scheme (CPS)³

The CRP has no comments to make on the CRSG's note.

3. Election of the CCR Chairman

Syd Maddicott, the Chairman of the CCR, was re-elected for a twelve-month term of office.

4. 2022 programme of work and Calendar of meetings⁴

The 2022 programme of work and Calendar of meetings was approved:

Ongoing items

Increase in the number of steps for grade L1

Next items

- Alignment of the exceptional adjustment clause for allowances in absolute values with that for salaries
- Trend analysis of the components/building blocks of the remuneration package in the COs' employment markets. Modernising the compensation and benefits package with the view to support Diversity policies

Recurring items

- Annual Co-ordinated pension scheme (CPS) balance sheet
- 2023 programme of work
- ➤ Election of the CCR Chairman
- 2021 Activity report by the CCR Chairman
- Annual adjustment of remuneration at 1 January 2022
- Adjustment of the allowances/supplements expressed in absolute terms at 1 January 2022

5. Next meetings

The CRP will meet on 13 September 2021, ahead of the bilateral CRSG/CRP meeting which is scheduled to be held on 14 September 2021 at the OECD in Paris (Boulogne), if the health situation allows.

³ CCR/CRSG/CRP/WD(2021)10

⁴ CCR/CRSG/CRP/WD(2021)12/REV1

The Co-ordination meetings are so Paris (Boulogne), if the health videoconference if necessary.					