

Staff Regulations of European Union officials: amendment of the Regulations

2011/0455(COD) - 05/12/2016 - Follow-up document

The Commission presented its report 2009-2015 on the financial situation of the unemployment benefit scheme for former members of the temporary or contract staff and accredited parliamentary assistants who are unemployed after the termination of their service in a European Union institution.

The regulations governing the Conditions of Employment of Other Servants (CEOS) state that the Community Unemployment Benefit is intended for the **former members of the contract staff (CAs), parliamentary assistant (APAs) or temporary (TAs) who are involuntarily unemployed** against their will. It is complementary to any national unemployment benefit. These allowances are paid from the **Special Unemployment Fund**, which is financed partly by contributions from the staff who would be eligible to benefit from the allowance and partly by contributions from the employer.

Persistent deficit: the report shows that, since 2008, the Unemployment Fund has a persistent annual deficit. This was particularly large in 2009 with EUR 4.3 million. It then gradually decreased to EUR 1 million in 2013.

In 2014, the Unemployment Fund deteriorated sharply, reaching a deficit of more than EUR 4.8 million. The deficit declined in 2015 (EUR 3 million).

The cumulative reserve of the Unemployment Fund increased from EUR 16.1 million at the beginning of 2009 to **EUR 2 million at the end of 2015**.

Among the reasons for this situation, the report mentions in particular the increase in the number of members (+ 42%), the increase in the number of TA beneficiaries compared to the number of active TAs, the introduction of the APA category or the increase in the average monthly allowance (from EUR 1,980 in 2009 to EUR 2,063 in 2010).

Reform of 2014: the reform of the Staff Regulations of Officials and Conditions of Employment of Other Agents (CEOS) regime of the European Union set the maximum duration of the CA contracts at 6 years (instead of 3). This change led to a reduction in the number of beneficiaries of the Unemployment Fund as early as 2014.

This positive impact did not, however, offset the significant increase in the number of beneficiaries from the European Parliament (more than 600 APAs) following the start of the new legislative term in 2014.

Short- and medium-term trends: while the high level of spending in 2015 contributed to the depletion of the reserve, **2016 is expected to be in surplus** due to a sharp decline in the beneficiaries of the reserve. The APA category (also in 2017 and 2018) and the effect of the 6-year extension of the maximum duration of CA contracts.

However, **the medium-term situation remains a concern**, due to the following risk factors:

- a substantial increase (of more than 30%) in the average monthly allowance paid in 2015 compared to 2013;
- the increase (starting in 2017) in the number of CA recipients arriving at the end of the new maximum term of 6-year contracts;

- continued increase in TA beneficiaries from agencies;
- a new spending spending to be anticipated in 2019-2020 linked to the end of the European Parliament 2014-2019 term.

In view of these developments, the Commission envisages:

- initially, a **limited increase** (about 0.1% of basic salary) of contributions to the financing of the unemployment insurance scheme by means of a delegated act;
- secondly, the setting up of a **working group** to ensure regular monitoring of the financial situation of the scheme.