

Pension Scheme established by Administrative Council Resolution 1432 of 29 January 1999 and implementing instructions

Second Pension Scheme established by Administrative Council Resolution 1560 of 14 November 2013 and implementing instructions

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Pension Scheme

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Pension Scheme rules¹

Chapter I – General provisions

Article 1 - Scope

1. The Pension Scheme established by these Rules applies to the permanent staff, holding indefinite term or definite or fixed-term appointments provided by the Council of Europe Development Bank Staff Regulations.
2. This scheme shall not apply to other categories of personnel who may be employed by the Council of Europe Development Bank, such as Experts, Consultants, Temporary Staff, Auxiliary Staff, Employees and personnel hired under local labour legislation, etc.
3. In these Rules, the term "CEB" or "Organisation" refers to the Council of Europe Development Bank and the term "staff member"² or "permanent staff member" means the staff referred to in paragraph 1 above.

Article 2 - Deferred entitlement

Where the medical examination which every staff member has to undergo as part of the appointment process (and the possible consequences of which have been duly notified to him before his appointment) shows him to be suffering from an illness or disablement, the CEB may decide that, as regards risks arising from an illness or disablement existing before he took up his duties, the said staff member shall not be entitled to the invalidity or death benefits provided for in these Rules until the expiry of a period not exceeding five years from the date when he entered the service of the CEB.

Instructions – Article 2

2.1/1 – Medical examination

The CEB shall inform the staff member in writing of the application of a period of deferred entitlement and of its duration, which may be from one to sixty months. The Medical Consultant of the Organisation shall inform him in writing of the nature of the illness or disablement which justified the application of the deferment period.

2.1/2 – Definition of entitlements during the deferment period

- (i) If the staff member concerned leaves the Organisation during the deferment period, the leaving allowance shall be paid to him and the years of service completed during the deferment period shall be taken into account.*
- (ii) In the event of either permanent total invalidity or death resulting from a cause which justified the deferment period in course:*
 - (a) should such an event occur before the staff member has fulfilled the condition provided for in Article 7, the staff member or the beneficiaries shall be entitled to a lump sum, calculated in accordance with the provisions of Article 11;*
 - (b) should such an event occur after the staff member has fulfilled the condition provided for in Article 7*
 - and if this condition was fulfilled during the deferment period, the staff member or the beneficiaries shall be entitled to a lump sum calculated in accordance with the provisions of Article 11, in respect of the reckonable years of service credited within the meaning of Article 6.*

¹ In accordance with Administrative Council Resolution 1559 (2013) of 14 November 2013, these Rules apply to staff members who are not covered by the Second Pension Scheme "SPS". It was first adopted by Resolution 1432 (1999) of 29 January 1999 and subsequently amended by Resolution 1559 (2013), which includes transitional measures.

² In these Rules, the terms "staff members" and "beneficiaries" apply to both men and women.

- and if this condition was fulfilled prior to the deferment period, the staff member or the beneficiaries shall be entitled to both a lump sum calculated in accordance with the provisions of Article 11, in respect of the reckonable years of service completed during the deferment period, and the benefits to which they would have been entitled before the staff member's appointment

(iii) In the event of either permanent total invalidity or death resulting from either an accident at work, or an illness or disablement other than that which justified the deferment period, and which occurred after commencement of duties, the staff member or the beneficiaries shall be entitled to the benefits provided by the Pension Scheme for such events.

Article 3 - Definition of salary

- 1.** For the purposes of these Rules, salary shall be the monthly basic salary of the staff member, according to the scales in force in the CEB.
- 2.** The salaries taken into consideration for the calculation of benefits shall be those of serving staff members, whether in respect of benefits to be paid in the future or those actually being paid.

Article 4 - Definition of service conferring entitlement to benefits

- 1.** Subject to the provisions of Articles 5 and 41, paragraph 1, entitlement to benefit under these Rules shall be determined by the total of the periods served in the CEB:
 - (i)** as a staff member as defined in Article 1;
 - (ii)** in any other capacity prior to appointment as a staff member provided any periods so served were not separated by breaks of more than one year.
- 2.** In addition to the total reckonable years of service thus calculated, a staff member may request, on cessation of work, that periods of service corresponding to certain statutory indemnities be taken into account, in particular payment in lieu of notice, for loss of employment, and for leave not taken, under the provisions laid down by Instruction.³
- 3.** Periods of part-time service shall be taken into consideration in calculating entitlement to benefit under these Rules provided they correspond to at least half-time work as defined by the provisions laid down by Instruction.
- 4.** The periods referred to in Article 16, paragraph 3, shall also be taken into consideration.

Instructions – Article 4

4.1/1 – Service counting for entitlement

Service counting for entitlement shall consist of the following:

- (i)** *any periods of service completed as a staff member;*
- (ii)** *any periods of sick leave or temporary incapacity in respect of which benefits have been paid; the staff member concerned shall be required to have paid his personal contribution to the Pension Scheme as calculated on the amounts so received; such periods shall be counted without any reduction;*
- (iii)** *any periods of unpaid leave, if such periods are not taken into account by a new employer for the purposes of a pension scheme, that fulfil the following conditions; the crediting of periods of unpaid leave equal to or less than two months shall be dependent on payment, for these periods, of the staff member's personal contribution to the Pension Scheme; the crediting of periods of unpaid leave beyond two months and up to a maximum of the four*

³ Unless otherwise specified, the term "provisions laid down by Instruction" refers, throughout these Rules, to the implementation provisions in Article 43 of the Pension Rules.

months following, shall be dependent on payment by the staff member, for these periods, of a contribution equal to three times his personal contribution to the Pension Scheme.

- (iv) any periods of secondment, should the staff member be reinstated, provided that these periods are not taken into account for the purposes of another pension scheme; the detailed rules for the crediting of such periods shall be laid down in a Rule.*

4.1/2 – Service completed in another capacity before appointment as a permanent staff member

Periods of service referred to in Article 4.1 (ii) may be taken into account in accordance with Article 5, paragraph 5, if the following conditions are fulfilled:

- (i) such periods must have been prior to the appointment as a staff member.*

- (ii) such service must have been completed in the full-time or at least half-time employment of the CEB.*

Such employment must have been remunerated according to periods of time and not by the job or piece, being service performed on the premises and under the control and to the instructions of the CEB, according to its hours of work.

The staff member must have received all his emoluments for the service mentioned in the above sub-paragraph directly from the CEB.

- (iii) any such periods completed in the service of the CEB must not have been broken for more than 12 consecutive months;*

- (iv) in accordance with the provisions of Instruction 6.2, periods so to be taken into account must be of a minimum of thirty days; periods of part-time work, equal to or more than half time, shall be taken into account as a proportion of full time. The periods thus validated must total at least 30 days of full time.*

4.2 – Crediting of reckonable years of service corresponding to indemnities

A staff member may request, on cessation of work, the crediting of reckonable years of service corresponding to:

- (i) compensatory payments in respect of leave not taken;*

- (ii) compensatory payments in lieu of notice;*

- (iii) indemnity for loss of employment.*

Such reckonable years of service shall be credited subject to payment by the staff member of the personal contribution to the pension scheme in respect of all these amounts.

Only reckonable years of service corresponding to periods below the statutory age limit may however be taken into account for the calculation of benefits provided for in these Rules.

4.3 – Definition of half-time service

A staff member shall be considered as working half-time, within the meaning of Article 4, paragraph 3, when the number of his working hours, calculated on a monthly basis, is equal to half the number of full-time working hours.

Article 5 - Calculation of service conferring entitlement to benefits

1. Where a staff member appointed by the CEB has previously served with the Organisation, his entitlement to benefits under the terms of Article 4 shall be conditional upon his paying over to the CEB, which re-appoints him the amounts paid to him on leaving his previous service pursuant to Article 11, plus compound interest on such amounts at 4% per annum from the date when the staff member received them until the date when they are paid over in accordance with this paragraph.

Should the staff member fail to pay over the amounts in question, reckonable years of service shall count only as from the new appointment.

2. Where a staff member appointed by the CEB was previously drawing a retirement pension in respect of service with the CEB, payment of that pension shall cease.

If the staff member refunds to the CEB offering him a new appointment the pension payments he has received, the provisions of Article 4 shall apply on cessation of his new appointment.

If he does not make this refund, the years of service for which credit was acquired in the employment that originally entitled him to payment of the discontinued retirement pension shall be taken into account in the calculation of the retirement pension due on cessation of his new employment by reference to the salary for his last grading in such previous employment; moreover, that part of the final pension figure shall be abated by 5% for each whole year during which the staff member drew the initial pension before the age of 60.

3. Where a staff member ceases his functions at a grade and step lower than that which he had previously held in the CEB, his entitlement to benefits under these Rules shall be determined by taking into account the total of his reckonable years of service and the benefits shall be calculated on the basis of the salary for the highest grading held by him. However, a reduction shall be made in the number of years of service to be credited to him in respect of time served at a lower grade or step after having held the grade by reference to which benefits are calculated; this reduction shall be proportionate to the difference between the said gradings.

4. For the implementation of paragraphs 2 and 3 above, salaries shall be taken into account in accordance with the scales in force when the final pension assessment is made.

5. The crediting of the periods referred to in Article 4, paragraph 1 (ii), shall be conditional on:

- (i) the staff member submitting an application to that effect within six months following his taking up duty as a staff member; the application shall specify the periods of service with which the staff member wishes to be credited;
- (ii) the CEB giving its agreement;
- (iii) the staff member paying, for each month of service with which he is to be credited, the contribution provided for in Article 41, paragraph 2, calculated on the basis of his first monthly salary as a staff member.

Instructions – Article 5

5.1/1 – Service completed in the CEB as a staff member

- (i) *Application for any service referred to in Article 5, paragraph 1 or paragraph 2, to be taken into account must be made not later than twelve months after the new appointment.*

As a transitional measure, staff members in service on 31/12/2013 may submit an application for any service referred to in Article 5, paragraph 1 or paragraph 2 to be taken into consideration by 31/12/2014.

When the transitional measure is applied, the amounts paid pursuant to Article 11 are in that case raised of a 4% compound interest per annum from the date when the staff received these amounts until the date of the new appointment.

- (ii) *Where, pursuant to Article 11, the staff member received a leaving allowance at the end of his previous appointment, then pursuant to Article 5, paragraph 1, no partial crediting of such service shall be allowed; accordingly, the staff member concerned shall be required either to refund such leaving allowance in full or to forgo the right to have the corresponding service credited.*
- (iii) *Should the staff member fail to make a full refund immediately, he may be authorised to make such refund, at the latest, as from the expiry of the period referred to in sub-paragraph above, by monthly deductions of not less than 20% of the amount of salary, as defined in Article 3, received at the time of beginning such refunds; compound interest at the rate of 4% per annum shall be applied to the amount outstanding, until the refund has been made in full.*

- (iv) If at the date on which any benefit under the Pension Scheme is payable, such refunds have not been completed, the balance still due shall be repaid in its entirety, through deduction from the benefits to be paid, including those payable to persons entitled under the staff member. The CEB may authorise payment by instalments, in which case compound interest at the rate of 4% per annum shall be applied to the amount outstanding, until the refund has been made in full.*
- (v) in the event of incapacity, death or termination of the service of the staff member concerned, any amount still remaining unpaid shall be set off against the capital sums due to him or to the persons entitled under him, in accordance with the provisions of Instruction 38.1, and the balance still due shall be deducted in accordance with the provisions of sub-paragraph (iv) above.*
- (vi) in the event of the termination of his service without any payment of leaving allowance or pension, the staff member concerned may request time not exceeding twenty-four months in which to make up all or part of any refund then still outstanding, subject to the provisions of sub-paragraph (iv).*

5.1/2 – Crediting of service completed before appointment as a staff member

- (i) Application to be credited with service completed before appointment as a staff member must be made within six months alter confirmation of the said appointment.*
- (ii) Persons entitled under a deceased staff member may not apply in his place for service to which this Instruction applies to be credited.*
- (iii) Service shall be credited subject to payment of the contribution referred to in Article 41, paragraph 2, as calculated on the basis of the first monthly salary as a staff member and multiplied by the number of months of service in respect of which rights are credited, a pro rata deduction being made, where appropriate, for part-time service. First monthly salary here means the salary corresponding to full-time employment in the grade and step of the staff member, whether he be recruited on a full-time or a part-time basis. Such payment may be made by instalments in the form of monthly deductions from emoluments, commencing not later than the end of the relevant period referred to in sub-paragraph above and spread over a period not exceeding the duration of the previous service so credited.*

Interest at 4% per annum shall be due in respect of any part of the payments which is deferred beyond such period at the request of the staff member.

If, at the date on which any benefit under the Pension Scheme is awarded, such payments have not been completed, the balance still due shall be deducted from the benefits to be paid, where necessary by instalments.

- (iv) On making his application to credit such service as aforesaid, the staff member shall be required to consent to the CEB having first claim on any capital sums payable in the event of his death or invalidity or of the termination of his service, to the extent of any amounts then still outstanding in respect of crediting such service.*
- (v) In the event of the termination of his service, the staff member or persons entitled under him may request time not exceeding 12 months in which to make up any amount then still outstanding, subject to the provisions of sub-paragraphs (i) and (iv) above.*

5.2 – Non-refund of previous pension payments

Example illustrating the application of Article 5, paragraph 2, last sub-paragraph of the Rules:

- (i) first pension paid from age 52 to 54: [T' x 40/100]
reduced pursuant to Article 8, paragraph 4 of the Rules,
(T' = salary used as basis of calculation)
(20 reckonable years of service at 2%)
- (ii) second period paid from age 54 to age 60: [T" x 12/100]
(T" = salary used as basis of calculation at age 60)
(6 reckonable years of service at 2%) /leaving allowance

Total Pension

$$(i) + (ii) = [(T' \times 40/100) \times (90/100)] + [(T'' \times 12/100)]$$

i.e. $0.4T' - 0.04T' + 0.12T''$

- (iii) In the final calculation of the total pension, the pension between brackets

$[(T' \times 40/100) \times (90/100)]$ has now been reduced pursuant to Art. 5.2, not Art. 8.4 of the Rules; the amount as stated in (i) above is reduced to 90% ($2 \times 5/100$) i.e. 10%.

5.3 – Termination of service at a lower grade

For the implementation of Article 5, paragraph 3 of the Rules, the calculation shall be made as illustrated below:

- (i) on previous termination of service (or at highest point in career before downgrading):
10 years' service, grading on departure, A5/5 = theoretical final salary: $100 = T'$
i.e. 10 years' reckonable service.
- (ii) on final termination of service:
10 years served in second period,
grading on departure, A4/5 = Theoretical final salary: $75 = T''$
the reckonable service in respect of the second period will thus be reduced in the ratio:
 $T''/T' = 75/100$
i.e. 7.5 reckonable years.

- (iii) Total: $10 + 7.5 = 17.5$ years' reckonable service.

- (iv) Total pension will be calculated on the basis of: $T' = 100 \times 17.5$ reckonable years of service.

Article 6 - Reckonable years of service

1. The benefits provided for under these Rules shall be calculated by reference to reckonable years of service consisting of:

- (i) service calculated in accordance with the provisions of Articles 4 and 5;
- (ii) service credited in accordance with Article 12, paragraph 1.

2. Incomplete years of reckonable service shall be taken into account on the basis of one-twelfth of a year for each whole month of service. For benefit calculation purposes, the period remaining shall be treated as a whole month if it is equal to or more than 15 days.

However, the period remaining shall not be taken into account for the purpose of calculating the ten years' service required for entitlement to the retirement pension provided for in Article 7.

3. In the case of part-time work:

- (i) reckonable years of service shall be calculated in accordance with the ratio between the working hours corresponding to part-time service and the official number of hours for full-time work.
- (ii) however, reckonable years of service shall not be reduced when the staff member authorised to work part-time has contributed to the Pension Scheme on the basis of full-time work, by paying, in addition to his personal contribution to the Pension Scheme for the part corresponding to his part-time work, a contribution equal to three times the rate of contribution mentioned in Article 41, paragraph 2, on the difference in salary between his part-time work and the corresponding full-time work, under the provisions laid down by Instruction.

Instructions – Article 6

6.2 – Fractions of a month

Any fraction of less than 30 days remaining after aggregating periods of service shall be treated as a whole month if it is equal to or more than 15 days and disregarded if it is less than fifteen days.

6.3 – Non reduction of reckonable years of service

A staff member authorised to work part-time may request to contribute to the Pension Scheme on the basis of full-time work, provided that these periods are not taken into account by another employer for the purposes of a pension scheme and the amount of the supplementary contribution referred to in Article 6, paragraph 3 ii) is paid in accordance with the provisions of Article 41. The staff member should make his request not later than the eighth day following the beginning of the period for which he is authorised to work part-time. This request shall be final, unless an exceptional derogation is granted by the Governor upon receipt of a duly justified request from the staff member.

Article 6 bis - Part-time service – Effects on the calculation of entitlement

1. Where at the time of termination of his service an official was working part-time, the salary taken into account in calculating his pension entitlement shall be that payable for full-time work at his grade and step as provided in these Rules.
2. However, when an official terminating his service in the circumstances described in paragraph 1 above had been recruited to serve on a part-time basis, or authorised to work part-time for an indefinite period or for a fixed-term renewable by tacit agreement, and if the provisions of Article 6, paragraph 3 ii), are not applied, the rate of the invalidity pension provided for in Article 14, paragraph 2, and the minimum and maximum amounts that apply, shall be set in accordance with the provisions laid down by Instruction.

Instructions – Article 6 bis

6 bis.2/1 – Benefit payable to a staff member who has only worked part time

- (i) *for the purposes of calculating the benefit payable under Article 6 bis, paragraph 2, to a staff member who has only worked part time, the following shall be reduced by an amount corresponding to the ratio between the number of hours actually worked and the official number of hours for full-time work:*
 - (a) *the maximum rate of retirement pension provided for under Article 10, paragraph 2 and the maximum amount of retirement pension provided for under Article 10, paragraph 3;*
 - (b) *the rate of invalidity pension under Article 14, paragraph 2, and the minimum amount of invalidity pension provided for under Article 14, paragraph 4;*
 - (c) *the maximum amount of invalidity pension provided for under Article 14, paragraph 4, and the salary referred to in Article 15;*
 - (d) *the minimum amounts of survivor's pension provided for under Article 19, paragraph 3;*

- (e) *the minimum amounts of orphan's pension provided for the first beneficiary under Article 25, paragraphs 3 and 4, as well as the increases provided for under Article 25, paragraphs 3 and 4, for orphans in respect of the second and every further beneficiary;*
 - (f) *the amount of the dependant's pension provided for under Article 25 bis, paragraph 2;*
 - (g) *the ceiling for benefits payable to survivors and orphans as defined in Article 29.*
- (ii) *However, when a staff member was recruited by the CEB for part-time service, after having worked full time for the CEB, he shall be subject to the provisions of Instruction 6 bis. 2/2 provided he pays over, if appropriate, the sums specified in Article 5, paragraph 1 or Article 5, paragraph 2, as the case may be.*

6 bis.2/2 – Benefit payable to a staff member who, at the time of termination of his service, is working part time for an indefinite period or for a fixed period renewable by tacit agreement, having previously worked full time

- (i) *For the purposes of calculating the benefit payable under Article 6 bis, paragraph 2, to a staff member authorised to work part time for an indefinite period or for a fixed period renewable by tacit agreement, the following shall be reduced in accordance with the ratio between the number of hours actually worked and the official number of hours for full-time work:*
- (a) *the rate of invalidity pension under Article 14, paragraph 2, and the minimum amount of invalidity pension provided for under Article 14, paragraph 4;*
 - (b) *the minimum amounts of survivor's pension provided for under Article 19, paragraph 3;*
 - (c) *the minimum amounts of orphan's pension provided for the first beneficiary under Article 25, paragraphs 3 and 4, as well as the increases provided for under Article 25, paragraphs 3 and 4 for the second and every further beneficiary of an orphan's pension;*
 - (d) *the amount of the dependant's pension provided for under Article 25 bis, paragraph 2.*
- (ii) *However, when a staff member fulfils the conditions laid down in Article 7 at the date from which he is authorised to work part time for an indefinite period or for a fixed period renewable by tacit agreement, the benefit resulting from application of the provisions of sub-paragraph 0 above, may not be less than that to which he or his authorised representatives would have been entitled had he ceased working for the CEB at that date for a reason other than invalidity or death.*

Chapter II – Retirement pension and leaving allowance

SECTION 1 – RETIREMENT PENSION

Article 7 - Conditions of entitlement

1. A staff member who has completed ten or more years' service, within the meaning of Article 4 shall be entitled to a retirement pension.

Instructions – Article 7

7.1/1 - Service for the purposes of Article 4

For the purposes of Article 4, service as a staff member in the CEB shall be:

- *periods in respect of which the staff member's contributions to the Pension Scheme have been paid in accordance with Article 5, paragraphs 1 and 5;*
- *periods referred to in Article 16, paragraph 3, in accordance with Article 4, paragraph 4.*

7.1/2 – Part-time service

Without prejudice to Article 6, paragraph 3 (i), periods of part-time service shall be considered periods of full-time service within the meaning of Article 7.

Article 8 - Age of entitlement – Deferred pension and early pension

1. A staff member shall become eligible for a retirement pension at the age of sixty.
2. Pension rights shall continue to accrue to a staff member continuing to be employed after pensionable age, but his pension shall not exceed the maximum amount laid down in Article 10, paragraph 2.
3. If a staff member ceases his functions before pensionable age, payment of his retirement pension shall be deferred until he reaches that age.
4. However, a staff member who retires before pensionable age may request early payment of his pension provided he is at least fifty years old. In such a case, the amount of the retirement pension shall be reduced by reference to the age of the staff member when payment of his pension begins, as shown in the table below.

Age at which payment of pension begins	Early retirement pension as a percentage of pension at 60
50	0.60
51	0.63
52	0.66
53	0.69
54	0.73
55	0.77
56	0.81
57	0.85
58	0.90
59	0.95

Instruction – Article 8

8.4 – Method of reducing pension - Early pension

- (i) Early retirement pension shall be calculated as follows:*
 - *if the pension that would be due with no reduction at age 60 is lower than the minimum rate prescribed in Article 10, paragraph 3, it shall be brought up to that minimum rate and the reduction provided for in Article 8, paragraph 4 shall then be applied to it;*
 - *if the pension that would be due with no reduction at age 60 is higher than the aforesaid minimum rate, the reduction shall be applied to it even if the result is lower than that minimum.*
- (ii) The reductions provided for in Article 8, paragraph 4 shall be applied by reference to whole years, no account being taken of months.*
- (iii) Family allowances shall be paid and calculated in accordance with the provisions of the Instructions of Article 28.*
- (iv) Under the conditions laid down in Article 8 and in this Instruction, an early pension may be requested at any time between age 50 and 60, once the staff member's service has terminated. Such requests must be in writing, and dated.*
- (v) Subject to the provisions of Article 5, paragraph 2, payments shall begin, irrevocably, on the first of the month following the date on which the request was made.*

Article 9 - Commencement and cessation of entitlement

- 1.** Entitlement to payment of a retirement pension shall commence on the first day of the month following that in which the person concerned became eligible for payment of the pension.
- 2.** Entitlement shall cease at the end of the month in which the pensioner dies.

Article 10 - Rate of pension

- 1.** The amount of the retirement pension shall be, per reckonable year of service within the meaning of Article 6, 2% of the salary corresponding to the last grade held by the staff member for not less than one year before cessation of his appointment and the last step held in that grade.
- 2.** The maximum rate of the pension shall be 70% of this salary, subject to the provisions of paragraph 3 below.
- 3.** The amount of the retirement pension shall not be less than 4% of the salary for grade C1, step 1, per reckonable year of service credited pursuant to Article 6; it may not, however, exceed the staff member's last salary as defined in Article 3.

Instructions – Article 10

10.3/1 – Part-time Service

The minimum rate of the retirement pension shall be calculated on reckonable years' service, to be taken into account where applicable in fractions corresponding to any part-time service in accordance with Article 6, paragraph 3 this minimum shall therefore be equal to 4% of the salary for grade C1, step 1, per year of service thus credited.

10.3/2 – Termination of service at a lower grade

In cases where Article 5, paragraph 3, is applied, the minimum rate of the retirement pension shall be equal to 4% of the salary for grade C1, step 1, per reckonable year of service, without any reduction.

SECTION 2 – LEAVING ALLOWANCE

Article 11 – Leaving allowance

1. A staff member whose service terminates otherwise than by reason of death or invalidity and who is not entitled to a retirement pension nor to the benefit of the provisions of Article 12, paragraph 2, shall be entitled on leaving to payment of:

- (i) the aggregate amount deducted from his salary in respect of his pension contribution, together with compound interest at the rate of 4% per annum;
- (ii) an allowance equal to one month and a half of his last salary multiplied by the number of reckonable years of service credited within the meaning of Article 6;⁴
- (iii) one-third of the amounts paid to the CEB under the provisions of Article 12.1, together with compound interest at the rate of 4% per annum. Should, however, the whole of these amounts have to be refunded to his previous employer, the reckonable years of service corresponding to those amounts shall be disregarded in the calculation of the leaving allowance.

2. A staff member who is re-appointed by the CEB having received a leaving allowance must pay it back if the period during which he was not employed by the Organisation, in whatever capacity, is less than 12 months.

Instructions – Article 11

11.1/1 – Refund of personal contributions

- (i) *For the purpose of the refund of any personal contributions which at the time of their payment were calculated on the basis of a scale other than that of the last country of service, the amounts involved shall be converted at the rate of exchange applicable in the CEB at the date of the refund.*

However, the staff member may request that the said personal contributions be refunded in the currency or currencies of the above-mentioned scale.

- (ii) *The refund of the said contributions shall be calculated at the rate of 4% per annum up to the last day of the month preceding the actual payment.*

11.1/2 – Staff member whose service terminates at the end of a period of unpaid leave

When final termination of service occurs at the end of a period of unpaid leave during which no contributions were made to the Pension Scheme, the amounts stipulated in Article 11 shall, notwithstanding Instruction 11.1/1 (ii), be calculated on the basis of rights acquired and salary at the date of commencement of that period, without any subsequent adjustment or interest.

11.1/3 – Compulsory repayment of the leaving allowance

A staff member who has received a leaving allowance as provided in Article 11, paragraph 1, but whose service has not terminated according to Article 11, paragraph 2, shall repay the whole leaving allowance received upon his previous appointment, in accordance with the provisions laid down in Instruction 5.1/1, sub-paragraphs (iii) to (vi). The time limit for application set out in Instruction 5.1/1 (i) shall not apply.

⁴ See article 33, paragraph 7.

SECTION 3 – INWARD AND OUTWARD TRANSFER OF PENSION RIGHTS

Article 12 - Inward and outward transfer of pension rights

1. A staff member who enters the service of the CEB after leaving the service of a government administration or national organisation, or international Organisation, or a firm, may arrange for payment to the CEB in accordance with the provisions laid down by Instruction, of any amounts corresponding to the retirement pension rights accrued under the Pension Scheme to which, he was previously affiliated in so far as that scheme allows such a transfer.

In such cases, the CEB shall determine, by reference to the provisions laid down by Instruction, the number of years of reckonable service with which the staff member shall be credited under its own Pension Scheme.

2. A staff member who leaves the service of the CEB to enter the service of a government administration or national organisation, or international organisation which has entered into an agreement with the CEB, shall be entitled to transfer to the pension fund of that administration or organisation:

- (i) either the actuarial equivalent of his retirement pension rights accrued under these Rules, such equivalent being calculated in accordance with the provisions laid down by Instruction;
- (ii) or, in the absence of such rights, the amounts provided under Article 11.

Instructions – Article 12

12.1 – Inward transfer of previously accrued rights

(i) Previous periods of affiliation to a pension scheme

(a) *reckonable years of service shall be credited pursuant to Article 12, paragraph 1, subject to the conditions set out in this Instruction, in respect of a period of affiliation to the last pension scheme prior to appointment in the CEB. Such affiliation may cover periods served in several administrations, organisations or firms, on condition that all these rights have been taken into account by the pension scheme of the last administration, organisation or firm before appointment in the CEB.*

(b) *An amount shall be taken into account under this Instruction only if it has been certified by the previous pension scheme as being the amount of the actuarial equivalent of retirement pension rights or a capital payment in respect of rights to a pension or rights under a provident scheme (excluding compensation for dismissal or a leaving gratuity), and it must represent the total amounts paid to the staff member by the previous pension scheme in question. The "total amounts paid" shall be taken to mean the amounts representing the total rights transferable to the CEB. Staff members shall not be entitled to transfer only part of their accrued rights where that part is not equal to the transferable maximum.*

(ii) Amounts taken into account

For the purpose of calculating the reckonable years of service credited under Article 12, paragraph 1, the amounts indicated in sub-paragraph (i) (b) above shall be taken into account, as calculated by the previous pension scheme — as a capital sum, and with interest where applicable — as at the date on which they are paid to the CEB⁵; any conversion into the currency of the salary paid by the CEB⁵ shall be made at the rate of exchange in force on that date.

(iii) Calculation of reckonable years of service

The number of reckonable years of service to be credited under Article 12, paragraph 1, shall be calculated on the basis of the table annexed to this Instruction, by dividing the amounts taken into account under sub-paragraph (ii) above by the coefficient corresponding to the age of the staff member as at the date of payments of the amounts, and then by dividing the resultant amount by the theoretical value of a reckonable year of service (2% of the annual

⁵ The accrued rights are invariably rights which are not yet due or the actuarial equivalent thereof.

basic salary), established on the basis of the salary corresponding to the staff member's grade and step as at the date of payment of the amounts.

(iv) Maximum number of reckonable years of service

Taking such reckonable years of service into account shall not have the effect of bringing the total pension up to more than the maximum rates prescribed in Article 10.

(v) Time limits for application and revocation

Failing any special provisions in a reciprocal transfer agreement entered into by the CEB, application for the amounts referred to in sub-paragraph (ii) above to be taken into account by the CEB shall be made in writing:

- (a)** either within six months from the date of notification of confirmation of appointment after the probationary period;
- (b)** or within twelve months from the date on which the previous pension scheme allowed such transfers;
- (c)** as a transitional measure by 31/12/2014 in the case of staff in service on 31/12/2013.

The application to transfer pension rights may be revoked by the staff member at any time before the payments provided for in sub-paragraph (ii) above have been made in accordance with sub-paragraph (vi) below.

The application to transfer pension rights shall be null and void if the payments provided for in subparagraph (ii) above have not been made at the time of the staff member's termination of service.

(vi) Time limit for payment

Payment of the amounts referred to in sub-paragraph (ii) above shall be made:

- within three months after the expiry of the time limit prescribed in sub-paragraph (v) above, if the person concerned has actually received such amounts from his previous employer;
- on receipt of such amounts from the previous employer in other cases.

Payment to the CEB shall be made in the currency — or its equivalent value at the rate of exchange in force on the date of actual payment to the CEB — in which the amounts referred to in sub-paragraph (ii) above have been or will effectively be paid by the previous pension scheme.

(vii) Outward transfer to a subsequent pension scheme

Pursuant to Articles 11, paragraph 1(iii), and 12, paragraphs 2 and 3, the amounts paid to the CEB under this Instruction and later refunded wholly or partly to a staff member who has not completed at least 10 years of service within the meaning of Article 4, shall be increased from the time of their payment to the CEB by compound interest of 4% a year to be paid by the organisation responsible for paying the leaving allowance.

12.2 — Transfer of pension rights to an outside scheme

(i) Time limit for application

- (a)** application for transfer of pension rights under Article 12, paragraph 2 must be made by the staff member to the CEB, within six months after his definitive appointment by the new administration or organisation referred to in Article 12, paragraph 2.
- (b)** If the CEB is unable to conclude with the new administration or organisation referred to in Article 12, paragraph 2, an agreement for such transfer on terms which it considers satisfactory, it shall confine itself to making immediate payment of the amounts referred to in Article 11, paragraph 1, or to immediate or deferred payment of a retirement pension.

(ii) Conditions as to transfer

The amounts referred to in Article 12, paragraph 2 may be transferred only to the pension fund of the administration or organisation referred to in Article 12, paragraph 2, that is to say, to the statutory or contractual pension scheme in force in that administration or organisation.

(iii) Calculation of amounts to be transferred

The actuarial equivalent of the retirement pension rights referred to in Article 12, paragraph 2 shall be calculated on the basis of the table annexed to this Instruction, the annual pension acquired in the CEB — established on the basis of the salary scale in force at the date on which the staff member ceases his functions — being multiplied by the coefficient corresponding to the age of the staff member at that date.

ANNEX TO INSTRUCTIONS 12.1 (iii) AND 12.2 (iii)

Age	Coefficient	Age	Coefficient
20	4,114	45	10,260
21	4,265	46	10,632
22	4,422	47	11,018
23	4,638	48	11,418
24	4,794	49	11,832
25	4,958	50	12,262
26	5,144	51	12,708
27	5,342	52	13,172
28	5,545	53	13,653
29	5,753	54	14,153
30	5,969	55	14,674
31	6,191	56	15,216
32	6,422	57	15,781
33	6,661	58	16,371
34	6,908	59	16,987
35	7,163	60	17,632
36	7,428	61	18,224
37	7,702	62	18,832
38	7,985	63	19,454
39	8,278	64	20,086
40	8,581	65	20,681
41	8,894		
42	9,218		
43	9,553		
44	9,900		

Chapter III – Invalidity pension

Article 13 - Conditions of entitlement – Invalidity Board

1. Subject to the provisions of Article 2, an invalidity pension shall be payable to a staff member who is under the age limit laid down in the Staff Regulations and who, at any time during the period in which pension rights are accruing to him, is recognised by the Invalidity Board defined below to be suffering from permanent invalidity which totally prevents him from performing his job or any duties corresponding to his experience and qualifications which may have been proposed to him by the CEB.

2. The Invalidity Board shall consist of three medical practitioners, the first two being appointed by the CEB and the staff member concerned, respectively, and the third one selected jointly by the first two. Cases shall be submitted to it by the CEB either on its own initiative or at the request of the staff member.

Instructions – Article 13

13/1 – Period of non-activity

- (i) The invalidity pension shall not be payable if it results from an illness or accident occurring during unpaid leave or a period of non-active status which did not give rise to contributions to the Pension Scheme (leave for personal reasons, military service).*
- (ii) On the other hand, it shall be payable if the events mentioned above occur during a period of non-active status which follows a period of sick leave, and during which the staff member is in receipt of an allowance for temporary incapacity; in such event, he shall continue to pay contributions to the Pension Scheme in accordance with Instruction 4.1/1 (ii). The same shall apply to any periods of unpaid leave provided for under Instruction 4.1/1 (iii).*

13/2 – Invalidity Board

Tasks of the Invalidity Board

- (i) Subject to the provisions of Article 2, the tasks of the Invalidity Board are:*
 - (a) to ascertain whether a staff member is suffering from invalidity within the meaning of Article 13, paragraph 1.*
 - (b) when an incident is recognised by the CEB as falling within the scope of Article 14, paragraph 2 (work accident, occupational disease or public-spirited act), to decide to what extent the staff member's invalidity is the result thereof;*
 - (c) to decide whether, following an examination under Article 16, the former staff member no longer fulfils the conditions for entitlement to an invalidity pension.*

Secretariat of the Invalidity Board

- (ii) The CEB shall appoint a staff member as secretary of the Invalidity Board. Secretariat services may also be provided by the CEB's medical adviser, who shall be given any administrative assistance he requires.*

Convocation and composition of the Invalidity Board

- (iii) When the Invalidity Board is to be convened at the staff member's request, the request shall be addressed to the Human Resources Department: it must include his formal application to be declared a permanent total invalid, and give the name of the medical practitioner who is to represent the staff member on the Invalidity Board. The request may be accompanied by a medical file, under separate confidential cover, for the attention of the CEB's medical adviser.*

Upon receipt of this request the Human Resources Department shall forward it to the CEB's medical adviser with a request to contact the medical practitioner nominated by the staff member. The staff member must ask his medical practitioner to forward to the CEB's medical adviser all medical evidence in support of his application.

Within 30 calendar days following receipt of the staff member's request, the Human Resources Department shall inform the medical practitioner nominated by the staff member of the name of the medical practitioner who will represent the CEB on the Invalidity Board.

(iv) *When the Invalidity Board is to be convened at the request of the CEB, the Human Resources Department shall notify the staff member accordingly and ask him to make his observations, if any, and to nominate a medical practitioner to represent him on the Board, within 30 calendar days following receipt of the said notification.*

This notification shall also state the name of the medical practitioner who will represent the CEB on the Invalidity Board.

The Human Resources Department shall ask the staff member to forward all medical documents concerning him to the medical practitioner representing the CEB.

(v) *If one of the parties has not nominated a medical practitioner to represent it on the Invalidity Board within the prescribed time-limit, the other party shall ask the Chairman of the Administrative Tribunal of the Council of Europe to appoint such a medical practitioner as soon as possible. He may, for this purpose, consult a list drawn up by:*

- a national judicial body, or*
- the Medical Council, or*
- failing this, another national body of the staff member's duty station or home country.*

(vi) *The third medical practitioner shall be selected by the other two within 30 calendar days at the most following notification of their names to the parties; failing agreement on this nomination within the prescribed time, the Chairman of the Administrative Tribunal shall nominate, at the request of either party, this third medical practitioner in accordance with the procedure set out in the above sub-paragraph.*

Meeting of the Invalidity Board

(vii) *the Invalidity Board shall meet at the latest within 60 calendar days following the appointment of the third medical practitioner.*

(viii) *The Invalidity Board shall have at its disposal:*

(a) *an administrative file submitted by the Human Resources Department containing, in particular, an indication of the post occupied by the staff member in the CEB together with a description of his duties and of any duties proposed to him by the CEB corresponding to his experience and qualifications, so that the Board can give its opinion as to whether the staff member is incapable of carrying out those duties. This file shall also specify whether the application to be declared an invalid is likely to fall within the scope of Article 14, paragraph 2.*

Before being forwarded to the Invalidity Board, the foregoing particulars shall be communicated to the staff member by the Human Resources Department for his written comments, if any, to be sent by him to the Human Resources Department within 15 calendar days following their receipt.

(b) *a medical file containing the report presented by the medical representative of the party — the CEB or the staff member — that has asked for the Board to be convened, and, if appropriate, the medical report presented by the other party, as well as any reports or certificates from the staff member's medical practitioner or from practitioners whom the parties have consulted. This medical file shall also contain details of the length of absences of the staff member concerned which have provided grounds for the Board to be convened, as well as the nature of the disability on which the Board is asked to give a ruling*

All these reports, documents and certificates must be communicated to the three medical practitioners.

- (ix) The proceedings of the Invalidity Board shall be secret. The Board may ask to hear the staff member concerned. It may also ask him to undergo an additional medical examination by a medical practitioner appointed by the Board.*
- (x) The cost of the meeting of the Invalidity Board shall be met by the CEB.*

The CEB shall bear the fees and the travel expenses — the latter calculated according to the rules applicable to staff members - of the medical practitioner representing the staff member only when this practitioner lives in the country of the staff member's last duty station, his home country if he is living there at the time of the establishment of the lasting nature of his disability, or in the country of residence of the former staff member concerned.

- (xi) The findings of the Invalidity Board shall be determined by a majority vote. They shall be final except in the case of obvious factual errors.*

Findings under Article 13, paragraph 1 or Article 14, paragraph 2

(xii) The findings of the Invalidity Board shall state:

- whether or not the staff member suffers from permanent invalidity which totally prevents him from performing his duties or any duties proposed to him by the CEB corresponding to his experience and qualifications.*
- whether the invalidity results from an incident recognised by the CEB as falling within the scope of Article 14, paragraph 2 (work accident, occupational disease or public-spirited act);*
- the date on which the disability became lasting; this date may be prior to the date of the meeting of the Invalidity Board.*

Findings under Article 16

(xiii) Where the Board meets under Article 16, the findings of the Board shall state:

- whether the former staff member is incapable of performing the duties attaching to his former post or any duties proposed to him by the CEB corresponding to his experience and qualifications; or,*
- whether it has been found that the former staff member is no longer an invalid.*

13/3 – Decision of the Governor

Decision under Article 13, paragraph 1, or Article 14, paragraph 2

- (i) In accordance with the findings of the Invalidity Board and without prejudice to the competence of the Administrative Tribunal of the Council of Europe, the Governor of the CEB shall decide either:*
 - (a) to grant to the staff member concerned an invalidity pension under Article 13, paragraph 1, or Article 14, paragraph 2; this decision shall specify the date on which the pension takes effect; or,*
 - (b) not to recognise the staff member as an invalid within the meaning of the Rules. Decision under Article 16.*
- (ii) In accordance with the findings of the Invalidity Board and without prejudice to the competence of the Administrative Tribunal of the Council of Europe, the Governor of the CEB shall decide either:*
 - (a) to continue payment of the invalidity pension to the former staff member; or*
 - (b) no longer to recognise the staff member as an invalid within the meaning of the Rules and to terminate such payment, at a date which may not be prior to the meeting of the Board, in accordance with the conditions provided for in Instruction 16/3.*

Obvious factual error

(iii) In the event of an obvious factual error, the Governor shall again refer the case to the Invalidity Board.

Notification of the decision of the Governor

(iv) Within 30 calendar days of receipt of the findings of the Invalidity Board, the Governor shall notify his decision in writing, together with the findings of the Invalidity Board, to the staff member or former staff member.

Article 14 - Rate of pension

1. Subject to the provisions of Article 5, paragraph 3, the invalidity pension shall be equal to the retirement pension to which the staff member would have been entitled at the age limit laid down in the Staff Regulations if he had continued to serve until that age and without the need for a minimum of ten years' service under Article 7.
2. However, where the invalidity arises from an accident in the course of the performance of his duties, from an occupational disease, from a public-spirited act or from risking his life to save another human being, the invalidity pension shall be 70% of salary. In the event of invalidity resulting from a cause other than these, the invalidity pension provided for in this paragraph may not be less than the invalidity pension which would be payable under paragraph 1 of this Article.
3. The salary used as a basis for the calculation of the invalidity pension referred to in paragraphs 1 and 2 above shall be the salary for the grade and step held by the staff member in accordance with the scales in force at the date laid down in Article 17, paragraph 1.
4. The invalidity pension shall not be less than 120% of the salary for grade C1, step 1, but may not be more than the last salary, such salaries being those which appear in the scales in force at the date laid down in Article 17, paragraph 1 subject to any adjustments provided for under Article 36.
5. In the case of invalidity deliberately brought about by the staff member, the CEB shall decide whether he should receive an invalidity pension or only a retirement pension or a leaving allowance, depending on his length of effective service.

Instructions – Article 14

14.1 – Part-time Service

Where a staff member working part time is found to be suffering from invalidity and the provisions of article 6, paragraph 3 (ii) are not applied, the period subsequent to the date on which he is recognised as unfit for service shall, for the purposes of calculating the invalidity pension provided for under Article 14, paragraph 1, be counted as a period of part-time work in the cases referred to in paragraph 2 of Article 6 bis.

14.2 – Work accident and occupational disease

For the purposes of Article 14, paragraph 2, reference shall be made to the Rules applicable in the CEB for the definition of the risks of work accident and occupational disease.

Article 15 - Earnings Rule

1. Where a person in receipt of an invalidity pension is nevertheless gainfully employed, this pension shall be reduced by the amount by which his pension together with the remuneration he receives for the said employment exceeds the salary for the highest step in the grade he held at the time of his recognition as unfit for service.
2. This reduction shall apply only up to the age limit laid down in the Staff Regulations.

Instruction – Article 15

15.1 – Double entitlement to an invalidity pension and other income

- (a) *By gainful employment under Article 15 is meant any employment outside the CEB, as well as employment pursued therein, including as temporary, auxiliary or local official personnel or as an "employee", and also as an expert in receipt of fees.*
- (b) *A person in receipt of an invalidity pension shall immediately notify the CEB of any gainful, non-occasional employment; in addition, he shall inform the CEB of the total amount of remuneration he received during the preceding calendar year, the reduction referred to in Article 15 thus being calculated on a monthly basis.*

Express mention of this obligation shall be made in the decision notifying the award of an invalidity pension.

Article 16 - Medical Examination – Termination of pension

- 1.** While a person drawing an invalidity pension is still under the age limit laid down in the Staff Regulations, the CEB may have him medically examined periodically to ascertain that he still satisfies the conditions for entitlement to such pension, in particular having regard to any new duties corresponding to his experience and qualifications which may have been proposed to him by the CEB.
- 2.** When a person drawing an invalidity pension who has not reached the said age limit ceases to satisfy the conditions for entitlement to the invalidity pension, the CEB shall terminate that pension.
- 3.** The time during which the person concerned has drawn his invalidity pension shall then be reckoned, without payment of back contributions, for the calculation of the leaving allowance or retirement pension, as the case may be.

Instructions – Article 16

16/1 – Suspension of Invalidity Pension

If the recipient of an invalidity pension fails to submit to medical examination as prescribed by the CEB, payment of the invalidity pension may be suspended.

16/2 – Medical Examination and new Invalidity Board

The periodical medical examinations required under Article 16 shall normally take place at the place of residence of the person concerned, unless the CEB requires otherwise or it is impracticable to have the person concerned examined at his place of residence.

Such examinations shall be carried out by a medical practitioner chosen by the CEB; the latter shall bear the cost thereof, including travelling expenses of the person concerned if exceeding 50 km from his home. Should the medical practitioner chosen by the CEB report that the staff member no longer satisfies the conditions of entitlement to an invalidity pension, notably having regard to any new duties proposed to him by the CEB corresponding to his experience and qualifications, an Invalidity Board shall be convened in accordance with the provisions of Article 13 and its implementing Instructions.

16/3 – Cessation of Entitlement to an Invalidity Pension

Where the Invalidity Board, in application of Article 16, paragraph 2, declares that the person concerned who is still under the age limit has ceased to satisfy the conditions of entitlement to an invalidity pension, the payment of that pension shall be terminated; if the person concerned does not resume work in the CEB, he shall receive either a leaving allowance based on his years of service and years of invalidity where the total is less than 10 years, or a deferred or early retirement pension.

16/4 – Re-entitlement to an Invalidity Pension

Where the person concerned is entitled to a deferred or early pension and subsequently suffers a relapse, while still under the age limit laid down in the Staff Regulations, resulting from the same condition as that which had entitled him to the previous invalidity pension, the Invalidity Board, convened at the staff member's request in accordance with Instruction 13/2, shall declare that he once again effectively fulfils the conditions required under Article 13, paragraph 1, insofar as he is not receiving for that same condition an invalidity benefit or pension borne by another scheme.

Article 17 - Commencement and cessation of entitlement

- 1.** Entitlement to an invalidity pension shall commence on the first day of the month following the date of the beginning of the invalidity as recognised by the Invalidity Board.
- 2.** Subject to application of Article 16, paragraph 2:
 - (i)** the invalidity pension payable under Article 14, paragraph 2, shall be paid for life;
 - (ii)** in other cases, entitlement to an invalidity pension shall terminate:
 - either at the age limit laid down in the Staff Regulations;
 - or at the end of the month in which the recipient of such a pension dies.

Where the invalidity pension terminates because the person concerned has reached the age limit laid down in the Staff Regulations, he shall, notwithstanding the ten-year minimum requirement provided for in Article 7, be entitled to a retirement pension calculated as if he had remained in service until this age.

- 3.** Invalidity pensions assessed before December 31st, 2013, whatever the cause of the invalidity, shall be paid for life.

Chapter IV – Survivors' pension

Article 18 – Conditions of entitlement

1. The surviving spouse⁶ of a staff member who died in service shall be entitled to a survivor's pension, provided they had been married to each other for at least one year at the time of the staff member's death, unless the death resulted either from disablement or illness contracted in the performance of his duties, or from an accident.

2. A reversion pension shall be payable to the surviving spouse:

- (i) of a former staff member drawing an invalidity pension, if they were married to each other for at least one year at the time of his being recognised an invalid; this condition of anteriority shall not apply if the marriage had existed for at least five years at the time of the former staff member's death, or if the death resulted either from disablement or illness contracted in the performance of his duties, or from an accident;
- (ii) of a former staff member drawing a retirement pension, if they had been married to each other for at least one year at the time when the former staff member's appointment ceased; this condition of anteriority shall not apply if the marriage had existed for at least five years at the time of the former staff member's death; or
- (iii) of a former staff member entitled to a deferred pension, if they had been married to each other for at least one year at the time when the former staff member's appointment ceased; this condition of anteriority shall not apply if the marriage had existed for at least five years at the time of his death.

3. The above-prescribed conditions of anteriority or minimum duration of marriage shall not apply where there are one or more children of the marriage or of a marriage of the staff member contracted prior to the cessation of his appointment, inasmuch as the non-remarried surviving spouse is providing for their needs; in such case, the survivor's or reversion pension shall be payable under the derogation provided for in the present paragraph, for so long as the children are actually being so provided for.

When they are no longer being so provided for, the survivor's or reversion pension shall nonetheless continue to be payable for so long as the surviving spouse does not have an income of his own from the exercise of any occupation, or from any retirement pension or other survivor's or reversion pension, equal to at least the amount of the survivor's or reversion pension from the Organisation.

4. Entitlement to a survivor's or reversion pension shall be subject to the provisions of Article 2.

Instruction – Article 18

18.1 – Staff Member dying during leave granted for Personal Reasons

- (i) *When a staff member who has completed at least 10 years' service within the meaning of Article 4 dies during a period of leave in respect of which no contributions were made to the Pension Scheme, the surviving spouse shall be entitled to:*
 - *the survivor's pension under Article 19, paragraph 1 (ii), the minimum and maximum amounts of such pension being in accordance with paragraphs 3 and 4 of the same Article;*
 - *and, where appropriate, the benefits specified in Article 28.*

In addition, any orphans and/or dependants shall be entitled to the benefits specified in Articles 25 and 25 bis.

⁶ Wherever it occurs in these Rules, the expression "surviving spouse" applies indifferently to the wife or husband of the deceased staff member.

- (ii) Where the deceased staff member had not completed ten years of service conferring entitlement, as defined in Article 4, the amounts provided for in Article 11 shall be paid to his estate; such amounts shall be calculated on the basis of rights acquired and salary at the date of termination of the period in respect of which the contributions to the Pension Scheme were payable, without any subsequent adjustment or interest.*

Article 19 - Rate of Pension

1. Survivor's and reversion pensions shall be 60% of:

- (i) the retirement pension that would have been payable to the staff member, had he not died in service, on the basis of his reckonable service credited up to the time of his death, without the need for a minimum of ten years' service under the provisions of Article 7;
- (ii) the deferred retirement pension that would have been paid to the former staff member at the age of 60;
- (iii) the invalidity pension that was actually being paid to the staff member at the time of his death, no account being taken of reductions under Article 15;
- (iv) the retirement pension that was actually being paid to the staff member at the time of his death, no account being taken of any reductions under Article 8, paragraph 4.

2. Where a staff member has died as a result of an accident in the course of the performance of his duties, from an occupational disease, from a public-spirited act or from risking his life to save another human being, the survivors' pension shall be 60% of the invalidity pension to which the staff member would have been entitled under Article 14, paragraph 2 had he survived.

3. The survivor's or reversion pension shall not be less than 35% of the staff member's last salary; nor shall it be less than the salary for Grade C1, step 1.

4. However, the reversion pension shall not exceed the amount of the former staff member's own pension in the cases covered by paragraph 1 (ii), (iii) and (iv) above, nor the amount of the pension to which the former staff member would have been entitled had he reached the age limit laid down in the Staff Regulations at the time of his death.

Article 20 - Reduction for difference in age

1. Where the difference in age between the deceased staff member or former staff member and his younger surviving spouse and/or former spouse less, the length of time they have been married, is more than ten years, the survivor's or reversion pension calculated in accordance with the preceding provisions, shall be subject to a reduction, per year of difference, amounting to:

- 1% for the years between 10 and 20;
- 2% for the years 20 up to but not including 25;
- 3% for the years 25 up to but not including 30;
- 4% for the years 30 up to but not including 35;
- 5% for the years from 35 upwards.

Article 21 - Remarriage

1. Entitlement to a survivor's or reversion pension shall cease on remarriage. The surviving spouse or ex-spouse shall be entitled to immediate payment of a capital sum equal to twice the annual amount of the pension, if there are no dependent children to whom the provisions of Article 25 paragraph 4 apply.

2. The capital sum paid to the ex-spouse shall not be more than the amount to which he could still be entitled under Article 22, paragraph 1.

Instruction – Article 21

21.1 – Payment of the capital sum

The capital sum provided for under Article 21, paragraph 1 shall be calculated with reference to the basic salary scale applicable at the date of remarriage, and paid to the recipient.

Article 22 - Rights of a former spouse

1. The non-remarried former spouse of a staff member or former staff member shall, on the latter's death, be entitled to a survivor's or reversion pension, provided that and for as long as the staff member or former staff member was, at the time of his death and by virtue of a court decision which has become final and binding, under an obligation to pay maintenance or compensation to the former spouse in a personal capacity; but the survivor's or reversion pension shall not exceed the amount of such payment.

This entitlement shall not arise if the former spouse remarried before the staff member or former staff member died. If remarriage takes place after the staff member's or former staff member's death and while the conditions laid down in the sub-paragraph above are still fulfilled, the provisions of Article 21 shall apply.

2. Where a staff member or former staff member dies leaving both a spouse entitled to a survivor's or reversion pension and a non-remarried former spouse fulfilling the conditions laid down in paragraph 1 above, the whole of the survivor's or reversion pension shall be divided between the before-mentioned persons in proportion to the duration of their marriages.

The amount to which a non-remarried former spouse is entitled shall however, not be more than the amount of the maintenance or compensation payable at the time of the death of the staff member or former staff member.

3. Where one of the persons entitled to a survivor's or reversion pension renounces his share, ceases to satisfy the conditions for entitlement or forfeits his rights under Article 35, or where the amount of his pension has been restricted under the terms of the second sub-paragraph of paragraph 2 above, his share shall accrue to the share of the other person except where pension rights revert to orphans, as provided under the last sub-paragraph of Article 25, paragraph 3. In such a case, the restriction laid down in the second sub-paragraph of paragraph 2 above shall apply.

4. Reductions in respect of difference in age as provided for in Article 20 shall be applied separately to survivors' and reversion pensions calculated in accordance with the present Article.

Instruction – Article 22

22.1 – Rights of a non-remarried former spouse

(i) The maintenance or compensation payments referred to in Article 22, paragraph 1 shall, where appropriate, be converted into the currency of the scale applicable to the country of the staff member's or former staff member's last posting or, in cases to which Article 33, paragraph 3 applies, of the scale for which an option has been exercised by the former staff member prior to his decease, by applying the rate of exchange used in the CEB at the date of decease of the latter;

(ii) The maintenance or compensation payments referred to in the preceding sub-paragraph shall be subject to the same adjustments as those actually applied to the basic salary corresponding to the grade and step used to calculate the survivor's or reversion pension provided for under Article 19.

Article 23 - Commencement and cessation of entitlement

1. Entitlement to a survivor's or reversion pension shall commence from the first day of the month following that in which the staff member or former staff member died. If the salary of a staff member who died in service continues to be paid to a surviving spouse or former spouse, directly and in full, under the Staff Regulations and Rules of the Organisation, payment of the pension shall be deferred accordingly.

2. Entitlement to a survivor's or reversion pension shall cease at the end of the month in which the recipient of the pension dies or ceases to satisfy the conditions for entitlement to that pension.

Article 24 – Incapacitated widower

Deleted.

Chapter V – Orphans' or dependants' pension

Article 25 - Rate of orphan's pension

1. Where a staff member or former staff member drawing a retirement or invalidity pension or entitled to a deferred pension dies, his children shall be entitled to an orphan's pension if they fulfil the conditions laid down in paragraph 2.

2. The legitimate, natural or adopted children of a staff member or former staff member who has died shall be entitled to an orphan's pension:

- (i) when the deceased or his household provided their main and continuing support at the time of death; and
- (ii) when they satisfy the conditions of age, education or handicap required for the granting of the allowance for a dependent child.

The legitimate or natural children of a deceased staff member or former staff member who were born not more than 300 days after his death shall also be entitled to an orphan's pension.

3. Where there are one or more persons entitled to a survivor's or reversion pension, the amount of the orphan's pension shall correspond to the higher of the following amounts:

- (i) 40% of the survivor's or reversion pension, no account being taken of reductions pursuant to Article 20; or
- (ii) 50% of the salary for grade C1, step 1, according to the scale in force when the former staff member's pension was assessed, this amount being updated in accordance with the provisions of Article 36, or, if he was not drawing a retirement or invalidity pension, according to the scale in force at the time of death.

The orphan's pension shall be increased, in respect of the second and every further beneficiary, by an amount equal to the allowance for a dependent child.

The orphan's pension shall be brought up to the level provided for in paragraph 4 in the event of the beneficiaries of a survivor's or reversion pension dying or remarrying or losing the right to that pension.

4. Where there are no beneficiaries of a survivor's or reversion pension, the orphan's pension shall correspond to the higher of the following amounts:

- (i) 80% of the survivor's or reversion pension, no account being taken of reductions pursuant to Article 20; or
- (ii) 100% of the salary for grade C1, step 1, according to the scale in force when the former staff member's pension was assessed, this amount being updated in accordance with the provisions of Article 36, or, if he was not drawing a retirement or invalidity pension, according to the scale in force at the time of death.

The orphan's pension shall be increased, in respect of the second and every further beneficiary, by an amount equal to twice the allowance for a dependent child.

5. The total amount of the orphan's pension shall be divided equally among all the orphans.

Instructions – Article 25

25.3 – Rate of pension for orphans dependent on a non-remarried former spouse

Subject, where appropriate, to the provisions of Instructions 27.1/1 and 27.1/2, the provisions of Article 25, paragraph 3 shall apply where a staff member or former staff member dies leaving a non-remarried former spouse entitled to a survivor's or reversion pension under Article 22. In such a case, the orphan's pension shall be fixed without having regard to the reductions provided for in Articles 20 and 22.

25.4 – Rate of pension for orphans belonging to another family group

Subject to the provisions of Instructions 27/1.1 and 27/2.1, the provisions of Article 25, paragraph 4 shall also apply where a staff member or former staff member dies leaving a surviving spouse or former spouse on one side and orphans belonging to another family group on the other side.

Article 25 bis - Rate of pension for other dependants

1. Where a staff member or former staff member drawing a retirement or invalidity pension or entitled to a deferred pension dies, the persons (including children not fulfilling the conditions laid down in Article 25) recognised as satisfying the conditions for the granting of the allowance for a dependent child or dependent person under the Staff Regulations and Rules of the CEB shall be entitled to a dependant's pension.
2. The pension paid to each dependant shall be equal to the lowest of the following amounts:
 - (i) the amount, as recognised by the CEB, of the support provided to that person by the staff member or former staff member at the time of his death;
 - (ii) twice the amount of the dependant's allowance in force in the CEB at the time of the death of the staff member or former staff member; or
 - (iii) where an orphan's pension is paid, the amount of each orphan's share pursuant to Article 25, paragraph 5.

Instruction – Article 25 bis

25 bis.2 – Pension adjustment

The amount of the dependant's pension referred to in this Article shall be subject to the same adjustments as those effectively applied to the basic salary of the grade and step with reference to which the orphan's pension provided for under Article 25 is calculated.

Article 26 - Commencement and cessation of entitlement

1. The pensions provided for under Articles 25 and 25 bis shall be payable as from the first day of the month following that in which the staff member or former staff member died. If the salary of a staff member who died in service continues to be paid to a surviving spouse or former spouse, directly and in full, under the Staff Regulations and Rules of the CEB, payment of the pensions shall be deferred accordingly.
2. The pensions under Article 25 and 25 bis shall cease to be payable at the end of the month in which the child or other dependant ceases to satisfy the conditions for entitlement to the allowance for a dependent child or dependent person under the Staff Rules and Regulations of the CEB.

Article 27 - Beneficiaries of more than one category

1. Where a staff member or former staff member leaves a spouse or former spouse, on the one hand, and children or dependent persons, on the other, with entitlement to a pension, the total pension, calculated as if for a surviving spouse having all these persons dependent on him, shall be apportioned among the various categories of beneficiaries in proportion to the pensions which would have been payable to each category if treated separately.
2. Where there are children or dependent persons from different family groups with entitlement to a pension, the total pension, calculated as though all were from the same family group, shall be apportioned among the various categories of beneficiaries in proportion to the pensions which would have been payable to each category if treated separately.

Instructions – Article 27

27.0 – Beneficiaries of more than one category – General provisions

In cases of coexistent pension entitlements of a spouse, former spouse(s), children and/or dependants, the "total pension" referred to in Article 27, paragraphs 1 and 2 is defined in Instructions 27.1/1 (i) and 27.2/1 (i) respectively. It shall be apportioned as follows:

(i) *If the beneficiaries are:*

- *the spouse, and*
- *former spouse(s)*

with no dependent children and/or dependants, the pension shall be apportioned in accordance with the provisions of Article 22.

(ii) *If the beneficiaries are:*

- *the spouse or former spouse(s), on the one hand, and*
- *children and/or dependants, on the other,*

belonging to different family groups, the pension shall be apportioned in accordance with the provisions of Instruction 27.1/1

(iii) *If the beneficiaries are:*

- *–the spouse or former spouse(s) with children and/or dependants, on the one hand, and*
- *orphans and/or dependent persons, on the other*

belonging to different family groups, the pension shall be apportioned in accordance with the provisions of Instruction 27.1/2.

(iv) *If the beneficiaries are:*

- *the spouse, and*
- *former spouse(s)*

one of whom at least has children and/or dependants, the pension shall be apportioned in accordance with the provisions of Article 22 for survivors' and reversion pensions, and of Instruction 27.2/1 for orphans' and/or dependants' pensions.

(v) *If the beneficiaries are:*

- *persons entitled to orphans' and/or dependants' pensions belonging to different family groups the pension shall be apportioned in accordance with the provisions of Instruction 27.2/1.*

Where, when Instructions 27.1/1, 27.1/2, 27.2/1 are applicable, one of the family groups is affected by a change in situation, the individual entitlement within the other family group shall remain calculated in accordance with the initial apportionment of benefits.

27.1/1 – Coexistence of beneficiaries, without children or dependants, entitled to a survivor's or reversion pension on the one hand, and of orphans and/or dependants on the other, belonging to different family groups

- (i) *In this case, the total pension referred to in Article 27, paragraph 1 shall be calculated as if all beneficiaries of the deceased staff member or former staff member formed part of a single family group. This total pension shall comprise:*
- *a survivor's or reversion pension as would be payable to a surviving spouse of the deceased staff member or former staff member in accordance with Article 19 only;*
 - *orphans' pensions calculated as if all orphans of the deceased staff member or former staff member belonged to the family group entitled to the survivor's or reversion pension mentioned above;*
 - *dependants' pensions calculated theoretically as orphans' pensions before application of the provisions of Article 25 bis, paragraph 2.*

In accordance with Article 25, paragraph 3 (ii), only one minimum orphan's pension (50% of C1/1) shall be taken into account in this calculation.

- (ii) *The total pension shall be apportioned among:*

- *the surviving spouse or non-remarried former spouse(s) and*
- *-orphans and/or dependants,*

in proportion to the amounts which would have been payable directly to each of these family groups considered separately, after application of Articles 20 and 22 for the survivor's or reversion pension, Article 25 for orphans' pensions, and Article 25 bis for dependants' pensions.

- (iii) *If the amounts so apportioned exceed the pensions to which the beneficiaries would have been entitled if they had been considered separately, including, for dependants' pensions, after application of Article 25 bis, any such excess amounts shall not be payable.*

- (iv) *The minimum amounts laid down for survivors' and reversion pensions and for orphans' and/or dependants' pensions shall no longer apply to the shares actually attributed.*

27.1/2 – Coexistence of beneficiaries entitled to a survivor's or reversion pension with children and/or dependants on the one hand, and of orphans and/or dependants belonging to another family group on the other

- (i) *In this case, the total pension, calculated in accordance with Instruction 27.1/1 (i), shall be apportioned among:*

- *the surviving spouse or former spouse(s) and the children and/or dependants there of and*
- *the children and/or dependants belonging to another family group in proportion to the amounts which would have been payable directly to each of these family groups considered separately, after application of Articles 20 and 22 for the survivor's or reversion pension, Article 25 for orphans' pensions, and Article 25 bis for dependants' pensions.*

- (ii) *Within the group consisting of a surviving spouse or former spouse(s) and orphans and/or dependants, the share going to that group shall be apportioned, for the purpose of calculating the individual entitlement of each member as mentioned above, in proportion to the survivor's or reversion pension on the one hand, and the orphans' and/or dependants' pensions on the other.*

(iii) If the amounts so apportioned exceed the pensions to which the beneficiaries would have been entitled if they had been considered separately, including after application of Article 25 bis, any such excess amounts shall not be payable.

(iv) The minimum amounts laid down for survivors' and reversion pensions and for orphans' and/or dependants' pensions shall no longer apply to the shares actually attributed.

27.2/1 – Coexistence of beneficiaries entitled to orphans' and/or dependants' pensions belonging to different family groups

(i) In this case, the total pension referred to in Article 27, paragraph 2 shall be calculated as if all the persons entitled to an orphan's pension and/or dependant's pension formed part of a single family group. Before apportionment, dependants shall be treated in theory as orphans. This total pension shall comprise:

- a single orphan's pension calculated, as the case may be, in accordance with the provisions of Article 25, paragraph 3 (i) if there are one or more persons entitled to a survivor's or reversion pension, or of Article 25, paragraph 4 (i) where there are no such persons;*
- orphans' pensions equal to the dependent child allowance where there are one or more persons entitled to a survivor's or reversion pension, or to double that allowance where there are no such persons.*

(ii) This total pension shall be apportioned among the different family groups in proportion to the pensions which would have been payable directly to each of these family groups considered separately.

(iii) within each family group, the share going to that group shall be divided equally among the beneficiaries before application of Article 25 bis, where applicable.

(iv) The minimum amounts laid down shall no longer apply to the shares actually attributed.

Chapter VI – Family allowances

Article 28 – General provisions

1. Household allowance, children's and dependants' allowance, handicapped child allowance and education allowance, paid to the staff members of the CEB as family allowances, are granted according to the modalities and conditions of entitlement provided for under the CEB Staff Regulations and Rules and under the present Rules:

- (i) to the recipient of a retirement pension as from the age of 60;
- (ii) to the recipient of an invalidity pension;
- (iii) to the recipient of a survivor's or reversion pension, in respect of the sole beneficiaries who were or would have been recognised as depending on the staff member or the former staff member if he had not died.

2. The double entitlement regulations apply to any allowance of a same nature, regardless of its name.

3. (a) The household allowance shall be calculated by reference to the pension of the recipient.

(b) Where the recipient of a survivor's or reversion pension is a staff member of the CEB, only one household allowance shall be granted.

(c) Where the spouse of a person entitled to a pension referred to in paragraph 1 is a staff member of the CEB or is in receipt of a pension assessed by the CEB, the household allowance shall only be paid to one of the spouses.

(d) Where the spouse of the recipient of a pension referred to in paragraph 1 is entitled, under another scheme, to an allowance of a same nature than the household allowance, only the difference between the amount of the allowance under the present scheme and that of the allowance received by the spouse under the other scheme shall be paid to the recipient of the pension.

4. Where the recipient of a pension referred to in paragraph 1, or his household or the beneficiary concerned, is entitled to allowances referred to in paragraph 1 and also, under another scheme and for the same person, to a children's or dependants' allowance, or a handicapped child allowance of a same nature than those referred to in paragraph 1, the CEB shall only pay the difference between the amount of the allowances granted under the present scheme and that of the allowances received under the other scheme.

5. The deduction of family allowances received under another scheme, referred to in Article 28, paragraphs 3 and 4, shall be automatic, save where the recipient produces evidence that the above-mentioned scheme makes a deduction of the amounts received under the present scheme. The amount of the allowance for a child or other dependant payable to the recipient of a survivor's or reversion pension shall be twice the normal amount.

6. Entitlement to the allowances provided for in this Article shall cease at the end of the month in which the conditions for entitlement to those allowances under the Staff Rules and Regulations of the CEB are no longer satisfied.

Instructions – Article 28

28/1 – Entitlement

Entitlement to family allowances when pension benefits are being paid shall be subject to the conditions relating to the attribution of such allowances, in accordance with the Staff Regulations and Rules of the CEB.

28.1/1 – Early pension

Family allowances shall not be paid before the age of 60 to the recipient of an early pension; in such a case, at the age of 60, the household allowance shall be calculated on the basis of the reduced pension, subject to the minimum prescribed by the relevant Staff Regulations and Rules; the other family allowances of fixed amount shall be granted without any reduction.

28.1/2 – Monthly payment

Family allowances shall be paid per whole month starting from the 1st of the month following that in which the entitlement has arisen and until the end of the month during which the entitlement ceases.

28.1/3 – Education allowance

- (i) Entitlement to the education allowance shall be maintained for children dependent on a former staff member provided that the recipient of a retirement or invalidity pension — or the recipient of a survivor's or a reversion pension — has never ceased residing in the country of the fast posting since termination of service and inasmuch as he continues to reside in that country.*
- (ii) In the event of the death of a staff member or of the recipient of a retirement or invalidity pension, without any survivor's or reversion pension being awarded, or in the event of the death of the recipient of a survivor's or reversion pension, any education allowance which was being paid at the time of the death shall continue to be paid unchanged in its amount, until the expiry of the current school or academic year.*

28.3 – Household allowance

The household allowance to which the recipient of a pension is entitled shall be calculated on the basis of his pension, but shall not be less than the minimum laid down in the scales in force in the CEB, save where the allowance is reduced on the basis of the income of the spouse.

Chapter VII – Ceiling on benefits

Article 29 – Ceiling on benefits

1. Where a staff member dies, the total amount payable in respect of survivor's, orphan's and dependant's pensions and of family allowances shall not exceed the maximum of the retirement pension referred to in Article 10, paragraphs 2 and 3, together with the family allowances to which the deceased staff member was entitled. In any event, this total shall not exceed the last salary received by the staff member together with the family allowances to which he was entitled.
2. Where a former staff member drawing a retirement pension dies, the total amount payable in respect of reversion, orphan's and dependant's pensions and of family allowances shall not exceed the amount of the pension and family allowances received by the former staff member.
3. Where a former staff member entitled to a deferred or invalidity pension dies, the total amount payable in respect of reversion, orphan's and dependant's pension and of family allowances shall not exceed the amount of the retirement pension and family allowances he would have received if he had reached the statutory age limit at the time of his death.
4. The amounts payable in respect of survivor's, reversion, orphan's and dependant's pensions shall, where applicable, be reduced in proportion to the share of each beneficiary.

Instructions – Article 29

29/1 – Ceiling on benefits payable to a surviving spouse, former spouse, orphans and/or dependants

(i) Save where Article 10, paragraph 3 applies, the maximum of the retirement pension referred to in Article 29, paragraph 1 shall be 70% of the salary defined in Article 10, paragraph 1, as adjusted from time to time in the same way as the minimum salaries referred to in Article 3, paragraph 2; the same adjustments shall be applied to the family allowances referred to in Article 29, as well as to retirement pensions, deferred or not, and to the invalidity pensions referred to in Article 29, paragraphs 2 and 3.

(ii) The ceilings stipulated in Article 29 shall be reviewed whenever changes are made to the basis for calculating the benefits due.

(iii) For the purposes of applying the instructions of this Article, account shall be taken of deductions actually made in respect of allowances received from another source.

29.3/1 – Ceiling in the event of the death of a person entitled to a deferred retirement pension or who was drawing an early retirement pension

Where a deceased former staff member was entitled to a deferred retirement pension or was drawing an early retirement pension, the family allowances to which he would have been entitled at age 60, but which were not paid, shall nevertheless be taken into account in calculating the ceiling referred to in Article 29.

29.3/2 – Ceiling in the event of the death of a person drawing an invalidity pension under Article 14, paragraph 2

In the event of the death of a former staff member drawing an invalidity pension under Article 14, paragraph 2, the ceiling to be applied shall be the amount of the pension and allowances he was receiving at the time of his death.

29.4/1 – Amount of the reduction applicable to survivors', reversion, orphans' and/or dependants' pensions

The reduction shall be applied to survivors, reversion, orphans' and/or dependants' pensions. The reduction shall be apportioned among the beneficiaries in proportion to the benefits payable in application of the provisions of Chapter IV (Survivor's and Reversion Pensions) and Chapter V (Orphan's Pension and Dependant's Pension).

29.4/2 – Statutory minimum amounts

The minimum amounts laid down shall not apply to survivors, reversion, orphans' and/or dependants' pensions reduced in accordance with the provisions of Article 29.

Chapter VIII – Provisional pensions

Article 30 – Conditions of entitlement

- 1.** Where a staff member or former staff member entitled to a retirement or invalidity pension has been missing for more than one year in circumstances justifying a presumption of death, the persons entitled under him may provisionally be awarded a survivor's, reversion, orphan's or dependant's pension, as appropriate.
- 2.** The provisions of paragraph 1 above shall apply mutatis mutandis to persons recognised as dependants of a person in receipt of a survivor's or reversion pension, who has been missing for more than one year.
- 3.** Provisional pensions under paragraphs 1 and 2 above shall be converted into definitive pensions when the death of the staff member, former staff member, spouse or former spouse has been established officially or when that person has been declared missing by a final Court decision.

Instruction – Article 30

30.3 – Forfeiture of rights

The time limits laid down by Article 35, paragraphs 2 and 3 shall run from the date of the Court decision declaring him to be missing, referred to in Article 30, paragraph 3.

Chapter IX – Determination of the amounts of benefits

SECTION 1 – ASSESSMENT OF ENTITLEMENT

Article 31 - Assessment & Notification

1. The assessment of entitlement to the benefits payable under these Rules shall be made by the CEB, with the assistance of the International Service for Remunerations and Pensions.
2. A detailed statement of the assessment shall be communicated to the staff member or the persons entitled under him at the same time as the decision awarding the pension.

Instruction – Article 31

31.2 – Pension Statement

On the termination of service of a staff member, the CEB shall draw up a statement of his pension rights on the form provided for this purpose.

Article 32 - No double entitlement

1. Without prejudice of the application of Articles 4 and 5, the following may not be paid concurrently:
 - (i) a retirement and an invalidity pension as provided for in these Rules or under the Rules of the Second Pension Scheme;
 - (ii) a retirement or invalidity pension and a loss-of-employment indemnity not paid as a lump sum.
2. Recipients of a retirement or invalidity pension under the present Rules may not be granted the status of staff member in the meaning of Article 1.

Instruction – Article 32

32.1 – Double entitlement as regards retirement or invalidity pensions

- (i) *In view of the rules contained in Article 5, paragraph 2, two retirement pensions under these Rules may not be paid by the CEB.*
- (ii) *In calculating an invalidity pension granted under Article 14, paragraph 1, the abatements prescribed in Article 5, paragraph 2 shall be applied in cases where retirement pension payments previously received have not been refunded.*
- (iii) *Double entitlement to a retirement or invalidity pension and to an indemnity for loss of employment paid month by month on the basis of the salary being received by the staff member at the time of leaving shall be prohibited.*

Article 33 - Basis of calculation⁷

1. Pensions provided for in these Rules shall be calculated by reference to the salary defined in Article 3 and to the scales applicable to the country of the CEB's headquarters.

⁷ The scales referred to in this article are those approved by the coordinated organisations in effect as at the date of implementation of the decisions provided for in said article or, for the purposes of the application of the provisions of paragraph 6, the scales established by the International Service for Remunerations and Pensions.

2. However, if the former staff member settles subsequently:

- (i) in a Member State of the CEB of which he is a national, or
- (ii) in a Member State of the CEB of which his spouse is a national, or
- (iii) in a country where he has served the CEB for at least five years, he may opt for the scale applicable to that country.

This option shall apply to only one of the countries referred to in this paragraph, and shall be irrevocable except where paragraph 3 below is applicable.

3. On the death of his spouse, a former staff member who settles in the country of which he is a national, or of which such deceased spouse was a national, may opt for the scale applicable in that country.

4. The same option shall be open to the surviving spouse or former spouse of a former staff member and to orphans who have lost both parents.

5. These options, available under paragraphs 2 and 3, shall be irrevocable.

6. If the staff member, spouse, former spouse or orphan opts for the scale of a country referred to in paragraph 2, but no scale has been established for that country, the scale applicable to the country of CEB's headquarters shall be applied temporarily until a scale has been established for the country chosen.

7. The scales referred to in this Article are those in force on the first day of the month following that in which the staff member's appointment has ceased.

8. The provisions of paragraph 2 above do not apply to the benefits under Article 11. However, a staff member who settles in a country of which he is a national may have the leaving allowance provided for in Article 11 (ii) calculated in accordance with the scale for that country, provided that such a scale has been established on the date of his departure.

Instructions – Article 33

33/1 – Proof of residence

Within the meaning of Article 33, the settlement of a pensioner refers to his principal and effective residence, with the transfer of the permanent and usual centre of his interests and the will to confer stability to such a residence.

The option is granted as from the month following the date on which the pensioner proves, to the satisfaction of the CEB, that he has his principal and effective residence in the country in question. The CEB may in particular request:

- *a recent certificate of residence;*
- *a certificate of removal from the population registry of the former place of residence;*
- *–a copy of a recent invoice (water, gas, electricity, fixed telephone) established after the date of the removal and for the name and address of the person concerned;*
- *a copy of the rent contract or of the purchasing deed of the residence;*
- *a copy of the removal invoice;*
- *evidence of being subject to property or residence tax;*

or any other evidence it deems relevant.

33/2 – Alteration due to the exercise of an option

Where, in application of Article 33, benefits under the Pension Scheme are to be calculated on the basis of a scale other than that which was in force at the time when the right to the benefits arose, then the amount of such benefits must, for the purpose of their payment as from the exercise of the option concerned, be recalculated on the basis of the said scale.

33.3/1 – Option in cases where there are beneficiaries belonging to different family groups

- (i) Where an option is exercised by a surviving spouse or by children both of whose parents are deceased, and there are other beneficiaries, benefits shall be apportioned in accordance with the provisions of Article 22 or Article 27, as the case may be, and with the Instructions thereto, on the basis of the scale applicable to the country of the staff member's or former staff member's last posting or, in cases to which Article 33, paragraph 2 applies, the scales for which an option has been exercised by the former staff member prior to his decease;*
- (ii) The share of benefit apportioned to each beneficiary of the option shall be expressed as a percentage of the basic salary for the grade and step used in calculating the theoretical survivor's or reversion pension;*
- (iii) The share apportioned to the beneficiary of the option referred to in Article 33, paragraph 3 shall be equal to the basic salary corresponding to the grade and step referred to in sub-paragraph (ii) of the scale applicable in the country chosen, multiplied by the percentage referred to in the same sub-paragraph.*

33.5 – Calculation following approval of a new scale

In cases where Article 33, paragraph 5 is applied, benefits are calculated under the new scale as from the date of its entry into force, with no retroactive effect.

Article 34 - Re-assessment – Cancellation

1. Benefits may be re-assessed at any time in the event of error or omission of any kind. Any undue payments must be reimbursed; they may be deducted from the benefits payable to the person concerned or to the persons entitled under him or from the amounts due to his estate. The reimbursement may be spread over a period.
2. Benefits shall be subject to modification or cancellation if their award was contrary to the provisions of these Rules.

Article 35 - Requirement of evidence – Forfeiture of rights

1. Persons who are eligible for benefits under these Rules shall inform the CEB or the International Service for Remunerations and Pensions of any facts which may affect their entitlement to benefits and to furnish such supporting evidence as may be required of them.

Should they fail to comply with these obligations, they may be deprived of the right to benefits under this Scheme; save in exceptional circumstances, they shall refund any sums received to which they were not entitled.

2. Where the surviving spouse, orphans or other dependants of a deceased staff member or former staff member fail to apply for their pension within twelve months from the date of his death, payment of the benefits under these Rules may, at the discretion of the CEB, be deferred until the first day of the month following that in which they make their application.
3. Where a staff member's or former staff member's former spouse referred to in Article 22 fails to apply for a pension within twelve months from the date of his death, the former spouse's rights may, at the discretion of the CEB, be wholly forfeited.

Instructions – Article 35

35.1/1 – Statement by staff member or persons entitled under him

Subject to the provisions of Instruction 30.3, the recipient of any benefit under the Pension Scheme Rules shall be required to fill out and sign the form to verify continuing entitlement which is sent to him every year.

35.1/2 – Refund of amounts incorrectly received

All amounts incorrectly received shall be refunded pursuant to Articles 34 and 35, in the manner prescribed in the Rules and Regulations applicable to staff serving in the CEB, without prejudice to the special provisions laid down for implementing Article 42 with regard to taxation.

35.1/3 – Obligation on claimants to make themselves known

In the absence of a statement provided for under Instruction 35.1/1, it is the responsibility of persons entitled under a deceased staff member or former staff member to notify their existence to the CEB which they consider to be liable for the payment to them of benefits under the pension scheme.

35.1/4 – Notifying beneficiaries

The CEB shall then inform the beneficiaries concerned of the benefits which they may claim under the Pension Scheme Rules.

SECTION 2 – ADJUSTMENTS OF BENEFITS

Article 36 - Adjustment of benefits

Whenever the salaries of staff serving at the CEB are adjusted – whatever the basis for adjustment – an identical proportional adjustment will, as of the same date, be applied to both current and deferred pensions, by reference to the grades and steps and salary scales taken into consideration in the calculation of these pensions.

Instruction – Article 36

36.1 – Notifying beneficiaries

Adjustments to pensions currently being paid shall be notified in writing to the persons entitled to such pensions, either by the CEB or, as instructed by it, by the International Service for Remunerations and Pensions.

SECTION 3 – PAYMENT OF BENEFITS

Article 37 - Mode of payment

- 1.** Subject to the provisions of Article 11 and unless otherwise provided under these Rules, pensions, family allowances and provisions for tax adjustments, shall be paid monthly in arrears.
- 2.** These amounts shall be paid by the CEB, or by the International Service for Remunerations and Pensions if it has been empowered to do so.
- 3.** Benefits shall be paid in the currency used in their calculation in accordance with Article 33.
- 4.** Benefits shall be paid to the recipient by CEB transfer to an account either in the country of the scale used to calculate these benefits, or in the country where the recipient resides.

Instruction – Article 37

37.1 – Date of Payment

Pensions, family allowances and provisions for tax adjustments shall be paid in arrears on the last working day but two of the month to which they relate.

Article 38 - Sums owed to the CEB

Any sum owed by a staff member, former staff member or pensioner to the CEB at the date when the benefits are payable under these Rules shall be deducted from the amount of these benefits or from the benefits payable to those entitled under him. The deduction may be spread over a period.

Instruction – Article 38

38.1 – Buying back rights - Credit for past service

Any amounts remaining due on the death, recognition of invalidity or termination of service of a staff member, in respect of pension rights bought back under Article 5 shall constitute a debt owed to the CEB by the staff member or the persons entitled under him or the estate.

Payment to the CEB of any amounts thus owing shall be made pursuant to the special condition agreed to by the staff member at the time of his application to buy back or to be credited with pension rights; this condition shall give the CEB a preferential right to deduct such amounts from the capital sums due at the time of death or recognition of invalidity, or of termination of service, where appropriate, under the conditions provided for in Instructions 5.1/1 and 5.1/2.

Article 39 - Right of subrogation

- 1.** Where a staff member's invalidity or death is attributable to a third party, the award of the benefits provided for in these Rules shall in principle be made subject to the beneficiary assigning to the CEB his claims against such third party, up to the amount of such benefits.
- 2.** However, the CEB may waive its right to take action pursuant to such subrogation against the third party concerned where special circumstances justify such a waiver.

Chapter X – Financing the Pension Schemes⁸

Article 40 - Payment of benefits

1. Benefits paid under these Pension Rules shall be charged to the provision in respect of the Pension Schemes.
2. Contributions of staff members and contributions of the CEB shall be credited to the provision in respect of the Pension Schemes.
3. In the event of the amounts recorded by the CEB in respect of the Pension Schemes being insufficient to cover the corresponding liabilities, the Administrative Council of the CEB shall make the necessary supplementary allocations to the amounts recorded by the CEB in respect of the Pension Schemes.
4. In the event of a merger, reconstitution or other transformation of the CEB, the CEB's statutory bodies shall take the necessary measures to ensure uninterrupted payment of the Pension Scheme benefits until the cessation of entitlement of the last beneficiary.
5. In the event of dissolution or liquidation of the CEB, the CEB's statutory bodies shall set aside, before any distribution of available assets, the amounts necessary to ensure uninterrupted payment of the Pension Scheme benefits until the cessation of entitlement of the last beneficiary.

Article 41 - Contribution to the Pension Schemes

1. The Pension Schemes shall be funded by:
 - (i) contributions of staff members
 - (ii) contributions of the CEB
2. Staff members shall pay a contribution whose rate ensures that the Pension Schemes are at actuarial equilibrium. The contribution rate of staff members amounts to 11.3% of their basic salary.⁹
3. The CEB shall pay a contribution whose amount shall be equal to the cost of the Pension Schemes for a year minus the staff member contributions for that year.
4. The Governor of the CEB shall arrange for an assessment of the liabilities of the CEB in respect of the Pension Schemes to be carried out at the end of each year. The purpose of this assessment is to determine the cost of the Pension Schemes for the year.
5. The cost of the Pension Schemes is the amount of funds that needs to be set aside to ensure that the provision in respect to the Pension Schemes is equal to the amount of the liabilities of the CEB in respect of the Pension Schemes.
6. The Governor of the CEB shall arrange for an assessment of the actuarial equilibrium of the Pension Schemes to be carried out at regular intervals. The purpose of this assessment is to determine whether the Pension Schemes are at actuarial equilibrium.
7. Actuarial equilibrium is achieved when contributions paid by staff members during a year amount to one third, more or less 10%, of the service cost for that year. The service cost is the actuarial value of pension entitlements acquired by staff members during a year.

⁸ By Pension Schemes, it should be understood:

- the Pension Scheme approved by the Administrative Council, on 29 January 1999, by Resolution 1432 and modified by Resolution 1559 (2013) and;
- the Pension Scheme (Second Pension Scheme, "SPS") approved by the Administrative Council, on 14 November 2013, by Resolution 1560 (2013)

⁹ As amended by Administrative Council Resolution No. 1620 (2020) of 25 September 2020 with effect from 1 January 2021

8. If the assessment of the actuarial equilibrium of the Pension Schemes shows that the Pension Schemes are below actuarial equilibrium, the Administrative Council of the CEB, acting on a proposal from the Governor, adopted on the advice of the Advisory Pension Committee, shall decide on the measures to restore the actuarial equilibrium of the Pension Schemes.

9. The actuarial assessments provided in this article shall be carried out in accordance the method described in the Annex to this article.

10. Contributions properly deducted shall not be recoverable. Contributions improperly deducted shall confer no rights to pension benefits; they shall be refunded at the request of the staff member concerned or those entitled under him without interest.

Instructions – Article 41

41/1 – Sickness

The staff members' contribution to the Pension Scheme shall be paid during sick leave and during periods of temporary incapacity following such leave if the staff member concerned continues to receive an allowance equal to the whole or part of his emoluments. This contribution shall be calculated in relation to the portion of the allowances corresponding to salary, but reckonable years of service shall be counted at the full rate, subject to the provisions applicable in the event of temporary incapacity during a period of part-time service.

41/2 – Leave for personal reasons

A staff member may not pay pension contributions during periods of leave for personal reasons of more than six months' duration, and during such periods the staff member shall not acquire any pension rights.

However, the persons entitled under him shall be entitled to receive benefits under the conditions set out in Instruction 18.1.

Chapter XI – Provisions relating to adjustment of pensions

Article 42 - Pensions which are subject to national tax legislation

1. The recipient of a pension under these Rules shall be entitled to the adjustment applying to the Member Country of the CEB in which the pension and adjustment relating thereto are chargeable to income tax under the tax legislation in force in that country.
2. The adjustment shall equal 50% of the amount by which the recipient's pension would theoretically need to be increased, were the balance remaining after deduction of the amount of national income tax or taxes on the total to correspond to the amount of the pension calculated in accordance with these Rules.

For such purpose, the Co-ordinated Organisations' tables of equivalence shall be used.

3. In calculating the theoretical amount of income tax or taxes referred to in paragraph 2 of this Article, account shall be taken only of the provisions of tax legislation and regulations affecting the basis of liability and the amount of income tax or taxes for all pensioner-taxpayers in the country concerned.

Pensioners without spouse or dependants shall be deemed to be in the position of a pensioner without entitlement to any tax reliefs or allowances for family responsibilities, all other recipients being deemed to be pensioners enjoying the tax reliefs and allowances of a person who is married without children.

No account shall be taken:

- of individual factors related to the personal circumstances or private means of a particular pensioner,
- of income other than that arising under these Rules,
- of the income of the spouse or dependents of the pensioner.

On the other hand, account shall, in particular, be taken of circumstances arising in the course of the year as a result of:

- a change in civil status or settlement in another place of residence with a different taxation system,
- commencement or cessation of payment of the pension.

4. The CEB shall supply the Member Countries concerned with the names, forenames and full address of pensioners and the total amount of the pension and adjustment.
5. The recipient of an adjustment as specified in this Article shall be required to inform the CEB of his full address and of any subsequent change therein.

Such recipient shall produce evidence of his pension and the relative adjustment having been declared or taxed; should he fail to comply with this obligation, he shall be deprived of the right to this adjustment and shall refund any amounts unduly received in this respect.

6. The other procedures for calculating the adjustment and, in particular, those necessitated by the special features of certain national tax laws, and the procedure for payment of the adjustment shall be laid down in the implementing Instructions established according to the Co-ordinated Organisations' Rules.

Notwithstanding Article 43, the implementing provisions referred to in this paragraph shall require approval by the Administrative Council of the CEB.

Instructions – Article 42¹⁰

42/1 – Scope and calculation of the adjustment

- 1. Article 42 of the Pension Scheme Rules shall apply only if the pension and the adjustment relating to it are subject to taxes on income levied in a Member Country of the Organisation. The family allowances provided for in Article 28 of the Pension Rules shall be assimilated to pensions in determining the tax adjustment in so far as similar allowances are taxable under the national tax legislation of the Member country.*
- 2. The adjustment referred to in Article 42 of the Pension Scheme Rules shall be determined on the basis of the legal provisions relating to taxes on income in force in the Member country in which the pensioner is legally subject to such taxation. It shall be established in respect of pensions paid during the tax period as determined in that country.*
- 3. Where the pension of a person entitled to the adjustment is paid in a currency other than that of the country in which such person is subject to taxes on income, the adjustment shall be determined on the basis of the pension converted into the currency of that country. Such conversion shall be effected at the rate obtained on the official exchange market.*
- 4. Where the amounts paid during any tax period include arrears of pension relating to any previous period, the adjustment shall be determined or recalculated, as the case may be, with due regard to the tax treatment applicable to such arrears.*

42/2 – Establishment of tables of equivalence for payment of the adjustment

- 1. Tables of equivalence for payment of the adjustment shall be established for each tax year by the International Service for Remunerations and Pensions, hereinafter referred to as "the Service".*
- 2. The tax authorities of Member countries shall provide the Service, at its request, with the details of legislation and regulations necessary for establishing the tables. The tables shall be checked and confirmed by the tax authorities of the Member country concerned. In the event of disagreement between such authorities and the Service on the content of the tables, the Secretaries-General and the Co-ordinating Committee shall consider the matter on the basis of Article 42 of the Pension Scheme Rules and of these Implementing Instructions.*
- 3. Provisional tables of equivalence shall be drawn up prior to the commencement of the period to which they refer. They shall show, for rounded pension figures and in respect of each Member country, an amount equivalent to 90% of the monthly adjustment calculated according to the distinctions contained in Article 42.3 of the Pension Scheme Rules and on the basis of the tax legislation in force at the time of drawing up the tables.*
- 4. The provisional tables shall be revised whenever amendments to tax legislation involve a change in the amount of the adjustment. The Secretaries-General and the Co-ordinating Committee may however decide by mutual agreement to dispense with the up-dating of tables in cases where the balance of gain or loss is*
- 5. As soon as the authorities in Member countries have finally adopted the tax legislation applicable to income for the period covered by the provisional tables, these latter shall be replaced by final tables establishing the rights of recipients in accordance with Article 42.2 of the Pension Scheme Rules. These final tables shall show the amount of the adjustment for the whole of the period which they cover, as well as the monthly amount of the adjustment.*
- 6. The provisional and final tables of equivalence shall be accompanied by all such information as is necessary for their use. Such information shall include:*
 - the rules to be observed in cases where changes in family status, dependants or permanent address (domicile) of the person entitled to the adjustment may affect the amount of the adjustment which the person concerned may claim;*
 - the names and addresses of the tax authorities to which the Organisations supply the information specified in Article 42.4 of the Pension Scheme Rules;*

¹⁰ The Ministers' deputies resolution of the Council of Europe CM (77)11 of 20 April 1977, as modified from time to time, is applicable to the CEB, except Instruction 42/6, adopted by Resolution CA 1483(2004) of the Administrative Council.

- *the evidence to be supplied by persons entitled to the adjustment as proof of the declaration for tax purposes, or the taxation, of their pension and the adjustment relating thereto;*
- *the dates for making such declarations and for paying the tax in those Member countries which have been authorised to avail themselves of the provisions of Instruction 42.3, paragraph 2 below.*

42/3 – Method of payment of the adjustment

1. The adjustment shall be paid by monthly instalments by way of advance at the same time as the pension and in an amount corresponding to that appearing in the provisional tables of equivalence referred to in Instruction 42/2, paragraph 3 above. The amounts of pension, arrears of pension and adjustment shall be shown separately on the instrument of payment issued to the recipient.

2. At the request of a country, the Secretaries-General and the Co-ordinating Committee may, by mutual agreement, decide that by way of exception to paragraph 1, there shall be a time lag in payment of the monthly instalments of the adjustment relating to that country, provided however that payment of the whole of the monthly instalments shall be finalised before the ultimate date for payment of the tax to which they refer.

3. As soon as the final tables of equivalence are available, the total amount of the monthly instalments paid in respect of the tax period shall be compared to the final amount of the adjustment due for the whole of that period. Any excess or shortfall shall be rectified but so however that the amount involved shall not be taken into account in determining the adjustment in respect of the following tax year.

4. The adjustments shall be paid in the currency of the country in which the recipient is subject to taxes on income.

42/4 – Information to be supplied to Member countries by the Organisation

1. The particulars specified in Article 42.4 of the Pension Scheme Rules shall consist of the following:

(a) a personal particulars form giving the name and forenames, full address and, where applicable, the residence for tax purposes (domicile fiscal) of the pensioner, the total amount of pension paid for the period constituting the tax year, the final amount of the adjustment arrived at for such period, and the amount of arrears of pension, identifying the year to which such arrears relate;

(b) a master list reproducing for each country, the information contained in the personal particulars form.

2. The particulars listed in paragraph 1 of this Instruction shall be supplied to the tax authorities of the country in which the persons concerned are subject to taxes on income. A copy of the personal particulars form shall be sent to the pensioner and a copy of the master list shall be sent to the Representative of the country in question to the Organisation.

3. The obligations specified in this Instruction shall be complied with at the time of the rectification referred to in Instruction 42/3, paragraph 3 above.

42/5 – Evidence of payment of tax

The tax authorities referred to in Instruction 42/2, paragraph 6 above shall inform the Service of the evidence by which, in accordance with Article 42.5 of the Pension Scheme Rules, recipients of the adjustment may establish that their pension and the relevant adjustment have been declared for tax purposes or have been taxed.

42/6 – Financing the adjustment

1. The cost of the adjustment provided for in Article 42 of the Pension Scheme Rules shall be borne by the member states via the budget of the Organisation.

2. Expenditure arising under paragraph 1 of this Instruction shall be the subject of a separate head in the Organisation's budget.

Chapter XII – Final provisions

Article 43 - Detailed implementation

Instructions for the implementation of these Rules shall be drawn up by the Governor of the CEB.

Article 44 - Entry into force

These Rules shall enter into force on 1 July 1999.

Annex to article 41 - Actuarial studies

1. The assessment of the liabilities of the CEB in respect of the Pension Schemes and the assessment of the actuarial equilibrium of the Pension Schemes shall be carried out in accordance with the methodology set out in this annex.

Assessment of the liabilities of the CEB in respect of the Pension Schemes

2. For the assessment of the liabilities of the CEB in respect of the Pension Schemes, the actuarial adviser shall calculate the total cost of the Pension Schemes for the year. The total cost of the Pension Schemes is the sum of the service cost and the interest cost. The service cost is the actuarial value of pension entitlements acquired by staff members during the year. The interest cost is the increase in the actuarial value of pension entitlements acquired by staff members during the previous years, as a result of the discounted period being one year less.

3. To do so, the actuarial adviser shall calculate the present value of future pension entitlements acquired for staff affiliated to these Pension Schemes at the date of the assessment, using the accounting discount rate. The accounting discount rate shall be established in accordance with the accounting standards applied by the CEB at the date of the assessment.

Assessment of the actuarial equilibrium of the Pension Schemes

4. For the assessment of the actuarial equilibrium of the Pension Schemes, the actuarial adviser shall calculate the service cost of the Pension Schemes for the year.

5. To do so, the actuarial adviser shall calculate the present value of future pension entitlements acquired for staff affiliated to these Pension Schemes at the date of the assessment, using the long-term discount rate. The long-term discount rate is equal to the average of the accounting discount rates used in the end-of-year assessment of the liabilities of the CEB in respect of the Pension Schemes during the previous ten years.

6. The actuarial adviser shall then calculate the ratio between the service cost for the year and the contributions of the staff for that year.

7. The assessment of the liabilities of the CEB in respect of the Pension Schemes and the assessment of the actuarial equilibrium of the Pension Schemes shall be carried out in accordance with the projected unit credit method.

8. The Governor of the CEB, on the basis of a recommendation from the actuarial advisers and a proposal from the Advisory Pension Committee, shall determine the actuarial assumptions.

9. The actuarial assumptions shall be objective and consistent with one another. The actuarial assumptions shall be the best estimates made by the CEB of the variables that will determine the final cost of the Pension Scheme benefits. These assumptions shall comprise:

(i) demographic assumptions relating to the future characteristics of the members of the staff and their beneficiaries. These demographic assumptions shall take into account the following factors:

(a) rate of mortality, during and after employment;

(b) rate of staff turnover, invalidity and early retirement;

(c) rate of claims by beneficiaries of family allowances, survivor's and reversion's pensions, orphan's and dependant's pensions; and

(ii) financial assumptions, which shall take into account of the following factors:

(a) the discount rate, as defined above;

(b) future changes in salaries;

(c) the future revaluation of pensions.

10. The mortality table must be recent and relate to a population with characteristics similar to the population of members of the staff.

**Second Pension Scheme established by Administrative Council Resolution
1560 of 14 November 2013 and implementing instructions**

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Second Pension Scheme "SPS"^{11 12}

Chapter I – General provisions

Article 1 - Scope

1. The Pension Scheme established by these Rules, hereinafter referred to as the Second Pension Scheme (SPS), applies to staff members who:

- took up duty on or after 01/01/2014;
- have never contributed under the Pension Rules of the Council of Europe Development Bank as approved by the Administrative Council pursuant to Resolution 1432;¹³ and
- are appointed for an indefinite duration or fixed-term in accordance with the conditions laid down in the Staff Regulations.

2. A staff member who, during his last appointment with the Organisation, benefited from the provisions of Article 11 of the Pension Rules of the Council of Europe Development Bank and who has not repaid the amounts provided for under that Article, shall be deemed to have relinquished entitlement to benefit from the scheme to which he was previously affiliated and shall be irrevocably affiliated to the SPS.

3. The SPS shall not apply to any other categories of personnel of the Organisation.

4. In these Rules, the term "Organisation" refers to the Council of Europe Development Bank and the term "staff member" means the staff referred to in paragraphs 1 and 2 above.

Article 2 - Deferred entitlement

Where the medical examination which every staff member has to undergo as part of the appointment process (and the consequences of which will have duly been expounded to him before his appointment) shows him to be suffering from an illness or disablement, the Organisation may decide that, as regards risks arising from an illness or disablement existing before he took up his duties, the said staff member shall not be entitled to the invalidity or death benefits provided for in these Rules until the expiry of a period not exceeding five years from the date of his appointment.

Instructions – Article 2

2.1/1 – Medical examination

The Organisation shall inform the staff member in writing of the application of a period of deferred entitlement and of its duration, which may be from one to sixty months. The Medical Consultant of the Organisation shall inform him in writing of the nature of the illness or disablement which justified the application of the deferment period.

2.1/2 – Definition of entitlements during the deferment period

- (i) If the staff member concerned leaves the Organisation during the deferment period, the leaving allowance shall be paid to him and the years of service completed during the deferment period shall be taken into account.*
- (ii) In the event of either permanent total invalidity or death resulting from a cause which justified the deferment period in course:*

¹¹ As amended by Administrative Council Resolution No. 1577 (2016) of 22 January 2016.

¹² It is understood that all references to the masculine include the feminine and vice versa.

¹³ As modified from time to time.

(a) should such an event occur before the staff member has fulfilled the condition provided for in Article 7, the staff member or the beneficiaries shall be entitled to a lump sum, calculated in accordance with the provisions of Article 11;

(b) should such an event occur after the staff member has fulfilled the condition provided for in Article 7.

– *and if this condition was fulfilled during the deferment period, the staff member or the beneficiaries shall be entitled to a lump sum calculated in accordance with the provisions of Article 11, in respect of the reckonable years of service credited within the meaning of Article 6;*

– *and if this condition was fulfilled prior to the deferment period, the staff member or the beneficiaries shall be entitled to both a lump sum calculated in accordance with the provisions of Article 11, in respect of the reckonable years of service completed during the deferment period, and the benefits to which they would have been entitled before the staff member's appointment.*

(iii) In the event of either permanent total invalidity or death resulting from either an accident at work, or an illness or disablement other than that which justified the deferment period, and which occurred after commencement of duties, the staff member or the beneficiaries shall be entitled to the benefits provided by the Pension Scheme for such events.

Article 3 - Definition of salary

Unless otherwise specified, for the purposes of these Rules, salary shall be the monthly basic salary of the staff member, according to the scales in force in the Organisation at the time when the pension is assessed, and updated in accordance with the provisions of Article 36.

Article 4 - Definition of service conferring entitlement to benefits

1. Subject to the provisions of Articles 5 and 41, paragraph 1, entitlement to benefit under these Rules shall be determined by the total of the periods actually served in the Organisation:

(i) as a staff member;

(ii) in any other capacity prior to appointment as a staff member, provided any periods so served were not separated by breaks of more than one year.

2. In addition to the total reckonable years of service thus calculated, a staff member may request, on cessation of work, that those corresponding to certain statutory allowances be taken into account, in particular payment in lieu of notice, for loss of employment, and for leave not taken, under the provisions laid down by Instruction.¹⁴

3. Periods of part-time service shall be taken into consideration in calculating entitlement to benefit under these Rules provided they correspond to at least half-time work as defined by the provisions laid down by Instruction.

4. The periods referred to in Article 16, paragraph 3, shall also be taken into consideration.

Instructions – Article 4

4.1/1 – Service counting for entitlement

Reckonable service shall consist of the following:

(i) any periods of service completed as a staff member in the Organisation;

¹⁴ Unless otherwise specified, the term provisions "laid down by Instruction" refers, throughout these Rules, to the implementation provisions in Article 43.

- (ii) any periods of sick leave or temporary incapacity in respect of which benefits have been paid; the staff member concerned shall be required to pay his personal contribution to the SPS as calculated on the amounts so received; such periods shall be counted without any reduction;*
- (iii) any periods of unpaid leave, if such periods are not taken into account by a new employer for the purposes of a pension scheme; the crediting of periods of unpaid leave equal to or less than two months shall be dependent on payment, for these periods, of the staff member's personal contribution to the SPS; the crediting of periods of unpaid leave beyond two months and up to a maximum of the four months following, shall be dependent on payment by the staff member, for these periods, of a contribution equal to three times his personal contribution to the SPS.*
- (iv) any periods of secondment, should the staff member be reinstated, provided that these periods are not taken into account for the purposes of another pension scheme; the detailed rules for the crediting of such periods shall be laid down in the regulations applicable to staff.*

4.1/2 – Service completed in another capacity before appointment as a permanent staff member

Periods of service referred to in Article 4, paragraph 1 (ii), may be taken into account in accordance with Article 5, paragraph 5, if the following conditions are fulfilled:

- (i) such periods must have been prior to the appointment as a staff member;*
- (ii) such service must have been completed as a salaried employee of the Organisation working on a full- or at least half-time basis.*

Such employment must have been remunerated according to periods of time and not by the job or piece, being service performed on the premises and under the control and to the instructions of the Organisation, according to its hours of work.

The staff member must have received all his emoluments for the service mentioned in the above sub-paragraph directly from the Organisation.

- (iii) any such periods completed in the service of the Organisation must not have been broken for more than 12 consecutive months;*
- (iv) in accordance with the provisions of Instruction 6.2, periods so to be taken into account must be of a minimum of 30 days; periods of part-time work, equal to or more than half time, shall be taken into account as a proportion of full time. The periods thus validated must total at least 30 days of full time.*

4.2 – Crediting of reckonable years of service corresponding to indemnities

A staff member may request, on cessation of work, the crediting of reckonable years of service corresponding to:

- (i) compensatory payments in respect of leave not taken;*
- (ii) compensatory payments in lieu of notice;*
- (iii) indemnity for loss of employment.*

Such reckonable years of service shall be credited subject to payment by the staff member of the personal contribution to the SPS in respect of all these amounts and insofar as the periods on which the calculation was based are not taken into account by a new employer for the purposes of the Pension Scheme of the Council of Europe Development Bank.

Only reckonable years of service corresponding to periods below the statutory age limit may however be taken into account for the calculation of benefits provided for in these Ru/es.

4.3 – Definition of half-time service

A staff member shall be considered as working half-time, within the meaning of Article 4, paragraph 3, when the number of his working hours, calculated on a monthly basis, is equal to half the number of full-time working hours.

Article 5 - Calculation of service conferring entitlement to benefits

1. Where a staff member appointed by the Organisation has previously served with the Organisation, his entitlement to benefits under the terms of Article 4 shall be conditional upon his paying over to the Organisation which re-appoints him the amounts paid to him on leaving his previous service pursuant to Article 11 plus compound interest on such amounts at 4% per annum from the date when the staff member received them until the date they are paid over in accordance with this paragraph. Should the staff member fail to pay over the amounts in question, reckonable service shall count only as from the new appointment.

2. Where a staff member appointed by the Organisation was previously drawing a retirement pension in respect of service with the Organisation, payment of that pension shall cease.

If the staff member refunds to the Organisation the pension payments he has received, the provisions of Article 4 shall apply on cessation of his new appointment.

If he does not make this refund, the years of service for which credit was acquired in the employment that originally entitled him to payment of the discontinued retirement pension shall be taken into account in the calculation of the retirement pension due on cessation of his new employment by reference to the salary for his last grading in such previous employment; moreover, that part of the final pension figure shall be abated by 5% for each whole year during which the staff member drew the initial pension before the pensionable age.

3. Where a staff member ceases his functions at a grade and step lower than that which he had previously held in the Organisation, his entitlement to benefits under these Rules shall be determined by taking into account the total of his reckonable years of service and the benefits shall be calculated on the basis of the salary for the highest grading held by him. However, a reduction shall be made in the number of years of service to be credited to him in respect of time served at a lower grade and step after having held the grade by reference to which benefits are calculated; this reduction shall be proportionate to the difference between the said gradings.

4. For the implementation of paragraphs 2 and 3 above, salaries shall be taken into account in accordance with the scales in force when the final pension assessment is made.

5. The crediting of the periods referred to in Article 4, paragraph 1 (ii), shall be conditional on:

- (i) the staff member submitting an application to that effect within six months following the confirmation of his appointment as a staff member; the application shall specify the periods of service with which the staff member wishes to be credited;
- (ii) the Organisation giving its agreement;
- (iii) the staff member paying, for each month of service with which he is to be credited, the contribution provided for in Article 41, calculated on the basis of his first monthly salary as a staff member.

Instructions – Article 5

5.1/1 – Service completed as a staff member

- (i) *Application for any service referred to in Article 5, paragraph 1 or paragraph 2, to be taken into account must be made not later than twelve months after the new appointment.*
- (ii) *Where, pursuant to Article 11, the staff member received a leaving allowance at the end of his previous appointment, then pursuant to Article 5, paragraph 1, no partial crediting of such service shall be allowed; accordingly, the staff member concerned shall be required either to refund such leaving allowance in full or to forgo the right to have the corresponding service credited.*

- (iii) Should the staff member fail to make a full refund immediately, he may be authorised to make such refund, at the latest, as from the expiry of the period referred to in sub-paragraph (i) above, by monthly deductions of not less than 20% of the basic monthly salary, received at the time of beginning such refunds; compound interest at the rate of 4% per annum shall be applied to the amount outstanding, until the refund has been made in full.*
- (iv) If at the date on which any benefit under the SPS is payable, such refunds have not been completed, the balance still due shall be repaid in its entirety, through deduction from the benefits to be paid, including those payable to persons entitled under the staff member. The Organisation may authorise payment by instalments, in which case compound interest at the rate of 4% per annum shall be applied to the amount outstanding, until the refund has been made in full.*
- (v) In the event of incapacity, death or termination of the service of the staff member concerned, any amount still remaining unpaid shall be set off against the capital sums due to him or to the persons entitled under him, in accordance with the provisions of Instruction 38.1, and the balance still due shall be deducted in accordance with the provisions of sub-paragraph (iv) above.*
- (vi) In the event of the termination of his service without any payment of leaving allowance or pension, the staff member concerned may request time not exceeding 24 months in which to make up all or part of any refund then still outstanding, subject to the provisions of sub-paragraph (iv).*

5.1/2 – Crediting of service completed before appointment as a staff member

- (i) Application to be credited with service completed before appointment as a staff member must be made within six months after confirmation of the said appointment.*
- (ii) Persons entitled under a deceased staff member may not apply in his place for service to which this Instruction applies to be credited.*
- (iii) Service shall be credited subject to payment of the contribution referred to in Article 41, paragraph 2, as calculated on the basis of the first monthly salary as a staff member and multiplied by the number of months of service in respect of which rights are credited, a pro rata deduction being made, where appropriate, for part-time service. First monthly salary here means the salary corresponding to full-time employment in the grade and step of the staff member, whether he be recruited on a full-time or a part-time basis. Such payment may be made by instalments in the form of monthly deductions from emoluments, commencing not later than the end of the relevant period referred to in sub-paragraph (i) above and spread over a period not exceeding the duration of the previous service so credited.*

Interest at 4% per annum shall be due in respect of any part of the payments which is deferred beyond such period at the request of the staff member.

If, at the date on which any benefit under the SPS is awarded, such payments have not been completed, the balance still due shall be deducted from the benefits to be paid, where necessary by instalments.

- (iv) On making his application to credit such service as aforesaid, the staff member shall be required to consent to the Organisation's having first claim on any capital sums payable in the event of his death or invalidity or of the termination of his service, to the extent of any amounts then still outstanding in respect of crediting such service.*
- (v) In the event of the termination of his service, the staff member or persons entitled under him may request time not exceeding 12 months in which to make up any amount then still outstanding, subject to the provisions of sub-paragraphs (iii) and (iv) above.*

5.2 – Non-refund of previous pension payments

Example illustrating the application of Article 5, paragraph 2, last sub-paragraph of the SPS:

- (i) first pension paid from age 52 to 54: $[T' \times 35/100]$
reduced pursuant to Article 8, paragraph 4, of the Rules
(T' = salary used as basis of calculation)
(20 reckonable years of service at 1.75%)

- (ii) second period paid from age 54 to age 60: $[T'' \times 10,5/100]$
(T'' = salary used as basis of calculation at age 60)
(6 reckonable years of service at 1.75%) /leaving allowance

Total Pension

$$(i) + (ii) = [(T' \times 35/100) \times (90/100)] + [(T'' \times 10,5/100)]$$

$$\text{i.e. } 0.35T' - 0.035T' + 0.105T''$$

- (iii) In the final calculation of the total pension, the pension between brackets $[(T' \times 35/100) \times (90/100)]$ has now been reduced pursuant to Article 5 paragraph 2, not Article 8 paragraph 4; the amount as stated in (i) above is reduced to 90% ($2 \times 5/100$) i.e. 10 %

5.3 – Termination of service at a lower grade

For the implementation of Article 5, paragraph 3 of the Rules, the calculation shall be made as illustrated below:

- (i) on previous termination of service (or at highest point in career before downgrading):

10 years' service, grading on departure, A5/5 = theoretical final salary: $100 = T'$

i.e. 10 years' reckonable service.

- (ii) on final termination of service:

10 years served in second period,

grading on departure, A4/5 = Theoretical final salary: $75 = T''$

the reckonable service in respect of the second period will thus be reduced in the ratio:

$$T''/T' = 75/100$$

7.5 reckonable years.

- (iii) Total: $10 + 7.5 = 17.5$ years' reckonable service.

- (iv) Total pension will be calculated on the basis of

$T' = 100 \times 17.5$ reckonable years of service.

Article 6 - Reckonable years of service

1. The benefits provided for under these Rules shall be calculated by reference to reckonable years of service consisting of:

- (i) service calculated in accordance with the provisions of Articles 4 and 5;
- (ii) service credited in accordance with Article 12, paragraph 1.

2. Incomplete years of reckonable service shall be taken into account on the basis of one-twelfth of a year for each whole month of service. For benefit calculation purposes, the period remaining shall be treated as a whole month if it is equal to or more than 15 days.

However, the period remaining shall not be taken into account for the purpose of calculating the ten years' service required for entitlement to the retirement pension provided for in Article 7.

3. In the case of part-time work:

- (i) reckonable years of service shall be calculated in accordance with the ratio between the working hours corresponding to part-time service and the official number of hours for full-time work in the Organisation.
- (ii) however, reckonable years of service shall not be reduced when the staff member authorised to work part-time has contributed to the SPS on the basis of full-time work, by paying, in addition to his personal contribution to the SPS for the part corresponding to his part-time work, a contribution equal to three times the rate of contribution mentioned in Article 41, paragraph 2, on the difference in salary between his part-time work and the corresponding full-time work, under the provisions laid down by Instruction.

Instructions – Article 6

6.2 – Fractions of a month

Any fraction of less than 30 days remaining after aggregating periods of service shall be treated as a whole month if it is equal to or more than 15 days and disregarded if it is less than 15 days.

6.3 – Non reduction of reckonable years of service

A staff member authorised to work part-time may request to contribute to the SPS on the basis of full-time work, provided that these periods are not taken into account by another employer for the purposes of a pension scheme and the amount of the supplementary contribution referred to in Article 6, paragraph 3 (ii), is paid in accordance with the provisions of Article 41. The staff member should make his request not later than the eighth day following the beginning of the period for which he is authorised to work part-time. This request shall be final, unless an exceptional derogation is granted by the Governor upon receipt of a duly justified request from the staff member.

Article 6 bis - Part-time service – Effects on the calculation of entitlement

1. If, when a staff member's service ends, he is working part-time, the amount of the benefit due shall be calculated with reference to the full salary for the grade and step to be used as a basis under the provisions of these Rules.

2. However, when a staff member terminating his service in the circumstances described in paragraph 1 above had been recruited to serve on a part-time basis, or authorised to work part-time for an indefinite period or for a fixed term renewable by tacit agreement and if the provisions of Article 6, paragraph 3 ii), are not applied, the rate of the invalidity pension provided for in Article 14, paragraph 2, and the minimum and maximum amounts that apply, shall be set in accordance with the provisions laid down by Instruction.

Instructions – Article 6 bis

6 bis.2/1 – Benefit payable to a staff member who has only worked part time

- (i) for the purposes of calculating the benefit payable under Article 6 bis, paragraph 2, to a staff member who has only worked part time, the following shall be reduced by an amount corresponding to the ratio between the number of hours actually worked and the official number of hours for full-time work:*
 - (a) the maximum rate of retirement pension provided for under Article 10, paragraph 2 and the maximum amount of retirement pension provided for under Article 10, paragraph 3;*
 - (b) the rate of invalidity pension under Article 14, paragraph 2, and the minimum amount of invalidity pension provided for under Article 14, paragraph 4;*
 - (c) the maximum amount of invalidity pension provided for under Article 14, paragraph 4, and the salary referred to in Article 15;*
 - (d) the minimum amounts of survivor's pension provided for under Article 19, paragraph 3;*
 - (e) the minimum amounts of orphan's pension provided for the first beneficiary under Article 24, paragraphs 3 and 4, as well as the increases provided for under Article 24, paragraphs 3 and 4, for orphans in respect of the second and every further beneficiary;*
 - (f) the amount of the dependant's pension provided for under Article 25, paragraph 2;*
 - (g) the ceiling for benefits payable to survivors and orphans as defined in Article 29.*
- (ii) However, when a staff member was recruited by the Organisation for part time service, after having worked full time for the Organisation, he shall be subject to the provisions of Instruction 6 bis. 2/2 provided he pays over, if appropriate, the sums specified in Article 5, paragraph 1 or Article 5, paragraph 2, as the case may be.*

6 bis.2/2 – Benefit payable to a staff member who, at the time of termination of his service, is working part time for an indefinite period or for a fixed period renewable by tacit agreement, having previously worked full time

- (i) for the purposes of calculating the benefit payable under Article 6 bis, paragraph 2 to a staff member authorised to work part time for an indefinite period or for a fixed period renewable by tacit agreement, the following shall be reduced in accordance with the ratio between the number of hours actually worked and the official number of hours for full-time work:*
 - (a) the rate of invalidity pension under Article 14, paragraph 2, and the minimum amount of invalidity pension provided for under Article 14, paragraph 4;*
 - (b) the minimum amounts of survivor's pension provided for under Article 19, paragraph 3;*
 - (c) the minimum amounts of orphan's pension provided for the first beneficiary under Article 24, paragraphs 3 and 4, as well as the increases provided for under Article 24, paragraphs 3 and 4 for the second and every further beneficiary of an orphan's pension;*
 - (d) the amount of the dependant's pension provided for under Article 25, paragraph 2.*
- (ii) However, when a staff member fulfils the conditions laid down in Article 7 at the date from which he is authorised to work part time for an indefinite period or for a fixed period renewable by tacit agreement, the benefit resulting from application of the provisions of sub-paragraph (i) above, may not be less than that to which he or persons entitled under him would have been entitled had he ceased working for the Organisation at that date for a reason other than invalidity or death.*

Chapter II – Retirement pension and leaving allowance

SECTION 1 – RETIREMENT PENSION

Article 7 – Conditions of entitlement

A staff member who has completed at least ten years of service, within the meaning of Article 4, in the Organisation shall be entitled to a retirement pension.

Instructions – Article 7

7.1/1 – Service for the purposes of Article 4

For the purposes of Article 4, service as a staff member in the Organisation shall be:

- periods served in respect of which the staff member's contributions to the SPS have been paid in accordance with Article 5, paragraphs 1 and 5;*
- periods referred to in Article 16, paragraph 3, in accordance with Article 4, paragraph 4.*

7.1/2 – Part-time service

Without prejudice to Article 6, paragraph 3 (i), periods of part-time service shall be considered periods of full-time service within the meaning of Article 7.

Article 8 - Age of entitlement, deferred or early pension

- 1.** A staff member shall become eligible for a retirement pension at the age of 65.
- 2.** Should there be a difference between the pensionable age and the statutory age limit, pension rights shall continue to accrue to a staff member continuing to be employed after pensionable age but his pension shall not exceed the maximum amount laid down in Article 10, paragraph 2. In case of a staff member's employment beyond the statutory age limit, his situation with regard to the accrual of pension rights shall be governed by the provisions governing this type of employment.
- 3.** If a staff member ceases his functions before pensionable age, payment of his retirement pension shall be deferred until he reaches that age.
- 4.** However, a staff member who retires before pensionable age may request early payment of his pension.
- 5.** In such a case, the Organisation makes an actuarial determination, by reference to the provisions laid down by Instruction, of the ratio between the early retirement pension and the amount of pension due at pensionable age.
- 6.** The minimum age for entitlement to an early pension shall be 55 years for staff members appointed between 1 January 2014 and 31 December 2015 inclusive; 56 years for staff members appointed between 1 January 2016 and 31 December 2018 inclusive; 57 years for staff members appointed between 1 January 2019 and 31 December 2021 inclusive; 58 years for staff members appointed between 1 January 2022 and 31 December 2024 inclusive; 59 years for staff members appointed between 1 January 2025 and 31 December 2027 inclusive; and 60 years for staff members appointed as from 1 January 2028.
- 7.** Where the Organisation terminates the appointment of a staff member, the reduction coefficient applicable to early payment of his pension shall be 3% a year between the age of 60 and the pensionable age. However, this provision does not apply when the Organisation terminated the appointment as a result of disciplinary action or for unsatisfactory service.

Instructions – Article 8

8.4 – Method of reducing pension - Early pension

The amount of the retirement pension shall be reduced by reference to the age of the staff member when his pension is assessed, as shown in the table below.

<i>Age when pension is assessed</i>	<i>Ratio of pension on early retirement to pension at pensionable age</i>
55	57%
56	60%
57	63%
58	66%
59	70%
60	74%
61	79%
62	83%
63	89%
64	94%

An actuarial study of the reduction coefficients used in this table, based in particular on the relevant data from the annex of Article 41 shall be carried out at the same intervals as the actuarial study.

- (i)** The early retirement pension shall be calculated as follows:
 - if the pension that would be due with no reduction at pensionable age is lower than the minimum rate prescribed in Article 10, paragraph 3, it shall be brought up to that minimum rate and the reduction provided for in Article 8, paragraphs 4 and 5 shall then be applied to it;
 - if the pension that would be due with no reduction at pensionable age is higher than the aforesaid minimum rate, the reduction shall be applied to it even if the result is lower than that minimum.
- (ii)** the reductions provided for in Article 8, paragraphs 4 and 5 shall be applied by reference to whole years, no account being taken of months.
- (iii)** family allowances shall be paid and calculated in accordance with the provisions of the Instructions of Article 28.
- (iv)** Under the conditions laid down in Article 8, paragraphs 4 and 5 and in this Instruction, an early pension may be requested at any time during the ten years preceding pensionable age, once the staff member's service has terminated. Such requests must be in writing, and dated.
- (v)** subject to the provisions of Article 5, paragraph 2, payments shall begin, irrevocably, on the first of the month following the date on which the request was made.

Article 9 - Commencement and cessation of entitlement

1. Entitlement to payment of a retirement pension shall commence on the first day of the month following that in which the person concerned became eligible for payment of the pension.
2. Entitlement shall cease at the end of the month in which the pensioner dies.

Article 10 - Rate of pension

1. The amount of the retirement pension shall be, per reckonable year of service within the meaning of Article 6, 1.75% of the salary corresponding to the last grade held by the staff member for not less than two years before cessation of his appointment and the last step held in that grade.
2. The maximum rate of the pension shall be 70% of this salary, subject to the provisions of paragraph 3 below.
3. The amount of the retirement pension shall not be less than 1.75% of the salary for grade B3, step 1, per reckonable year of service credited pursuant to Article 6; it may not, however, exceed the staff member's last salary as defined in Article 3.

Instructions – Article 10

10.1 – Termination of duties at a grade higher than that occupied 24 months previously

Where a staff member ceases his or her duties at a grade held for fewer than 24 months, his or her pension shall be paid in accordance with the salary scale of the grade held 24 months prior to the termination of duties. The salary step to be taken into account shall be the step to which the staff member would have been entitled had he or she not been promoted.

10.3/1 – Part-time Service

The minimum rate of the retirement pension shall be calculated on reckonable years' service, to be taken into account where applicable in fractions corresponding to any part-time service in accordance with Article 6, paragraph 3 (i); this minimum shall therefore be equal to 1.75% of the salary, for grade B3, step 1, per year of service thus credited.

10.3/2 – Termination of service at a lower grade

In cases where Article 5, paragraph 3, is applied, the minimum rate of the retirement pension shall be equal to 1.75% of the salary for grade B3, step 1, per reckonable year of service, without any reduction.

SECTION 2 – LEAVING ALLOWANCE

Article 11 - Leaving allowance

1. A staff member whose service ceases otherwise than by reason of death or invalidity and who is not entitled to a retirement pension nor to the benefit of the provisions of Article 12, paragraph 2, shall be entitled on leaving to payment of an amount equal to 2.7 times his rate of contribution as applied to his last annual salary, multiplied by the number of reckonable years of service credited within the meaning of Article 6, paragraph 1 (i).
2. The reckonable years of service credited in accordance with Article 12, paragraph 1, shall not be taken into account for the calculation of the leaving allowance but shall give rise to the payment of an actuarial equivalent calculated in accordance with Article 12, paragraph 2, unless the amounts initially transferred are refunded to the previous employer.
3. A staff member who is re-appointed by the Organisation after having received a leaving allowance must pay it back if the period during which he was not employed by the Organisation, in whatever capacity, is less than 12 months.

Instructions – Article 11

11.1/1 – Last annual salary

"Last annual salary" shall be construed to mean the salary, as defined in Article 3, corresponding to the staff member's last grade and step, according to the scales in force at the time his service terminates, multiplied by 12.

11.1/2 – Rate of contribution

In the case the rate of contribution is reviewed over the periods of service for which contributions to the SPS were paid pursuant to Article 4, the coefficient of 2,7 mentioned in Article 11, paragraph 1, is applied to the successive contribution rates, pro rata temporis.

11.1/3 – Staff member whose service terminates at the end of a period of unpaid leave

When final termination of service occurs at the end of a period of unpaid leave during which no contributions were made to the SPS, the amounts stipulated in Article 11 shall, notwithstanding Instruction 11.1/1, be calculated on the basis of rights acquired and salary at the date of commencement of that period, without any subsequent adjustment or interest.

11.3/1 – Compulsory repayment of the leaving allowance

A staff member who has received a leaving allowance as provided in Article 11, paragraph 1, but whose service has not terminated according to Article 11, paragraph 2, shall repay the whole leaving allowance received upon his previous appointment, in accordance with the provisions laid down in Instruction 5.1/1, sub-paragraphs (iv) to (vi). The time limit for application set out in Instruction 5.1/1 (i) shall not apply.

SECTION 3 – INWARD AND OUTWARD TRANSFER OF PENSION RIGHTS

Article 12 - Inward and outward transfer of pension rights

1. A staff member who enters the service of the Organisation after leaving the service of a government administration or national organisation, or international organisation, or a firm, may arrange for payment to the Organisation in accordance with the provisions laid down by Instruction, of any amounts corresponding to the retirement pension rights accrued under the pension scheme to which he was previously affiliated in so far as that scheme allows such a transfer.

In such cases, the Organisation shall determine, by reference to the provisions laid down by Instruction, the number of years of reckonable service with which he shall be credited under the present scheme.

2. A staff member who leaves the service of the Organisation to enter the service of a government administration or national organisation, or international organisation, which has entered into an agreement with the Organisation, shall be entitled to transfer to the pension fund of that administration or organisation:

- either the actuarial equivalent of his retirement pension rights accrued under these Rules, such equivalent being calculated in accordance with the provisions laid down by Instruction;
- or, in the absence of such rights, the amounts provided under Article 11.

Instructions – Article 12

12.1 – Inward transfer of previously accrued rights

(i) Previous periods of affiliation to a pension scheme

(a) reckonable years of service shall be credited pursuant to Article 12, paragraph 1, subject to the conditions set out in this Instruction, in respect of a period of affiliation to the last pension scheme prior to appointment in the Organisation. Such affiliation may cover periods served in several administrations, organisations or firms, on

condition that all these rights have been taken into account by the pension scheme of the last administration, organisation or firm before appointment in the Organisation.

(b) *an amount shall be taken into account under this Instruction only if it has been certified by the previous pension scheme as being the amount of the actuarial equivalent of retirement pension rights or a capital payment in respect of rights to a pension or rights under a provident scheme (excluding compensation for dismissal or a leaving gratuity), and it must represent the total amounts paid to the staff member by the previous pension scheme in question. The "total amounts paid" shall be taken to mean the amounts representing the total rights transferable to the Organisation. Staff members shall not be entitled to transfer only part of their accrued rights where that part is not equal to the transferable maximum.*

(ii) *Amounts taken into account*

For the purpose of calculating the reckonable years of service credited under Article 12, paragraph 1, the amounts indicated in sub-paragraph i) b) above shall be taken into account, as calculated by the previous pension scheme — as a capital sum, and with interest where applicable — as at the date on which they are paid to the Organisation¹⁵; any conversion into the currency of the salary paid by the Organisation shall be made at the rate of exchange in force on that date.

(iii) *Calculation of reckonable years of service*

The number of reckonable years of service to be credited under Article 12, paragraph 1, shall be calculated on the basis of the table annexed to this Instruction, by dividing the amounts taken into account under sub-paragraph (ii) above by the coefficient corresponding to the age of the staff member as at the date of payment of the amounts, and then by dividing the resultant amount by the theoretical value of a reckonable year of service (1.75% of the annual basic salary), established on the basis of the salary corresponding to the staff member's grade and step as at the date of payment of the amounts.

(iv) *Maximum number of reckonable years of service*

Taking such reckonable years of service into account shall not have the effect of bringing the total pension up to more than the maximum rates prescribed in Article 10.

(v) *Time limits for application and revocation*

Failing any special provisions in a reciprocal transfer agreement entered into by the Organisation, application for the amounts referred to in sub-paragraph (ii) above to be taken into account by the Organisation shall be made in writing:

(a) *either within six months from the date of notification of confirmation of appointment after the probationary period;*

(b) *or within twelve months from the date on which the previous pension scheme allowed such transfers.*

The application to transfer pension rights may be revoked by the staff member at any time before the payments provided for in sub-paragraph (ii) above have been made in accordance with sub-paragraph (vi) below.

The application to transfer pension rights shall be null and void if the payments provided for in sub-paragraph (ii) above have not been made at the time of the staff member's termination of service.

(vi) *Time limit for payment*

Payment of the amounts referred to in sub-paragraph (ii) above shall be made:

— *within three months after the expiry of the time limit prescribed in sub-paragraph y) above, if the person concerned has actually received such amounts from his previous employer;*

¹⁵ The accrued rights are invariably rights which are not yet due or the actuarial equivalent thereof.

- on receipt of such amounts from the previous employer in other cases.

Payment to the Organisation shall be made in the currency — or its equivalent value at the rate of exchange in force on the date of actual payment to the Organisation — in which the amounts referred to in sub-paragraph ii) above have been or will effectively be paid by the previous pension scheme.

12.2 – Transfer of pension rights to an outside scheme

(i) Time limit for application

(a) *application for transfer of pension rights under Article 12, paragraph 2 must be made by the staff member to the Organisation, within six months after his definitive appointment by the new administration or organisation referred to in Article 12, paragraph 2.*

(b) *if the Organisation is unable to conclude with the new administration or organisation referred to in Article 12, paragraph 2, an agreement for such transfer on terms which it considers satisfactory, it shall confine itself to making immediate payment of the amounts referred to in Article 11, paragraph 1, or to immediate or deferred payment of a retirement pension.*

(ii) Conditions as to transfer

The amounts referred to in Article 12, paragraph 2 may be transferred only to the pension fund of the administration or organisation referred to in Article 12, paragraph 2, that is to say, to the statutory or contractual pension scheme in force in that administration or organisation.

(iii) calculation of amounts to be transferred

The actuarial equivalent of the retirement pension rights referred to in Article 12, paragraph 2 shall be calculated on the basis of the table annexed to this Instruction, the annual pension acquired in the Organisation — established on the basis of the salary scale in force at the date on which the staff member ceases his functions — being multiplied by the coefficient corresponding to the age of the staff member at that date.

APPENDIX TO INSTRUCTIONS 12.1 (iii) AND 12.2 (iii)

Age	Coefficient	Age	Coefficient
20	2.938	45	7.061
21	3.044	46	7.303
22	3.153	47	7.515
23	3.267	48	7.826
24	3.385	49	8.115
25	3.506	50	8.410
26	3.586	51	8.772
27	3.698	52	9.129
28	3.843	53	9.444
29	3.950	54	9.829
30	4.109	55	10.196
31	4.274	56	10.637
32	4.383	57	10.973
33	4.592	58	11.383
34	4.767	59	11.816
35	4.941	60	12.334
36	5.107	61	12.869
37	5.291	62	13.488
38	5.438	63	14.057
39	5.654	64	14.661
40	5.891	65	15.303
41	6.088	66	15.869
42	6.308	67	16.455
43	6.546		
44	6.807		

Chapter III – Invalidity pension

Article 13 - Conditions of entitlement – Invalidity Board

1. Subject to the provisions of Article 2, an invalidity pension shall be payable to a staff member who is under the age limit laid down in the Staff Regulations and who, at any time during which pension rights are accruing to him, is recognised by the Invalidity Board defined below to be suffering from permanent invalidity which totally prevents him from performing his job or any duties corresponding to his experience and qualifications which may have been proposed to him by the Organisation.
2. The Invalidity Board shall consist of three medical practitioners, the first two being appointed by the Organisation and the staff member, respectively, and the third one selected jointly by the first two. Cases shall be submitted to it by the Organisation either on its own initiative or at the request of the staff member concerned.

Instruction – Article 13

13/1 – Period of non-activity

- (i) *The invalidity pension shall not be payable if it results from an illness or accident occurring during unpaid leave or a period of non-active status which did not give rise to contributions to the SPS (leave for persona) reasons, military service).*
- (ii) *On the other hand, it shall be payable if the events mentioned above occur during a period of non-active status which follows a period of sick leave, and during which the staff member is in receipt of an allowance for temporary incapacity; in such event, he shall continue to pay contributions to the SPS in accordance with Instruction 4. 1/1 (ii). The same shall apply to any periods of unpaid leave provided for under Instruction 4. 1/1 (iii).*

13/2 – Invalidity Board

Tasks of the Invalidity Board

- (i) *Subject to the provisions of Article 2, the tasks of the Invalidity Board are:*
 - (a) *to ascertain whether a staff member is suffering from invalidity within the meaning of Article 13, paragraph 1;*
 - (b) *when an incident is recognised by the Organisation as falling within the scope of Article 14, paragraph 2 (work accident, occupational disease or public-spirited act), to decide to what extent the staff member's invalidity is the result thereof,*
 - (c) *to decide whether, following an examination under Article 16, the former staff member no longer fulfils the conditions for entitlement to an invalidity pension.*

Secretariat of the Invalidity Board

- (ii) *the Organisation shall appoint a staff member as secretary of the Invalidity Board. Secretariat services may also be provided by the Organisation's medical adviser, who shall be given any administrative assistance he requires.*

Convocation and composition of the Invalidity Board

- (iii) *When the Invalidity Board is to be convened at the staff member's request, the request shall be addressed to the Human Resources Department; it must include his formal application to be declared a permanent total invalid, and give the name of the medical practitioner who is to represent the staff member on the Invalidity Board. The request may be accompanied by a medical file, under separate confidential cover, for the attention of the Organisation's medical adviser.*

Upon receipt of this request the Human Resources Department shall forward it to the Organisation's medical officer with a request to contact the medical practitioner nominated by the staff member. The staff member must ask his

medical practitioner to forward to the Organisation's medical adviser all medical evidence in support of his application.

Within 30 calendar days following receipt of the staff member's request, the Human Resources Department shall inform the medical practitioner nominated by the staff member of the name of the medical practitioner who will represent the Organisation on the Invalidity Board.

- (iv) when the Invalidity Board is to be convened at the request of the Organisation, the Human Resources Department shall notify the staff member accordingly and ask him to make his observations, if any, and to nominate a medical practitioner to represent him on the Board, within 30 calendar days following receipt of the said notification.

This notification shall also state the name of the medical practitioner who will represent the Organisation on the Invalidity Board.

The Human Resources Department shall ask the staff member to forward all medical documents concerning him to the medical practitioner representing the Organisation.

- (v) If one of the parties has not nominated a medical practitioner to represent it on the Invalidity Board within the prescribed time-limit, the other party shall ask the Chairman of the Administrative Tribunal of the Organisation to appoint such a medical practitioner as soon as possible. He may, for this purpose, consult a list drawn up by:

- a national judicial body, or
- the National Doctors' Association (or equivalent), or
- failing this, another national body of the staff member's duty station or home country.

- (vi) The third medical practitioner shall be selected by the other two within 30 calendar days at the most following notification of their names to the parties; failing agreement on this nomination within the prescribed time, the Chairman of the Administrative Tribunal shall nominate, at the request of either party, this third medical practitioner in accordance with the procedure set out in the above sub-paragraph.

Meeting of the Invalidity Board

- (vii) the Invalidity Board shall meet at the latest within 60 calendar days following the appointment of the third medical practitioner.

- (viii) The Invalidity Board shall have at its disposal:

- (a) an administrative file submitted by the Human Resources Department containing, in particular, an indication of the post occupied by the staff member in the Organisation together with a description of his duties and of any duties proposed to him by the Organisation corresponding to his experience and qualifications, so that the Board can give its opinion as to whether the staff member is incapable of carrying out those duties. This file shall also specify whether the application to be declared an invalid is likely to fail within the scope of Article 14, paragraph 2.

Before being forwarded to the Invalidity Board, the foregoing particulars shall be communicated to the staff member by the Human Resources Department for his written comments, if any, to be sent by him to the Human Resources Department within 15 calendar days following their receipt.

- (b) a medical file containing the report presented by the medical representative of the party —the Organisation or the staff member — that has asked for the Board to be convened, and, if appropriate, the medical report presented by the other party, as well as any reports or certificates from the staff member's medical practitioner or from practitioners whom the parties have consulted. This medical file shall also contain details of the length of absences of the staff member concerned which have provided grounds for the Board to be convened, as well as the nature of the disability on which the Board is asked to give a ruling.

All these reports, documents and certificates must be communicated to the three medical practitioners.

(ix) the proceedings of the Invalidation Board shall be secret. The Board may ask to hear the staff member concerned. It may also ask him to undergo an additional medical examination by a medical practitioner appointed by the Board.

(x) the cost of the meeting of the Invalidation Board shall be met by the Organisation.

The Organisation shall bear the fees and the travel expenses — the latter calculated according to the rules applicable to persons travelling at the charge of the Organisation's budget — of the medical practitioner representing the staff member only when this practitioner lives in the country of the staff member's last duty station, his home country if he is living there at the time of the establishment of the lasting nature of his disability, or in the country of residence of the former staff member concerned.

(xi) the findings of the Invalidation Board shall be determined by a majority vote. They shall be final except in the case of obvious factual errors.

Findings under Article 13, paragraph 1 or Article 14, paragraph 2

(xii) the findings of the Invalidation Board shall state:

- whether or not the staff member suffers from permanent invalidity which totally prevents him from performing his duties or any duties proposed to him by the Organisation corresponding to his experience and qualifications.*
- whether the invalidity results from an incident recognised by the Organisation as falling within the scope of Article 14, paragraph 2 (work accident, occupational disease or public-spirited act);*
- the date on which the disability became lasting; this date may be prior to the date of the meeting of the Invalidation Board.*

Findings under Article 16

(xiii) where the Board meets under Article 16, the findings of the Board shall state:

- whether the former staff member is incapable of performing the duties attaching to his former post or any duties proposed to him by the Organisation corresponding to his experience and qualifications; or,*
- whether it has been found that the former staff member is no longer an invalid.*

13/3 – Decision of the Governor

Decision under Article 13, paragraph 1, or Article 14, paragraph 2

(i) In accordance with the findings of the Invalidation Board and without prejudice to the competence of the Administrative Tribunal, the Governor of the Organisation shall decide either:

- (a) to grant to the staff member concerned an invalidity pension under Article 13, paragraph 1, or Article 14, paragraph 2; this decision shall specify the date on which the pension takes effect; or,*
- (b) not to recognise the staff member as an invalid within the meaning of the Rules.*

Decision under Article 16

(ii) in accordance with the findings of the Invalidation Board and without prejudice to the competence of the Administrative Tribunal, the Governor of the Organisation shall decide either:

- (a) to continue payment of the invalidity pension to the former staff member; or*

(b) no longer to recognise the staff member as an invalid within the meaning of the Rules and to terminate such payment, at a date which may not be prior to the meeting of the Board, in accordance with the conditions provided for in Instruction 16/3.

Obvious factual error

(iii) In the event of an obvious factual error, the Governor shall again refer the case to the Invalidity Board.

Notification of the decision of the Governor

(iv) Within 30 calendar days of receipt of the findings of the Invalidity Board, the Governor shall notify his decision in writing, together with the findings of the Invalidity Board, to the staff member or former staff member.

Article 14 - Rate of pension

1. Subject to the provisions of Article 5, paragraph 3, the invalidity pension shall be equal to the retirement pension to which the staff member would have been entitled at the age limit laid down in the Staff Regulations if he had continued to serve until that age, the requirement for a minimum of ten years' service under Article 7 not being applicable.

2. However, where the invalidity arises from an accident in the course of the performance of his duties, from an occupational disease, from a public-spirited act or from risking his life to save another human being, the invalidity pension shall be 70% of salary. In the event of invalidity resulting from a cause other than these, the invalidity pension provided for in this paragraph may not be less than the invalidity pension which would be payable under paragraph 1 of this Article.

3. The salary used as a basis for the calculation of the invalidity pension referred to in paragraphs 1 and 2 above shall be the salary for the grade and step held by the staff member in accordance with the scales in force at the date laid down in Article 17, paragraph 1.

4. The invalidity pension shall not be less than 100% of the salary for grade C1, step 1. The invalidity pension may not be more than the last salary. Salaries are those which appear in the scales in force at the date laid down in Article 17, paragraph 1, subject to any adjustments provided for under Article 36.

5. In the case of invalidity deliberately brought about by the staff member, the Organisation shall decide whether he should receive an invalidity pension or only a retirement pension or a leaving allowance, depending on his length of effective service.

Instructions – Article 14

14.1 – Part-time Service

Where a staff member working part time is found to be suffering from invalidity and the provisions of article 6, paragraph 3 (ii) are not applied, the period subsequent to the date on which he is recognised as unfit for service shall, for the purposes of calculating the invalidity pension provided for under Article 14, paragraph 1, be counted as a period of part-time work in the cases referred to in Article 6 bis, paragraph 2.

14.2 – Work accident and occupational disease

For the purposes of Article 14, paragraph 2, reference shall be made to the Rules applicable in the Organisation for the definition of the risks of work accident and occupational disease.

Article 15 - Concurrent earnings

1. Where a person in receipt of an invalidity pension is nevertheless gainfully employed, this pension shall be reduced by the amount by which his pension together with the remuneration he receives for the said employment exceeds the salary for the highest step in the grade he held at the time of his being recognised an invalid.
2. This reduction shall apply only up to the age limit laid down in the Staff Regulations.

Instruction – Article 15

15.1 – Double entitlement to an invalidity pension and other income

- (a) *By gainful employment under Article 15 is meant any employment outside the Organisation, as well as employment pursued therein, including as temporary, auxiliary or local official personnel or as an "employee", and also as an expert in receipt of fees.*
- (b) *A person in receipt of an invalidity pension shall immediately notify the Organisation of any gainful, non-occasional employment; in addition, he shall inform the organisation of the total amount of remuneration he received during the preceding calendar year, the reduction referred to in Article 15 thus being calculated on a monthly basis.*

Express mention of this obligation shall be made in the decision notifying the award of an invalidity pension.

Article 16 - Medical examination - Termination of pension

1. While a person receiving an invalidity pension is still under the age limit laid down in the Staff Regulations, the Organisation may have him medically examined periodically to ascertain that he still satisfies the conditions for entitlement to such pension, in particular having regard to any new duties corresponding to his experience and qualifications which may have been proposed to him by the Organisation.
2. When a person receiving an invalidity pension who has not reached the said age limit ceases to satisfy the conditions for entitlement to the invalidity pension, the Organisation shall terminate that pension.
3. The time during which the person concerned has received his invalidity pension shall then be reckoned, without payment of back contributions, for the calculation of the leaving allowance or retirement pension, as the case may be.

Instructions – Article 16

16/1 – Suspension of Invalidity Pension

If the recipient of an invalidity pension fails to submit to medical examination as prescribed by the Organisation, payment of the invalidity pension may be suspended.

16/2 – Medical Examination and new Invalidity Board

The periodical medical examinations required under Article 16 shall normally take place at the place of residence of the person concerned, unless the Organisation requires otherwise or it is impracticable to have the person concerned examined at his place of residence.

Such examinations shall be carried out by a medical practitioner chosen by the Organisation; the latter shall bear the cost thereof, including travelling expenses of the person concerned if exceeding 50 km from his home. Should the medical practitioner chosen by the Organisation report that the staff member no longer satisfies the conditions of entitlement to an invalidity pension, notably having regard to any new duties proposed to him by the Organisation corresponding to his experience and qualifications, an Invalidity Board shall be convened in accordance with the provisions of Article 13 and its implementing Instructions.

16/3 – Cessation of Entitlement to an Invalidity Pension

Where the Invalidity Board, in application of Article 16, paragraph 2, declares that the person concerned who is still under the age limit has ceased to satisfy the conditions of entitlement to an invalidity pension, the payment of that pension shall be terminated; if the person concerned does not resume work in the Organisation, he shall receive either a leaving allowance based on his years of service and years of invalidity where the total is less than 10 years, or a deferred or early retirement pension.

16/4 – Re-entitlement to an Invalidity Pension

Where the person concerned is entitled to a deferred or early pension and subsequently suffers a relapse, while still under the age limit laid down in the Staff Regulations, resulting from the same condition as that which had entitled him to the previous invalidity pension, the Invalidity Board, convened at the staff member's request in accordance with Instruction 13/2, shall declare that he once again effectively fulfils the conditions required under Article 13, paragraph 1, insofar as he is not receiving for that same condition an invalidity benefit or pension borne by another scheme.

Article 17 - Commencement and cessation of entitlement

1. Entitlement to an invalidity pension shall commence on the first day of the month following the date of the beginning of the invalidity as recognised by the Invalidity Board.
2. Subject to application of Article 16, paragraph 2:
 - (i) the invalidity pension payable under Article 14, paragraph 2, shall be paid for life;
 - (ii) in other cases, entitlement to an invalidity pension shall terminate:
 - either at the age limit laid down in the Staff Regulations;
 - or at the end of the month in which the recipient of such a pension dies.

Where the invalidity pension terminates because the person concerned has reached the age limit laid down in the Staff Regulations, he shall, notwithstanding the ten-year minimum requirement provided for in Article 7, be entitled to a retirement pension calculated as follows:

- reckonable years of service shall be calculated as if he had remained in service until the age limit laid down in the Staff Regulations;
- the reference salary shall be that of his grade and step at the time of his being recognised an invalid, updated in accordance with Article 36.

Chapter IV – Survivor's and reversion pensions

Article 18 - Conditions of entitlement

1. The surviving spouse¹⁶ of a staff member who died in service shall be entitled to a survivor's pension, provided they had been married to each other for at least one year at the time of the staff member's death, unless the death resulted either from disablement or illness contracted in the performance of his duties, or from an accident.

2. A reversion pension shall be payable to the surviving spouse:

- (i) of a former staff member drawing an invalidity pension, if they were married to each other for at least one year at the time of his being recognised an invalid; this condition of anteriority shall not apply if the marriage had existed for at least five years at the time of the former staff member's death, or if the death resulted either from disablement or illness contracted in the performance of his duties, or from an accident;
- (ii) of a former staff member drawing a retirement pension, if they had been married to each other for at least one year at the time when the former staff member's appointment ceased; this condition of anteriority shall not apply if the marriage had existed for at least five years at the time of the former staff member's death; or
- (iii) of a former staff member entitled to a deferred pension, if they had been married to each other for at least one year at the time when the former staff member's appointment ceased; this condition of anteriority shall not apply if the marriage had existed for at least five years at the time of his death.

3. The above-prescribed conditions of anteriority or minimum duration of marriage shall not apply where there are one or more children of the marriage or of a marriage of the staff member contracted prior to the cessation of his appointment, inasmuch as the non-remarried surviving spouse is providing for their needs; in such case, the survivor's or reversion pension shall be payable, under the present paragraph, for so long as the children are actually being so provided for.

When they are no longer being so provided for, the survivor's or reversion pension shall nonetheless continue to be payable for so long as the surviving spouse does not have an income of his own from the exercise of any occupation, or from any retirement pension or other survivor's or reversion pension, equal to at least the amount of the survivor's or reversion pension from the Organisation.

4. Entitlement to a survivor's or reversion pension shall be subject to the provisions of Article 2.

Instruction – Article 18

18.1 – Staff Member dying during Leave granted for Personal Reasons

- (i) *When a staff member who has completed at least 10 years' service within the meaning of Article 4 dies during a period of leave in respect of which no contributions were made to the SPS, the surviving spouse shall be entitled to:*
 - *the survivor's pension under Article 19, paragraph 1, the minimum and maximum amounts of such pension being in accordance with paragraphs 3 and 4 of the same Article;*
 - *and, where appropriate, the benefits specified in Article 28.*

In addition, any orphans and/or dependants shall be entitled to the benefits specified in Articles 24 and 25.

- (ii) *Where the deceased staff member had not completed ten years of service conferring entitlement, as defined in Article 4, the amounts provided for in Article 11 shall be paid to his estate; such amounts shall be calculated on the basis of rights acquired and salary at the date of termination of the period in respect of which contributions to the SPS were payable, without any subsequent adjustment or interest.*

¹⁶ Wherever it occurs in the Rules, the expression "surviving spouse" applies indifferently to the wife or husband of the deceased staff member.

Article 19 - Rate of pension

- 1.** The survivor's pension shall be 60% of the retirement pension that would have been payable to the staff member, had he not died in service, on the basis of his reckonable years of service credited up to the time of his death, the requirement for a minimum of ten years of service under the provisions of Article 7 not being applicable.
- 2.** Where a staff member has died as the result of an accident in the course of the performance of his duties, from an occupational disease, from a public-spirited act or from risking his life to save another human being, the survivor's pension shall be 60% of the invalidity pension to which the staff member would have been entitled, had he survived, under Article 14, paragraph 2.
- 3.** The survivor's pension shall not be less than 30% of the staff member's last salary; nor shall it be less than 100% of the salary for grade C1, step 1.

When the former staff member was receiving a pension at the time of his death, the amount of the reversion pension shall correspond to the highest of the following amounts:

- 60% of the retirement or invalidity pension to which the former staff member was entitled at the time of the assessment of his pension, no account being taken of any reductions resulting from the application of Article 8, paragraph 4, or Article 15;
- 30% of the former staff member's last salary at the time of the assessment of his pension; or
- 100% of the salary for grade C1, step 1, under the scale in force at the time of the assessment of his pension.

These amounts shall be updated in accordance with the provisions of Article 36.

- 4.** When the former staff member was not receiving a pension at the time of his death, the amount of the reversion pension shall correspond to the highest of the following amounts:
 - 60% of the retirement pension to which the former staff member would have been entitled had he reached the pensionable age at the time of his death;
 - 30% of the former staff member's last salary corresponding to his last grade and step, under the scale in force at the time of his death; or
 - 100% of the salary for grade C1, step 1, under the scale in force at the time of the former staff member's death.
- 5.** The amount of the reversion pension shall not exceed that of the pension received by the former staff member or, in cases provided for under paragraphs 4 and 5 above, the amount of the pension to which the former staff member would have been entitled had he reached, respectively, the statutory age limit or the pensionable age at the time of his death.

Article 20 - Reduction for difference in age

- 1.** Where the difference in age between the deceased staff member or former staff member and his younger surviving spouse and/or former spouse, minus the length of time they have been married, is more than ten years, the survivor's or reversion pension, calculated in accordance with the preceding provisions, shall be subject to a reduction, per year of difference, amounting to:
 - 1% for the years between 10 and 20;
 - 2% for the years 20 up to but not including 25; – 3% for the years 25 up to but not including 30; – 4% for the years 30 up to but not including 35; – 5% for the years from 35 upwards.

Article 21 - Remarriage

Entitlement to a survivor's or reversion pension shall cease on remarriage.

Article 22 - Rights of a former spouse

1. The non-remarried former spouse of a staff member or former staff member shall, on the latter's death, be entitled to a survivor's or reversion pension, provided that and for as long as the staff member or former staff member was, at the time of his death and by virtue of a court decision which has become final and binding, under an obligation to pay maintenance or compensation to the former spouse, in a personal capacity, but the survivor's or reversion pension shall not exceed the amount of such payment.
2. Where a staff member or former staff member dies leaving both a spouse entitled to a survivor's or reversion pension and a non-remarried former spouse fulfilling the conditions laid down in paragraph 1 above, the whole of the survivor's or reversion pension shall be divided between the before-mentioned persons in proportion to the duration of their marriages.
3. The amount to which a non-remarried former spouse is entitled shall however not be more than the amount of the maintenance or compensation payable at the time of the death of the staff member or former staff member.
4. Where one of the persons entitled to a survivor's or reversion pension renounces his share, ceases to satisfy the conditions for entitlement or forfeits his rights under Article 35, or where the amount of his pension has been restricted under the terms of the second sub-paragraph of paragraph 2 above, his share shall accrue to the share of the other person, except where pension rights revert to orphans, as provided under the last sub-paragraph of Article 24, paragraph 3. In such a case, the restriction laid down in the second sub-paragraph of paragraph 2 above shall apply.
5. Reductions in respect of difference in age as provided for in Article 20 shall be applied separately to survivors' and reversion pensions calculated in accordance with the present Article.

Instruction – Article 22

22.1 – Rights of a non-remarried former spouse

- (i) The maintenance or compensation payments referred to in Article 22, paragraph 1 shall, where appropriate, be converted into the currency of the scale applicable to the country of the staff member's or former staff member's last posting or, in cases to which Article 33, paragraph 2 applies, of the scale for which an option has been exercised by the former staff member prior to his decease, by applying the rate of exchange used in the relevant Organisation at the date the latter's pension was assessed;*
- (ii) The maintenance or compensation payments referred to in the preceding sub-paragraph shall be subject to the same adjustments as those actually applied to calculate the survivor's or reversion pension provided for under Article 19.*

Article 23 - Commencement and cessation of entitlement

1. Entitlement to a survivor's or reversion pension shall commence from the first day of the month following that in which the staff member or former staff member died. If the salary of a staff member who died in service continues to be paid to a surviving spouse or former spouse, directly and in full, under the Staff Regulations and Rules of the Organisation, payment of the pension of the person concerned shall be deferred accordingly.
2. Entitlement to a survivor's or reversion pension shall cease at the end of the month in which the recipient of the pension dies or ceases to satisfy the conditions for entitlement to that pension.

Chapter V – Orphan's or dependant's pension

Article 24 – Rate of orphan's pension

1. Where a staff member or former staff member receiving a retirement or invalidity pension or entitled to a deferred pension dies, his children shall be entitled to an orphan's pension if they fulfil the conditions laid down in paragraph 2.
2. The legitimate, natural or adopted children of a staff member or former staff member who has died shall be entitled to an orphan's pension:
 - (i) when the deceased or his household provided their main and continuing support at the time of death; and
 - (ii) when they satisfy the conditions of age, education or handicap required for the granting of the child's allowance.

The legitimate or natural children of a deceased staff member or former staff member who were born not more than 300 days after his death shall also be entitled to an orphan's pension.

3. Where there are one or more persons entitled to a survivor's or reversion pension, the amount of the orphan's pension shall correspond to the higher of the following amounts:
 - (i) 40% of the survivor's or reversion pension, no account being taken of reductions pursuant to Article 20; or
 - (ii) 50% of the salary for grade C1, step 1, according to the scale in force when the former staff member's pension was assessed, this amount being updated in accordance with the provisions of Article 36, or, if he was not receiving a retirement or invalidity pension, according to the scale in force at the time of death.

The orphan's pension shall be increased, in respect of the second and every further beneficiary, by an amount equal to the allowance for a dependent child.

The orphan's pension shall be brought up to the level provided for in paragraph 4 in the event of the beneficiaries of a survivor's or reversion pension dying or remarrying or losing their right to that pension.

4. Where there are no beneficiaries of a survivor's or reversion pension, the orphan's pension shall correspond to the higher of the following amounts:
 - (i) 80% of the survivor's or reversion pension, no account being taken of reductions pursuant to Article 20; or
 - (ii) 100% of the salary for grade C1, step 1, according to the scale in force when the former staff member's pension was assessed, this amount being updated in accordance with the provisions of Article 36, or, if he was not receiving a retirement or invalidity pension, according to the scale in force at the time of death.

The orphan's pension shall be increased, in respect of the second and every further beneficiary, by an amount equal to twice the allowance for a dependent child.

5. The total amount of the orphan's pension shall be divided equally among all the orphans.

Instructions –Article 24

24.3 – Rate of pension for orphans dependent on a non-remarried former spouse

Subject, where appropriate, to the provisions of Instructions 27.1/1 and 27.1/2, the provisions of Article 24, paragraph 3 shall apply where a staff member or former staff member dies leaving a non-remarried former spouse entitled to a survivor's or reversion pension under Article 22. In such a case, the orphan's pension shall be fixed without having regard to the reductions provided for in Articles 20 and 22.

24.4 — Rate of pension for orphans belonging to another family group

Subject to the provisions of Instructions 27/1.1 and 27/2.1, the provisions of Article 24, paragraph 4 shall also apply where a staff member or former staff member dies leaving a surviving spouse or former spouse on one side and orphans belonging to another family group on the other side.

Article 25 - Rate of pension for other dependants

1. Where a staff member or former staff member receiving a retirement or invalidity pension or entitled to a deferred pension dies, the persons (including children not fulfilling the conditions laid down in Article 24) recognised as satisfying the conditions for the granting of the child's or dependant's allowance under the Staff Regulations and Rules of the Organisation shall be entitled to a dependant's pension.
2. The pension paid to each dependant shall be equal to the lowest of the following amounts:
 - (i) the amount, as recognised by the Organisation, of the support provided to that person by the staff member or former staff member at the time of his death;
 - (ii) twice the amount of the dependant's allowance in force in the Organisation at the time of the death of the staff member or former staff member; or
 - (iii) where an orphan's pension is paid, the amount of each orphan's share pursuant to Article 24, paragraph 5.

Instruction – Article 25

25.2 – Pension adjustment

The amount of the dependant's pension referred to in this Article shall be subject to the same adjustments as those effectively applied to calculate the orphan's pension provided for under Article 24.

Article 26 - Commencement and cessation of entitlement

1. The pensions provided for under Articles 24 and 25 shall be payable from the first day of the month following that in which the staff member or former staff member died. If the salary of a staff member who died in service continues to be paid to a surviving spouse or former spouse, directly and in full, under the Staff Regulations and Rules of the Organisation, payment of the pensions shall be deferred accordingly.
2. The pensions under Articles 24 and 25 shall cease to be payable at the end of the month in which the child or other dependant ceases to satisfy the conditions for entitlement to the allowance for a dependent child or dependent person under the Staff Rules and Regulations of the Organisation.

Article 27 - Beneficiaries of more than one category

1. Where a staff member or former staff member leaves a spouse or former spouse, on the one hand, and children or dependent persons, on the other, with entitlement to a pension, the total pension, calculated as if for a surviving spouse having all these persons dependent on him, shall be apportioned among the various categories of persons concerned in proportion to the pensions which would have been payable to each category if treated separately.
2. Where there are children or dependent persons from different family groups, with entitlement to a pension, the total pension, calculated as though all were from the same family group, shall be apportioned among the various categories of beneficiaries in proportion to the pensions which would have been payable to each category if treated separately.

Instructions – Article 27

27.0 – Beneficiaries of more than one category - General provisions

In cases of coexistent pension entitlements of a spouse, former spouse(s), children and/or dependants, the "total pension" referred to in Article 27, paragraphs 1 and 2 is defined in Instructions 27.1/1 (i) and 27.2/1 (i) respectively. It shall be apportioned as follows:

(i) *If the beneficiaries are*

- the spouse, and*
- former spouse(s)*

with no dependent children and/or dependants, the pension shall be apportioned in accordance with the provisions of Article 22.

(ii) *If the beneficiaries are :*

- the spouse or former spouse(s), on the one hand, and*
- children and/or dependants, on the other,*

belonging to different family groups, the pension shall be apportioned in accordance with the provisions of Instruction 27.1/1

(iii) *If the beneficiaries are :*

- the spouse or former spouse(s) with children and/or dependants, on the one hand, and*
- orphans and/or dependent persons, on the other,*

belonging to different family groups, the pension shall be apportioned in accordance with the provisions of Instruction 27.1/2.

(iv) *If the beneficiaries are :*

- the spouse, and*
- former spouse(s)*

one of whom at least has children and/or dependants, the pension shall be apportioned in accordance with the provisions of Article 22 for survivors' and reversion pensions, and of Instruction 27.2/1 for orphans' and/or dependants' pensions.

(v) *If the beneficiaries are :*

- persons entitled to orphans' and/or dependants' pensions belonging to different family groups*

the pension shall be apportioned in accordance with the provisions of Instruction 27.2/1.

Where, when Instructions 27.1/1, 27.1/2, 27.2/1 are applicable, one of the family groups is affected by a change in situation, the individual entitlement within the other family group shall remain calculated in accordance with the initial apportionment of benefits.

27.1/1 – Coexistence of beneficiaries, without children or dependants, entitled to a survivor's or reversion pension on the one hand, and of orphans and/or dependants on the other, belonging to different family groups

- (i) *In this case, the total pension referred to in Article 27, paragraph 1 shall be calculated as if all beneficiaries of the deceased staff member or former staff member formed part of a single family group. This total pension shall comprise:*
- *a survivor's or reversion pension as would be payable to a surviving spouse of the deceased staff member or former staff member in accordance with Article 19 only;*
 - *orphans' pensions calculated as if all orphans of the deceased staff member or former staff member belonged to the family group entitled to the survivor's or reversion pension mentioned above;*
 - *dependants' pensions calculated theoretically as orphans' pensions before application of the provisions of Article 25, paragraph 2.*

In accordance with Article 24, paragraph 3 (ii), only one minimum orphan's pension (50% of C1/1) shall be taken into account in this calculation.

- (ii) *the total pension shall be apportioned among:*

- *the surviving spouse or non-remarried former spouse(s) and*
- *orphans and/or dependants,*

in proportion to the amounts which would have been payable directly to each of these family groups considered separately, after application of Articles 20 and 22 for the survivor's or reversion pension, Article 24 for orphans' pensions, and Article 25 for dependants' pensions.

- (iii) *if the amounts so apportioned exceed the pensions to which the beneficiaries would have been entitled if they had been considered separately, including, for dependants' pensions, after application of Article 25, any such excess amounts shall not be payable.*

- (iv) *the minimum amounts laid down for survivors' and reversion pensions and for orphans' and/or dependants' pensions shall no longer apply to the shares actually attributed.*

27.1/2 – Coexistence of beneficiaries entitled to a survivor's or reversion pension with children and/or dependants on the one hand, and of orphans and/or dependants belonging to another family group on the other

- (i) *in this case, the total pension, calculated in accordance with Instruction 27.1/1 (i), shall be apportioned among:*

- *the surviving spouse or former spouse(s) and the children and/or dependants thereof*
- *and the children and/or dependants belonging to another family group,*

in proportion to the amounts which would have been payable directly to each of these family groups considered separately, after application of Articles 20 and 22 for the survivor's or reversion pension, Article 24 for orphans' pensions, and Article 25 for dependants' pensions.

- (ii) *Within the group consisting of a surviving spouse or former spouse(s) and orphans and/or dependants, the share going to that group shall be apportioned, for the purpose of calculating the individual entitlement of each member as mentioned above, in proportion to the survivor's or reversion pension on the one hand, and the orphans' and/or dependants' pensions on the other.*

- (iii) if the amounts so apportioned exceed the pensions to which the beneficiaries would have been entitled if they had been considered separately, including after application of Article 25, any such excess amounts shall not be payable.*
- (iv) the minimum amounts laid down for survivors' and reversion pensions and for orphans' and/or dependants' pensions shall no longer apply to the shares actually attributed.*

27.2/1 - Coexistence of beneficiaries entitled to orphans' and/or dependants' pensions belonging to different family groups

- (i) in this case, the total pension referred to in Article 27, paragraph 2 shall be calculated as if all the persons entitled to an orphan's pension and/or dependant's pension formed part of a single family group. Before apportionment, dependants shall be treated in theory as orphans. This total pension shall comprise:
 - a single orphan's pension calculated, as the case may be, in accordance with the provisions of Article 24, paragraph 3 (i) if there are one or more persons entitled to a survivor's or reversion pension, or of Article 24, paragraph 4 (i) where there are no such persons;
 - orphans' pensions equal to the dependent child allowance where there are one or more persons entitled to a survivor's or reversion pension, or to double that allowance where there are no such persons.*
- (ii) This total pension shall be apportioned among the different family groups in proportion to the pensions which would have been payable directly to each of these family groups considered separately.*
- (iii) within each family group, the share going to that group shall be divided equally among the beneficiaries before application of Article 25, where applicable.*
- (iv) the minimum amounts laid down shall no longer apply to the shares actually attributed.*

Chapter VI – Family allowances

Article 28 – General provisions

1. Household allowance, children's or dependants' allowance, handicapped child allowance and education allowance, paid to the staff members of the Organisation as family allowances, are granted according to the modalities and conditions of entitlement provided for under the Staff Regulations and Rules and under the present Rules:

- (i) to the recipient of a retirement pension as from the age of 60;
- (ii) to the recipient of an invalidity pension;
- (iii) to the recipient of a survivor's or reversion pension, in respect of the sole beneficiaries who were or would have been recognised as depending on the staff member or the former staff member if he had not died.

2. The double entitlement regulations apply to any allowance of a same nature, regardless of its name.

3. (a) The household allowance shall be calculated by reference to the pension of the recipient.

(b) Where the recipient of a survivor's or reversion pension is a staff member of the Organisation or is in receipt of a pension assessed by the Organisation, only one household allowance shall be granted.

(c) Where the spouse of a person entitled to a pension referred to in paragraph 1 is a staff member of the Organisation or is in receipt of a pension assessed by the Organisation, the household allowance shall only be paid to one of the spouses.

(d) Where the spouse of the recipient of a pension referred to in paragraph 1 is entitled, under another scheme, to an allowance of a same nature than the household allowance, only the difference between the amount of the allowance under the present scheme and that of the allowance received by the spouse under the other scheme shall be paid to the recipient of the pension.

4. Where the recipient of a pension referred to in paragraph 1, or his household or the beneficiary concerned, is entitled to allowances referred to in paragraph 1 and also, under another scheme and for the same person, to a children's or dependants' allowance, or a handicapped child allowance of a same nature than those referred to in paragraph 1, the Organisation shall only pay the difference between the amount of the allowances granted under the present scheme and that of the allowances received under the other scheme.

5. The deduction of family allowances received under another scheme, referred to in Article 28, paragraphs 3 and 4, shall be automatic, save where the recipient produces evidence that the above-mentioned scheme makes a deduction of the amounts received under the present scheme.

6. The amount of the allowance for a child or other dependant payable to the recipient of a survivor's or reversion pension shall be twice the normal amount.

7. Entitlement to the education allowance shall be maintained for the recipient of a pension referred to in paragraph 1 for a duration limited to the time needed to complete, in the same establishment, the educational cycle in progress at the time of the staff member's termination of service.

8. Entitlement to the allowances provided for in this Article shall cease at the end of the month in which the conditions for entitlement to those allowances under the Staff Rules and Regulations of the Organisation are no longer satisfied.

Instructions – Article 28

28/1 – Entitlement

Entitlement to family allowances when pension benefits are being paid shall be subject to the conditions relating to the attribution of such allowances, in accordance with the Staff Regulations and Rules of the Organisation.

28.1/1 – Early pension

Family allowances shall not be paid before the age of 60 to the recipient of an early pension; in such a case, at the age of 60, the household allowance shall be calculated on the basis of the reduced pension, subject to the minimum prescribed by the relevant Staff Regulations and Rules; the other family allowances of fixed amount shall be granted without any reduction.

28.1/2 – Monthly payment

Family allowances shall be paid per whole month starting from the 1st of the month following that in which the entitlement has arisen and until the end of the month during which the entitlement ceases.

28.3 – Household allowance

The household allowance to which the recipient of a pension is entitled shall be calculated on the basis of his pension, but shall not be less than the minimum laid down in the scales in force in the Organisation, save where the allowance is reduced on the basis of the income of the spouse.

28.7 – Education allowance

In the event of the death of a staff member or of the recipient of a retirement or invalidity pension, without any survivor's or reversion pension being awarded, or in the event of the death of the recipient of a survivor's or reversion pension, any education allowance which was being paid at the time of the death shall continue to be paid unchanged in its amount, under provisions identical to those laid down in Article 28, paragraph 7.

Chapter VII – Ceiling on benefits

Article 29 – Ceiling of benefits

1. Where a staff member dies, the total amount payable in respect of survivor's, orphan's and dependant's pensions and of family allowances shall not exceed the maximum of the retirement pension referred to in Article 10, paragraphs 2 and 3, together with the family allowances to which the deceased staff member was entitled. In any event, this total shall not exceed the last salary received by the staff member together with the family allowances to which he was entitled.
2. Where a former staff member receiving a retirement pension dies, the total amount payable in respect of reversion, orphan's and dependant's pensions and of family allowances shall not exceed the amount of the pension and family allowances received by the former staff member.
3. Where a former staff member entitled to a deferred or invalidity pension dies, the total amount payable in respect of reversion, orphan's and dependant's pension and of family allowances shall not exceed the amount of the retirement pension and family allowances he would have received if he had reached the statutory age limit at the time of his death.
4. The amounts payable in respect of survivor's, reversion, orphan's and dependant's pensions shall, where applicable, be reduced in proportion to the share of each beneficiary.

Instructions – Article 29

29/1 – Ceiling on benefits payable to a surviving spouse, former spouse, orphans and/or dependants

- (i) *Save where Article 10, paragraph 3 applies, the maximum of the retirement pension referred to in Article 29, paragraph 1 shall be 70% of the salary defined in Article 10, paragraph 1, as adjusted from time to time in accordance with the provisions of Article 36; the same adjustments shall be applied to the family allowances referred to in Article 29, as well as to retirement pensions, deferred or not, and to the invalidity pensions referred to in Article 29, paragraphs 2 and 3.*
- (ii) *the ceilings stipulated in Article 29 shall be reviewed whenever changes are made to the basis for calculating the benefits due.*
- (iii) *for the purposes of applying the instructions of this Article, account shall be taken of deductions actually made in respect of allowances received from another source.*

29.3/1 – Ceiling in the event of the death of a person entitled to a deferred retirement pension or who was drawing an early retirement pension

Where a deceased former staff member was entitled to a deferred retirement pension or was drawing an early retirement pension, the family allowances to which he would have been entitled at age 60, but which were not paid, shall nevertheless be taken into account in calculating the ceiling referred to in Article 29.

29.3/2 – Ceiling in the event of the death of a person drawing an invalidity pension under Article 14, paragraph 2

In the event of the death of a former staff member drawing an invalidity pension under Article 14, paragraph 2, the ceiling to be applied shall be the amount of the pension and allowances he was receiving at the time of his death.

29.4/1 – Amount of the reduction applicable to survivors', reversion, orphans' and/or dependants' pensions

The reduction shall be applied to survivors, reversion, orphans' and/or dependants' pensions. The reduction shall be apportioned among the beneficiaries in proportion to the benefits payable in application of the provisions of Chapter IV (Survivor's and Reversion Pensions) and Chapter V (Orphan's Pension and Dependant's Pension).

29.4/2 – Statutory minimum amounts

The minimum amounts laid down shall not apply to survivors, reversion, orphans' and/or dependants' pensions reduced in accordance with the provisions of Article 29.

Chapter VIII – Provisional pensions

Article 30 – Conditions of entitlement

- 1.** Where a staff member, or former staff member entitled to a retirement or invalidity pension has been missing for more than one year in circumstances justifying a presumption of death, the persons entitled under him may provisionally be awarded a survivor's, reversion, orphan's or dependant's pension, as appropriate.
- 2.** The provisions of paragraph 1 above shall apply mutatis mutandis to persons recognised as dependants of a person in receipt of a survivor's or reversion pension, who has been missing for more than one year.
- 3.** Provisional pensions under paragraphs 1 and 2 above shall be converted into definitive pensions when the death of the staff member, former staff member, spouse or former spouse has been established officially or when that person has been declared missing by a final Court decision.

Instruction – Article 30

30.3 – Forfeiture of rights

The time limits laid down by Article 35, paragraphs 2 and 3 shall run from the date of the Court decision declaring him to be missing, referred to in Article 30, paragraph 3.

Chapter IX – Determination of the amounts of benefits

SECTION 1 – ASSESSMENT OF ENTITLEMENT

Article 31 - Organisation responsible for the assessment

1. The assessment of the benefits payable under these Rules shall be made by the Organisation with the assistance of the International Service for Remunerations and Pensions.
2. A detailed statement of the assessment shall be communicated to the staff member or the persons entitled under him at the same time as the decision awarding the pension.

Instruction – Article 31

31.2 – Pension Statement

On the termination of service of a staff member, the Organisation shall draw up a statement of his pension rights on the form provided for this purpose, taking into account all reckonable years of service which have been credited.

Article 32 - No double entitlement

1. Without prejudice to the application of Articles 4 and 5, the following may not be paid concurrently out of the budget of the Organisation:

- (i) a retirement and an invalidity pension as provided for in these Rules;
- (ii) a retirement or invalidity pension and a loss-of-employment indemnity not paid as a lump sum.

2. Recipients of a retirement or invalidity pension under the present Rules may not be granted the status of staff member in the meaning of Article 1.

Instructions – Article 32

32.1 – Double entitlement as regards retirement or invalidity pensions

- (i) *In view in particular of the rules contained in Article 5, paragraph 2, two retirement pensions under these Rules may not be paid by the Organisation.*
- (ii) *In calculating an invalidity pension granted under Article 14, paragraph 1, the abatements prescribed in Article 5, paragraph 2 shall be applied in cases where retirement pension payments previously received have not been refunded.*
- (iii) *Double entitlement to a retirement or invalidity pension and to an indemnity for loss of employment paid month by month on the basis of the salary being received by the staff member at the time of leaving shall be prohibited.*

Article 33 - Basis of calculation¹⁷

1. Pensions provided for under the SPS shall be calculated at the time of their assessment by reference to the salary defined in Article 3 and to the scales applicable to the country of the staff member's or former staff member's last posting.

2. However, if the former staff member settles subsequently:

¹⁷ The scales referred to in this article are those approved by the coordinated organisations in effect as at the date of implementation of decisions provided for in said article or, for the purpose of the application of the provisions of paragraph 6, the scales established by the International Service for Remunerations and Pensions.

- (i) in a Member State of the Organisation of which he is a national, or
- (ii) in a Member State of the Organisation of which his spouse is a national, or
- (iii) in a country where he has served the Organisation for at least five years, he may opt for the scale applicable to the country in question. The option shall apply to only one of the countries referred to in this paragraph, and shall be irrevocable, except where paragraph 4 below is applicable.

3. The settlement of a pensioner refers to his principal and effective residence, with the transfer of the permanent and usual centre of his interests and the will to confer stability to such a residence. The option is granted as from the month following the date on which the pensioner proves, to the satisfaction of the Organisation, that he has his principal and effective residence in the country in question.

4. On the death of his spouse, a former staff member who settles in the country of which he is a national, or of which such deceased spouse was a national, may opt for the scale applicable in that country.

5. The same option shall be open to the surviving spouse or former spouse of a former staff member and to orphans who have lost both parents.

6. These options, available under paragraphs 2 and 4, shall be irrevocable.

7. If the staff member, spouse, former spouse or orphan opts for the scale of a country referred to in paragraph 2, but no scale has been established for that country, the scale applicable to the country of the CEB's headquarters shall be applied temporarily until a scale has been established for the country chosen.

8. The amount of the pension based on the scale chosen shall be calculated in accordance with Article 36.

9. The provisions of paragraph 2 above do not apply to the benefits under Article 11.

Instructions – Article 33

33/1 – Proof of residence

In order to prove, to the satisfaction of the Organisation, the principal and effective residence in the country in question, the Organisation may in particular request that the pensioner provide:

- *a recent certificate of residence;*
- *a certificate of removal from the population registry of the former place of residence;*
- *a copy of a recent invoice (water, gas, electricity, fixed telephone) established after the date of the removal and for the name and address of the person concerned;*
- *a copy of the rent contract or of the purchasing deed of the residence;*
- *a copy of the removal invoice;*
- *evidence of being subject to property or residence tax;*

or any other evidence it deems relevant.

33/2 – Alteration due to the exercise of an option

Where, in application of Article 33, benefits under the SPS are to be calculated on the basis of a scale other than that which was in force at the time when the right to the benefits arose, then the amount of such benefits must, for the purpose of their payment as from the exercise of the option concerned, be recalculated on the basis of the said scale, in accordance with the provisions of Article 36, paragraph 5.

33.3 – Option in cases where there are beneficiaries belonging to different family groups

- (i) Where an option is exercised by a surviving spouse or by children both of whose parents are deceased, and there are other beneficiaries, benefits shall be apportioned in accordance with the provisions of Article 22 or Article 27, as the case may be, and with the Instructions thereto, on the basis of the scale applicable to the country of the staff member's or former staff member's last posting or, in cases to which Article 33, paragraph 2 applies, the scales for which an option has been exercised by the former staff member prior to his decease;*
- (ii) the share of benefit apportioned to each beneficiary of the option shall be expressed as a percentage of the basic salary for the grade and step used in calculating the theoretical survivor's or reversion pension;*
- (iii) The share apportioned to the beneficiary of the option referred to in Article 33, paragraph 4 shall be equal to the basic salary corresponding to the grade and step referred to in sub-paragraph (ii) of the scale applicable in the country chosen, multiplied by the percentage referred to in the same sub-paragraph.*

33.6 – Calculation following approval of a new scale

In cases where Article 33, paragraph 6 is applied, benefits are calculated under the new scale as from the date of its entry into force, with no retroactive effect.

Article 34 - Re-assessment – Cancellation

- 1.** Benefits provided for under the SPS may be re-assessed at any time in the event of error or omission of any kind. Any undue payments must be reimbursed. They may be deducted from the benefits payable to the person concerned or to the persons entitled under him or from the amounts due to his estate. The reimbursement may be spread over a period.
- 2.** Benefits shall be subject to modification or cancellation if their award was contrary to the provisions of these Rules.

Article 35 - Requirement of evidence - Forfeiture of rights

- 1.** Persons who are eligible for benefits under these Rules shall notify the Organisation or the International Service for Remunerations and Pensions of any facts which may affect their entitlement to benefits and to furnish such supporting evidence as may be required of them.

Should they fail to comply with these obligations, they may be deprived of the right to benefits under this Scheme; save in exceptional circumstances, they shall refund any sums received to which they were not entitled.

- 2.** Where the surviving spouse, orphans or other dependants of a deceased staff member or former staff member fail to apply for their pension within 12 months from the date of his death, payment of the benefits under these Rules may, at the discretion of the Organisation, be postponed until the first day of the month following that in which they make their application.
- 3.** Where a staff member's or former staff member's former spouse referred to in Article 22 fails to apply for her pension within 12 months from the date of his death, his rights may, at the discretion of the Organisation, be wholly forfeited.

Instructions – Article 35

35.1/1 – Statement by staff member or persons entitled under him

Subject to the provisions of Instruction 30.3, the recipient of any benefit under the SPS shall be required to fill out and sign the form to verify continuing entitlement which is sent to him every year.

35.1/2 – Refund of amounts incorrectly received

All amounts incorrectly received shall be refunded pursuant to Articles 34 and 35, in the manner prescribed in the Rules and Regulations applicable to staff serving in the Organisation.

35.1/3 – Obligation on claimants to make themselves known

In the absence of a statement provided for under Instruction 35.1/1, it is the responsibility of persons entitled under a deceased staff member or former staff member to notify their existence to the Organisation which they consider to be liable for the payment to them of benefits under the SPS.

35.1/4 – Notifying beneficiaries

The Organisation shall then inform the beneficiaries concerned of the benefits which they may claim under the SPS.

SECTION 2 – ADJUSTMENT OF PENSIONS

Article 36 - Adjustment of pensions

1. The Organisation shall adjust pensions, every year, in accordance with the revaluation coefficients based on the consumer price index for the country of the scale used to calculate each pension.

It shall also adjust them in the course of the year, for any given country, when prices in that country show an increase of at least 6%.

2. At regular intervals, the Governor shall establish a comparison of the difference between increases in salary and increases in pensions, and may, where appropriate, propose measures to reduce it.

3. Where a person receiving a pension dies, and reversion, orphan's or dependant's pensions are due, the following calculation shall be made:

- pensions shall be calculated with reference to the scale in force at the date of the assessment of the entitlement of the deceased former staff member;
- the amounts thus determined shall be updated, as from that date, by application of the pensions revaluation coefficients for the country in question.

4. here a person receiving an invalidity pension not awarded under Article 14, paragraph 2, reaches the age limit laid down in the Staff Rules and Regulations, his invalidity pension shall be converted, in accordance with Article 17, paragraph 2, to a retirement pension calculated using the method referred to in paragraph 3 above.

5. Where the person receiving a pension exercises one of the options under Article 33, the following calculation shall be made:

- The pension shall be recalculated with reference to the scale in force at the date of its assessment for the country selected;
- The amount thus determined shall be updated, as from that date, by application of the pensions revaluation coefficients for the country in question.

Instructions – Article 36

36.1/1 – Notifying beneficiaries

Adjustments to pensions currently being paid shall be notified in writing to the persons entitled to such pensions, either by the Organisation or, as instructed by it, by the International Service for Remunerations and Pensions.

36.1/2 – Consumer price indices

Consumer price trends will be monitored with reference to the consumer price indices used in the remuneration adjustment procedure in force in the Organisation.

SECTION 3 – PAYMENT OF BENEFITS

Article 37 – Mode of payment¹⁸

1. Subject to the provisions of Article 11 and unless otherwise provided under these Rules, pensions and family allowances shall be paid monthly in arrears.
2. These amounts shall be paid by the Organisation, or by the International Service for Remunerations and Pensions if it has been empowered to do so.
3. Benefits shall be paid in the currency used in their calculation in accordance with Article 33.
4. Benefits shall be paid to the recipient by bank transfer to an account in the country whose scale was used for calculating these benefits, or in the country in which he resides.

Instruction – Article 37

37.1 – Date of Payment

Pensions and family allowances shall be paid in arrears on the last working day but two of the month to which they relate.

Article 38 – Sums owed to the organisation

Any sum owed by a staff member, former staff member or pensioner to the Organisation which pays the pension at the date when the benefits are payable under these Rules shall be deducted from the amount of these benefits or from the benefits payable to those entitled under him. The deduction may be spread over a period.

Instruction – Article 38

38.1 – Buying back rights - Credit for past service

Any amounts remaining due on the death, recognition of invalidity or termination of service of a staff member, in respect of pension rights bought back under Article 5 shall constitute a debt owed to the Organisation by the staff member or the persons entitled under him or the estate.

Payment to the Organisation of any amounts thus owing shall be made pursuant to the special condition agreed to by the staff member at the time of his application to buy back or to be credited with pension rights; this condition shall give the Organisation a preferential right to deduct such amounts from the capital sums due at the time of death or recognition of invalidity, or of termination of service, where appropriate, under the conditions provided for in Instructions 5.1/1 and 5.1/2.

Article 39 - Right of subrogation

1. Where a staff member's invalidity or death is attributable to a third party, the award of the benefits provided for in these Rules shall in principle be made subject to the beneficiary assigning to the Organisation his claims against such third party, up to the amount of such benefits.
2. However, the Organisation may waive its right to take action pursuant to such subrogation against the third party concerned where special circumstances justify such a waiver.

¹⁸ As amended by Administrative Resolution No. 1577 (2016) of 22 January 2016.

Chapter X – Financing the Pension Schemes¹⁹

Article 40 – Payment of benefits

1. Benefits paid under these Pension Rules shall be charged to the provision in respect of the Pension Schemes.
2. Contributions of staff members and contributions of the CEB shall be credited to the provision in respect of the Pension Schemes.
3. In the event of the amounts recorded by the CEB in respect of the Pension Schemes being insufficient to cover the corresponding liabilities, the Administrative Council of the CEB shall make the necessary supplementary allocations to the amounts recorded by the CEB in respect of the Pension Schemes.
4. In the event of a merger, reconstitution or other transformation of the CEB, the CEB's statutory bodies shall take the necessary measures to ensure uninterrupted payment of the Pension Scheme benefits until the cessation of entitlement of the last beneficiary.
5. In the event of dissolution or liquidation of the CEB, the CEB's statutory bodies shall set aside, before any distribution of available assets, the amounts necessary to ensure uninterrupted payment of the Pension Scheme benefits until the cessation of entitlement of the last beneficiary.

Article 41 - Contribution to the Pension Schemes

1. The Pension Schemes shall be funded by:
 - (i) contributions of staff members
 - (ii) contributions of the CEB
2. Staff members shall pay a contribution whose rate ensures that the Pension Schemes are at actuarial equilibrium. The contribution rate of staff members amounts to 11.3% of their basic salary.²⁰
3. The CEB shall pay a contribution whose amount shall be equal to the cost of the Pension Schemes for a year minus the staff member contributions for that year.
4. The Governor of the CEB shall arrange for an assessment of the liabilities of the CEB in respect of the Pension Schemes to be carried out at the end of each year. The purpose of this assessment is to determine the cost of the Pension Schemes for the year.
5. The cost of the Pension Schemes is the amount of funds that needs to be set aside to ensure that the provision in respect to the Pension Schemes is equal to the amount of the liabilities of the CEB in respect of the Pension Schemes.
6. The Governor of the CEB shall arrange for an assessment of the actuarial equilibrium of the Pension Schemes to be carried out at regular intervals. The purpose of this assessment is to determine whether the Pension Schemes are at actuarial equilibrium.
7. Actuarial equilibrium is achieved when contributions paid by staff members during a year amount to one third, more or less 10%, of the service cost for that year. The service cost is the actuarial value of pension entitlements acquired by staff members during a year.

¹⁹ By Pension Schemes, it should be understood:

- The Pension Scheme approved by the Administrative Council, on 29 January 1999, by Resolution No; 1432 and modified by Resolution 1559 (2013) and;
- The Pension Scheme (Second Pension Scheme, "SPS") approved by the Administrative Council, on 14 November 2013, by Resolution No; 1560 (2013).

²⁰ As amended by Administrative Council Resolution No. 1620 (2020) of 25 September 2020 with effect from 1 January 2021.

8. If the assessment of the actuarial equilibrium of the Pension Schemes shows that the Pension Schemes are below actuarial equilibrium, the Administrative Council of the CEB, acting on a proposal from the Governor, adopted on the advice of the Advisory Pension Committee, shall decide on the measures to restore the actuarial equilibrium of the Pension Schemes.

9. The actuarial assessments provided in this article shall be carried out in accordance the method described in the Annex to this article.

10. Contributions properly deducted shall not be recoverable. Contributions improperly deducted shall confer no rights to pension benefits; they shall be refunded at the request of the staff member concerned or those entitled under him without interest.

Instructions – Article 41

41/1 – Sickness

The staff members' contribution to the SPS shall be paid during sick leave and during periods of temporary incapacity following such leave if the staff member concerned continues to receive an allowance equal to the whole or part of his emoluments. This contribution shall be calculated in relation to the portion of the allowances corresponding to salary, but reckonable years of service shall be counted at the full rate, subject to the provisions applicable in the event of temporary incapacity during a period of part-time service.

41/2 – Leave for personal reasons

A staff member may not contribute to the SPS during periods of leave for personal reasons of more than six months' duration, and during such periods the staff member shall not acquire any pension rights.

However, the persons entitled under him shall be entitled to receive benefits under the conditions set out in Instruction 18.1.

Chapter XI – Provisions relating to adjustment of pensions

Article 42 - Pensions which are subject to national tax legislation

Deleted.

Chapter XII – Final provisions

Article 43 - Detailed implementation

Instructions for the implementation of these Rules shall be drawn up by the Governor of the Organisation.

Article 44 – Entry into force

These Rules shall enter into force on 1st January 2014.

Annex to article 41 - Actuarial studies

1. The assessment of the liabilities of the CEB in respect of the Pension Schemes and the assessment of the actuarial equilibrium of the Pension Schemes shall be carried out in accordance with the methodology set out in this annex.

Assessment of the liabilities of the CEB in respect of the Pension Schemes

2. For the assessment of the liabilities of the CEB in respect of the Pension Schemes, the actuarial adviser shall calculate the total cost of the Pension Schemes for the year. The total cost of the Pension Schemes is the sum of the service cost and the interest cost. The service cost is the actuarial value of pension entitlements acquired by staff members during the year. The interest cost is the increase in the actuarial value of pension entitlements acquired by staff members during the previous years, as a result of the discounted period being one year less.

3. To do so, the actuarial adviser shall calculate the present value of future pension entitlements acquired for staff affiliated to these Pension Schemes at the date of the assessment, using the accounting discount rate. The accounting discount rate shall be established in accordance with the accounting standards applied by the CEB at the date of the assessment.

Assessment of the actuarial equilibrium of the Pension Schemes

4. For the assessment of the actuarial equilibrium of the Pension Schemes, the actuarial adviser shall calculate the service cost of the Pension Schemes for the year.

5. To do so, the actuarial adviser shall calculate the present value of future pension entitlements acquired for staff affiliated to these Pension Schemes at the date of the assessment, using the long-term discount rate. The long-term discount rate is equal to the average of the accounting discount rates used in the end-of-year assessment of the liabilities of the CEB in respect of the Pension Scheme during the previous ten years.

6. The actuarial adviser shall then calculate the ratio between the service cost for the year and the contributions of the staff for that year.

7. The assessment of the liabilities of the CEB in respect of the Pension Schemes and the assessment of the actuarial equilibrium of the Pension Schemes shall be carried out in accordance with the projected unit credit method.

8. The Governor of the CEB, on the basis of a recommendation from the actuarial advisers and a proposal from the Advisory Pension Committee, shall determine the actuarial assumptions.

9. The actuarial assumptions shall be objective and consistent with one another. The actuarial assumptions shall be the best estimates made by the CEB of the variables that will determine the final cost of the Pension Scheme benefits. These assumptions shall comprise:

- (i)** demographic assumptions relating to the future characteristics of the members of the staff and their beneficiaries. These demographic assumptions shall take into account the following factors:
 - (a)** rate of mortality, during and after employment;
 - (b)** rate of staff turnover, invalidity and early retirement;
 - (c)** rate of claims by beneficiaries of family allowances, survivor's and reversion's pensions, orphan's and dependant's pensions; and
- (ii)** financial assumptions, which shall take into account of the following factors:
 - (a)** the discount rate, as defined above;
 - (b)** future changes in salaries;
 - (c)** the future revaluation of pensions.

10. The mortality table must be recent and relate to a population with characteristics similar to the population of members of the staff.