

Munich, 07-06-2024  
sc24033cp

## **Report on the GCC meeting of 30 April 2024**

Dear Colleagues,

The General Consultative Committee (GCC) met by videoconference on 30 April 2024. The following items were on the agenda of the meeting and the CSC members of the GCC raised their concerns and tried to get further clarifications:

- Repeal of the Conditions of Employment for Interpreters – for consultation [GCC/DOC 2/2024](#)
- Award of contract for Healthcare Insurance Administration Services – for information [GCC/DOC 03/2024](#)

The detailed and reasoned opinions by the CSC members of the GCC are annexed to this paper.

The Central Staff Committee

## Opinion of the CSC members of the GCC on [GCC/DOC 2/2024](#): Repeal of the conditions of employment of interpreters

The CSC members of the GCC give the following opinion on the repeal of the conditions of employment of interpreters [GCC/DOC 2/2024](#).

The document abolishes the whole section of the Codex related to the conditions of employment of interpreters at the EPO.

### On the consultation

1. On Friday 5 April 2024, the administration invited the Central Staff Committee (CSC) to nominate for a Technical Meeting on Thursday 11 April to “*discuss the conditions of Employment for Interpreters, essentially a change of the legal model applicable for this crucial function*” (see **Annex 1**, page 2).
2. On Wednesday 10 April, the administration sent a PowerPoint presentation titled “New model for securing interpreting services” containing limited content and nothing about the technicalities (see **Annex 2**) and postponed the Technical Meeting to Friday 12 April in the morning.
3. On Thursday 11 April, the CSC replied by email (see **Annex 1**) that “*the nature of this topic, specifically being related to the employment conditions of interpreters, requires a legal and tax analysis, and possibly additional input from the colleagues concerned*” and requested that the document be put “for information” in the GCC.
4. On Sunday 14 April, EPO interpreters addressed the staff representation and their line managers (see **Annex 3**) to express their shock that such proposals should be discussed internally at the EPO without any attempt to inform or consult the interpreters. They insisted that they shall be represented, duly informed and consulted on the plans under consideration before they progress any further. They called on the Office to postpone internal meetings and meetings with the Staff Representation about this matter until interpreters have had time to fully assess the implications of any changes and put forward their considered and informed opinion.
5. On Monday 15 April, the administration tabled in the General Consultative Committee (GCC), the document [GCC/DOC 2/2024](#) (**Annex 4**) abolishing the whole section of the Codex related to the conditions of employment of interpreters (see **Annex 5**).
6. On Thursday 18 April, the CSC sent an open letter (see **Annex 6**) to the President and the Vice-President of DG5 in his capacity as Chairman of the GCC. The letter requested the missing documentation concerning the reform: the legal and fiscal assessments, the information concerning the issues of the interpreters’ affiliation to national social security scheme in a contracting state, the foreseen specimen “framework contracts”. The letter remained unanswered.
7. On Friday 26 April, EPO interpreters submitted to the administration a statement with annexes (see **Annex 7**). They expressed that they are united in opposing this proposal

and called for maintenance of the 2002 Working Conditions, which have a long and proven track record of securing smooth cooperation between the EPO and its dedicated interpreters.

8. On Monday 29 April, EPO interpreters attended a Town Hall meeting organized by their line managers together with the Employment Law Department. The meeting was solely dedicated to the planned reform. The staff representation was not invited to the Town Hall meeting.
9. On Tuesday 30 April, the meeting of the General Consultative Committee (GCC) took place.
10. The CSC members in the GCC repeatedly asked that the alternative proposed in the document should be discussed. The Chair did not allow a discussion on this alternative.
11. The CSC members in the GCC requested that the item is reclassified “for information” instead of “for consultation”. A vote took place during which the 10 CSC members in the GCC voted in favour of the reclassification and the 10 members in the administration and the Chair of the GCC voted against. As a result, the item was maintained “for consultation”.
12. The missing documentation and explanations were never provided.

### **On the merits**

The lack of bona fide consultation makes it impossible to formulate an exhaustive opinion on the content of the whole reform. The staff representation can only rely on assumptions and information retrieved from other sources than the administration.

### On the starting point of the reform

13. The document presents as a starting point the question of the interpreters’ affiliation to national social security schemes raised in a contracting state as well as the necessity to reflect changes since 2003. The document does not mention which contracting state is referred to, what was the question raised nor which changes occurred since 2003.
14. In the GCC meeting, the Employment Law Department attempted to blur the issue by mentioning that several member states had an issue with the interpreters’ affiliation to national social security scheme. However, in the Town Hall meeting with interpreters, Employment Law had actually acknowledged that only one contracting state had an issue and that it was The Netherlands. According to interpreters, **only 2.7% of their whole population reside in the Netherlands, namely 6 interpreters.**
15. In the GCC meeting, we mentioned this information to Employment Law and the Language Services, and they confirmed it. Employment Law pretended that the 6 interpreters in the Netherlands are unique specialists in languages useful for the EPO. According to interpreters, this is not the case, and the EPO could well rely on other interpreters. The

Language Services then argued that the administration could spread the work outside the Netherlands, but it would be a discriminatory solution. We noted in the GCC meeting that when the Netherlands had concerns with the Young Professionals program, the administration refrained from recruiting Young Professionals for the EPO site in the Netherlands. The administration did not view it as a discrimination in that case.

16. Finally, Employment Law alluded to the fact that the Netherlands had asked the EPO to become a contributor to national social security for interpreters working at the EPO. In their view, if the EPO were not doing so, the immunity of the organisation would be at stake according to the Seat Agreement with the Netherlands. Employment Law said that the problem had been a long-standing issue and that no other solution than abolishing the conditions of employment of interpreters was possible.
17. We asked in the GCC meeting several times for the reference to the part of the Seat Agreement relevant for the issue at stake, and never received an answer.
18. When checking the Seat Agreement, we could find only one article referring to immunity:

*Article 31: Waiving of immunity*

*In the case of attachment by a third party, pursuant to a decision by the administrative or judicial authorities, of the salaries or emoluments owed by the Organisation to a member of its staff, the Organisation waives the immunity which it enjoys pursuant to Article 3, paragraph 1, of the Protocol unless it informs the competent authorities that it does not waive its immunity within fourteen days following the date of notification of the decision.*

19. In view of the lack of information given, we can only make assumptions as to what the underlying problem could be in relation to this article.

On the legal basis

Section VIII mentions as sole legal basis the “Conditions of Employment for Interpreters”. This cannot be correct as the latter contain no provision for repealing themselves.

On the risks of bogus self-employment

20. According to our information, the Netherlands is currently having a close look at major employers hiring freelancers. When a person registered as self-employed, a freelancer, or a temporary employee is de facto an employee carrying out a professional activity under the authority and subordination of another company, the situation is considered to be bogus self-employment. Such bogus self-employment is often a way to circumvent social welfare and employment legislation, for example by avoiding employer's social security and income tax contributions.
21. Interpreters working for the EPO currently have a hybrid status. For the time that they work for other clients, interpreters remain freelancers. For the time that they work for the EPO, interpreters are EPO employees protected by the PPI. Essentially, they do not pay national

income tax for their EPO income. However, they pay for their own national social security contributions and for their national pension scheme.

22. If the Netherlands considers that EPO interpreters are under bogus self-employment because the EPO does not pay contributions, abolishing their EPO conditions of employment makes the situation worse in other countries of residence. Over 90% of EPO interpreters live in DE (90), FR (40), CH (30), UK (25) and BE (see **Annex 7**, page 7). In fact, by making interpreters pure freelancers with “framework contracts”, the EPO would still not pay contributions to national social security and the risk of bogus self-employment would be increased in all countries. EPO interpreters would then have to reduce their available capacity for the EPO. This goes against the objective of ensuring business continuity.
23. In the GCC meeting. Employment Law explained that its services were looking at the risks of bogus self-employment and that this would be solved in the future “framework contracts”. However, no copy of the “framework contract” was provided and no detail was given as to how the EPO thinks it could successfully mitigate the risk.

#### On the shift to framework contracts

24. The abolition of the conditions of employment of interpreters removes from the Codex regulations including: the statutory daily remuneration rates, working hours, the payment of overtime, the adjustment of the remuneration, protection in case of cancellations, reimbursement of travel costs and the entitlement to the daily substance allowance.
25. In the GCC meeting, we requested a copy of the future “framework contracts”. No copy was provided to us. It is therefore unknown which part of the conditions of employment will remain the “framework contracts”. Interpreters themselves are shocked that they are asked “to jump into the new model naked”.
26. Employment Law explained that all of the conditions of employment would remain in the framework contracts and that the document CA/35/24 would be amended to reflect that. We pointed out that this is not possible as the currently applicable articles 14 and 16 of the PPI cannot be applicable to interpreters anymore if they are not EPO employees.
27. According to our information, the OECD in Paris shifted to a “framework contract” model in 2018. Such a contract is signed at the beginning of the year by all freelancers with annexes relevant to interpreters. The OECD does not offer social security nor a pension scheme. The OECD remains the least attractive in comparison with other International Organisations such as the EU, UN, WTO, CoE. The latter do offer an attractive hybrid status to which interpreters are attached.
28. The EPO appears to plan to adapt its conditions to the low standard of the OECD. This is unwise. Contrary to the OECD, the EPO relied for decades on a pool of “highly talented” interpreters specialised in Patent Law. The EPO should rather be focused on maintaining attractive conditions to ensure business continuity instead of trying to save on responsibilities and liabilities.

### On the lack of application of the PPI

29. In the GCC meeting we noted that the lack of application the PPI to interpreters would abolish Article 14(c) guaranteeing the inviolability for all their official papers and documents, including EPO documents.
30. The Language Services replied that they saw no issue as interpreters work for in the core business for opposition and appeals where the confidentiality of the case does not apply anymore. We are not convinced. As a matter of fact interpreters may be in possession of other EPO documents not directly related to the content of the case and which may be not available to the public (e.g. internal instructions, etc).

### On national income taxation

31. The abolition of the conditions of employment of interpreters makes their EPO income taxable. To compensate for this taxation, the EPO proposes to increase the interpreters' daily rates by 40%.
32. According to our information, in the Town Hall meeting, Employment Law justified that it arrived at the 40% figure by looking at the taxation across different countries and obtained an average of about 33% and added on top a +7% safety margin. This calculation was obviously wrong. To compensate for 40% tax, one needs to divide by 60% and hence multiply by 66.67%.
33. In the GCC meeting, the Language Services gave another explanation. They pretended that that they calculated a tax rate 28.75% and hence arrived at a 40% increase in fees.
34. According to our information, this lack of consistency of the administration damages the credibility of the administration in front of the interpreters.
35. In their document, interpreters explain that the calculated fee increase is insufficient in practice (see **Annex 7**, page 7) and that an average cannot fit all the situations.
36. In the GCC meeting, Employment Law stated that interpreters asked for a 50-60% increase and argued that this request have been heard.

### On other financial issues

37. In their document, interpreters note the risk of retroactive liability for tax arrears (see **Annex 7**, page 5). They give as an example that interpreters working for the EU have been required to retroactively pay tax on past earnings from these institutions.
38. In the GCC meeting, Employment Law tried to reassure that for the time during which interpreters were EPO employees, there will be no taxation issues and no risk of taxation arrears. This statement was not substantiated by any evidence.

39. Many EPO interpreters are members of AIIC (Association Internationale des Interprètes de Conférence) and uphold its Code of Professional Ethics which includes the principle of equal pay for equal work. Employment Law promised that the EPO would abide by this principle. This information is absent from the GCC document and is impossible to verify as the “framework contracts” were not submitted to the GCC.
40. In their document, interpreters also note that the EPO may have to pay VAT in non-EU countries (see **Annex 7**, page 4). It is yet another aspect not commented upon in the GCC document.

## **Conclusion**

The CSC members in the GCC are asked to provide an opinion on a document which insufficiently informs the GCC members. The problematic provision justifying the need for the reform is not disclosed. The legal and fiscal assessments are not provided. The “framework contracts” are not annexed to the document. The EPO informed its interpreters on the reform only 1 day before the GCC meeting and two weeks after tabling the document in the GCC.

There were many reasons for reclassifying the document as “for information” but the managers appointed by the President and the Chair of the GCC decided otherwise.

The interpreters are shocked that such a reform was tabled in the GCC without having consulted them at any point in time. The reasons for the change were never explained and alternatives never discussed. The EPO is wrong in treating loyal employees in such a way.

For the above reasons, the Group 1 of the CSC members of the GCC can only be **negative** about the document.

Group 1 of the CSC members of the GCC

Annexes: Annexes 1-7

**From:** Derek Kelly

**Sent:** Thursday, April 11, 2024 5:11 PM

**To:** Social Dialogue <[socialdialogue@epo.org](mailto:socialdialogue@epo.org)>; Konstantinos Kortsaris <[kkortsaris@epo.org](mailto:kkortsaris@epo.org)>; Beth Rees <[erees@epo.org](mailto:erees@epo.org)>; Maria Arranz Gomez <[marranzgomez@epo.org](mailto:marranzgomez@epo.org)>; Massimo Vangelista <[mvangelista@epo.org](mailto:mvangelista@epo.org)>

**Subject:** RE: Technical Meeting: Conditions of Employment for Interpreters

Dear social dialogue colleagues,

The nature of this topic, specifically being related to the employment condition of interpreters, requires a legal and tax analysis, and possibly additional input from the colleagues concerned.

We would like ask that consultation be made possible, and therefore request that the document be put “for information” in the GCC. This would allow more time for discussion and the potential for input in writing if required.

The information currently provided in the powerpoint slides is limited, and makes an analysis and understanding of the current and intended changes to the practice difficult. As such, the CSC would like to be provided with the proposed amendments to the service regulations.

Therefore, the conditions for the CSC to make nominations are not met at this time.

Sincerely,  
Derek Kelly

Derek Kelly  
Chair of the [Central Staff Committee](#).

**From:** Social Dialogue <[socialdialogue@epo.org](mailto:socialdialogue@epo.org)>

**Sent:** Wednesday, April 10, 2024 9:57 AM

**To:** Derek Kelly <[dkelly@epo.org](mailto:dkelly@epo.org)>

**Cc:** Konstantinos Kortsaris <[kkortsaris@epo.org](mailto:kkortsaris@epo.org)>; Beth Rees <[erees@epo.org](mailto:erees@epo.org)>; Maria Arranz Gomez <[marranzgomez@epo.org](mailto:marranzgomez@epo.org)>; Massimo Vangelista <[mvangelista@epo.org](mailto:mvangelista@epo.org)>; Social Dialogue <[socialdialogue@epo.org](mailto:socialdialogue@epo.org)>

**Subject:** RE: Technical Meeting: Conditions of Employment for Interpreters

Dear Derek,

In order to support the CSC to proceed with nominations for the technical meeting on “Repeal of Conditions of Employment for Interpreters”, you find attached the ppt for that meeting.

Many thanks already for your kind efforts to provide nominees by Thursday 11.04.2024, 16.00 hrs.

The technical meeting will be postponed as requested to Friday morning 12.04.2024.



Kind regards

Social Dialogue Team

**From:** centralstcom <[centralstcom@epo.org](mailto:centralstcom@epo.org)>  
**Sent:** Tuesday, April 9, 2024 2:36 PM  
**To:** Social Dialogue <[socialdialogue@epo.org](mailto:socialdialogue@epo.org)>; centralstcom <[centralstcom@epo.org](mailto:centralstcom@epo.org)>  
**Cc:** Derek Kelly <[dkelly@epo.org](mailto:dkelly@epo.org)>; Konstantinos Kortsaris <[kkortsaris@epo.org](mailto:kkortsaris@epo.org)>; Beth Rees <[erees@epo.org](mailto:erees@epo.org)>; Maria Arranz Gomez <[marranzgomez@epo.org](mailto:marranzgomez@epo.org)>; Massimo Vangelista <[mvangelista@epo.org](mailto:mvangelista@epo.org)>  
**Subject:** RE: Technical Meeting: Conditions of Employment for Interpreters

Dear colleagues,

Thank you for the invitation.

It will however, not be possible for the CSC to proceed to nominations before Thursday 4 pm and thus it is provisionally requested to reschedule the technical meeting to Friday 12 April.

The topic for this technical meeting does not appear to be triggered by exceptional circumstances explaining the need for a last minute invitation.

It is in our common interest that the CSC has time enough to decide on the nominations, for the quality of the dialogue and to avoid rescheduling and renominations. For this to happen, the Staff Representatives need to be informed in advance about what is on the agenda of a meeting. In that regard, it is requested that documents on the agenda for a technical meeting are sent to the CSC before the nominations are provided.

Kind regards,

Derek

Derek Kelly

Chair of the [Central Staff Committee](#).

**From:** Social Dialogue <[socialdialogue@epo.org](mailto:socialdialogue@epo.org)>  
**Sent:** Friday, April 5, 2024 3:53 PM  
**To:** centralstcom <[centralstcom@epo.org](mailto:centralstcom@epo.org)>  
**Cc:** Derek Kelly <[dkelly@epo.org](mailto:dkelly@epo.org)>; Konstantinos Kortsaris <[kkortsaris@epo.org](mailto:kkortsaris@epo.org)>; Beth Rees <[erees@epo.org](mailto:erees@epo.org)>; Maria Arranz Gomez <[marranzgomez@epo.org](mailto:marranzgomez@epo.org)>; Massimo Vangelista <[mvangelista@epo.org](mailto:mvangelista@epo.org)>  
**Subject:** Technical Meeting: Conditions of Employment for Interpreters

Dear Chair, dear Derek,

As mentioned to you yesterday, at the GCC on 30 April the Office intends to discuss the Conditions of Employment for Interpreters, essentially a change of the legal model applicable for this crucial function. The GCC document will be published on the statutory deadline, 15 April. In the meantime, we would like to invite you to a **technical meeting to pre-discuss the topic on Thursday 11 April**.

The CSC is invited to appoint 4-5 experts for this meeting via email to [socialdialogue@epo.org](mailto:socialdialogue@epo.org) by EOB on **Tuesday 9 April**. The meeting invitation, together with a PPT which will be used as a basis for the discussions, will then be sent directly to those nominated.

We appreciate that, due to the Easter break, this invitation may come at short notice, and we thank you for your understanding in this matter.

Best wishes,  
Social Dialogue Team

# NEW MODEL FOR SECURING INTERPRETING SERVICES

TECHNICAL MEETING | 9.4.2024 | PD08 / D522 / D433

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1. Aim, agenda and legal basis
2. Reasons for the proposal
3. Effects of the change
4. Timeline



# 1. AIM, AGENDA AND LEGAL BASIS

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## **Aim of the technical meeting**

(1) To inform and (2) to exchange on the envisaged new model for securing interpreting services for the Office in advance of the formal consultation.



## **Envisaged amendments to the interpreting framework**

Adopt a new model based on framework contracts concluded with individual interpreters.

Repeal the current Conditions of employment for interpreters.

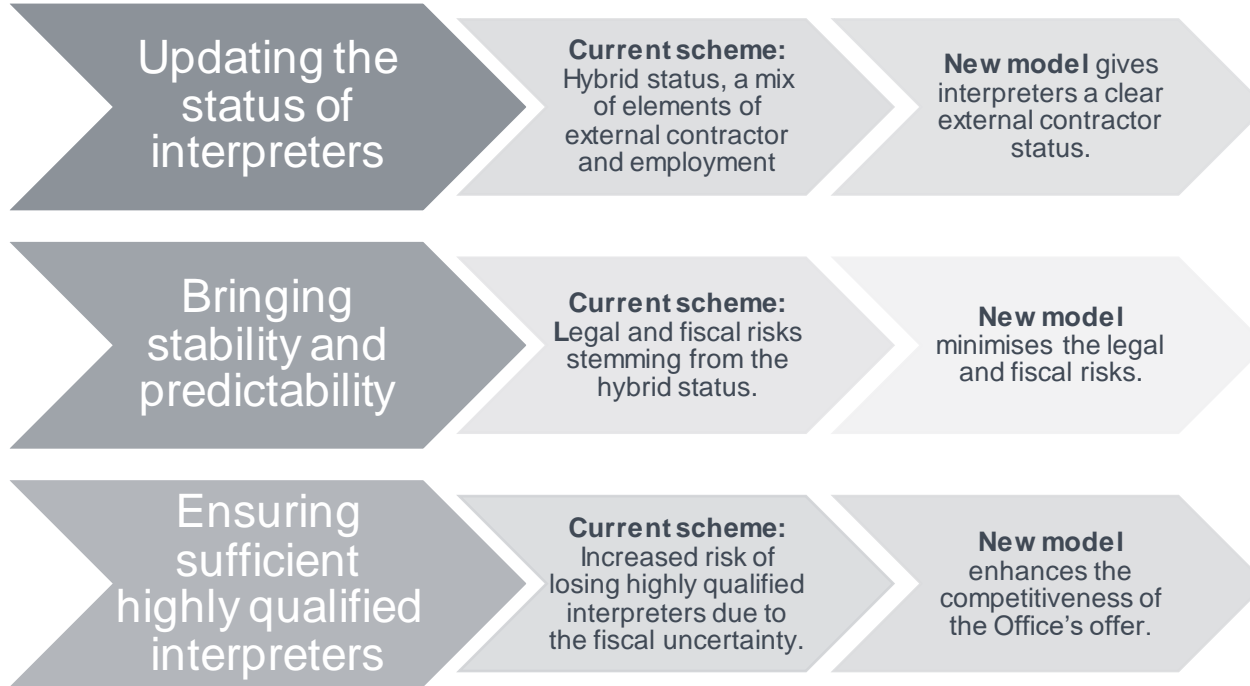


## **Legal obligation to provide interpreters**

The Office is legally obliged to provide interpreters for oral proceedings in opposition and appeal under Article 7 EPC.

## 2. MOTIVATION OF THE CHANGE

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# 3. MAIN FEATURES OF THE NEW MODEL

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## Clear status

- An external contractor status brings clarity to all parties:
- consistent treatment of interpreters by national authorities; and
  - foreseeable administrative and fiscal obligations.

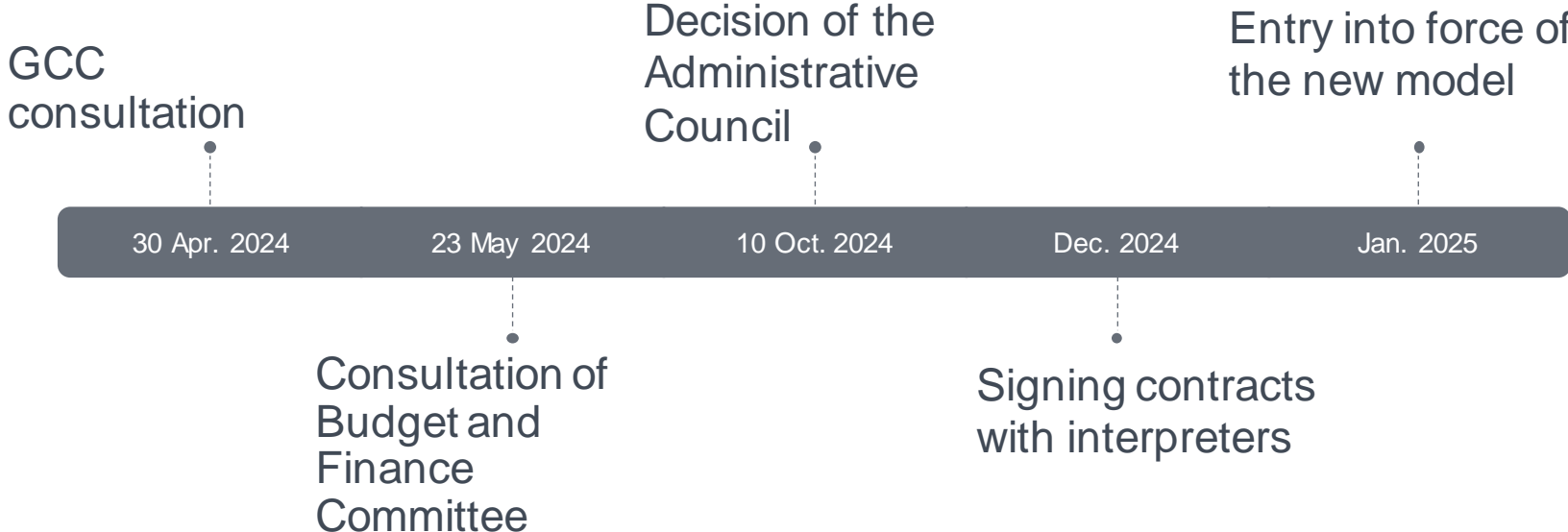
## Increased fees

- Increase of the interpreters' daily rates to:
- take national taxation into account and
  - ensure competitiveness with respect to comparable international organisations.

## Stability

- Similar structure in contractual relationship (2-level legal basis)
- Limited changes in the daily cooperation with interpreters (same approach in the assignment of work, same interlocutors)

# 4. TIMELINE





# **ANNEX - BACKUP SLIDES (IF NEEDED - INPUT FROM EXPERT UNITS?)**

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**Communication from EPO-accredited interpreters to Staff Representation**

14th April 2024

Dear Staff Representation,

Thank you for contacting us about the forthcoming discussion on interpreter working conditions. Please find below a response on behalf of colleagues. We are also copying in Sonja Harm and Daniel Rowe from the Language Service. We hope that you can relay this message through appropriate channels to ensure that our concerns are given due attention.

As we discovered on Friday, there are proposals to radically change the conditions of employment for EPO interpreters and the way interpreting is procured, remunerated and taxed. As accredited interpreters working regularly at the EPO, we would like to express our shock that such proposals should be discussed internally at the EPO without any attempt to inform or consult the interpreters.

**We insist that it is vital that interpreters be represented and that we be duly informed and consulted on the plans under consideration before they progress any further.**

**We therefore urge the EPO to consult the interpreters as a matter of urgency.**

**We call on the Office to postpone internal meetings and meetings with the Staff Representation about this matter** until interpreters have had time to fully assess the implications of any changes and put forward their considered and informed opinion.

We would also expect discussions to take place in order to ensure that no colleagues are left disadvantaged by changes that, as far as we are aware, none of us are seeking, and impacts that would be complex and difficult to predict, for both the EPO and interpreters.

We would like in particular to draw attention to the grave risk any such changes pose to quality, cost, equal treatment and retention of interpreters. That creates a potential reputational and legal risk to the EPO, particularly given the need to ensure parties' right to be heard.

The Language Service has spent decades developing a pool of quality-tested interpreters who can handle the particular challenges of interpreting proceedings with complex legal and technical content. Safeguarding a service regularly described by users as excellent and invaluable must surely be in the EPO's interests.

General Consultation Committee

# Document for the General Consultative Committee

Document number	GCC/DOC 02/2024
Meeting Date	30/04/2024
Title	Repeal of the Conditions of employment for interpreters at the European Patent Office
Classification	For consultation
Date submitted	15/04/2024



**Europäische  
Patent-  
organisation**

Verwaltungsrat

**European  
Patent  
Organisation**

Administrative Council

**Organisation  
européenne des  
brevets**

Conseil d'administration

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**CA/35/24**

Orig.: en  
Munich,

**SUBJECT:** Repeal of the Conditions of employment for interpreters at the European Patent Office

**SUBMITTED BY:** President of the European Patent Office

**ADDRESSEES:** 1. Budget and Finance Committee (for opinion)  
2. Administrative Council (for decision)

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#### SUMMARY

This document proposes repealing the Conditions of employment for interpreters at the European Patent Office introduced in CA/D 3/02, in order to adopt a new model for securing interpreting services for the Office that uses framework contracts concluded with individual interpreters.

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This document has been issued in electronic format only.

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## PART I

### **I. STRATEGIC/OPERATIONAL**

1. Operational.

### **II. RECOMMENDATION**

2. The Administrative Council is requested to approve the proposed repeal of the Conditions of employment for interpreters at the European Patent Office.

### **III. MAJORITY NEEDED**

3. Three-quarters majority in accordance with Articles 33(2)(b) and 35(2) EPC.

### **IV. CONTEXT**

4. The European Patent Office (“the Office”) is legally obliged to provide interpreters for oral proceedings in opposition and appeal under Article 7 EPC. In 2023, 97% of interpretation services were provided for these oral proceedings and 3% for the Administrative Council and its bodies and other meetings.
5. The Office has a pool of around 160 highly qualified freelance interpreters. When they start to work for the Office, the interpreters typically have a master’s degree in conference interpreting and several years’ experience. Despite this, new interpreters need approximately one year of onboarding to be fully proficient in interpreting oral proceedings at the Office. The setting is particularly challenging: interpreters need to grasp detailed technical aspects of inventions, the legal framework and specific Office terminology, must learn how to handle extensive case files and also need a solid basic knowledge of all technical fields. Of the interpreters who pass the challenging onboarding phase, currently only very few cease to work for the Office due to this high degree of specialisation and the time they invest in this training.
6. Most interpreting work is now done online: in 2023, only 15% of interpreting work was performed on-site for in-person proceedings. The majority of the interpreters also work regularly for other international organisations such as the EU, UN and Council of Europe.

### **V. ARGUMENTS**

#### **A. BACKGROUND**

7. Under the current framework, interpreters are considered employees of the Office only for the period of time during which they work for the Office. Interpreters work for the Office on the basis of individual short-term contracts, usually concluded for one day. Their remuneration is exempt from national income tax, but they are not covered by the Office’s social security and pension schemes. The interpreters’ current status is therefore a mix of elements of an external freelancer and an employee of the Office.

8. In 2023, the question of the interpreters' affiliation to national social security schemes was raised in a contracting state. This question stemmed from the interpreters' very particular status under the current legal framework: as the interpreters are not affiliated to the Office's social security scheme and the relationship between the Office and its interpreters has elements of an employment relationship, their position under the national social security law is uncertain in the contracting state at stake.
9. An obligation to affiliate interpreters to the national social security scheme of a contracting state in which they are working would lead to greater obligations and costs for both the Office and its interpreters. If the interpreters residing in that contracting state were to be affiliated to national social security schemes, this would create obligations for the Office as it would have to register as a national employer, in contradiction with the Office's immunity.
10. The Office recognised that the hybrid model adopted in CA/D 3/02 no longer corresponds to the actual nature of the relationship between the Office and its interpreters, as it essentially has more elements of the relationship between a self-employed freelancer and an organisation than between an employee and an employer. The complex model with only specific aspects of the Office's Service Regulations applying to its interpreters is outdated.
11. Given that international organisations currently suffer from an interpreter shortage, the Office must ensure both business continuity and its competitiveness with respect to other international organisations with comparable requirements. At the same time, the legal and fiscal risks relating to the current framework and especially to interpreters' fees must be mitigated.

**B. PROPOSAL: REPEAL THE CONDITIONS OF EMPLOYMENT FOR INTERPRETERS IN ORDER TO ADOPT A NEW MODEL**

12. Looking forward and considering the legal and fiscal risks of the current system, the Office proposes that the Conditions of employment for interpreters are repealed in order to adopt a new, simplified model for securing interpreting services through framework contracts. Under the new model, the Office will conclude framework contracts with its interpreters to set out the general conditions for providing interpretation services, and the interpreting work will be ordered through individual commissions.
13. The new model will give interpreters a clear external freelancer status which better corresponds to the nature of the relationship between the Office and its interpreters, bringing stability and predictability to their legal and fiscal position. Following the change in their status, interpreters' fees will be subject to national income tax. Accordingly, the interpreters' daily rates will be increased by 40% to remain competitive with respect to comparable international organisations.
14. To conclude, by adopting this proposal to repeal the Conditions of employment for interpreters the Council will enable the adoption of a new, updated model which:
  - brings stability and predictability to interpreters' status by minimising the legal and fiscal risks;
  - simplifies and updates the current outdated and complex system;

- ensures the Office's competitiveness with respect to comparable international organisations; and consequently
- ensures sufficient highly qualified interpreters at the Office.

**VI. ALTERNATIVES**

15. An alternative to this proposal is to maintain the interpreters' status as employees of the Office and to adjust the current Conditions of employment for interpreters to reflect changes that have occurred since 2003.

**VII. FINANCIAL IMPLICATIONS**

16. The financial impact of adopting the new model is estimated to be EUR 2.11m per year (based on 2023 figures). These additional costs stem from the required 40% increase in interpreters' fees.

**VIII. LEGAL BASIS**

17. Conditions of employment for interpreters.

**IX. DOCUMENTS CITED**

18. CA/D 3/02.

**X. RECOMMENDATION FOR PUBLICATION**

19. Yes.



PART II

Draft

DECISION OF THE ADMINISTRATIVE COUNCIL  
of [date of decision] repealing the Conditions of  
employment for interpreters at the European Patent  
Office

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THE ADMINISTRATIVE COUNCIL OF THE EUROPEAN PATENT ORGANISATION,

Having regard to the European Patent Convention, and in particular Articles 10(2)(c) and 33(2)(b) thereof,

Having regard to the Conditions of employment for interpreters at the European Patent Office,

On a proposal from the President of the European Patent Office, submitted after consulting the General Consultative Committee,

Having regard to the opinion of the Budget and Finance Committee,

HAS DECIDED AS FOLLOWS:

Sole article

The Conditions of employment for interpreters at the European Patent Office are repealed.

This decision enters into force on 1 January 2025.

Done at Munich, [date of decision]

For the Administrative Council  
The Chairperson

Josef KRATOCHVÍL

**PART 2f**  
**CONDITIONS OF EMPLOYMENT FOR INTERPRETERS**  
**AT THE EUROPEAN PATENT OFFICE**

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## **THE ADMINISTRATIVE COUNCIL OF THE EUROPEAN PATENT ORGANISATION,**

Having regard to the European Patent Convention, and in particular Articles 13 and 33, paragraph 2(b), thereof,

Having regard to the Protocol on Privileges and Immunities of the European Patent Organisation, and in particular Articles 14, 16 and 17 thereof,

Having regard to the Service Regulations for permanent employees of the European Patent Office (hereinafter referred to as "the Service Regulations"),

Having regard to the Regulation on internal tax for the benefit of the European Patent Organisation,

Desiring to supplement the existing categories of conditions of employment for permanent employees, contract staff and auxiliary staff at the European Patent Office with conditions of employment for interpreters engaged by the European Patent Office on contract (hereinafter referred to as "interpreters"),

On a proposal from the President of the European Patent Office, submitted after consulting the General Advisory Committee,

Having regard to the opinion of the Budget and Finance Committee,

HAS DECIDED AS FOLLOWS:

### **Article 1 Scope**

These conditions of employment shall apply to interpreters at the European Patent Office (hereinafter referred to as "the Office") recruited by the President of the Office on the basis of short-term contracts.

### **Article 2 Term of contract**

Contracts shall be concluded for the duration of a conference, seminar, meeting of the Administrative Council, its committees or working parties, oral proceedings or, in general, any meeting organised by the EPO for which interpreting of the participants' observations is required. The duration shall be specified in the contract. It may, if necessary, be extended by agreement between the Office and the interpreter concerned.

### **Article 3 Recruitment**

- (1) The President of the Office shall take measures to ensure effective recruitment of interpreters.
- (2) Recruitment shall be directed to securing for the Office the services of interpreters of the highest standard of ability, efficiency and integrity.

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- (3)<sup>1</sup> Interpreters shall be selected without reference to ethnic origin, opinions or beliefs, gender, sexual orientation or disabilities.

#### **Article 4** **Rights and obligations**

The provisions of Articles 14, 19, 20, 22, 24, 25, 27, 28 and 30 of the Service Regulations shall also apply to interpreters.

#### **Article 5** **Remuneration**

- (1) The amount of the interpreters' daily remuneration is set out in the annex to the present decision.
- This amount is applicable to all the venues at which interpreters may be required.
- (2) The amount of the interpreters' remuneration shall be adjusted periodically by the same percentage as that applied to the remuneration of the Office's permanent employees in post in Germany, but without retroactive effect.
- (3) The amount of the interpreters' subsistence allowance shall be the same as that of the subsistence allowance for the Office's permanent employees (Group II). The periodic adjustments shall be applied without retroactive effect.

#### **Article 6** **Normal working hours**

- (1) An interpreter's working hours shall normally be from 09.00 hrs to 17.00 hrs. Interpreters are expected to arrive half an hour before in order to be briefed, and they therefore usually travel on the previous day, for which half the daily fee and half the subsistence allowance are payable.
- (2) If the interpreter's professional domicile is within 80 km of the conference venue, he/she shall be considered "local" and shall only be entitled to payment of his/her remuneration but not the subsistence allowance.

#### **Article 7** **Overtime**

- (1) If it becomes clear that oral proceedings, a conference or a meeting are set to continue after 17.00 hrs, the interpreters shall inform the EPO Language Service as soon as possible (by 16.00 hrs at the latest), especially if any of them have to leave on time and replacements are required.
- (2) Overtime worked after 18.00 hrs shall confer entitlement to payment of the amount set out in the annex to the present decision. This amount is subject to the same periodic adjustments as remuneration.

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<sup>1</sup> Amended by decision of the Administrative Council [CA/D 10/14](#).

- (3) If an interpreter misses his/her last flight or train, or is obliged to travel after 22.00 hrs, he/she shall additionally be paid the full subsistence allowance and half the daily remuneration.

### **Article 8 Cancellations**

- (1) If an engagement already accepted is cancelled within six weeks of the first working day, interpreters shall be entitled to payment of their remuneration provided they cannot find an alternative engagement for that day and confirm this in writing. This should be done within two weeks of the date of the cancelled engagement (one letter per engagement cancelled). Even if the engagement has been cancelled, the signed copy of the contract must be returned. The remuneration shall be equal to that agreed for the cancelled day(s), plus, where applicable, the subsistence allowance.
- (2) Written confirmation of failure to find an alternative engagement is required even if the interpreter is working for the EPO on the day before and the day after the cancellation. If the second day is a non-working day and the third day is cancelled, such written confirmation is also required for the non-working day.

### **Article 9 Travel costs**

For non-local interpreters, the EPO shall reimburse travel expenses between the interpreter's professional domicile and the venue of the engagement on the following basis:

- for travel by air, on production of a plane ticket showing the fare actually paid together with one or more boarding cards, the actual fare up to a maximum amount equivalent to the regular business class fare. Where the plane ticket does not show the fare paid, the original invoice must be submitted together with the ticket and proof of payment
- for travel by train, the first-class IC fare or the actual price of the ticket produced (including the ICE supplement)
- for travel by car, the corresponding rate for a first-class IC train ticket without ICE supplement (the price will be obtained from the travel agency used by the EPO).

If because of other commitments a non-local interpreter does not travel direct from his/her professional domicile or does not go back there afterwards, travel costs shall nevertheless be reimbursed for the journey from the professional domicile and back by the mode of transport actually used. In the case of air travel the regular business class fare shall be reimbursed. The price will be obtained from the travel agency used by the EPO.

**Article 10**  
**Social security and pensions**

Interpreters shall demonstrate that they are covered by a social security and pension scheme.

**Article 11**  
**Supplementary provisions**

The President of the Office shall adopt the supplementary provisions necessary for the day-to-day handling of the interpreters' conditions of employment.

**Article 12**  
**Disciplinary measures**

- (1) Any failure by an interpreter to comply with his/her obligations under these conditions of employment shall make him/her liable to disciplinary action in the form of a written warning or reprimand. Disciplinary measures shall be imposed by the President of the Office.
- (2) An interpreter found to be in serious breach of his/her obligations shall be liable to dismissal and may have all existing contracts cancelled.

**Article 13**  
**Appeals**

Article 13 of the European Patent Convention shall apply.

**Article 14**  
**Protocol on Privileges and Immunities**

- (1) Article 14 of the Protocol on Privileges and Immunities of the European Patent Organisation shall apply to interpreters, subject to the provisions laid down in Article 22 thereof.
- (2) Interpreters shall be subject to tax on the salaries and emoluments paid by the Office in accordance with the Regulation on internal tax for the benefit of the European Patent Organisation of 20 October 1977 and shall therefore be exempt from national income tax in accordance with Article 16, paragraph 1, of the Protocol.

**Article 15**  
**Entry into force**

This decision shall enter into force on 24 October 2002.

It shall apply with effect from 1 January 2003.

Done at The Hague, 24 October 2002

For the Administrative Council

The Chairman

**Remuneration pursuant to Articles 5 and 7 of the  
conditions of employment for interpreters  
(as at 1<sup>st</sup> January 2024)**

Daily remuneration for simultaneous interpreting	EUR 935.74
Daily remuneration for consecutive interpreting	EUR 1 403.57
Daily remuneration for two-way interpreting from and into Japanese	EUR 1 403.57

**Overtime**

For meetings which continue beyond 18.00 hrs the Office shall pay, in addition to the remuneration for the day, EUR 138.97 for each hour or part of an hour after 18.00 hrs.



## **Decision of the President of the European Patent Office dated 19 March 2009 adopting supplementary provisions to the conditions of employment for interpreters at the European Patent Office**

The President of the European Patent Office,

having regard to Article 11 of the conditions of employment for interpreters at the European Patent Office (CA/D 3/02),

has decided as follows:

### **Article 1**

For conferences taking place outside Europe and involving extended travel time, the interpreter may receive an additional payment, provided the Office has given its prior approval. This provision shall also apply to an interpreter resident outside Europe whose services are required for a conference within Europe.

If the interpreter's professional domicile is less than 100 km from the venue of the engagement, he/she shall not be entitled to payment of the subsistence allowance.

If the interpreter's professional domicile is less than 400 km<sup>1</sup> from the venue of the engagement, the Office shall reimburse only expenses for travel by train or car. In this case air travel expenses shall in principle not be reimbursed.

Flight tickets shall in principle be booked through the Office's travel agency. If, in exceptional and duly justified circumstances, this is impossible, the Office shall, on receipt of appropriate vouchers and without prejudice to Article 9 of the conditions of employment for interpreters at the European Patent Office (CA/D 3/02 - hereinafter referred to as the "conditions of employment"), reimburse airfares up to a maximum amount equivalent to the cheapest available business class fare.

### **Article 2**

If the interpreter has used "air miles" under a frequent flyer programme to pay for his flight, the Office shall reimburse only the amount actually paid.

### **Article 3**

On request, the Office may reimburse the cost of a rail card. Reduced fares shall be reimbursed accordingly.

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<sup>1</sup> See [Circular No. 319](#), Rule 4(2)

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#### Article 4

If the timing of a conference is such that an interpreter is able to set out for it on the day on which it starts, the half-day remuneration and half-day subsistence allowance for the previous day are not payable.

Article 7(3) of the conditions of employment shall also apply in situations where the interpreter is forced to spend an additional night at the venue of the engagement merely because it is expected that overtime will be required.

#### Article 5

If a non-local interpreter is engaged for three or more days in a single week and on one or more of the middle days has no engagement (bridging days), the Office shall pay the full subsistence allowance plus two-thirds of the remuneration for the day(s) concerned.

The remuneration for a bridging day shall be added to that for the working day following it. In accepting a bridging day, the interpreter is obliged, upon request from the Office's Language Service, to be available on that day for an engagement at short notice, or to stand in for another interpreter. The interpreter shall therefore ensure that he/she can be reached at all times by the Office's Language Service.

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#### Article 6

If a non-local interpreter has engagements spanning a free weekend and, as the case may be, a free Monday or Friday, the Office may, for economy's sake, offer to pay the equivalent of up to three days' subsistence allowance.

If a non-local interpreter is engaged for a two- or multiple-day event that ends early, the interpreter shall start his/her return journey on the final day of the event, subject to the availability of appropriate travel options. Any hotel cancellation fees resulting from the early departure shall be reimbursed by the Office on presentation of appropriate vouchers. If however this engagement is followed by another at the same venue, the interpreter is obliged, after consultation with the Office's Language Service and as in the case of a bridging day, to be available for an engagement at short notice, or to stand in for another interpreter. Article 5 of this decision shall apply accordingly.

Without prejudice to the provisions of Articles 7 and 8 of the conditions of employment and Articles 5 and 6 of this decision, entitlement to remuneration shall be conditional upon fulfilment of the obligations set forth in the employment contract. This also applies in principle in situations where, due to circumstances beyond the control of either the interpreter or the Office, the interpreter is unable to perform his/her duties.

#### Article 7

In the case of the three official languages, at least two interpreters per language shall in principle be provided for oral proceedings and conferences.

This shall in principle be increased to three for meetings of the Administrative Council, Budget and Finance Committee, Technical and Operational Support Committee and judges' symposia.

### **Article 8**

If the hotel expenses (B & B + tax) exceed 60% of the standard subsistence allowance, the excess shall be reimbursed on presentation of appropriate vouchers if it can be shown that the expenditure was unavoidable. It shall *inter alia* be considered unavoidable if Office staff in job groups 4 to 6<sup>1</sup> use the same accommodation. Such reimbursement shall not normally exceed 30% of the interpreters' standard subsistence allowance.

### **Article 9**

This decision shall enter into force on 1 April 2009. It replaces the decision of the President of the European Patent Office dated 6 December 2002 adopting supplementary provisions to the conditions of employment for interpreters at the European Patent Office.

Alison Brimelow  
President

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<sup>1</sup> Amended by decision of the Administrative Council [CA/D 10/14](#).

European Patent Office | 80298 MUNICH | GERMANY

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Central Staff Committee  
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Reference: sc24022cl

Date: 18/04/2024

## OPEN LETTER

### Abolition of the conditions of employment of interpreters

Dear Mr President  
Dear Mr Vice-President,

On Monday 15 April 2024, the administration has tabled in the General Consultative Committee (GCC), the document [GCC/DOC 2/2024](#)<sup>1</sup> abolishing the whole section of the Codex related to the conditions of employment of interpreters<sup>2</sup>. The administration did so after proposing a single “Technical” Meeting on Thursday 11 April 2024 with a planned PowerPoint presentation containing limited content and nothing about the technicalities<sup>3</sup>.

As we already expressed by email<sup>4</sup>, the timeline of the consultation is tight and requires legal and fiscal analysis, and also input from those affected by the abolition, namely the interpreters themselves.

The document presents as a starting point the question of the interpreters’ affiliation to national social security schemes raised in a contracting state. However, the document does not mention which contracting state is referred to, what was the question raised nor whether the state is a relevant country of employment of interpreters.

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<sup>1</sup> [GCC/DOC 2/2024](#) (CA/35/24) [Annex 1]

<sup>2</sup> Conditions of Employment of Interpreters (January 2024) [Annex 2]

<sup>3</sup> “New model for securing interpreting service”, 09-04-2024 [Annex 3]

<sup>4</sup> CSC email to Social Dialogue, 11-04-2024 [Annex 4]

Legal and fiscal risks of the current system are presented as a justification for the change. However, no legal assessment and no fiscal assessment are provided. Section VIII mentions as legal basis the “Conditions of Employment for Interpreters”. This cannot be correct as the latter contain no provision for repealing themselves.

The announced aim to ensure the Office’s competitiveness with respect to comparable international organisations is not substantiated by any benchmark presenting the organisations taken into account nor the conditions they offer. As a matter of fact, it appears that the administration has not made any market analysis or survey among the pool of interpreters working for International Organisations. The Office did not even consult any of its 160 “highly qualified” interpreters who are shocked that such proposals shall be discussed internally without any attempt to inform or consult them<sup>5</sup>. The lack of consultation of those providing the service is difficult to reconcile with the announced aim to ensure business continuity and poses a risk as to the quality of service provided by the EPO to the users of the patent system.

The abolition of the conditions of employment of interpreters has far-reaching consequences which cannot be justified by an issue of affiliation to national social security scheme. For instance, regulations are removed from the Codex including; the statutory daily remuneration rates, working hours, the payment of overtime, the adjustment of the remuneration, protection in case of cancellations, reimbursement of travel costs and the entitlement to the daily substance allowance.

The Office intends to shift to a new system consisting of “framework contracts concluded with individual interpreters”. The content of these “framework contracts” is not annexed to the GCC document. There is hence no information as to which parts of the abolished statute will remain in these framework contracts and no guarantee each interpreter will remain subject to the same conditions.

The foreseen timeline of the reform is much too tight and does not allow anywhere near sufficient time for in-depth discussions and explanations. We repeat our request that the document is tabled in the GCC “for information” in order to ensure proper consultation. In addition, we request that the GCC is provided with:

- the legal and fiscal assessments,
- the information concerning the issues of the interpreters’ affiliation to national social security scheme in a contracting state,
- the foreseen specimen “framework contract”,

and that

- the Office urgently consults its “highly qualified” 160 interpreters directly affected by the change.

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<sup>5</sup> “Communication from EPO-accredited interpreters to Staff Representation”, 14-04-2024 [Annex 5]

We are looking forward to hearing from you.

Sincerely yours

A handwritten signature in blue ink that reads "Derek Kelly". The signature is written in a cursive, flowing style.

Derek Kelly  
Chairman of the Central Staff Committee

Annex 1: [GCC/DOC 2/2024](#) (CA/35/24)

Annex 2: Conditions of Employment of Interpreters (January 2024)

Annex 3: Email from EPO Interpreters sent on 15-04-2024

Annex 4: CSC email to Social Dialogue, 11-04-2024

Annex 5: "Communication from EPO-accredited interpreters to Staff Representation", 14-04-2024

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## **Statement from EPO-accredited interpreters**

### **Part 1 - Introduction**

EPO interpreters are deeply concerned about the proposed repeal of our Conditions of Employment (CA/136/02). We were left with little time to consider the ramifications of the proposal and reiterate our shock at the absence of consultation in advance of its submission.

If implemented, the proposed changes would dramatically impact interpreters and, as a consequence, the provision of language services at the Office.

We, the interpreters, are firmly convinced that the 2002 Conditions of Employment better serve the Office, its users and its interpreters.

### **Part 2 - The current model**

The Conditions of Employment were approved to allow smooth operation at the EPO by ensuring good availability of interpreters (cf. GCC doc 02/2024), thus facilitating parties' right to be heard at hundreds of oral proceedings per year. This has been achieved.

### **Part 3 - The new model**

The proposal as it stands would repeal interpreters' Conditions of Employment, move them to an independent contractor status and end tax-exempt pay, while offering a pay increase to purportedly mitigate the impact. No proposals have been communicated concerning any of the remaining working conditions.

The proposal - on which interpreters were not consulted - is based on a number of premises that we consider unfounded, for example but not only:

In parts A8 & A9, it is stated that "interpreters' position under the national social security law is uncertain in the contracting state at stake."

We would highlight that EPO interpreters are already affiliated to social security schemes in their countries of residence. There is no lack of certainty, and authorities have not queried this nationally for 20+ years.

Part A.10 states that "The complex model ... is outdated".

We would respond that similar systems are used in most international institutions (EU, UN, WTO, CoE, etc.) and function effectively when recruiting interpreters from multiple countries.

Part A.11 states that the proposal ensures business continuity and competitiveness. Detailed feedback from EPO interpreters indicates that interpreters will be financially disadvantaged and will therefore no longer view the EPO as a competitive employer. This threatens business continuity. In the light of issues raised in input from interpreters and their



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accountants, it appears that the proposed changes would create rather than resolve legal uncertainty.

**Detailed information regarding all the above points has been provided to the staff representatives and the interpreting service as an annex to this statement.**

#### **Part 4 - Risks to the EPO**

Uncertainties around the proposed model and its administrative, legal, financial and fiscal ramifications have already led to interpreters reducing their availability while seeking to clarify the implications.

The proposed changes make the EPO less competitive when recruiting interpreters, compared to other international organisations such as the EU, UN, WTO, CoE, etc.

The planned changes come with unforeseeable fiscal risks, including retroactive tax claims, along with a considerable additional administrative burden for the EPO.

#### **Part 5 - Conclusions**

We are united in opposing this proposal and call for maintenance of the 2002 Working Conditions, which have a long and proven track record of securing smooth cooperation between the EPO and its dedicated interpreters. Any adjustment to Working Conditions should be consulted with us.

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**2.1. RISK: HIGHER COSTS TO THE EPO**

- **2.11m euro annually** cited as cost of implementation (VII.16)

No simulation/cost analysis has been presented for the alternative of the EPO paying social security contributions for interpreters.

Additional risk:

- Real cost underestimated (see 3. Graph... ; VAT; retroactive tax claims; over-time)
- Real cost underestimated if calculations based on an increase to current **net** pay rather than **gross** pay
- Set-up cost not included (contract award procedure, conclusion of individual contracts)
- Management cost over the long term not included (see points below)
- No information as to whether overtime hours in proceedings have been taken into account in the projected figure
- It seems that the pay indexation has not been taken into account in the projected figure.

- **Increased administrative burden** of processing hundreds of bids at regular intervals via the proposed open procurement method.

- **Increased administrative burden** of processing >10,000 (ten thousand) interpreter invoices annually.

- **Increased administrative burden** - regular review of contract conditions if link to a staff grade is removed.

- **Insufficient decision basis**: no calculation for alternatives such as affiliating interpreters to social security schemes or one social/pension fund for interpreters.

- **Tax payments will not be distributed equally among MS**. Over 90% interpreters are resident for tax purposes in DE, FR, CH, UK, BE.

- **EPO may have to pay VAT in non-EU countries**.

## **2.2. RISK: LEGAL UNCERTAINTY FOR EPO**

- **retroactive tax demands made on EPO** (refund of "internal tax") by national authorities if the current system is deemed legally flawed. There is precedent for this... in the EU system, community tax on interpreters' pay was only codified by Regulation 723/2004. The EU had to reimburse "internal tax" to Member States for 1993-2003.

Example: EPO tax (ca. 8%) going back 10 years for only 1 interpreter with a yearly EPO income of 40.000€ = 32.000€. Multiplied by 150 interpreters working as part of the team before the pandemic.

- **Legal uncertainties** in respect of the **Platform Workers Directive** and interpreters' status thereunder.

- **Legal uncertainty** as to MS potentially defining interpreters as **Scheinselbststaendige and social security liability for EPO** resulting from that.

- **Drop in interpreting availability** and/or **quality** (see above) could affect parties' right to be heard.

### **- Uncertainty around bidding procedure 1**

According to para. 10.1 c) of EPO's General Conditions of Tender ([https://link.epo.org/web/general\\_conditions\\_of\\_tender\\_5\\_2019\\_en.pdf](https://link.epo.org/web/general_conditions_of_tender_5_2019_en.pdf)), "failure to mention a price in the bid" is an "exclusion criterion". If the EPO were to set a price in advance it would be non-compliant with established tendering principles. If it did not, it would not be offering equal pay for equal work and interpreters would be ethics-bound to reject.

### **- Uncertainty around bidding procedure 2**

EPO rules on tenders require open tender above 15,000 euro. Average annual pay for many interpreters is higher than that at the EPO. Would the EPO be obliged to re-open a tender at regular intervals?? <https://www.epo.org/de/about-us/tenders/procurement-procedures>.

- **VAT payments** Is EPO exempt for non-EU countries? (ca. 25% of EPO interpreters are resident for tax purposes in the UK and CH).

- **All other elements of the interpreter package** would need to be reviewed eg. working time, travel, cancellation fees but also remuneration for tasks currently carried out on a good-will basis, such as sound checks, team-leader duties.

- **Liability for auditory health** of interpreters working in ViCo. Interpreters will expect new framework contracts to include measures protecting their auditory health. In the absence of conclusive scientific evidence, other international institutions are currently implementing the precautionary principle and taking measures to limit the dangers to auditory health posed by poor sound and algorithmically compressed sound.

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- **Fulfilment by EPO of its ISO 9001/ISO 23155** (Provision of CI Services) requirements. The current QM/QA system (accreditation, quality reviews, peer reviews) is based on our current legal status and carried out by peers. A system whereby independent contractors - essentially then competitors - review each other's work would likely not meet these ISO requirements.

- **IT access rights for interpreters.** Interpreters have access, via IAS External, to all Opposition and Appeal proceedings files as well as an administrative IntraNet for recruitment. According this sort of access to outside suppliers under the proposed system could be problematic.

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**2.3. RISK: LOSS OF COMPETITIVENESS OF EPO AS AN EMPLOYER**

The current system was introduced in 2002 to secure business continuity, after a number of colleagues withdrew from engagements at the EPO to give preference to tax-exempt employment at e.g. the European Commission.

- **International institutions** are already competing for a limited pool of interpreters and offer some, or all, of the following as part of their package - **tax-free status, pension contributions and preparation days**.

- to compensate for taxation of EPO fees, the following minimum increases to net fees would be required in the following countries.

BE: 80% (varies depending on personal circumstances)

FR: >40% (depending on personal circumstances)

DE: 60%

UK: 55%

CH: 60%

AT: 8 days worked under proposed conditions at EPO triggers 26% social security payments

Further examples are available in Annex 3 EPO Tax figures.

NB. Over 90% of EPO interpreters live in DE (90), FR (40), CH (30), UK (25) and BE (20).

- Even those interpreters who would not be immediately disadvantaged due to taxation still **optimise their income vis-a-vis tax national thresholds**, thus limiting availability to taxable employers (under the new proposal, this would include the EPO).

- **Loss of goodwill** (as a result of non-consultation on these proposed changes) will aggravate the shortage and eliminate readiness to perform unpaid but valuable services within the team (peer reviews, liaison work etc.).

- **Health risks related to poor sound in ViCo** already make the EPO less attractive as an employer when other international institutions have largely returned to in-person simultaneous interpretation for meetings. This is due to increased risk of auditory incidents and vastly increased cognitive load when working in RSI.

- Interpreters more ready to **give preference to clients with smooth processes** (no red tape, no invoices, no fee negotiation, etc.), which is currently the case at the EPO but stands to change profoundly.

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**2.4. RISK: BUSINESS CONTINUITY KP1**

- All points above in "Loss of competitiveness" impact the availability of interpreters and therefore also business continuity.
- **Postponement of oral proceedings** due to a limited supply of interpreters with the required skillset. Training and on-boarding take time.
- **97% of EPO interpreting assignments are linked to oral proceedings:** being able to recruit enough highly qualified / accredited interpreters with the right working languages is critical to EPO's business continuity.
- **On-boarding process takes approx. 1 year;** and per se also makes interpreters providing induction training unavailable for interpreting duties.
- On-boarding and mutual professional support between interpreters largely rely on unpaid input provided by experienced colleagues. On-boarding will be slower if goodwill is eroded and team spirit replaced by competing "suppliers".
- **Inability to meet peak demand for interpretation.** Currently the EPO is meeting peak demand by "reactivating" retired interpreters; constant on-boarding; and allowing interpreters not yet fully accredited to work. In the context of tender procedures, however, bids normally have to be submitted by a closing date, and the contracts are concluded for a period running until the next tender. All of these business continuity solutions would become unfeasible under the new proposal.
- **A strong and positive team identity** is instrumental to smooth cooperation and in turn, the great quality valued by users of our services; this should not be compromised.
- **Time period between decision and implementation** (Oct 2024 and Jan 2025) is extremely short. Any delays in implementation would pose a serious risk to the provision of high-quality language services and therefore to timely scheduling of proceedings.

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**2.5. RISK: QUALITY OF INTERPRETING**

- The proposed changes would make the **EPO less competitive as an employer**, triggering a shortage of interpreters with the requisite skill-set. International institutions are already competing for a limited pool of interpreters.

- **Difficulties in scheduling oral proceedings** due to lack of interpreters.

- "Open procurement" is not compatible with the EPO Language Service's current **accreditation and quality assurance systems**.

- Competing contractors cannot "peer-review"
- Competing contractors cannot carry out quality reviews or tests in on-boarding processes
- Can accreditation (= vetting) be used as an exclusion criterion if the EPO does not give access to the accreditation/vetting procedure to all interested interpreters?

- Non-consultation has eroded years of goodwill. Goodwill cooperation in areas like ViCo and on-boarding is now called into question.

- A strong and stable team of regularly deployed interpreters is instrumental to upholding high-quality services. The less consistent the pool, the larger the intervals between assignments, which impacts negatively on consistency and quality.

- NB Article 3(2) of the Conditions of employment: "Recruitment shall be directed to securing for the Office the services of interpreters of the highest standard of ability, efficiency and integrity".

## 2.6. RISK: LEGAL UNCERTAINTY FOR INTERPRETERS

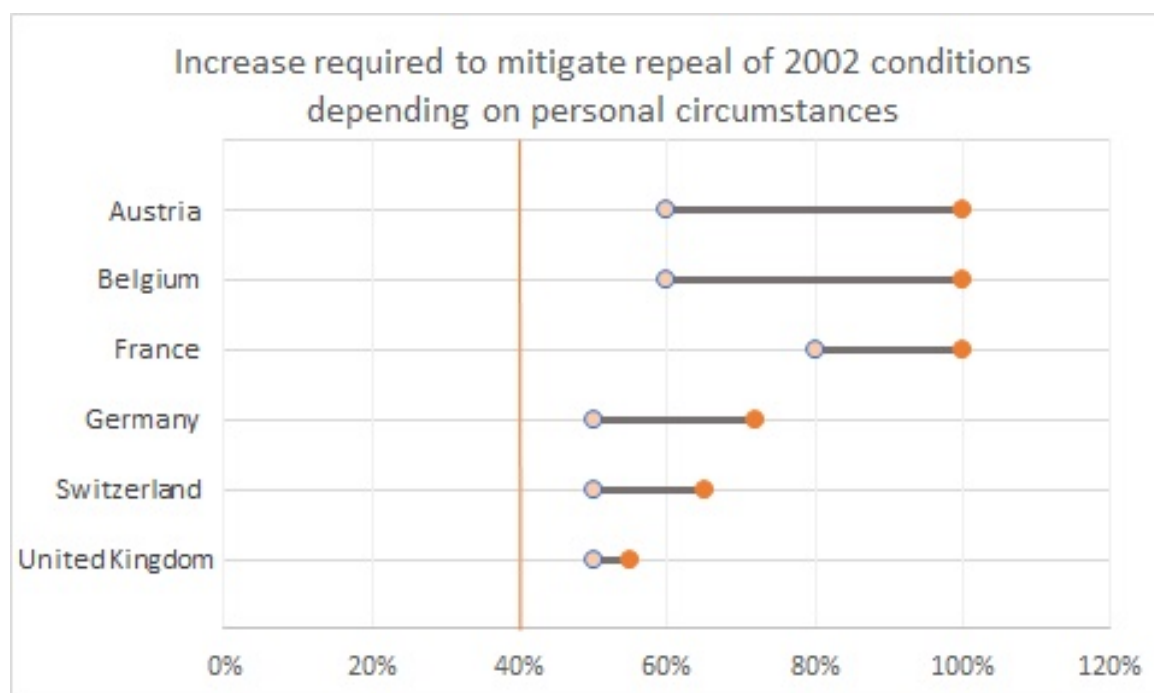
- **Discriminatory tax treatment** of interpreters. N.B.: tax exemption was deemed the only solution to this issue by the European Commission following an industrial dispute around the issue of tax status in the late 1990s (including interpreters boycotting the Commission's interpreting service, SCIC, for 18 months).
- Difficult to know all details of fiscal implications of status change in advance.
- **Retroactive liability for tax arrears.** There are precedents in which consultants working for the UN in CH and interpreters working for the EU have been required to retroactively pay tax on past earnings from these institutions.
- **Social security status...** some interpreters work exclusively for tax-exempt international institutions. Under the proposed change the EPO would be their only taxable customer. It would be difficult or impossible for them to join a social security scheme as a freelance interpreter working only for one customer. (Scheinselbstständigkeit issue).
- Uncertainty re. **bidding process and award criteria.**  
 "Open procurement procedure" (GCC document) makes reference to the form of tender procedure with the lowest degree of restrictions, creating uncertainties re.
  - how existing accreditations will be treated
  - the intervals at which tenders will be carried out
  - the jurisdiction governing contracts.
- Open tender (and the price requirement in bids) suggests the possibility of **different fees for different interpreters.** Many EPO colleagues are members of AIIC (Association Internationale des Interprètes de Conférence) and **uphold its Code of Professional Ethics** which includes the principle of equal pay for equal work. The proposal is therefore not compatible with their membership of the largest and oldest professional association in the sector.
- **Possible liability in case of technical failure** during ViCos.
- **All other working conditions** are now under threat, e.g. indexation of fees, travel allowances, overtime provisions, provisions concerning cancellation of assignments.
- Unclear if the proposed 40% increase refers to net or gross rate paid to interpreters at the EPO.



**EPO Accredited Interpreters Statement  
and Supporting Annexes**  
for GCC Meeting 30.4.24  
re. Proposed Changes to Interpreters' Conditions of Employment

24th April 2024

### 3. Graph showing impact of proposal on net pay

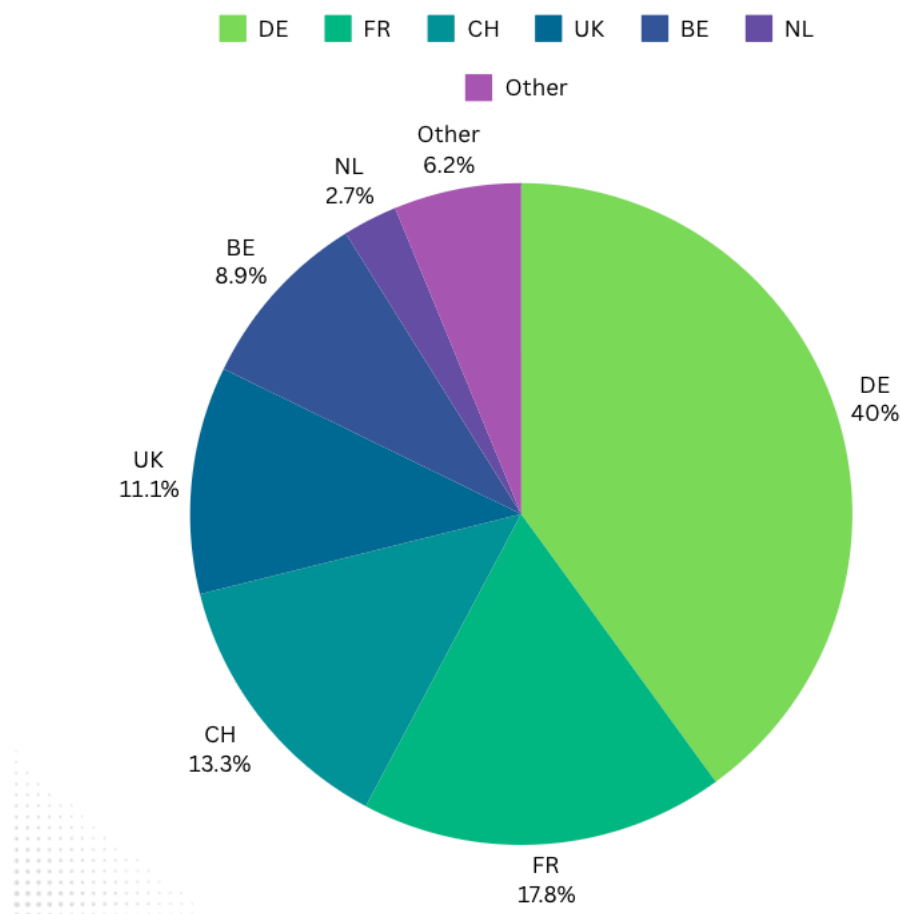


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#### 4. Graph of interpreters' tax residencies by MS

## EPO INTERPRETERS' DOMICILES



## **Lack of information for having an opinion on GCC/DOC 02/2024: Repeal of the Conditions of employment for interpreters at the European Patent Office**

The proposal GCC/DOC 02/2024 is of utmost importance not only for the interpreters but for all staff. A repeal of the Conditions of employment for interpreters at the EPO means the exclusion of a certain group of staff from rights provided for in the Protocol on Privileges and Immunities of the European Patent Organisation. Such a serious step requires extensive information, which must be provided in the consultation process.

The document states rather superficially that the question of the interpreters' affiliation to national social security schemes was raised in a Contracting State. According to the document, the interpreters' position under the national social security law is uncertain in the Contracting State at stake. There is no mention of the Contracting State in question, nor is any reference made to a national or international legal text which leads to uncertainty.

The reference to legal and fiscal risks relating to the current Conditions of employment for interpreters at the EPO thus remains an abstract risk that should be mitigated. Without even an approximate assessment of this risk, it is impossible to form an opinion on risk mitigation measures.

Moreover, there are evidently various alternatives to choose from as to how the abstract risk can be contained. On the one hand, there is the draft decision for the Administrative Council in Part II of the document. On the other hand, paragraph 15 of Part I of the document mentions the alternative of maintaining the interpreters' status as employees of the Office and adjusting the current Conditions of employment for interpreters to reflect changes that have occurred since 2003.

However, the consequences of implementing the first alternative are not discussed in the document. For example, repealing the Conditions of employment for interpreters at the EPO would mean that Article 14 would no longer apply, which currently regulates that Article 14 of the Protocol on Privileges and Immunities of the EPOrg shall apply to interpreters. The interpreters would therefore for example no longer enjoy the inviolability for all their official papers and documents.

The second alternative is not elaborated at all in the document. However, the reference to an alternative demonstrates that it is necessary to weigh up several options. However, such a weighing cannot be meaningfully understood if one alternative is insufficiently analysed, and the other option is not presented at all. It is therefore not possible to form a well-founded opinion here either.

Finally, it is proposed to introduce a simplified model for securing interpreting services through framework contracts. However, only declarations of intent are presented for these framework contracts. No specimen framework agreement is included in the document. Nor does the document provide a legal basis to demonstrate that the intended framework agreements minimise the alleged legal and fiscal risks. Questions therefore remain as to whether, for example, such agreements do not open up new problems such as bogus self-employment.

As a side note, paragraph 4 of Part I refers to Article 7 EPC as the legal basis for the Office's obligation to provide interpreters. This cannot be understood, because Article 7 EPC regulates the creation of sub-offices of the European Patent Office, it has nothing to do with interpreters. The information content of the document is further blurred by such inaccuracies.

The aforementioned shortcomings of the proposal could not be clarified at the GCC meeting on 30 April 2024 either. It might have been understandable not to want to denounce a particular Contracting State and therefore remain at an abstract level in the document. However, explicit reference was made in the GCC meeting to problems in the Netherlands. This reason can therefore no longer apply.

It can therefore only be concluded that relevant and material information for meaningful and effective discussions is missing. The consultation on GCC/DOC 03/2024 was not conducted in good faith. It is therefore impossible for us to give an opinion on the document.

Group 2 of the CSC members of the GCC

## **Comments of the CSC members of the GCC on GCC/DOC 03/2024:**

### **Award of contract for Healthcare Insurance Administration Services**

Dear chairperson,

Cigna as healthcare administrator plays a significant role in administrating and correctly implementing our EPO healthcare insurance scheme.

Our healthcare Insurance provides a comprehensive benefits package as an important part of our conditions of employment by the EPO.

We want the healthcare insurance administrator to be reliable, consistent, harmonized across sites, and reachable with timely delivery services.

This has a direct impact on the health and wellbeing of staff, pensioners, and their dependencies. Our insured population is aging, and this will bring an increased demand for a need for (health-)care and the expected medical cost inflation.

We are all active contributors and users of this EPO Medical insurance scheme.

However, the office 'forgot' to involve representatives of the CSC and the pensioners.

When the appointed member of the CSC got involved, the call for Tender was already published on internet, and his role was limited to observer only!

In that context, we consider having a rightful claim to be involved in the whole tender procedure: bringing in our feedback about Cigna' reimbursement policy (we have seen more initial rejections, discussions, disagreement handling, but then finally reimbursed on unclear grounds). In addition to our involvement in the tender procedure, we would have liked to be involved in assessing staffs' needs, redefine the technical specifications, upgrading service level agreements, striving for best practice and modernising our healthcare administration.

Although our Opinion is not formally requested, we support the awarding of the contract to Cigna, and we support the enhanced services to the plan members, the service to the office and modernisation of the tools, making our EPO healthcare administration fit for the future.

#### Some of our concerns are:

- 1) We expect that the staff and pensioners will be properly informed by an information campaign, informing them in advance of upcoming changes to the services and upgrades to the tools, like the new functionalities to Cigna App.
- 2) Concerning the financial implication for Cigna: ending up with important lower running cost of the scheme does not automatically mean "Cheaper is better". We suspect that this is not a profitable exercise for Cigna and we hope this will not effect the provided services.

- 3) A number of optional (additional) medical services are mentioned in the Tender documents for future consideration, i.e. 'broadening of services', make us suspicious in what the intentions are of the administration in further outsourcing of the in-house medical services.
- 4) Also the emphasis on 'cost containment measures', to which we in principle are not against, should not be applied to the detriment of an increased rejection of the send-in invoices, what would not be perceived by the insured members as high-quality service!
- 5) The principle of offering a 'Medical providers network' to the plan members is good if it actually works: being accessible and supportive for the plan members also in the Netherlands. In practice, this is actually not always the case where the proposed health care providers of this Network, International Health Clinic in Scheveningen and/or Art & Zorg do not accept new registrations for General Practitioners services! Therefore, this so called 'Preferred Providers Network' in the surrounding of The Hague needs to be further improved if we want to keep Rijswijk as PoE attractive enough for the future.

The CSC members of the GCC