

To: Confederation Executive Committee

24th October, 2015

Meeting of the Joint Consultative Board

Mr. Guidetti and I attended the informal session of the JCB which took place on the 22nd October, 2015. Following are the items of interest to retired staff discussed at the meeting.

One of the follow-up actions from the meeting of the Board last June was that the NATO staff would address the Review of the Complaints Procedure at this meeting. However, in his opening remarks the Chairman said that work was still underway in the Headquarters on this subject and that when this had been completed the result would be provided to the JCB and to a JCB Working Group.

Regarding the agenda item covering the report by the JCB Working Group on Medical Insurance Matters, it was noted that during the meeting of the Advisory Panel on Administration, held the previous day, a number of queries concerning the proposed remedial actions had been raised. In consequence, the Chairman said that agreement to the recommendations in the report would not be sought until a refined document was available. From the brief discussion about the specific queries I do not believe there will be substantive changes to the report, but we have to wait and see.

Although the current situation concerning the Retirees Medical Claim Fund, and footnote 2 to Article 51.2 of the Civilian Personnel Regulations, was not on the agenda, Olivier made a statement for the record – see Annex. Subsequently, it was noted that four nations had broken silence on the proposed change to footnote 2 to Article 51.2 and that the issues raised by nations had not yet been resolved.

The discussion of the latest Working Paper on the Implementation of the Single Salary Spine (JCB-WP(2015)0007-REV2), distributed at the meeting, was limited. However, the chairman did invite comments, noting that the current revision had taken into account all comments so far received. My impression is that the staff Confederation and the AP are able to accept the proposal in principle, but that some minor changes to the document may be necessary. It was also pointed out that the staff Confederation would need to “sell” the proposal to staff generally, and the Chairman said the same applied to nations. It was also emphasised that the proposal would not go to nations until agreed by the Board. Although in theory this proposal has no impact on current pensions, it is not yet clear how the annual adjustment will be dealt for those pensioners in the co-ordinated pension scheme, so I remain convinced that it is prudent to follow the implementation of this proposed salary structure.

The draft report on the adjustment of remuneration of the staff on the 1st January, 2016, recommends that Councils approve the salary/pension scales resulting from the application of the adjustment method. The index is positive for all countries except Greece, Poland and Spain. The Chairman said that the Secretary General had sought to move the Council away from zero nominal growth in the budget and that the 2016 budget proposal includes funding for the salary/pension adjustment; he also thought the Council would accept the recommendation.

Three Working Documents issued by the Co-ordinating Committee on Remuneration on the review of the remuneration adjustment method were on the agenda (Note: pensioners in the co-ordinated pension scheme are represented in this process by AAPOCAD). The current adjustment method is valid until the end of 2016, but it could be extended by up to two years, and it is evident that some nations wish to see major changes to the method in order to minimize salary/pension increases. This subject is expected to be on the CCR agenda for at least the next nine months. It was noted that NATO attaches great importance to the inclusion of purchasing power parities in the method, because of the diversity of duty stations, and that there is a need for a mechanism to accommodate inflation situations.

Date of Next Meeting:

The date penciled in for the next meeting is the 17th March, 2016.

David Facey.