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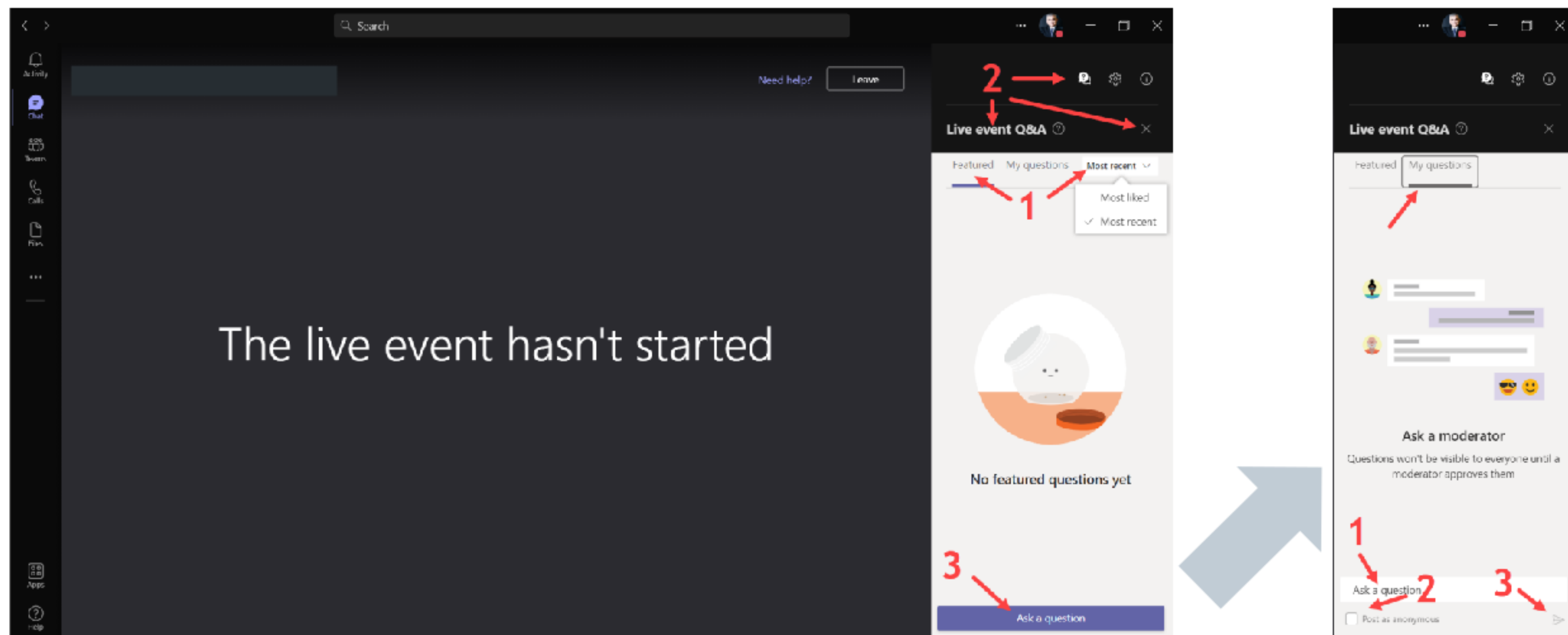
Staff General Assembly EPO TH

Thursday, the 3rd February 2022
11:00 – 12:30



Technical: Meeting Questions & Answers

To ask a question please use the Live event Q&A pane. Further questions can be sent later to dhstcom@epo.org



Technical: Meeting Poll

To answer (anonymously) the questions of the poll please use Slido. You will find the link on the Q&A pane of this Teams live event. Alternatively, you can open sli.do in your browser and join the poll using poll number “#021190”.

The image displays a Teams meeting interface with a Slido poll and a browser window showing the Slido website. On the left, a blue panel contains a QR code and the text "Join at slido.com #021 190". The main Teams window shows a "Live poll" with two questions and three response options: "Satisfied", "Dissatisfied", and "Undecided". The browser window shows the Slido website with a navigation bar, a banner for "Slido is now part of Webex!", and a "Joining as a participant?" section with a "# Enter code here" input field. Red arrows point to the "sli.do" address bar, the "Quick Slido" button, and the "Enter code here" field. A green box highlights the browser window content.

Agenda

01. Salary Adjustment Procedure & Financial Situation
02. Education and Childcare Reform
03. New Normal & Strike Regulations
04. Job Group 5/6
05. Conclusion
06. POLL: what to do next?
07. Q&A



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The EPO salary adjustment procedure & Financial Situation



Financial Study 2019 by Oliver Wyman & Mercer

Offices measures assessment in Oct 2019 (CA/84/19):

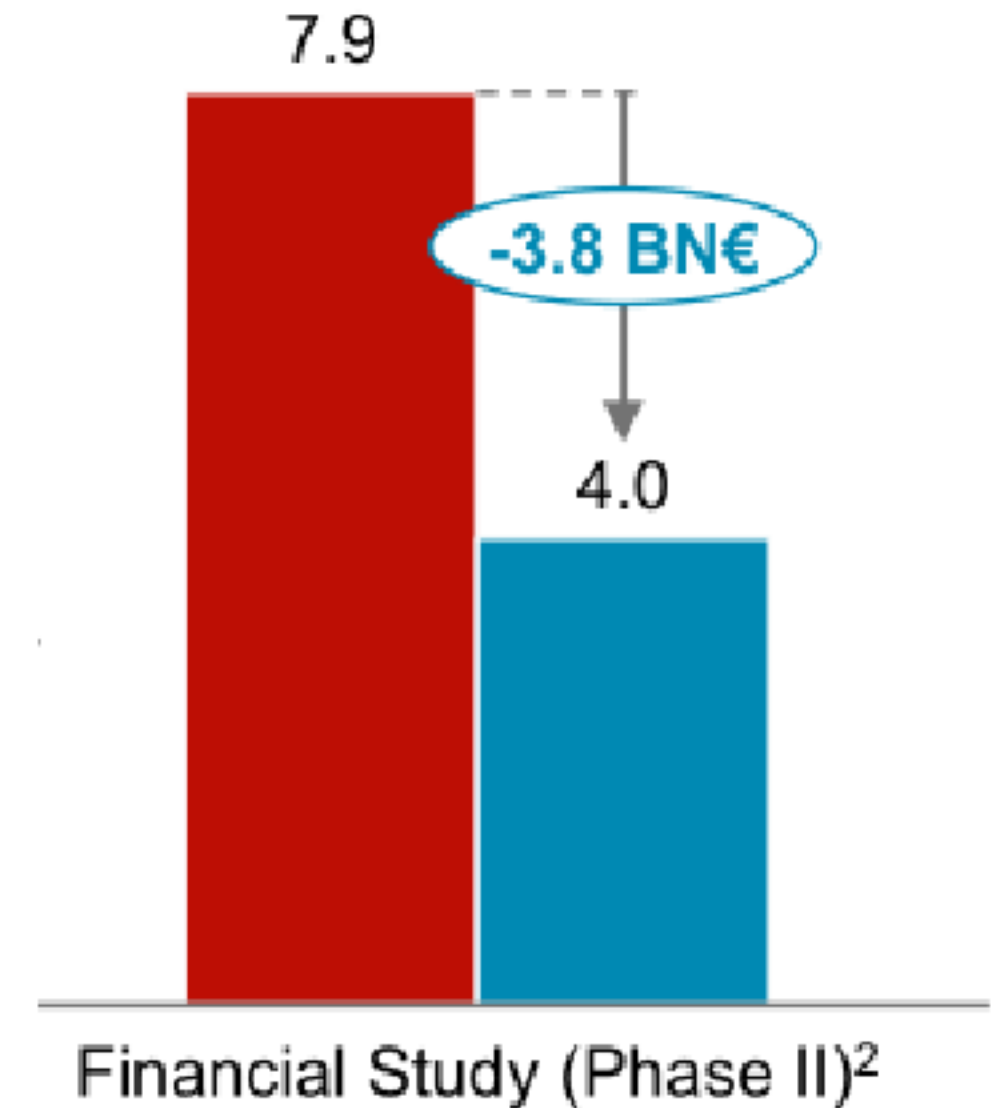
- select Base 2 scenario with coverage gap of **€3.8 BN**
- add on top an arbitrary **€2.0 BN** buffer.

Total: **€5.8 BN**

Proposal of **17 financial measures** to overcome the alleged gap

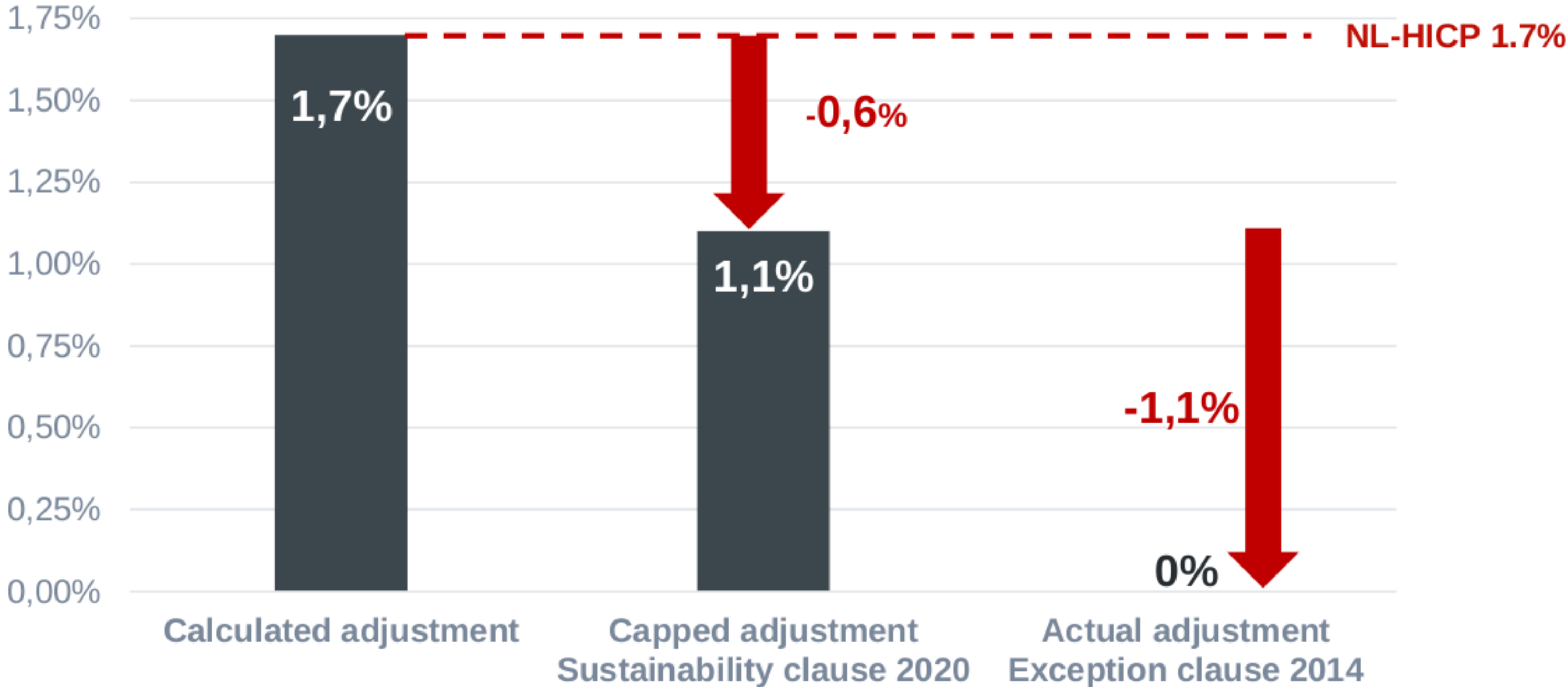
6 of 17 measures chosen in May 2020 for period 2020-2038 (CA/18/20)

Measure 1 “**Salary Adjustment Procedure**”
expected savings = **€2 BN** (CA/19/20 + CA/D 4/20)



Salary Adjustment Procedure (SAP)

Result in The Hague for 2021



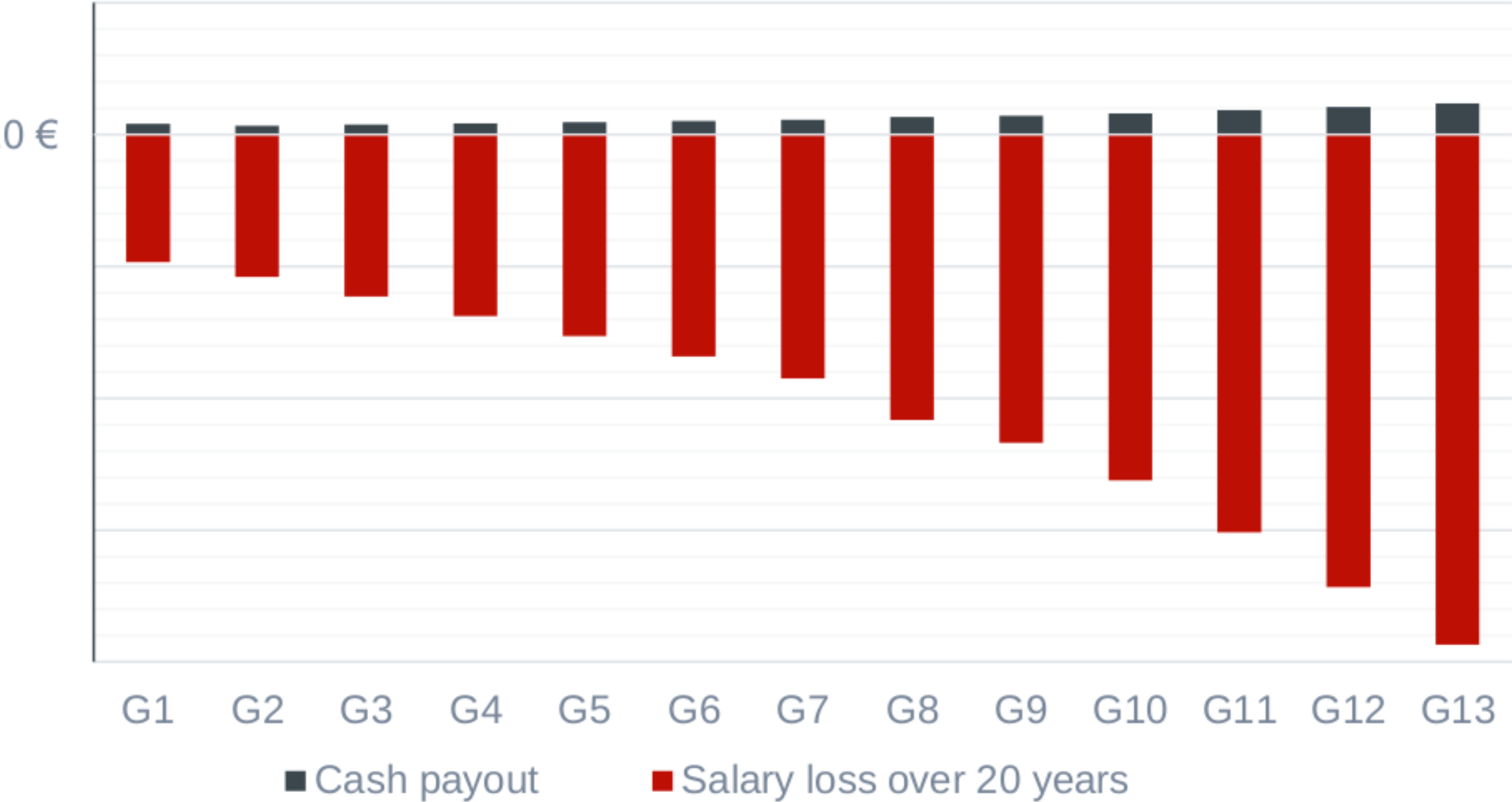
Salary Adjustment Procedure (SAP)

Sustainability clause introduced in 2020

- Limits the adjustment of the **overall salary mass** to **Eurozone inflation + 0,2%**
- Overall calculated adjustment for 2021 is **3,38%** vs the cap of **2,1%**
- All sites calculated adjustment reduced by 37,86%
- Result for the Hague: **1,7%** cut to **1,1%**
- Loss of **0,6%** transferred to « redistribution pool », what is it?
- **Cash payout, lost on the salary scales**

Salary Adjustment Procedure (SAP)

Cash payout vs. salary loss



Source: CA/19/20 + CA/D 4/20

Salary Adjustment Procedure (SAP)

Exception clause introduced in 2014

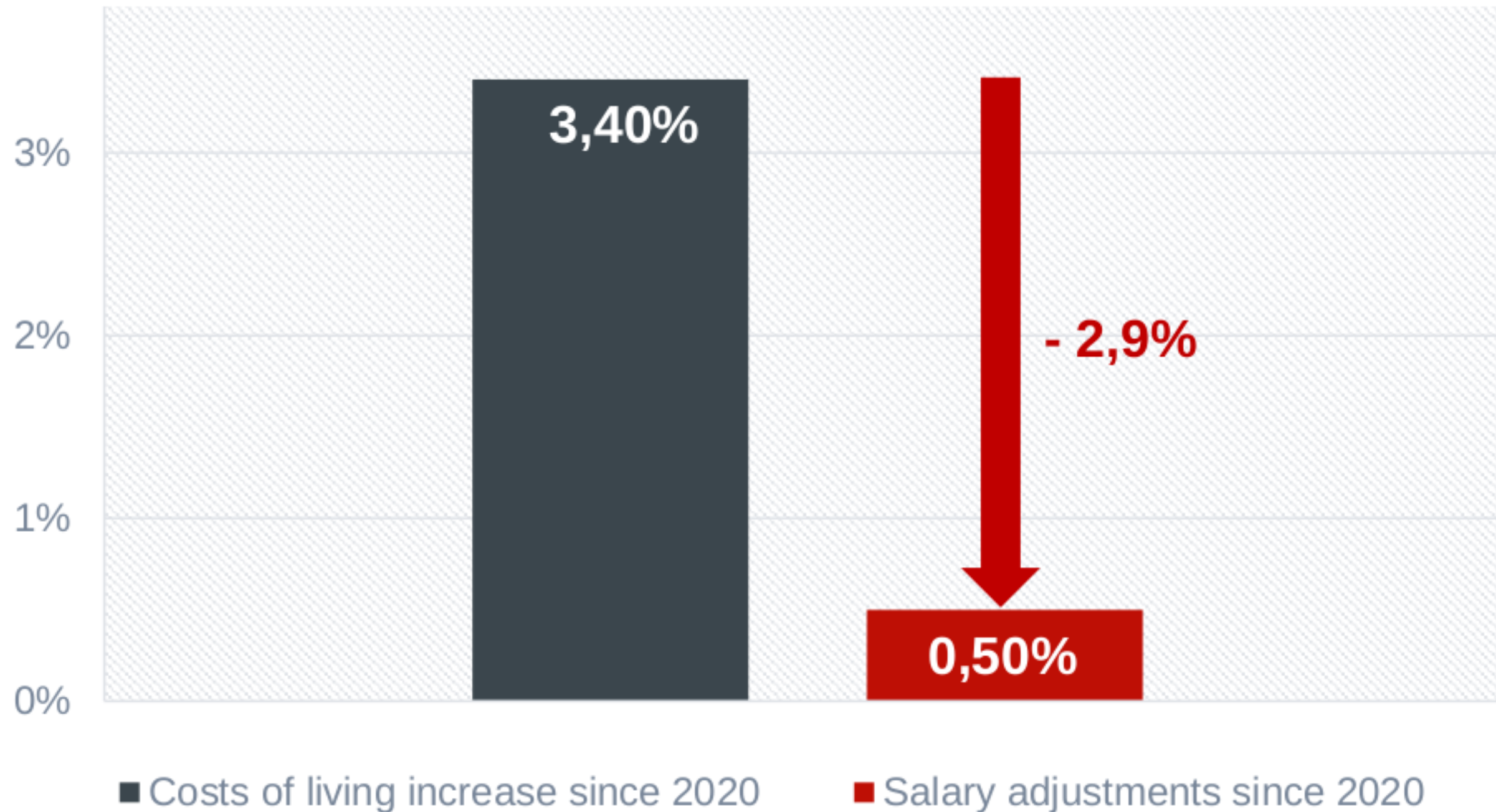
- Triggered when Gross Domestic Product (GDP) drops by at least -3% (-5,9%), adjustment is delayed until GDP has recovered

+1,1% will be added on top of a future adjustment, but when?

- Probably GDP will not fully recover end of 2022
- Adjustment could be delayed until 2024

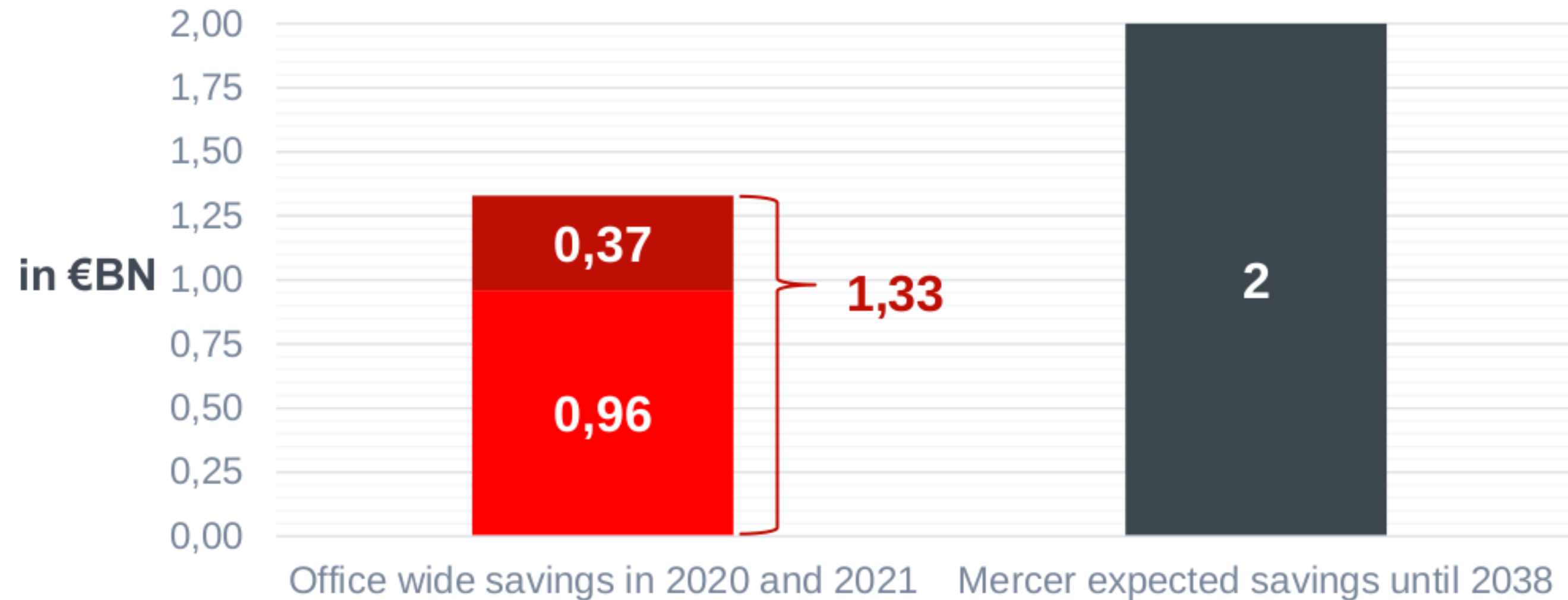
Loss of Purchasing Power

“There is no desire to cut staff purchasing power” - Communiqué of 9-4-2020



Savings are above all predictions

“There is no desire to make unnecessary savings” - Communiqué of 9-4-2020



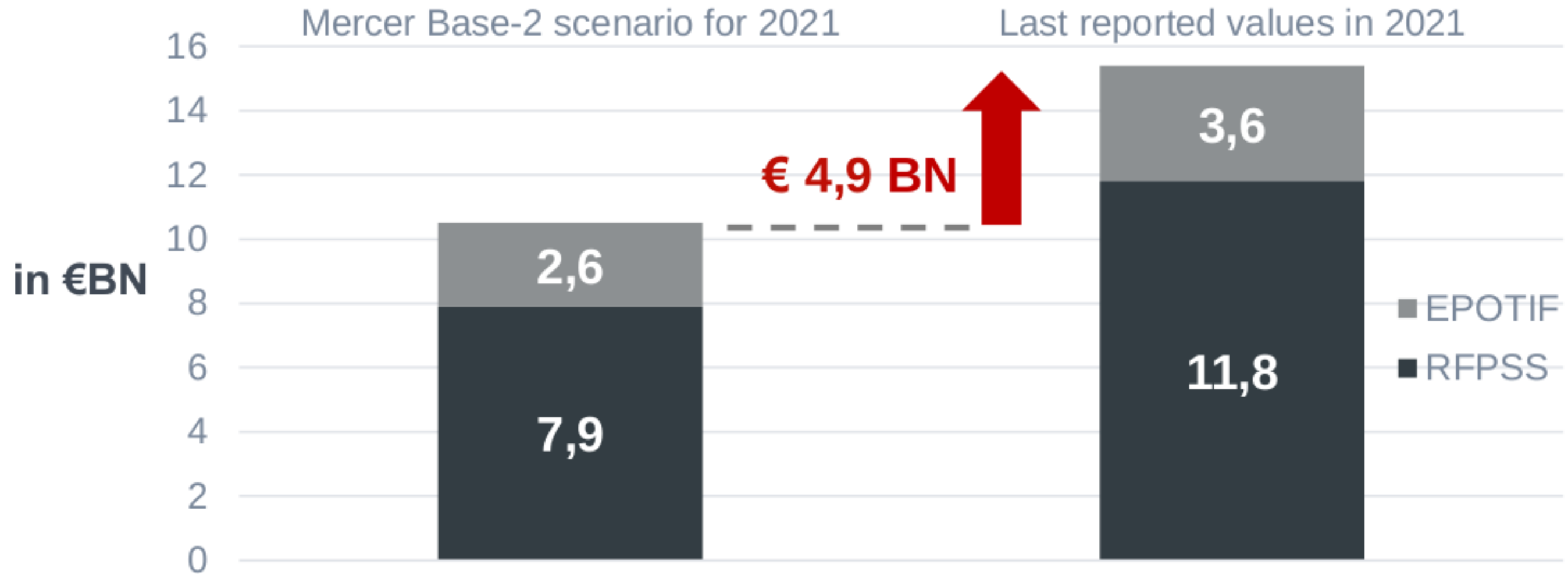
Source: CA/83/19 slide 6, CA/71/21 par. 25, CA/66/20 par, 22

2020: (liabilities + buffer) x average_sustainability_cut = (27 + 2) x (3,78% - 0,5%) = €29 BN x 3,28% = €0,95 BN
confirmed as €0,96 BN by Mr Campinos (CA/66/21 par. 26)

2021: € 29 BN x (3,38% - 2,1%) = €0,37 BN

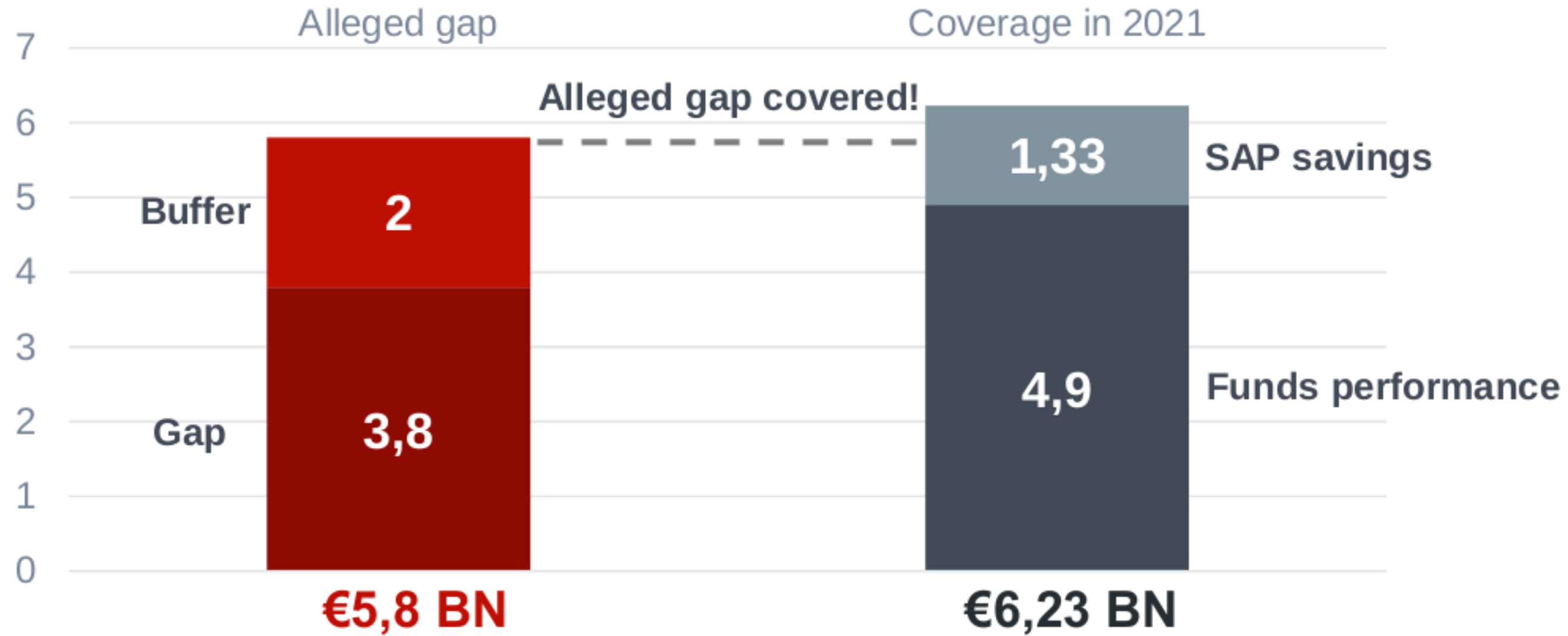
Are financial reforms justified?

How are the EPO funds doing?



Surplus 2021: at least **€ 310 million**

Are financial reforms justified?



There is no gap, there is an excess

Lets make use of the reversability principle as promised

It is time to revert and redistribute to staff!



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Education Allowance Reform



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Billing

- Reimbursement (Art. 71 Serv. Regs.)
- Financial burden
- Administration actions?



Siblings

- Around 50 colleagues affected
- Broken promises:
 - Allowing the parents to make an informed decision
 - Intention to consider siblings
 - Ensure that no child has to change school



Legal procedure

- General case
- Individual cases



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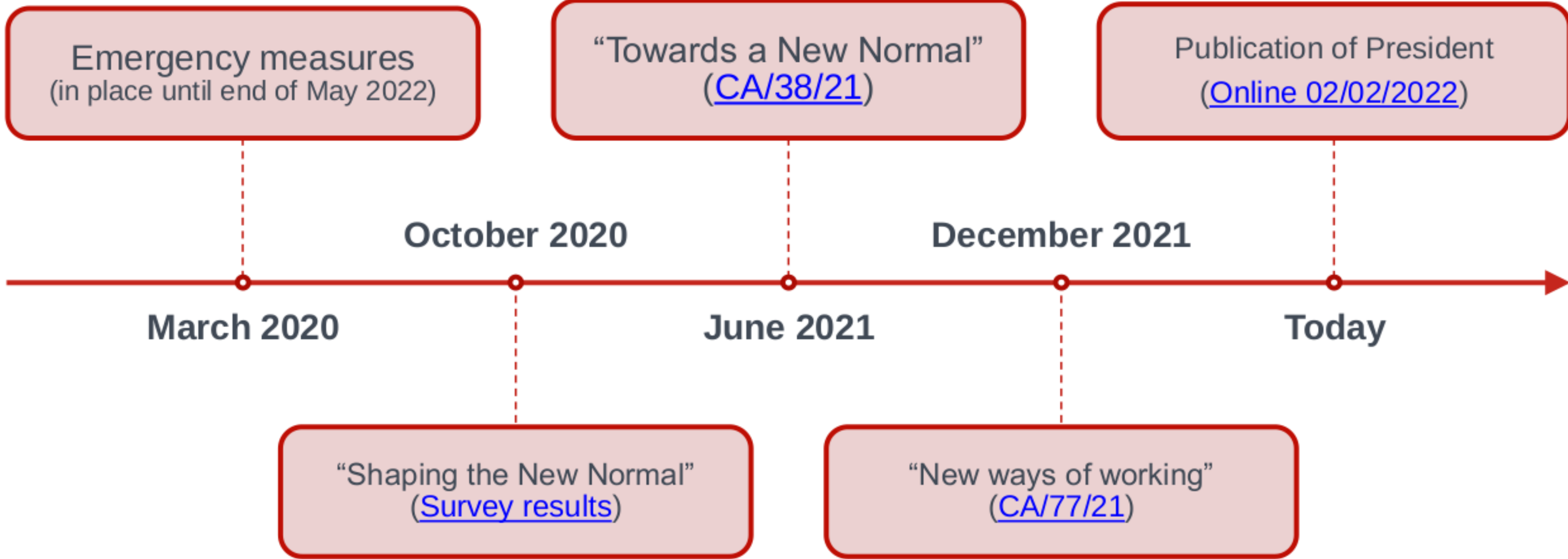
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New Ways of Working



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New Ways of Working





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The Strike Regulations and related issues



Local Staff Committee TH

Historical Background

- **June 2013: Administrative Council adopts CA/D 5/13 creating Article 30a CODEX**
 - A strike is a collective and concerted work stoppage ... for a limited duration
 - A strike may be called by a Staff Committee, an association or a group of employees
 - The decision to start a strike should be the result of a vote by the employees
 - The strike should be notified in advance to the President
 - The President of the EPO may lay down further terms and conditions
- **June/July 2013: President Battistelli issues Circular 347, Circular on Strikes**
 - Go-slow and work to rule shall not be considered as a strike
 - A group of at least 10% of all employees may decide to call for a strike
 - The voting process shall be organised by the Office;
 - At least 40% of entitled employees should vote
 - Decision to start a strike should be approved by more than 50% of the voters
 - The duration of the strike shall not exceed one month
 - Deduction of 1/20th of monthly salary for participation to a strike for more than 4 hours

ILOAT Judgments 4430 and 4435 (7 July 2021)

- **Consideration on Lawfulness of Circular 347**

- Circular travels beyond the definition of strike in the Staff Regulations
- “Go-slow” and “work to rule” are legitimate forms of industrial action
- Imposition of a minimum of 10% of employees who can call for a strike is illegal
- Condition that at least 40% of the entitled employees shall vote is unlawful
- Requirement that the vote be conducted by the Office violates the right to strike
- Time limit placed on the duration of a strike violates the right to strike

- **General Considerations on Circular 347 and on salary deductions**

- A strike is a tool employees have to redress imbalance of power
- General decision can be challenged, because Circular 347 had an immediate and adverse effect on individuals rights
- For the above violations Circular 347 is unlawful and should be set aside
- Salary deductions per day of strike should be 1/30th, not 1/20th (judgment 4435)

Consequences

- The President has withdrawn Circular 347
- The Administrative Council has deleted Article 30a, and amended Articles 63(1) and 65(1) CODEX
- Status quo ante
- Difference between 1/20th and 1/30th has been repaid to all strikers
- Moral damages have been paid only to complainants

What are the Rules for strike now ?

- There are no direct references to strike in the CODEX anymore
- Article 30 of the CODEX only says that permanent employees shall enjoy freedom of association
- Judgment 4430 reiterates that staff in IOs have the right to strike, and that they should be able to make the arrangements for the strike ballots themselves, and determine the length of the strike.
- It also says that “go slow” and “work to rule” are legitimate forms of industrial action

ILOAT Judgment 4482 on SR elections

- **Very important judgment just delivered on staff representatives elections**
 - Article 35(5) CODEX introduced by CA/D 2/14 is quashed
 - Circular 355 (“Regulations for Staff Committee elections”) is quashed
- **Main Considerations**
 - Organisations should not interfere in the affairs of staff associations or unions
 - Staff associations have the right to freely elect their own representatives
 - Any involvement of the organisation would affect the perception of independence of SR
 - Amendments introduced by CA/D 2/14 violated the universal right to freedom of association
 - It is reiterated that general decisions can be impugned if immediate and adverse effect
 - No retroactive effect to avoid legal uncertainty
- **Conclusions**
 - Judgment has a direct impact at the legislative level
 - Freedom of association and other fundamental rights of staff are reiterated
 - In view of that Staff Regulations will have to be duly revisited
 - Doubts on the legality of reforms passed while Staff representation not at arm’s length



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Job Groups 5 & 6



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Support to Job Group 5&6 colleagues

- We are currently meeting Job Group 5&6 teams individually
- Most frequent concerns
 - ❖ Exhaustion
 - ❖ High work pressure
 - ❖ Current and future IT Tools
 - ❖ Understaffing
 - ❖ Uncertainty about the future of their work
- Impact of reforms



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Conclusion



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POLL: what to do next?



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← Active poll 0

General Assembly Poll Questions

1. Based on the information available to me, and provided during this General Assembly, I am rather about the current situation.

Satisfied | Dissatisfied | Undecided

2. Based on the information available to me and provided during this General Assembly, I am considering participating in industrial actions in accordance with the Service Regulations (Article 30).

Yes | No

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Thank you for your time and involvement!

