



## Recommendation 1391 (1998)<sup>1</sup>

# Situation of the pension scheme for Council of Europe staff

Parliamentary Assembly

The Assembly,

1. Having regard to the report of its Committee on the Budget and the Intergovernmental Work Programme on the situation of the pension scheme for Council of Europe staff and the actuarial studies of May and August 1998;
2. Recalling that the Committee of Ministers should ensure that the Council of Europe staff enjoy the social protection and guarantees provided for in its own adopted texts in the social and employment field, notably those of the Revised Social Charter;
3. Aware that the present budgetary financing arrangements of the pension scheme give rise to concern within the Organisation's own budgetary authorities, notably the Ministers' Deputies, their Rapporteur Group on Administrative and Budgetary Questions, the Budget Committee of the Committee of Ministers and the Board of Auditors amongst the staff, and also within the Co-ordinating Committee on Remuneration;
4. Recalling that in Opinions Nos. 203 and 205, on the 1997 and 1998, and 1998 and 1999 budgets of the Organisation respectively, it called upon the Committee of Ministers to set up a privately managed guarantee fund to guarantee the payment of pensions and to consider alternative financing arrangements for the Council's pension scheme so as to alleviate the increasing budgetary impact of the states' share of the cost of the scheme and to provide the staff with the guaranteed rights earned by their contributions to the scheme;
5. Re-emphasising the importance it attaches to matters concerning the status of the Organisation's staff, and reiterating the views it has already expressed in this regard, notably in Recommendations 944 (1982), 1000 (1984) and 1102 (1989), in particular concerning negotiation policy in the co-ordinated system and the principles of the international civil service;
6. Concerned that proposals put forward by the Co-ordinating Committee on Remuneration (CCR) for amendment to the benefits payable under the scheme have engendered a vigorous reaction from the staff, including strike action, and that these proposals run the risk of disturbing the smooth functioning of the Secretariat by bringing into question the acquired and contractual rights of staff members past and present;
7. Aware that similar staff concerns about contractual and acquired rights and the absence of genuine negotiation within the co-ordinated framework are leading to parallel staff protest and action in other co-ordinated organisations also;
8. Alerted by the Association of Pensioned Staff of the Co-ordinated Organisations and of their dependants (AAPOCAD) to current fears amongst beneficiaries of the pension scheme about their future security;
9. Convinced of the necessity to provide current and future staff with the long-term security essential for the recruitment and retention of a dedicated and motivated Secretariat of the highest competence and integrity, itself vital to the efficiency and effectiveness of the Organisation;

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1. Text adopted by the Standing Committee, acting on behalf of the Assembly, on 4 November 1998. See [Doc. 8222](#), report of the Committee on the Budget and the Intergovernmental Work Programme, rapporteur: Lord Ponsonby.



10. Apprised of the decision of the Committee of Ministers to authorise the Secretary General to take steps to introduce a private health insurance scheme for staff with effect from 1 February 1999;
11. Drawing the attention of the Committee of Ministers to the circumstance that only about a quarter of the Council of Europe's forty member states currently take part in the CCR's discussions and hence in the formulation of recommendations concerning the Organisation's staff;
12. Considering that this circumstance should logically lead the Committee of Ministers to exercise greater vigilance as regards the conclusions reached by the CCR and to bear in mind that all the member states suffer the consequences of any decisions adopted on the basis of CCR recommendations which are legally flawed,
13. Recommends that the Committee of Ministers:
  - 13.1. act immediately upon the Assembly's earlier recommendations concerning the setting up of a fund to alleviate the increasing budgetary impact of the payment by states of their share of the cost of the pension scheme and to provide the staff with the guaranteed rights earned by their contributions to the scheme;
  - 13.2. ease the short-term burden of the establishment of a pension fund by means of the savings achieved by the transfer of staff health insurance cover from the French social security system to a private insurance scheme;
  - 13.3. when examining any proposal for modification of the existing benefits under the pension scheme rules, take the fullest account of the rights contractually acquired by the staff, in accordance with the general principles of the international civil service, and in particular:
    - a. to address forthwith a recommendation along these lines to the CCR, alerting it in particular to the serious problems which pensions reform raises with regard to serving staff and which in principle lie outside its technical remit as laid down in the regulations concerning the coordination system (Article 1, paragraph a);
    - b. to conduct a fuller study of the nature and extent of these rights with the aid of lawyers competent in these matters;
    - c. to reject or amend any CCR proposal which might violate these rights and thereby incur the censure of the Organisation's Administrative Tribunal;
  - 13.4. avoid any modification to the current pension scheme which would work against the flexible management practices advocated by the Assembly with a view to ensuring the Organisation's capacity to recruit new blood and to integrate fully nationals from the new member states into the Secretariat;
  - 13.5. use every means at its disposal to encourage the CCR to hold genuine tripartite negotiations with the representatives of the secretaries general and of the staffs of the co-ordinated organisations with a view to reaching, as far as is possible, a tripartite consensus which alone can guarantee social peace in the co-ordinated organisations;
  - 13.6. remind the CCR of the imperative need to safeguard the long-term security of former staff of the Organisation and of their dependants in the name of both equity and the law;
  - 13.7. ensure that the establishment of a different system for future staff does not result in a situation in which the Organisation's staff are divided into two "classes" as a consequence of the introduction of excessively diminished benefits for new entrants;
  - 13.8. continue to take fully into account the views of serving and retired staff on this very important issue and take due account of their legitimate concerns;
  - 13.9. transmit this recommendation to the CCR.