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From:	General Secretariat of the Council
To:	Delegations
No. prev. doc.:	8102/20
Subject:	European Court of Auditors' Special Report No 15/2019 entitled 'Implementation of the 2014 staff reform package at the Commission - Big savings but not without consequences for staff' - Council Conclusions (4 June 2020)

Delegations will find in annex the Council Conclusions on the Special Report No 15/2019 of the European Court of Auditors, entitled 'Implementation of the 2014 staff reform package at the Commission - Big savings but not without consequences for staff', as adopted by written procedure on 4 June 2020.

Council Conclusions
on Special Report No 15/2019 of the European Court of Auditors, entitled
‘Implementation of the 2014 staff reform package at the Commission -
Big savings but not without consequences for staff’

THE COUNCIL OF THE EUROPEAN UNION

1. WELCOMES Special Report No 15/2019 of the European Court of Auditors (hereinafter ‘the Court’), entitled ‘Implementation of the 2014 staff reform package at the Commission - Big savings but not without consequences for staff’ (hereinafter ‘the report’);
2. ACKNOWLEDGES that the report constitutes a useful basis for further reflection and analysis; TAKES NOTE of the views of a group of Member States that do not concur with its conclusions, in particular in relation to the assessment of the total overall amount of savings and negative consequences for Commission staff;
3. ACKNOWLEDGES the progressively improving gender balance across all grades in the Commission and CALLS FOR continued action in this regard across all EU institutions, bodies and agencies; TAKES NOTE of the Court’s assessment regarding an ageing workforce and RECOGNISES the need to develop effective and inclusive human resources policies and to monitor the effects of this evolution;

4. RECALLS that recruitment must be directed at securing for the institutions, bodies and agencies the services of officials of the highest standard of ability, efficiency and integrity, recruited on the broadest possible geographical basis from among nationals of Member States of the Union, and must be based on merit; UNDERLINES, in particular, that a balanced geographical representation within the EU public service is necessary for the EU to meet its goal of being close to all EU citizens, as well as to reflect the diversity of its Member States; NOTES that the Commission's method of degressive proportionality in assessing geographical imbalances ('guiding rates')¹ provided an appropriate basis for carrying out any further study but ACKNOWLEDGES that the Court had a wider scope in terms of function groups and range of grades;
5. RECALLS that the Staff Regulations required the Commission to provide reports to the Council and the European Parliament, which include:
- (a) a report assessing the functioning of the Staff Regulations, to be submitted by 31 December 2020, required by Article 113 of the Staff Regulations and Article 142a of the Conditions of Employment of Other Servants of the European Union;
 - (b) a report assessing whether, in particular, the evolution of the purchasing power of remuneration and pensions of Union officials is in accordance with the changes in the purchasing power of salaries in national civil services in central governments, to be submitted by 31 March 2022, required by Article 15 of Annex XI to the Staff Regulations;
 - (c) a report concerning the actuarial balance of the Pension Scheme for EU Officials and the budgetary implications of those actuarial rules, to be submitted in 2022, required by Article 14 of Annex XII to the Staff Regulations;

¹ Report from the Commission to the European Parliament and the Council pursuant to Article 27 of the Staff Regulations of Officials and to Article 12 of the Conditions of Employment of Other Servants of the European Union (Geographical balance), COM(2018)377 final.

- (d) a report on the pensionable age, examining, in particular, the evolution of pensionable age for staff in the civil services of the Member States and the evolution of life expectancy of officials of the institutions, to be issued every five years, required by Article 77(6) of the Staff Regulations;
 - (e) a report after a three-year period starting on 1 January 2014 on appropriate measures taken by the institutions in order to address significant imbalances between nationalities among officials not justified by objective criteria, required by Article 27 of the Staff Regulations;
 - (f) a yearly report on the use of contract staff, required by Article 79 of the Staff Regulations;
6. INVITES the Commission, in fulfilling those agreed reporting obligations in a timely manner, to conduct the necessary studies and complementary analysis, which should, inter alia:
- (i) extend the scope of the assessment of the functioning of the Staff Regulations beyond the Commission to all Union institutions, bodies and agencies;
 - (ii) address the fulfilment of the objective of achieving the 5% reduction of posts in establishment plans during the period 2013-2017 in all institutions, bodies and agencies², the importance of which was underlined by the Council in its conclusions on the budget guidelines for 2020³;
 - (iii) analyse the extent and budgetary implications of the increased use of contract staff;
 - (iv) analyse the extent and budgetary implications of the increased use of external outsourcing across the board;
 - (v) analyse the pension savings achieved in relation to evolving pension expenses, monitor the development of the effective retirement age and use up-to-date comparative data regarding Member States' pension systems⁴;

² European Court of Auditors' Rapid case review of 21 December 2017 on the implementation of 5% reduction of staff posts, <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=44567>

³ Council conclusions on the budget guidelines for 2020, para. 32.

⁴ E.g., data obtained by European Commission's Working Group on Article 83, OECD Pension Outlook 2018, Pensions at a Glance 2019: OECD and G20 Indicators.

- (vi) assess the overall attractiveness of the European civil service from both the perspective of current staff (turnover, job satisfaction) and the perspective of jobseekers;
- (vii) monitor the balance of geographical origin ('geographical balance') within the European civil service and take into consideration additional elements provided in the Court's report, such as the wider scope of function groups and grades;
- (viii) provide figures for the net savings realised from 2014 onwards, taking the above-mentioned factors into account.

7. CONSIDERS that it is important, in light of the Court's assessment of the reform's impact on Commission staff, to evaluate the effects and impact of the 2014 staff reform package and its consequences for staff before introducing any new changes, while taking any efficiency needs into consideration.
