Thomas Weber

Chair of Generation 2004

Everything you always wanted to know about Pensions rights

JRC Karlsruhe - 01/10/2024

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AGENDA

Generation 2004:

- EU pension
- Transfer-In
- Transfer-Out
- Other topics
- Q&A

EU pension – the basics

- Each year of service ➔ percentage of your final basic salary: 1.8% - 2.0% *pension accrual rate*
  - date of entry: 2014 – 2004 – pre-2004
- Lower limit: 4% of basic salary of AST1.1 / year of service (Annex VIII, Art.6)
- Upper limit: 70% of last basic salary
- Right to a pension:
  - 10 years of service OR
  - Reaching pensionable age during service

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Last basic salary

- What can be difficult to understand in „last basic salary“?
  ➔ you must be new here … ☺
- The maximum retirement pension shall be 70 % of the final basic salary carried by the **last grade** in which the official was classified for at **least one year.**
  SR Art.77, CEOS Art.39 (TAs), Art.109 (CAs)
  - You must receive the new salary after a promotion /reclassification for at least one year
  - A new step is applied immediately (even if you have never received a salary with this step!)

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EU pension – correction coefficient (CC)

- CCs apply only to rights acquired before 1 May 2004
- Example: you started on 1 May 2000 and are still working. When you retire, only the part of your pension corresponding to the 4 years (= 4 * 2% = 8%) are subject to a CC
- Eurostat calls them *correction coefficients*, PMO calls them *weightings*

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Pensionable age

- Pensionable age = normal age of retirement
  - Depends on year of entry into service
    - Before 2004
      - At least 20 years of service on 1 May 2004 OR 60 or over on 1 May 2014 ➔ **60 years;**
      - Less than 20 years of service on 1 May 2004 and under 60 on 1 May 2014 ➔ between **60y2m and 64y8m**
    - Between 1 May 2004 and 31 December 2013 ➔ between **63 years and 65 years**
    - On or after 1 January 2014 ➔ **66 years**
    - Details on MyIntraCom
- If earlier retirement ➔ reduction of your pension
- If later retirement ➔ bonus

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Contract agents – Picard judgement

- Picard case – C-366/21 P
  - Supported by **Generation 2004** and other trade unions
- Before the judgement: new contract ➔ new rules applied:
  - new (lower) pension accrual rate
  - new (higher) pension age
- After judgement: if no break in monthly pension contribution ➔ old rules continue to apply
- CA / TA and then official ➔ please see our lunchtime conference of 29 April 2024 (or ask ☺)

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Pension – transfer-in

- Job in the EU before joining the Institutions ➔ right to a transfer-in
- Job outside the EU ➔ depends on your previous employer
- A transfer-in is a right, but not compulsory
- Deadline for applications: 10.5 years after starting to contribute to PSEUI (pension scheme of EU Institutions) = PSEO (Pension scheme of EU officials)
- Can take 2 years or longer; but your situation when you start the procedure is taken as the base
- Does NOT count for 10 years of service needed for a pension

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Transfer-in – process

- You start the procedure in Sysper – one request per pension scheme
- PMO contacts the outside scheme (you must give them the necessary information, e.g. your ID number in the scheme)
- The scheme tells you / PMO how much they would transfer out
- PMO tells you how much time that would buy in the EU scheme
- You can then accept or refuse to proceed. If you do nothing, the procedure will end WITHOUT a transfer-in.

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Transfer-in – things to consider

- Will I return to the country where I have pension rights?
- Are more things connected with the fact of receiving a national pension?
  - Free / cheaper health care
  - Free public transport
  - Status as a „normal“ pensioner in the country
- If you want to transfer in ➔ start as early as possible
- A transfer-in can be lost money if all you will receive is the minimum pension anyhow (T-788/22 ➔ 137k Euro lost!)

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Pension – transfer-out

- Transfer-out is only possible if you do not have 10 years in service already (10+ years ➔ right to a pension)
- There is no deadline from PMO‘s side for a transfer-out: you can leave your money there for years (and it will accumulate interest of currently 2.2%). BUT:
  - Some external schemes have relatively short deadlines if you want to transfer to them! Check with them!
- If you die before you have transferred out, then the money is lost (T-171/22)!

Transfer-out - conditions

- Possible to either
  - National EU scheme to which you contribute due to your new job OR
  - Private scheme IF the 4 conditions below are fulfilled
    - the capital will not be repaid;
    - monthly income and lifelong payment from age 60 at the earliest and 66 at the latest;
    - dependents entitled to survivors' benefits (not 0%);
    - transfer to another scheme or fund will be authorised only on the above conditions

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Auxiliary staff

- Times as an auxiliary agent can be recognised 1:1 in the scheme OR
- If the timing still allows it, these periods can be transferred via a transfer-in (probably too late today for this)

- The first option means that e.g. 2 years as an auxiliary agent are recognised as 2 years as an official.
  This time counts for the 10 years needed for a pension (but not if you bring the money in via a transfer-in!)

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Contract ping-pong

- What if you transfer-out at the end of your contract and come back for another period later?
- Answer: you can have a special transfer-in (Annex VIII, Art. 4(1)b): you/your scheme must pay the amount that you transferred out + the interest rate mentioned before
- Difference to a „normal“ transfer-in: the previous time then counts again for the 10 years required for a pension

- I pay you a drink if you understand Art. 4(1)b on first reading …

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JSIS after retirement

- No longer insured specifically against accidents!
- Officials
  - you are covered by JSIS
  - Accidents are covered for 80%-85%
- Contract Agents
  - You need to have completed more than 3 years of service to be covered by JSIS during retirement

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WHO ARE WE AND WHAT SETS US APART?

- Largest individual staff organization in the Commission
- Active since 2012
- Inclusive organisation
- Only nominal membership fees
- No profit made on our members
- Democratic decision-making structures guaranteed trough our internal rules

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WHAT WE DO & WHEN TO CONTACT US?

WE ADVISE ON YOUR CAREER

Career progression - Pensions –
Self-appraisal reports – EPSO & internal competitions

WE FIGHT FOR GOOD WORKING CONDITIONS

Office issues - Wellbeing at work - Teleworking –
Staff management - Discrimination at your workplace

WE GIVE A VOICE TO ALL STAFF

Staff recruited after the reforms in 2004/2014
Specific contract agents issues, etc

WE DEFEND YOUR INTEREST & RIGHTS

Salary & allowances - health insurance - Clarifying your rights –
Petitions - Integration and settlement –
unfair treatment through fact-based analysis

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HOW TO KNOW MORE ABOUT US?

https://generation2004.eu/

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GET IN TOUCH WITH US

Write - Join

+32 229 98850

REP-PERS-OSP-GENERATION-2004@ec.europa.eu

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