

ORIGINAL: ENGLISH

MEETING OF THE EXECUTIVE COMMITTEE OF THE CONFEDERATION OF NATO RETIRED
CIVILIAN STAFF ASSOCIATIONS(CNRCSA) HELD AT NATO HEADQUARTERS IN CONFERENCE
ROOM 10 ON WEDNESDAY 16 MARCH 2016 AT 10.00 HOURS

I. INTRODUCTORY REMARKS

1. The CHAIRMAN, Mr. GUIDETTI welcomed the participants and indicated that Mr. VOSS and Mr. SELECK had both resigned from the NOBA Executive Committee. He welcomed Ms. WAERSCHBURGER as the new NOBA representative to the Committee and indicated that the other NOBA vacant seat would be filled in the near future.

2. The COMMITTEE noted the introductory remarks by the Chairman and asked him to convey its appreciation to Mr. Voss and Mr. Seleck for their contribution to the work of the CNRCSA.

II. APPROVAL OF THE AGENDA

Document: CNRCSA(2016)A/1, dated 14 June 2016, dated 9 March 2016

3. The COMMITTEE approved the Agenda.

III. RECORD OF THE PREVIOUS MEETING

Document: CNRCSA(2015)R/3, dated 27 November 2015

4. The COMMITTEE noted that the record of its previous meeting had been approved by silence procedure on 11 December 2015.

IV. FOLLOW-UP TO DECISIONS MADE

Document: Annex B to CNRCSA(2015)R/3, dated 11 December 2015

5. The COMMITTEE noted that most of the decisions made at the previous meeting had been followed-up. Action item 4/21 (Contact NATO Pension Unit to obtain a list of prospective retirees) would be implemented very soon. Action item 5/21 (Examine the possible drafting

of a next-of-kin information brochure) would be followed up after the issuance of the updated NATO Employee's Benefit Guide.

6. The COMMITTEE noted with appreciation that a satisfactory solution had been found for the designation of the CNRCSA Regional Representative in France (Action item 6/22), approved the appointment of Mr. FRANZREB in that capacity, and tasked the Secretary to adapt the list of Regional Representatives accordingly (**Action item 1**).

V. FINANCIAL MATTERS

(a) 2016 Budget/Call for contributions

7. Mr. MARQUENIE, the CNRCSA Treasurer, indicated that the CNRCSA constituent associations would be called, in the coming weeks, to pay their contributions for 2016 (2 euros per individual member).

8. Mr. RUTTEN felt that all retirees affiliated to one of the four CNRCSA associations should pay directly their annual membership fees to the Confederation. This would be fully in line with the review of the CNRCSA structures and working methods which had now been completed.

9. The COMMITTEE agreed that this issue should be further discussed at its next meeting (**Action item 2**) and tasked the Treasurer to convene a meeting of the Associations' treasurers in June (**Action item 3**).

(b) NATO 2015/2016 Subsidies

10. The COMMITTEE noted that the NATO subsidy for 2015 (related to expenditures incurred in 2014) had now been paid and that a comprehensive file had been prepared for the 2016 subsidy (related to expenditures incurred in 2015) and submitted to the internal auditor for further consideration.

VI. RETIREES' MEDICAL CLAIMS FUND (RMCF)

(a) Meeting with the Chairman of the RMCF Supervisory Committee held on 13 November 2015

Reference: E-mail from B. Roden, dated 15 November 2015

11. The COMMITTEE took note of the report provided by the Secretary on the subject meeting according to which:

- the Chairman of the Supervisory Committee (SC) was still not happy with the contents of the Actuarial Study as drafted by the ISRP actuaries, and would ask them to clarify some aspects; he would also strive to have the study circulated to the SC members before the end of 2015;

- he also felt that the letter sent by the CNCSC Chairman to the Ambassadors on the future of the RMCF had been a risky move and that micro-management of the RMCF and the NATO social security system by the countries should be avoided at all costs.

(b) Meeting of the RMCF Supervisory Committee held on 8 December 2015

Document: Asset and Liability Management Study Part I, prepared by ISRP, dated 30 January 2015

Reference: Summary report by E. Marquenie and G. Malet, dated 9 December 2015

12. The COMMITTEE took note of the summary report on the subject meeting and, more particularly, that the decrease in assets registered in the first months of the year 2015 following the evolution of financial markets, had nearly been recovered: the amount of the Fund assets reached €292.2 million. This confirmed that the Fund was properly managed.

13. The second revision of the RMCF future expenses and assets liability management analysis did not bring changes as compared to the conclusions of the previous analysis and was not clear at all: the main parameters and underlying assumptions needed to be stated more explicitly. The Chairman of the RMCF Supervisory Committee (SC) felt that savings which could be obtained by well specified cost-containment measures should be better identified.

14. As asked by the Chairman of the RMCF SC, the CNRCSA would send him written requests for clarification which would be subsequently forwarded to the ISRP actuaries. It had been agreed to hold the next SC meeting in mid-February 2016.

(c) Meeting between ISRP actuaries, PSS and CNRCSA representatives held on 8 March 2016

References: Oral report by the CNRCSA representatives
Background paper by the CNRCSA representatives
E-mail from H. Rutten, dated 20 January 2016

15. The COMMITTEE was informed by the CNRCSA representatives to the RMCF SC of the answers provided by the ISRP actuaries to a series of questions related to the latest version of the actuarial study and, more specifically, to the varying scenarios, hypothesis, and population data taken into account.

16. The CNRCSA representatives, Mr. Marquenie and Mr. Mallet were satisfied that the scenarios developed in the study were merely theoretical and intended to better evaluate the impact of various factors; that all staff members who had retired after 2001 had been included in the study, including the affiliates to the Provident Fund and the DCPS; and that it had not yet been possible to assess the full financial impact of a recourse to a primary insurance system (national social security), where possible.

17. On that basis, they could approve this last version of the actuarial study.

18. The COMMITTEE agreed, however, that the CNRCSA Bureau should further discuss the answers provided by the ISRP actuaries before indicating to the Chairman of the RMCF SC what new elements should be fed in the next version of the study which was due to be completed in two years' time (**Action item 4**).

(d) Co-operation with the CNCSC

References: E-mail from the CNRCSA Chairman to the CNCSC Chairman, dated 4 December 2015
Report on a meeting held between the CNRCSA Chairman and the CNCSC Vice-Chairman on 12 January 2016

19. The COMMITTEE stressed that the CNRCSA had on several occasions, during the last two years, reached out to the Confederation of Civilian Staff Committees (CNCSC) to discuss jointly recommendations aimed at safeguarding the RMCF in the longer term and based on sound data. It regretted that the CNRCSA proposals had remained unanswered until now and felt that such attitude was not likely to best serve the interests of both active and retired staff.

VII. UPDATE ON HEALTH INSURANCE MATTERS

(a) NATO Group Insurance Contract/ NATO Employee Benefit Guide/ Revised Claim Forms/ Table of Benefits/ NATO-wide Implementation Guidelines

References: E-mails from F. Bülling, dated 27 February and 5 March 2016

20. The COMMITTEE welcomed Mr. VIEILLEMARD (Personnel Support Services - PSS) and took note of the updated information he provided on the following items:

- The PSS had worked hard to merge all supplements to the NGIC into one single re-written contract which was now awaiting signature by the ASG for Executive Management. No changes of substance were made to the contract.

- The new NATO Employee Benefit Guide, including the Table of benefits and revised claim forms would be issued in the next two months.

- The NGIC implementation guidelines had been updated to integrate the changes implemented since the beginning of the year. The document would be submitted to the JCB later in the year, but the JCB Working Group on Insurance Matters would not be convened to discuss the revised guidelines. However, a copy of the guidelines with limited distribution would be mailed to the CNRCSA Secretariat where the retirees' representatives to the JCB Working Group would be able to comment the document.

- An awareness campaign would be launched to convince both active and retired staff to resort to whatever primary insurance scheme they would be entitled to before claiming

medical reimbursements from AWC. This was seen as a major cost-containment measure. AWC would circulate a questionnaire to all beneficiaries, this year, to update its database on primary insurance entitlements. In this respect, staff members would be asked to sign a formal statement.

21. The COMMITTEE took also note of the update provided by Mr. BULLING, Chairman of the CNRCSA Working Group on Insurance Matters, on the following items:

(b) Thermal cure - Rehabilitation

Reference: E-mail from F. Bülling, dated 21 November 2015

- AWC should better explain the reasons why reimbursement claims had been rejected.

(c) Funeral expenses

References: E-mails from F. Bülling, dated 26 and 29 January 2016

- Initially, reimbursements were made according to the country where the death occurred. However, agreement was reached that the lump sum payment of funeral expenses will be based on the benefit table of the country of residence of the beneficiary, irrespective of the country where the death occurred.

(d) Medical Insurance update

References: E-mail from AWC, dated 13 January 2016
EM(2015)0681, dated 22 December 2015

- Active and retired staff had not been informed by Executive Management and/or AWC that reimbursement of long-term nursing care at home could, under certain conditions, be approved up to the limit foreseen in the Benefit Table for a stay in a medicalized nursing home.

(e) Planned Joint Meeting of the CNCSC Group Insurance Policy Working Group and the CNRCSA Working Group on Insurance Matters

References: E-mail from F. van Hooijdonk, dated 10 February 2016
E-mail from F. Bülling, dated 10 February 2016

- Very constructive preliminary contacts had been established with the new Chairman of the CNCSC Working Group dealing with insurance matters which should lead to a first joint meeting to be held this year.

22. The COMMITTEE tasked Mr. Bülling to make preliminary arrangements for such meeting (**Action item 5**).

VIII. CHANGE TO THE FOOTNOTE TO ARTICLE 51.2 OF THE CPRs

Document: ON(2016)0008, dated 8 February 2016

References: E-mail from A. Reichl, dated 9 February 2016
E-mail from B. Roden, dated 14 February 2016
CNRCSA(2016)0003, dated 9 February 2016
EM(2016)0112, dated 16 February 2016
E-mail from F. Bülling, dated 7 March 2016

23. The COMMITTEE was informed that some 320 pensioners would be impacted by the amended footnote and would have to pay life-long for their medical coverage. Mr. Vieillemard (PSS) answered several questions raised and explained how beneficiaries of an invalidity pension would be affected by the change to the footnote; he confirmed that the NATO Pension Unit would inform those invalids who had been recruited before 31/12/2000 and who would not have contributed to the basic group insurance scheme for at least 25 years by 02/08/2016 and who would consequently not benefit from the basic medical cover free of contribution at the age of 65 when the invalidity pension would be turned into a retirement pension. He also indicated that this principle would not apply for invalids administered by AWC nor for invalidity cases resulting from an occupational illness or a work accident.

Note:

Mr. F. Bulling, further contacted PSS representatives, after the meeting, to determine how the beneficiaries of a survivor's pension might be affected by the modified footnote. As no information to the contrary was received from the Administration, it may be confirmed that NO contribution would be due for widow(er)s if the deceased staff member who joined the organization before 31/12/2000, had been contributing to the basic insurance scheme (including periods under the bridging cover) for at least 25 years at the time of death. The exclusion with respect to the basic insurance scheme would not apply for those widow(er)s when the former staff member had not completed the 25 years on 02/08/2016 and died thereafter.

(a) Complaints

References: Complaint filed by a NSPA active staff member, dated 3 March 2016
Model of complaint for E3A Component active staff
E-mail from R. Neitzel, dated 1 March 2016

24. The COMMITTEE agreed in principle to support financially, at the Confederation level, a single complaint/appeal that would be lodged against the amended footnote by a retiree member of one of its constituent associations, and tasked the Bureau to hire a lawyer, if need be (**Action item 6**).

IX. JCB MEETING TO BE HELD ON 17 MARCH 2016

References: JCB-A(2016)0001-REV2, dated 9 March 2016
E-mail from D. Facey, dated 25 February 2016

25. The COMMITTEE examined the agenda of the subject JCB meeting and instructed its representatives to insist that the complaints and appeals procedure be swiftly reviewed and that the CPRs articles related to marriage and partnerships be reconsidered because they violate a basic principle of international law whereby international organizations cannot overrule the fact that nations have absolute jurisdiction on their common laws (**Action item 7**).

X. SINGLE SALARY SPINE

Documents: JCB-WP(2015)0007-REV3, dated 9 February 2016
JCB-WP(2015)0007-REV4, dated 17 February 2016
JCB-WP(2015)0007-REV5, dated 19 February 2016

References: E-mails from H. Rutten, dated 10 and 11 February 2016
E-mails from B. Roden, dated 10, 16, 17, 19, 20, 23, 24
and 26 February 2016
E-mails from R. Neitzel, dated 10, 19, 20 and 26 February
2016
E-mails from F. Bülling, dated 10, 15, 19, 20 and 21 February
2016
E-mails from D. Facey, dated 11, 20 and 26 February 2016
E-mails from O. Guidetti, dated 19, 20, 21 and 24 February
2016
E-mail from R. Goyens, dated 20 February 2016
E-mail from J. Balstra, dated 21 February 2016
E-mail from P. Emmett, dated 21 February 2016
E-mail from G. Franzreb, dated 21 February 2016
E-mail from J. Vanderwal, dated 21 February 2016
E-mail from E. Arzeni, dated 26 February 2016

26. The COMMITTEE noted that Executive Management intended to introduce, as from 1st January 2017, a new Single Salary Spine (SSS) to replace the present grade system. Although the SSS should, in principle, have no impact on retirees' pensions and allowances, it was essential that the CNRCSA position be duly reflected in the working paper which the JCB Chairman would send to the Secretary General and Strategic Commanders for approval.

27. An acceptable consensus had been reached whereby the JCB Chairman would indicate in the cover letter transmitting the document to the Secretary General and the Strategic Commanders that it should not be construed as proposing any change to the CCR adjustment mechanisms for salaries or pension benefits.

28. The COMMITTEE regretted, however, that the CNCSC Chairman could not join the consensus, impinging thereby on the CNRCSA prerogatives. It would, therefore, be able to approve the final version of the working paper only if the CNRCSA position appeared in the cover letter (**Action item 8**).

29. The COMMITTEE also recalled that its representatives sitting on the JCB are bound by the decisions made by the CRCSA Bureau which should be faithfully relayed to the Board to avoid any misunderstandings.

XI. MEETING OF THE CNCSC HELD ON 23 AND ON 24 FEBRUARY 2016

Reference: Oral report by the Chairman

30. The COMMITTEE took note of the oral report by the Chairman on the subject meeting.

XII. (a) DEFINED CONTRIBUTION PENSION SCHEME

DCPS Working Group Meeting held on 18 December 2015

Reference: Meeting report

31. The COMMITTEE took note of the meeting report and was informed that the Administration was reviewing the system in order to improve it and striving to find a pension provider. It appointed Mr. Emmett, and Mr. Marquenie as alternate, to replace Mr. Voss on the DCPS Management Board. The Secretary was tasked to inform the Board's Secretary of the new appointments (**Action item 9**).

XIII. NATO ADMINISTRATIVE TRIBUNAL (AT)

Reference: Oral report by B. Roden

32. The COMMITTEE was informed by the Secretary that the NATO HQs Staff Committee had reviewed the decisions made by the AT since its creation. The AT had ruled on 57 appeals filed by staff members NATO-wide. Of these appeals, the AT had rejected 45 (25 of which found inadmissible), had upheld 7 and partially upheld 3. In two cases, staff members had won their appeal on procedural grounds, but lost their second appeal on the merits.

33. There seemed to be something wrong with the AT. The HQs Staff Committee had enjoyed a 70% success rate with the former Appeals Board. The nature of the cases submitted to the AT had not changed, neither had the lawyers on both sides. On this basis, the Staff Committee had decided to stop submitting cases to the AT and to support them financially.

XIV. CNRCSA Website

Reference: CNRCSA(2016)0002, dated 9 February 2016

34. The COMMITTEE authorized the Treasurer to pay the last bills to the web designer who had fulfilled his contractual tasks. It also noted that, as far as the development of the French version of the website was concerned, that the Secretary would contact the Administration to determine if an intern, to be financed by the CNRCSA, could not be hired for the purpose (**Action item 10**).

XV. MEETING WITH THE DEPUTY SECRETARY GENERAL ON 16 MARCH 2016

Reference: CNRCSA(2016)0001, dated 9 February 2016
E-mail from Mr. D. Facey, dated 2 March 2016

35. The COMMITTEE agreed that the following items should be raised with the Deputy Secretary General:

- The viability of the RMCF in the longer term;
- The lack of a pension (annuity) provider for the DCPS;
- The move by some nations to reduce, and finally eliminate, the tax adjustment for pensions;
- The provision of relevant CPR changes to all retired staff;
- The need for a review of the Complaints and Appeals process.

XVI. ANY OTHER BUSINESS

36. The COMMITTEE noted a request made by Mr. LUDFORD that the future of constituent associations within the CNRCSA overarching structure be discussed at the next meeting (**Action item 11**).

XVII. DATE AND PLACE OF THE NEXT MEETING

37. The COMMITTEE agreed to hold its next meeting on 7 July 2016 at NATO HQs.

Billy Roden
CNRCSA Secretary

Distribution

Mr. Delor, Mr. Emmett, Mr. Facey, Mr. Goyens, Mr. Grant, Mr. Malet, Mr. Marquenie, Mr. Roden, Mr. Bülling, Mr. Ludford, Mr. Rutten, Ms. Baretta, Mr. Guidetti, Ms. Waerschburger, Mr. Devaux, , Mr. Neitzel, Mr. Arzeni, Mr. Manocha, Mr. Vanderwal, Mr. Aktuglu, Ms. Jensen, Mr. Eiken, Mr. Wilmotte, Mr. Batstra, Mr. Franzreb.

After approval of the record:

- Chairman, Confederation of NATO Civilian Staff Committees (CNCSC)

- Mr. Wacquez, Chairman of AAPOCAD
- Mr. Bigaignon, Editor of the NATO Staff Bulletin

ANNEX A to
CNRCSA(2016)R/1

ATTENDANCE LIST

ARNS: D. Facey, E. Marquenie (Treasurer), P. Emmett, B.Roden
(Secretary), G. Malet

ANARCP: F. Bülling, H.Rutten (Vice- Chairman), P. Ludford, J. Delor

NOBA: C. Baretti, O. Guidetti (Chairman), I. Waerschburger

AROF: R. Goyens, J. Devaux

LIST OF ACTION ITEMS

<u>No./paragraph</u>	<u>Subject</u>	<u>By whom</u>
1/6	Adapt the list of Regional Representatives	Secretary
2/9	Include the payment of individual contributions to the CNRCSA in the Agenda of the next meeting	Secretary
3/9	Convene a meeting of Treasurers	Treasurer
4/18	Further discuss data provided by ISRP actuaries	Bureau
5/22	Arrange a joint meeting of CNRCSA and CNCSC working groups on insurance matters	Mr. Bülling
6/24	Hire a lawyer to draft complaints/appeals against the amended footnote to article 51.2	Bureau
7/25	Insist that registered partnerships and complaints and appeals procedures be discussed at the next JCB	CNRCSA representatives at the JCB
8/28	Ensure that the CNRCSA position is reflected in the WP on SSS	CNRCSA representatives at the JCB
9/31	Communicate names of new CNRCSA representatives at the DCPS Management Board	Secretary
10/34	Contact the Administration (hiring an intern for developing French version of the website)	Secretary
11/36	Include the future role of constituent associations in the Agenda of the next meeting	Secretary

