

Reward Exercise 2024

The addendum

Dear colleagues,

Since our [publication](#) of 7 December 2023, management has brought clarification concerning the presentation of the envelope for steps and promotions in budget documents.

First, in May 2023, the Office obtained a positive opinion from the Budget and Finance Committee to change the presentation of the budget referred to as CA/50/xx before approval and CA/D 1/xx after approval by the Administrative Council. From the 2024 budget period onwards, the focus of the budget document will be shifted from a cash flow view to the IFRS Standardised view (e.g. see on [CA/F 13/23](#) par. 8, 9, 11).

Second, in December 2023, the President submitted a proposal in the General Consultative Committee (GCC) amending Circular 364, Implementation of the New Career System. As of 1 January 2024 onwards, step advancements and promotions will take effect on 1 April (instead of 1 July so far). The period of payment will therefore increase from 6 to 9 months (see [GCC/DOC 35/2023](#), section E. (6)).

Third, past budget documents CA/50/xx and CA/D 1/xx mentioned the envelope in terms of full year equivalent (without any explicit mention of this) while payments for the budget year were made only over the 6 months period of July to December.

The first version of the draft budget 2024 [CA/50/23](#) mentions a drastically reduced amount without any explanation. The updated draft budget 2024 [CA/50/23 Add. 1A](#) mentions an updated envelope with the explicit mention that it is on a pro-rata basis (for a period of 9 months as confirmed by management):

2023		
CA/50/22 (p. 168/189)	CA/50/22 Add. 1A (p. 94/105)	CA/D 1/22 (p. 166/187)
€ 14,690 mil	€ 14,380 mil	€ 14,380 mil
2024		
CA/50/23 (p. 79/111)	CA/50/23 Add. 1A (p. 82/114)	
€ 9,440 mil	€ 11,250 mil pro-rata temporis*	

*The full year equivalent budget for steps and promotions amounts to **EUR 15,2m**

The evolution of the budget envelope should be made by comparing the full year equivalents and hence **€ 14,380 mil for 2023** vs **€ 15,200 mil for 2024**. The budget envelope proposed in the Council is increased by **+5.7%**.

Once the Administrative Council has approved the budget in CA/D 1/23, the President shall submit his Guidelines for Rewards. In the past, Mr Campinos has systematically reduced at this later stage the envelope to be spent compared to the one of the Council (see [here](#) in 2023 and [here](#) for 2022) and has never exhausted his own budget. It is therefore still not known yet, whether the Office will spend more in steps and promotions in 2024 compared to 2023.

The Central Staff Committee