Staff Regulations of EC officials: amending the Regulations

2002/0100(CNS) - 22/03/2004 - Final act

PURPOSE: to amend the Staff Regulations of officials of the European Communities in the context of enlargement.

LEGISLATIVE ACT: Council Regulation (EC, Euratom) No 723/2004 amending the Staff Regulations of officials of the European Communities and the Conditions of Employment of other servants of the European Communities.

CONTENT: since the adoption of the Staff Regulations and Conditions of Employment of other servants of the European Communities in 1962, substantial advances and innovations in society have occurred. The purpose of this Regulation is to reflect these advances and innovations in the regulatory framework applicable to the European civil service and to meet the needs of the institutions and their staff. The idea is to have a framework for the recruitment of high calibre staff in terms of productivity and integrity, drawn on the widest possible geographical basis from among citizens of the Member States, and to enable such staff to carry out their duties under conditions which ensure that the service functions as smoothly as possible. The reform of the Staff Regulations is generally intended to ensure that human resources are managed as effectively as possible in a European civil service characterised by competence, independence, loyalty, impartiality and permanence, as well as by cultural and linguistic diversity. Against this background, this Regulation amends the Staff Regulations in areas not only involving the essential principles of the European civil service but in particular its day-to-day functioning. The main innovations introduced into the Staff Regulations include amendments linked to the effectiveness of the European civil service (particularly a closer link between career development and/or officials' remuneration and performance) and to the social policy involving reform of the retirement rules. As regards remuneration, the amended Staff Regulations retain the current multiannual adjustment mechanism for pay, commonly known as 'the Method', by extending its application until 31 December 2012 with a review after four years to ensure consistency with budgetary discipline. At the same time, officials will see this system balanced by the introduction of a special levy to reflect the costs of European social policy, improved working conditions and the cost of European Schools for the institutions. This levy will increase each year and will apply to all officials. The principle of 'expatriation allowances' (transfer of parts of salary to other Member States) has also been revised as this had become disproportionate. These allowances will be limited by the application of correction coefficients to a lower proportion of the salary and to cases where the transfer is necessary to allow the official to meet family expenses in other Member States. As regards the Sickness Insurance Scheme, the criterion for former officials to continue to be covered by the Scheme has been simplified. The various allowances have therefore been rationalised in order to make the administrative rules simpler and more transparent. This mainly concerns travel and mission expenses and education allowances which have been brought more closely into line with the real cost. The system of family allowances has also been reformed to improve the situation for families and to address the problems of parents with young children. As regards the central issue of pensions, the new Staff Regulations represent a significant change to the current scheme as pensions are now closely tied to salary. This is why these two issues have been adapted in parallel. The actuarial basis of the scheme and the respective shares of contributions borne by the official and the employer have been maintained, together with the basic principle that pensions are a charge on the Community budget. However, the actuarial balance has been reformed through the creation of a new mechanism ensuring the long-term balance of the scheme to reflect the charge on the budget and the amendment of the age pyramid. Accordingly, the pension age has been raised to 55 and the annual rate of accrual of pension rights has been reduced, subject to transitional measures for officials already in service. To smooth the entry into

force of these rules, the opinions of officials and the needs of the institutions will be taken into account. These measures will also be accompanied by appropriate financial conditions. At the same time, a right to early retirement has been provided for, with the introduction of the option for officials, if they so wish, of working beyond the current retirement age. On another level and given pensioners' free choice of their place of residence, this Regulation amending the Staff Regulations abolishes the system of correction coefficients for all officials recruited after 1 May 2004. Finally, the new scheme amends two key elements of the pension scheme: updating and simplification of the provisions on invalidity pensions and survivor's pensions and amendment of the rules on the severance grant (to take into account Community rules on portability of pension rights). In addition to the social aspects of the new scheme, the revised Staff Regulations also take account of the following elements: - principle of a single European civil service and application of common rules to all institutions, including agencies, to ensure staff mobility; - principle of non-discrimination and equal opportunities for all, regardless of sex, physical capacity, age, racial or ethnic identity, sexual orientation and marital status. This principle is also valid for officials in a non-marital relationship or stable partnership; - respect for social standards and working conditions which meet appropriate health and safety standards to help reconcile work and private life; - strengthening of the rules on career development based on merit and the existing link between performance and remuneration: the idea is to provide greater incentives for good performance whilst ensuring equivalence of average career profiles between the new and the old structure, in keeping with the establishment plan and budgetary discipline; - maintenance of pay and conditions of employment at a level which attracts and retains the best applicants from all the Member States; - greater recognition of officials' professional experience and the principle of life-long learning. The current system of staff categories will be replaced with a new classification including new administrators' (AD) and assistants' (AST) function groups. It will also be possible to progress more easily from the second group to the first by means of a new certification mechanism; - introduction of a system of equivalence of average career profiles allowing the increase in the total number of grades and the reduction in the number of steps in each grade to be offset; - preservation of the multilingual character of the institutions by laying greater emphasis, for the purposes of recruitment and promotion, on linguistic proficiency and the ability to work in a third Community language; - clarification of the obligations of officials in situations where there is an actual or potential conflict of interest, both before and after leaving the service; - setting up of an improved legal framework to address issues of psychological and sexual harassment; - enshrinement of the principle of freedom of expression in the Staff Regulations of officials and setting of reasonable limits for its exercise; - provision of a new legal framework to protect officials who report illegal activity or conduct within the institutions and rationalisation of the way in which disciplinary proceedings are opened; - clarification of the procedures for monitoring absence and for the submission of medical certificates; - introduction of a new legal framework safeguarding the right of defence of officials (particularly those regarded as not having attained the expected standard of performance within a reasonable time); - introduction of flexible working arrangements by providing for the right to work part-time, to job share or to obtain extended leave on personal grounds. The provisions on family-related leave (maternity, paternity, adoption and parental leave) and on cases of serious illness of a family member have also been revised; - creation of a new category of non-permanent staff or 'contract staff', whose responsibilities will be limited and who will be required to work strictly under the supervision of permanent officials, to replace the current auxiliaries and category D staff. In principle, the rights and obligations of such contract staff will be similar to those of temporary servants.

ENTRY INTO FORCE: 01/05/2004. Some provisions (pensions, remuneration) will enter into force after a transitional period specified in the Regulation.