



Committee on Budget, Finance and Administration

ACTUARIAL POSITION OF THE WTO PENSION PLAN

NOTE BY THE CHAIRMAN OF THE WTOPP MANAGEMENT BOARD

1 BACKGROUND

The WTO Pension Plan (WTOPP) is administered by a Management Board consisting of a Chairman elected by the General Council, four members and four alternates also elected by the General Council and four members and four alternates appointed by the Director General. The Management Board is responsible for the management and administration of the Plan with particular regard to its actuarial balance.

The Management Board undertakes a formal actuarial valuation of the Plan at least once every three years. The last formal actuarial valuation of the Pension Plan based on its situation at 31 December 2013 determined the existence of a modest but persistent funding imbalance. Pursuant to Article 9(d) of the Plan Regulations, the Management Board is required to recommend to the General Council (through the CBFA) any necessary corrective action. Such action may include an adjustment to contributions and/or benefits or any other measure which the Management Board deems appropriate to restore an actuarial balance.

By means of this document the Management Board recommends four measures to adjust benefits to address that deficit (hereafter referred to as the "actuarial measures"). The measures do not recommend any changes to the contributions.

To arrive at these recommendations the Management Board established an actuarial working group to assist the Board in evaluating options for appropriate actions. Consultations within the working group and with the full Board suggested (1) the Board intended to arrive at recommended actions to correct the actuarial imbalance relatively quickly; (2) priority would be given to actions that would not be considered to impact core benefits; and (3) that currently WTO Members would not be in a position to support an increase in the funding resources available for the Plan.

The actuarial working group met regularly during the course of 2014 and early 2015 and reported regularly to the Management Board. Subsequently a working group on governance consulted with the Plan's actuary and the WTO legal advisor to develop language to revise the Regulation of the Plan. In addition to the actuarial measures, the governance working group identified four additional recommended changes intended to bring greater administrative clarity to the Regulations. These changes do not have actuarial or financial impacts for the Plan.

The full package of actuarial and administrative revisions was endorsed by the Management Board at its meeting on 18 September 2015 and is now being presented to the CBFA for its review so that it can make recommendations to the General Council. It is the strong hope of the Management Board that these changes can be implemented with an effective date of 1 January 2016. This will require a decision of the General Council at its last meeting of 2015.

Table 1: Estimated required contribution rate and effect of the proposed actuarial measures

Measure	Contribution rate
Required contribution rate according to valuation at 31/12/2013	24.9%
Actuarial measure 1: maximum lump sum increased from 1/3 to 1/2	-0.3%
Actuarial measure 2: FAR is calculated over a period extended from 3 to 5 years	-0.3%
Actuarial measure 3: early retirement benefit-reduction raised from 3% to 6% (raised from 1% to 3% after 30 years of service)	-0.5%
Actuarial measure 4: cost-of-living indexation applied only to one-third of deferred benefit	-0.1%
Overall expected effect of the respective actuarial measures	-1.1%
Expected required contribution rate, after correction a	23.8%
Actual contribution rate	23.7%

- a The funding imbalance identified in the actuarial valuation at 31 December 2013 was actually 1.2%. When assessed individually, the effect of the four proposed actuarial measures added up to 1.2% but this reduction amounted to 1.1% in the overall actuarial assessment of their combined effect. The difference is considered acceptable as it is within the margin of error for these types of actuarial exercises. A new valuation will be completed at the end of 2016.

2 PROPOSALS

According to the assessment made by the Plan's consulting actuary summarized in table 1 above, these changes should restore the Plan's long-term balance by reducing the required long-term contribution rate by 1.1% with no budgetary impact on WTO members. The four actuarial measures are further described below, and presented together with the corresponding amendments to the Plan Regulations.

The Management Board also recommends four other revisions to the Plan's regulations for purposes that are not related to restoring the Plan's funding balance. These revisions (hereunder referred to as the "other revisions") are presented after the four actuarial measures, together with the corresponding amendments to the Plan's regulation.

The recommended changes are reflected in the proposed new regulations, attached as an annex to this report.

2.1 Actuarial measure 1: increase the maximum lump sum commutation

For all Plan participants, it is proposed to increase from 1/3 to 1/2 the maximum part of a retirement benefit which may be commuted into a lump sum. The expected savings from this measure is a 0.3% reduction in the required long-term contribution rate.

Current language	Proposed language
<p>Article 23 <i>Retirement benefit</i></p> <p>[...]</p> <p>(b) The benefit shall, subject to paragraph (c) below, be payable at the standard annual rate obtained by multiplying the first 30 years of contributory service by 2% of FAR and the years of contributory service in excess of 30, but not exceeding ten, by 1% of FAR.</p> <p>(c) The benefit may be commuted at the request of the participant into a lump sum not exceeding 1/3 of the actuarial equivalent of the benefit or the amount of the participant's own contributions, whichever is the larger.</p> <p>Article 24 <i>Early retirement benefit</i></p> <p>(b) The benefit shall be payable at the standard annual rate for a retirement benefit, [...]</p> <p>(c) The benefit may be commuted at the request of the participant into a lump sum on the conditions specified in Article 23.</p> <p>Article 25 <i>Deferred retirement benefit</i></p> <p>[...]</p> <p>(b) The benefit shall be payable at the standard annual rate [...]</p> <p>(c) The benefit may be commuted at the request of the participant into a lump sum equivalent to the participant's own contributions.</p>	<p>Article 23 <i>Retirement benefit</i></p> <p>[...]</p> <p>(b) The benefit shall, subject to any reduction resulting from the application of paragraph (c) below, be payable at the standard annual rate obtained by multiplying the first 30 years of contributory service by 2% of FAR and the years of contributory service in excess of 30, but not exceeding ten, by 1% of FAR.</p> <p>(c) The benefit may be commuted at the request of the participant into a lump sum not exceeding 1/2 of the actuarial equivalent of the benefit or the amount of the participant's own contributions, whichever is the larger.</p> <p>Article 24 <i>Early retirement benefit</i></p> <p>(b) the benefit shall, subject to any reduction resulting from the application of paragraph (d) below, be payable at the standard annual rate for a retirement benefit, [...]</p> <p>[...]</p> <p>(d) The benefit may be commuted at the request of the participant into a lump sum on the conditions specified in Article 23.</p> <p>Article 25 <i>Deferred retirement benefit</i></p> <p>[...]</p> <p>(b) The benefit shall, subject to any reduction resulting from the application of paragraph (c) below, be payable at the standard annual rate [...]</p> <p>(c) The benefit may be commuted at the request of the participant into a lump sum on the conditions specified in Article 23.</p>

2.2 Actuarial measure 2: extend the period over which the FAR is calculated

For future Plan participants, it is proposed to extend from three years to five years the period over which the final average remuneration (FAR) is calculated. The expected savings from this measure is a 0.3% reduction in the required long-term contribution rate.

Current language	Proposed language
<p>Article 2 Definitions</p> <p>[...]</p> <p>(i) "Final average remuneration" (FAR) shall mean the average annual pensionable remuneration of a participant during:</p> <p>(i) The thirty-six completed calendar months of highest pensionable remuneration within the last five years of the participant's contributory service; or</p> <p>(ii) If the participant's contributory service was less than five years, the thirty-six completed calendar months of highest pensionable remuneration within the actual period of such service; or</p> <p>(iii) If the participant's contributory service contained less than thirty-six completed calendar months, the actual number of such months within the participant's contributory service; or</p> <p>(iv) If the participant's contributory service contained no completed calendar month, the actual period of such service.</p>	<p>Article 2 Definitions</p> <p>[...]</p> <p>(i) "Final average remuneration" (FAR) shall mean the average annual pensionable remuneration of a participant during:</p> <p>For participants whose participation commenced before 1 January 2016:</p> <p>[unchanged]</p> <p>For participants whose participation commenced on or after 1 January 2016:</p> <p>(v) The sixty completed calendar months of highest pensionable remuneration within the last seven years of the participant's contributory service; or</p> <p>(vi) If the participant's contributory service was less than seven years, the sixty completed calendar months of highest pensionable remuneration within the actual period of such service; or</p> <p>(vii) If the participant's contributory service contained less than sixty completed calendar months, the actual number of such months within the participant's contributory service; or</p> <p>(viii) If the participant's contributory service contained no completed calendar month, the actual period of such service.</p>

2.3 Actuarial measure 3: raise the benefit-reduction for early retirement

At present, early retirement benefits are reduced by 3% per year before normal retirement age, and by 1% per year for staff who cumulated 30 years or more of contributory service. These reduction factors are not actuarially neutral. For future Plan participants, it is proposed to raise the early retirement reduction factor to 6% per year of early retirement, which would be actuarially neutral. After 30 years of contributory service, this factor would be reduced to 3%. The expected savings from this measure is a 0.5% reduction in the required long-term contribution rate.

Current language	Proposed language
<p data-bbox="188 273 523 331">Article 24 <i>Early retirement benefit</i></p> <p data-bbox="188 360 236 389">[...]</p> <p data-bbox="188 533 786 795">(b) The benefit shall be payable at the standard annual rate for a retirement benefit, reduced by 3% of such benefit for each year between the date the benefit becomes effective and the date corresponding to the participant's normal retirement age, except that, if the contributory service of the participant was 30 years or longer, the benefit shall be reduced by 1% per year.</p>	<p data-bbox="812 273 1141 331">Article 24 <i>Early retirement benefit</i></p> <p data-bbox="812 360 860 389">[...]</p> <p data-bbox="812 418 1406 506">(b) For participants whose participation commenced prior to 1 January 2016 [unchanged]</p> <p data-bbox="812 533 1406 844">(c) For participants whose participation commenced on or after 1 January 2016 the benefit shall [...] be payable at the standard annual rate for a retirement benefit, reduced by 6% of such benefit for each year between the date the benefit becomes effective and the date corresponding to the participant's normal retirement age, except that, if the contributory service of the participant was 30 years or longer, the benefit shall be reduced by 3% per year.</p>

2.4 Actuarial measure 4: apply cost-of-living indexation only to one-third of deferred benefit

For future Plan participants who would subsequently separate from WTO and opt for a deferred pension, it is proposed to reduce the scope of the cost-of-living indexation applied between the date of separation and that of the first benefit payment. The share of future entitlement subject to this indexation would be reduced from 100% to one third. The expected savings from this measure is a 0.1% reduction in the required long-term contribution rate.

Current language	Proposed language
<p>Article 32 <i>Cost-of-living adjustment of benefits</i></p> <p>[...]</p> <p>(h) For the adjustment of deferred retirement benefits, the reference date for the application of paragraphs (b) and (g), above, shall be the date of separation from service of the beneficiary.</p>	<p>Article 32 <i>Cost-of-living adjustment of benefits</i></p> <p>[...]</p> <p>(h) For the adjustment of deferred retirement benefits, the reference date for the application of paragraphs (b) and (g), above, shall be the date of separation from service of the beneficiary and the scope of adjustment under paragraphs (b) and (g) shall be made as follows:</p> <ul style="list-style-type: none"> • For the period from the date of separation to the date of commencement of payment of the benefit: • For participants whose contributory service began prior to 1 January 2016, the full deferred retirement benefit entitlement shall be adjusted in accordance with the provisions of paragraphs (b) and (g). • For participants whose contributory service began on or after 1 January 2016, 1/3 of the deferred retirement benefit entitlement shall be adjusted in accordance with the provisions of paragraphs (b) and (g). • For the period beginning on the date on which payment of the benefit commences, the full deferred retirement benefit shall be adjusted in accordance with the provisions of paragraphs (b) and (g).

2.5 Other revision 1: the Plan's administrative cost

Since the WTO established its Pension Plan in 1999, its Secretariat and the Management Board have been supported by WTO staff members within the Organization's premises. All other costs of administering the Plan are borne by the Plan. The external auditors have asked that this practice be clarified. The proposed revision is a codification of the long-established practice and implies no change in the financial obligations of Members toward the Plan.

Current language	Proposed language
<p>Article 5 <i>Administration of the Plan</i></p> <p>[...]</p> <p>(f) All expenses incurred in administering the plan, investing plan assets, employing the services of professional advisers and those incurred by the WTO in providing facilities for and in support of the Management Board shall be borne by the Plan. Each element shall be separately identified in the annual report.</p>	<p>Article 5 <i>Administration of the Plan</i></p> <p>[...]</p> <p>(f) With the exception of the costs incurred by the WTO in providing a Secretariat in support of the Plan, all expenses incurred in administering the Plan, investing Plan assets, and employing the services of professional advisers shall be borne by the Plan. Each element of the expenses borne by the Plan shall be separately identified in the annual report.</p>

2.6 Other revision 2: clarified calculation of child's benefits

Changes are proposed to article 30(d) in order to clarify that the specified amount of the child's benefit applies not only in case of death of the participant but also in cases where beneficiaries are alive, and to clarify the benefit that serves as a reference for calculation in case of death in service. The proposed language change is a codification of how the article has been applied in the past.

Current language	Proposed language
<p>Article 30 <i>Child's benefit</i></p> <p>[...]</p> <p>(d) Subject to paragraphs (e) and (f) below, the benefit shall be payable during the continuance of any periodic benefit resulting from retirement, early retirement or disability, or, in the event of death of the participant, at the annual rate of one third of the benefit which was or would have been payable to the participant, subject to a minimum of the amount corresponding to one half of that specified in Annex 2(b)(i) of the Staff Rules and a maximum of the amount corresponding to that specified in Annex 2(b)(i) of the Staff Rules, expressed in Swiss francs per annum.</p>	<p>Article 30 <i>Child's benefit</i></p> <p>[...]</p> <p>(d) The benefit shall, during the continuance of any periodic benefit resulting from retirement, early retirement, disability, or death in service, but subject to paragraphs (e) and (f) below, be payable at the annual rate of one third of the benefit payable to the participant or, if the participant died in service, one third of the retirement or disability benefit which would have been payable to the participant if the participant had become entitled thereto at the date of death, subject to a minimum of the amount corresponding to one half of that specified in Annex 2(b)(i) of the Staff Rules and a maximum of the amount corresponding to that specified in Annex 2(b)(i) of the Staff Rules, expressed in Swiss francs per annum.</p>

2.7 Other revision 3: change age when incapacity is deemed permanent

In the framework of disability pension benefits, a beneficiary's incapacity is deemed permanent (therefore no longer subject to medical review) when they reach age 55. It is proposed to change this age to the age when the beneficiary would become entitled to early retirement, which varies depending on when the beneficiary commenced their participation in the Plan.

Current language	Proposed language
<p>Article 28 <i>Disability benefits</i></p> <p>[...]</p> <p>(b) The total disability benefit shall commence on separation or, if earlier, on the expiration of the paid leave due to the participant and shall continue for as long as the participant remains fully incapacitated, provided that after age of 55 incapacity shall be deemed to be permanent.</p>	<p>Article 28 <i>Disability benefits</i></p> <p>[...]</p> <p>(b) The total disability benefit shall commence on separation or, if earlier, on the expiration of the paid leave due to the participant and shall continue for as long as the participant remains fully incapacitated. The incapacity shall be deemed to be permanent after the age when the beneficiary would have been entitled to early retirement as per the provisions of Article 24.</p>

2.8 Other revision 4: correction of a typographic error

Current language	Proposed language
Article 29 <i>Surviving spouses's benefit</i>	Article 29 <i>Surviving spouse's benefit</i>

3 RECOMMENDATIONS

The Management Board recommends that the CBFA endorse the proposed revisions to the Regulations of the WTO Pension Plan as described in this document and as embodied in the Annex.

The Management Board further recommends that each of the above recommendations enter into force on 1 January 2016.

ANNEX**REGULATIONS OF THE WTO PENSION PLAN****SECTION I
GENERAL PROVISIONS****Article 1*****Scope and purpose of the Plan***

The Pension Plan of the World Trade Organization (hereinafter called the "Plan") shall provide retirement, death, disability and related benefits for the staff of the World Trade Organization (hereinafter called the "WTO").

Article 2***Definitions***

In these *Regulations*:

- (a) "*Actuarial equivalent*" and "*equivalent actuarial value*" shall mean the equivalent determined according to the actuarial tables adopted by the Management Board under Article 8.
- (b) "*Administrative Rules*" shall mean the rules adopted by the Management Board under Article 5.
- (c) "*Beneficiary*" shall mean a person entitled to receive, or in receipt of, a benefit under these Regulations.
- (d) "*Benefit*" shall include a withdrawal settlement under Article 26, and a residual settlement under Article 33.
- (e) "*Child*" shall mean a child existing on the date of separation or death in service of a participant and shall include the step-child or adopted child of a participant, and a child *in utero* upon its birth; in the event of uncertainty as to whether adoption has taken place, the matter shall be decided by the Management Board.
- (f) "*Commute*" shall mean cause to be converted and paid in a lump sum part or the whole of a benefit otherwise payable at periodic intervals, according to the actuarial tables of the Plan.
- (g) "*Dependent*" shall mean dependent according to the criteria set forth in *Staff Rule* 106.13.
- (h) "*External auditors*" shall mean the External Auditors of the WTO.
- (i) "*Final average remuneration*" (FAR) shall mean the average annual pensionable remuneration of a participant during:

For participants whose participation commenced before 1 January 2016:

- (i) The thirty-six completed calendar months of highest pensionable remuneration within the last five years of the participant's contributory service; or
- (ii) If the participant's contributory service was less than five years, the thirty-six completed calendar months of highest pensionable remuneration within the actual period of such service; or
- (iii) If the participant's contributory service contained less than thirty-six completed calendar months, the actual number of such months within the participant's contributory service; or
- (iv) If the participant's contributory service contained no completed calendar month, the actual period of such service.

For participants whose participation commenced on or after 1 January 2016:

- (v) The 60 completed calendar months of highest pensionable remuneration within the last seven years of the participant's contributory service; or
 - (vi) If the participant's contributory service was less than seven years, the sixty completed calendar months of highest pensionable remuneration within the actual period of such service; or
 - (vii) If the participant's contributory service contained less than sixty completed calendar months, the actual number of such months within the participant's contributory service; or
 - (viii) If the participant's contributory service contained no completed calendar month, the actual period of such service.
- (j) "*Interest*" shall mean interest compounded annually at the rates specified in Article 8.
 - (k) "*Management Board*" shall mean the Management Board specified in Article 4.
 - (l) "*Normal retirement age*" shall mean age 65, except that it shall mean age 62 for a participant whose participation commenced before 1 January 2010 and age 60 for a participant whose participation commenced before 1 January 1990.
 - (m) "*Own contributions*" shall mean the contributions, not exceeding the percentage of the participant's pensionable remuneration specified in Article 20(a), made to the Plan by or on behalf of a participant in respect of contributory service under Article 16, with interest.
 - (n) "*Participant*" shall mean a member of the WTO staff who is participating in the Plan in accordance with the terms of Article 15.
 - (o) "*Part-time*" shall mean employment under conditions requiring work during at least half the normal weekly working hours prescribed under *Staff Rule 106.1(a)*.
 - (p) "*Pensionable remuneration*" shall mean the remuneration defined in Article 19.
 - (q) "*Restoration*" shall mean the inclusion in contributory service of the prior contributory service of a former participant who again becomes a participant.
 - (r) "*Secondary dependant*" shall mean the mother or father, or an unmarried brother or sister under the age of twenty-one, who was dependent on the participant at the date of the participant's death if the participant died in service, or from the date of the participant's separation to the date of death if the participant died after separation.
 - (s) "*Director-General*" shall mean the Director-General of the WTO.
 - (t) "*Separation*" shall mean ceasing to be in the service of the WTO.
 - (u) "*Service*" shall mean employment as a full-time or part-time member of the staff of the WTO.
 - (v) "*Validation*" shall mean the inclusion in contributory service of a period of non-contributory service which occurred prior to the commencement of participation.

Article 3 ***Interpretation***

The Management Board shall, to the extent required to give effect thereto, interpret these *Regulations*.

**SECTION 2
ADMINISTRATION****Article 4*****Management Board***

- (a) The Management Board shall consist of a chairman elected by the General Council, four members and four alternates elected by the General Council, and four members and four alternates appointed by the Director-General, of whom two members and two alternates shall be selected by the Director-General from a list drawn up by the participants. In addition, the beneficiaries may designate an observer.
- (b) The Chairman and the elected and appointed members and alternates shall hold office for a term of three years or until the election or appointment of their successors and they shall be eligible for re-election or re-appointment. In the event that the Chairman or a member or alternate ceases, during their term, to hold office, another member or alternate may be elected or appointed to hold office during the remainder of the term.
- (c) Decisions of the Management Board shall normally be taken by consensus and otherwise by simple majority.

Article 5***Administration of the Plan***

- (a) The Management Board shall be responsible for the management and administration of the Plan, with particular regard to its actuarial balance.
- (b) The management and administration of the Plan shall be in accordance with these Regulations and with Administrative Rules consistent therewith, which shall be adopted by the Management Board and approved by the General Council.
- (c) The duties and authority of the Management Board as well as rules for the auditing of accounts shall be laid down in rules of procedure which shall be approved by the General Council.
- (d) The Management Board shall present a report each year to the General Council and to the participants, giving in particular:
 - (i) an account of the financial transactions during the year,
 - (ii) the balance sheet of the Plan,
 - (iii) a summary of changes in Plan membership and of benefits awarded during the year,
 - (iv) a statement of the investment principles being followed by the Management Board,
 - (v) a summary of the investment performance of the Plan during the year, and a description of the assets held at the end of the year,
 - (vi) any other decisions taken in connection with the administration of the Plan.
- (e) An audit of the accounts of the Plan shall be made annually by the External Auditors, in a manner agreed between the External Auditors and the Management Board; a copy of the audit report shall be included in the report under paragraph (d) above.
- (f) With the exception of the costs incurred by the WTO in providing a Secretariat in support of the Plan, all expenses incurred in administering the Plan, investing Plan assets, and employing the services of professional advisers shall be borne by the Plan. Each element of the expenses borne by the Plan shall be separately identified in the annual report.

Article 6
Secretariat

The Director-General shall appoint a secretary upon a recommendation from the Management Board. The appointment of the Secretary shall be subject to regular review by the Management Board. The Secretary, acting under the authority of the Management Board, shall be qualified to apply these *Regulations*, carry out the decisions of the Management Board and deal with current business in accordance with the directives of the Management Board. The Secretary, or the officer empowered to act in the absence of the Secretary, shall certify for payment all benefits properly payable under these *Regulations*.

Article 7
Consulting actuary and other advisers

The Director-General shall appoint a consulting actuary to the Management Board upon recommendation of the Board for the purpose of providing actuarial services to the Plan. Such other advisers as the Management Board considers appropriate and necessary shall be appointed by the Director-General upon the recommendation of the Board.

Article 8
Adoption of actuarial bases

- (a) The Management Board shall, on the advice of the consulting actuary, adopt, and revise when appropriate, service, mortality and other tables and shall decide upon the rates of interest to be used in the periodic actuarial valuation of the Plan and for other actuarial calculations.
- (b) At least once in every three years the Management Board shall have an actuarial investigation made into the service, mortality and benefit experience of the participants and beneficiaries of the Plan and shall determine whether the actuarial bases of the Plan should be modified.
- (c) Without prejudice to paragraph (a) above, the rate of interest to be used in all calculations required in connection with these *Regulations* shall be 4%.

Article 9
Actuarial valuation of the Plan

- (a) The Management Board shall have an actuarial valuation made of the Plan at least once every three years by the consulting actuary.
- (b) The report on the actuarial valuation shall explain the assumptions on which the calculations are based, describe the method of valuation used, and state the results and conclusions.
- (c) The Management Board shall, in the light of the report of the consulting actuary, recommend such action as it deems desirable to the General Council through the Committee on Budget, Finance and Administration, which shall both be provided with copies of the report. In making its recommendations, the Management Board shall provide a best estimate of the possible implications for the funding of benefits of maintaining contributions at the existing level, and for the funding of contributions of maintaining benefits at the existing level.
- (d) In the particular case of an actuarial deficit or surplus, the Management Board shall recommend to the General Council any necessary corrective action. Such action may include an adjustment to contributions and/or benefits or any other measure which the Management Board deems appropriate to restore an actuarial balance.

Article 10***Transfer of pension rights***

The Management Board may, subject to the concurrence of the General Council, approve agreements with Member Governments and with intergovernmental organizations, with a view to securing continuity of pension rights for participants in the Plan.

**SECTION 3
ASSETS AND INVESTMENT****Article 11*****Assets of the Plan***

The assets of the Plan shall be derived from:

- (a) the contributions of the participants,
- (b) the contributions of the WTO,
- (c) the yield from the investments of the Plan, and
- (d) receipts from any other source.

Article 12***Property in the assets***

- (a) The assets shall be the property of the Plan and shall be acquired, deposited and held, separately from the assets of the WTO, on behalf of the participants and beneficiaries of the Plan. The assets shall be used totally and exclusively for the purposes of these *Regulations*.
- (b) All monies forming part of the Plan which are not immediately required to be expended for the purposes of the Plan shall be invested by the Management Board in the name of the Plan. Monies shall be invested in:
 - (i) stocks, shares, debentures, annuities or other policies of assurance or any other generally recognized investments, including any interests in property;
 - (ii) any instrument intended to remove or reduce the adverse effect upon Plan investments of fluctuations in the relative values of the Swiss franc and other currencies in which such investments are held;
 - (iii) any instrument intended to remove or reduce the adverse effect upon Plan investments of fluctuations in the relative values of these investments and some other class of investment.

Article 13***Investment of the assets***

- (a) The Management Board shall determine the investment policy after taking professional advice and shall appoint investment managers to implement that policy.
- (b) The Management Board shall arrange for the maintenance at all times of detailed accounts of all investments held, contributions received, benefits paid, income received on investments and all other transactions of the Plan. The accounts must be sufficient to meet all the requirements of Article 5.

Article 14***Currency***

- (a) Contributions, sums payable for restoration and validation, and benefits under these Regulations shall be calculated in Swiss francs. The accounts shall be kept in that currency.
- (b) Benefits may, however, be paid in any currency selected by the beneficiary at the rate of exchange for the Swiss franc applicable for the purposes of the Plan on the date of payment, except that the beneficiary may not amend the choice of currency more than once every six months.

SECTION 4
PARTICIPATION, CONTRIBUTORY SERVICE AND CONTRIBUTIONS

Article 15
Participation

- (a) Every member of the staff of the WTO shall become a participant in the Plan:
- (i) upon taking up a contract for six months or longer, or
 - (ii) upon completing six months of service without an interruption of more than 30 days,
- whichever is the earlier, provided that participation is not expressly excluded by the terms of the contract.
- (b) Participation shall cease when a benefit becomes payable in respect of a participant, except that participation shall not be deemed to have ceased where a participant resumes contributory service within 12 months after separation without a benefit having been paid to that participant.

Article 16
Contributory Service

- (a) Contributory service shall accrue to a participant from the date of commencement to the date of cessation of participation.
- (b) Contributory service may accrue in respect of special leave without pay if contributions are received by the Plan in accordance with Article 20(c).
- (c) Additional contributory service may accrue to a participant if prior service is validated or restored in accordance with Article 17 or 18.

Article 17
Validation of non-contributory service

- (a) Participants may elect, within one year of the commencement of their participation, to validate prior service during which they were not eligible under these *Regulations* for participation in the Plan, provided that:
- (i) such prior service was with the WTO,
 - (ii) participation succeeded the ending of such service within two years,
 - (iii) the service was the most recent prior to their participation and had not been interrupted by a break of more than one year,
 - (iv) participation had not, during such service, been expressly excluded by the terms of the contract, and
 - (v) the totality of the period open to validation is elected.
- (b) A beneficiary of the participant under these *Regulations*, other than the recipient of a residual settlement, may, if the participant has died before the expiry of the period within which election may be made, make the election on behalf of the participant within such period.
- (c) Validation shall be subject to receipt by the Plan of contributions in accordance with Article 20(d).

Article 18***Restoration of prior contributory service***

- (a) A former participant to whom a benefit under these *Regulations*, other than a disability benefit, has been or is being paid and who again becomes a participant, may, within one year of the recommencement of participation, elect to restore the prior contributory service. The election may apply only to the totality of such service.
- (b) The prior contributory service of a former participant to whom a benefit under these Regulations is due but has not been paid, or to whom a disability benefit has been or is being paid, and who again becomes a participant, shall be restored.
- (c) A beneficiary of a participant under these Regulations, other than the recipient of a residual settlement, may, if the participant has died before the expiry of the period within which the election may be made, make the election on behalf of the participant within such period.
- (d) Restoration shall be subject to receipt by the Plan of contributions in accordance with Article 20(e).

Article 19***Pensionable remuneration***

The pensionable remuneration shall be as set out in Annex 1 of the *Staff Rules* which is reproduced in Annex 1 of the present *Regulations*.

Article 20***Contributions***

- (a) Each participant shall pay a contribution deducted from the monthly salary and transferred directly to the Plan. For periods of contributory service prior to 1 January 2010, the contribution of the participant and of the WTO shall correspond to 7.5% and 15% of pensionable remuneration, respectively. For periods of contributory service as from 1 January 2010, the contribution of the participant and of the WTO shall correspond to 7.9% and 15.8% of pensionable remuneration, respectively.
- (b) The contributions prescribed in paragraph (a) above shall be paid concurrently with the accrual of contributory service under Article 16.
- (c) Contributions for the purpose of Article 16(b), in respect of special leave without pay, shall be payable concurrently with such leave, by the participant in full, or, in exceptional cases, by the WTO in full, or in part by the participant and in part by the WTO.
- (d) Contributions for the purpose of validation under Article 17 shall be payable, with interest, by the participant and by the WTO in the amounts which would have been payable respectively by each, had service during the period been contributory.
- (e) Contributions for the purpose of restoration under Article 18 shall consist of the benefit, other than the disability benefit, received by the participant in respect of the participant's previous participation, together with interest from the date of payment of the benefit.
- (f) In any case in which a period of contributory service accrues, or is deemed to accrue, to a participant otherwise than in accordance with Article 16, contributions shall be payable to the Plan, with interest, by the participant in the amount which would have been payable had service during such period been contributory, and by the WTO in an amount sufficient to meet any additional obligations to be borne by the Plan resulting therefrom.

Article 21***Guarantee of benefits***

In the event of dissolution of the WTO, the General Council shall take the necessary steps to guarantee the benefits acquired under these *Regulations* by participants and beneficiaries at the date of dissolution.

**SECTION 5
BENEFITS****Article 22*****Entitlement to benefits***

- (a) A participant who is not eligible for a retirement benefit under Article 23 or a disability benefit under Article 28 may elect on separation to receive either an early retirement benefit, or a deferred retirement benefit or a withdrawal settlement if the participant satisfies the conditions of Article 24, 25 or 26, respectively.
- (b) Retirement, early retirement and deferred retirement benefits shall be payable at periodic intervals for life.

Article 23***Retirement benefit***

- (a) A retirement benefit shall be payable to a participant whose age on separation is the normal retirement age or more and whose contributory service was five years or longer.
- (b) The benefit shall, subject to any reduction resulting from the application of paragraph (c) below, be payable at the standard annual rate obtained by multiplying the first 30 years of contributory service by 2% of FAR and the years of contributory service in excess of 30, but not exceeding ten, by 1% of FAR.
- (c) The benefit may be commuted at the request of the participant into a lump sum not exceeding 1/2 of the actuarial equivalent of the benefit or the amount of the participant's own contributions, whichever is the larger.

Article 24***Early retirement benefit***

- (a) An early retirement benefit shall be payable to a participant whose contributory service was five years or longer, provided that the period remaining between the effective date of retirement and the date corresponding to the participant's normal retirement age shall not exceed five years.
- (b) For participants whose participation commenced prior to 1 January 2016, the benefit shall, subject to any reduction resulting from the application of paragraph (d) below, be payable at the standard annual rate for a retirement benefit, reduced by 3% of such benefit for each year between the date the benefit becomes effective and the date corresponding to the participant's normal retirement age, except that, if the contributory service of the participant was 30 years or longer, the benefit shall be reduced by 1% per year.
- (c) For participants whose participation commenced on or after 1 January 2016, the benefit shall, subject to any reduction resulting from the application of paragraph (d) below, be payable at the standard annual rate for a retirement benefit, reduced by 6% of such benefit for each year between the date the benefit becomes effective and the date corresponding to the participant's normal retirement age, except that, if the contributory service of the participant was 30 years or longer, the benefit shall be reduced by 3% per year.
- (d) The benefit may be commuted at the request of the participant into a lump sum on the conditions specified in Article 23.

Article 25***Deferred retirement benefit***

- (a) A deferred retirement benefit shall be payable to a participant whose age on separation is less than the normal retirement age and whose contributory service was five years or longer.

- (b) The benefit shall, subject to any reduction resulting from the application of paragraph (c) below, be payable at the standard annual rate for a retirement benefit and shall commence at the normal retirement age, or, if the participant so elects, at any age not less than 55, provided that in such event it shall be reduced in the same manner and under the same conditions as specified in Article 24.
- (c) The benefit may be commuted at the request of the participant into a lump sum on the conditions specified in Article 23.

Article 26***Withdrawal settlement***

- (a) A withdrawal settlement shall be payable to a participant whose age on separation is less than the normal retirement age, or if the participant is at the normal retirement age or more on separation but is not entitled to a retirement benefit.
- (b) The settlement shall consist of 10% of FAR for each of the first 20 years of service.

Article 27***Deferment of payment or choice of benefit***

- (a) The payment to a participant of a withdrawal settlement, or the exercise by a participant of a choice between one benefit and another, or between a form of benefit involving payment in a lump sum and another form, may be deferred at the request of the participant at the time of separation for a period of 12 months.
- (b) A participant who has deferred a choice under paragraph (a) above shall, if the choice is not made within the specified period, be deemed to have chosen a deferred retirement benefit if the participant's age on separation was less than the normal retirement age, and in any event a form of benefit payable otherwise than in a lump sum.

Article 28***Disability benefits***

- (a) A total disability benefit shall, subject to Article 34, be payable to a participant who is found by the Management Board to be fully incapacitated for further service reasonably compatible with the participant's abilities, due to injury or illness constituting an impairment to health which is likely to be permanent or of long duration.
- (b) The total disability benefit shall commence on separation or, if earlier, on the expiration of the paid leave due to the participant and shall continue for as long as the participant remains fully incapacitated. The incapacity shall be deemed to be permanent after the age when the beneficiary would have been entitled to early retirement as per the provisions of Article 24.
- (c) The total disability benefit shall, if the age of the participant on entitlement is the normal retirement age or more, be payable at the standard annual rate for a retirement benefit. If the age of the participant is less than the normal retirement age, the benefit shall be payable at the rate of the retirement benefit which would have been payable had the participant remained in service until the normal retirement age and had the participant's FAR remained unchanged.
- (d) A partial disability benefit shall, subject to Article 34, be payable to a participant who is found by the Management Board to be partially incapacitated due to injury or illness constituting an impairment to health and who, as a consequence of that incapacity, is assigned to other duties at a reduced salary.
- (e) The partial disability benefit shall be payable at the rate of the retirement benefit which would be payable if the participant remained in service until the normal retirement age and if the participant's FAR were equal to the difference between the participant's FAR before and after the assignment to duties at a reduced salary.

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- (f) A benefit which is discontinued shall, if a participant who has been separated does not upon such discontinuance again become a participant, be converted to a deferred retirement benefit if the participant would have been so eligible at the date of separation. Otherwise, a single payment shall be made of the balance between the value of the withdrawal settlement under Article 26 and the value of payments received under this Article.
- (g) The Management Board shall prescribe the extent to which and the circumstances in which a disability benefit shall be reduced or when it shall be terminated as the beneficiary's degree of incapacity changes, when the beneficiary is in paid employment or in such other circumstances as the Management Board deems appropriate.

Article 29***Surviving spouse's benefit***

- (a) A benefit shall be payable to the surviving spouse of a participant who died in service or who was entitled to a retirement, early retirement, deferred retirement or disability benefit at the date of death, if the spouse was married to the participant at the date of death in service or, if the staff member were separated prior to death, the spouse was married to the participant at the date of separation and remained married to the participant until death.
- (b) The benefit shall, if the participant died in service or during entitlement to a retirement, early retirement or disability benefit, be payable at the standard annual rate of 60% of the retirement or disability benefit which would have been payable to the participant at the date of death, or of 60% of the retirement, early retirement or disability benefit including such part thereof as may have been commuted, as the case may be.
- (c) The benefit shall, if the participant died after the commencement of a deferred retirement benefit, be payable at the rate of 60% of the annual rate of such benefit and, if the participant died before its commencement, at the rate of 60% of the actuarial equivalent at the date of death of the annual rate of the benefit at the normal retirement age.
- (d) The benefit shall be payable at periodic intervals for life or until remarriage, provided that a benefit payable at an annual rate of less than 2000 Swiss francs may be commuted by the surviving spouse into a lump sum which is the actuarial equivalent of the benefit at the standard annual rate under paragraph (c) above, as the case may be.
- (e) The benefit shall, where there is more than one surviving spouse, be divided equally between the spouses, and upon the death or remarriage of each such spouse shall be equally divided among the remainder.
- (f) A lump sum in the amount of twice the annual rate of the benefit shall, unless paragraph (e) applies, be payable to a surviving spouse upon remarriage.

Article 30***Child's benefit***

- (a) A child's benefit shall, subject to paragraphs (b) and (c) below, be payable to each child of a participant who is entitled to a retirement, early retirement or disability benefit or who has died in service, while the child remains unmarried and under the age of 21.
- (b) A benefit shall be payable to a child who is over the age of 21 if the child is found by the Management Board to have been incapacitated by illness or injury for substantial gainful employment:
- (i) on reaching the age of 21, if immediately prior thereto a child's benefit was payable, or
 - (ii) at the time of death in service or entitlement to a benefit of the participant.

A benefit payable as above shall continue for as long as the child remains incapacitated.

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- (c) A benefit shall, notwithstanding paragraphs (a) and (b) above, not become payable, if the participant has chosen an early retirement benefit, until the participant dies or reaches the normal retirement age, except to a child under the age of 21, found by the Management Board to be disabled.
- (d) The benefit shall, during the continuance of any periodic benefit resulting from retirement, early retirement, disability, or death in service, but subject to paragraphs (e) and (f) below, be payable at the annual rate of one third of the benefit payable to the participant or, if the participant died in service, one third of the retirement or disability benefit which would have been payable to the participant if the participant had become entitled thereto at the date of death, subject to a minimum of the amount corresponding to one half of that specified in Annex 2(b)(i) of the *Staff Rules* and a maximum of the amount corresponding to that specified in Annex 2(b)(i) of the *Staff Rules*, expressed in Swiss francs per annum.
- (e) If no other periodic benefit is payable and there is no surviving parent able, in the opinion of the Management Board, to support the child or if the other periodic benefit payable is to a surviving spouse who is not a natural or adoptive parent and does not have custody of the child, and subject to paragraph (f) below, the benefit shall be payable at the rate in paragraph (d) above, increased by:
- (i) 25% of the retirement, early retirement or disability benefit from which it is derived, if one child's benefit is payable, and
 - (ii) 50% of the retirement, early retirement or disability benefit from which it is derived, and divided by the number of eligible children, if more than one such benefit is payable.
- (f) The total benefits payable under paragraphs (d) and (e) above, added to any retirement, early retirement, disability or surviving spouse's benefit shall not exceed the FAR of the participant at the time of separation from service.
- (g) Benefits payable under this Article shall be recalculated as may be required to achieve the purposes of paragraphs (e) and (f) above.
- (h) The benefit shall be reduced by the amount of any benefit received from any public authority by the beneficiary in respect of the same child. In no case shall the sum of the two payments be less than the rate set out in Annex 2 of the *Staff Rules*.

Article 31

Secondary dependant's benefit

- (a) A secondary dependant's benefit shall, subject to paragraph (b) below, be payable to the surviving secondary dependant of a participant who was entitled to a retirement, early retirement, deferred retirement or disability benefit at the date of death, or who died in service.
- (b) A benefit shall nevertheless not be payable:
- (i) where a benefit is or was payable to a child or to the surviving spouse of the participant; and
 - (ii) in the case of a brother or sister, where the benefit payable to the participant was a deferred retirement benefit.
- (c) The benefit shall be payable at the following rates:
- (i) in the case of a mother or father, at the rates and under the conditions applicable in Article 29, save that the Management Board may, in the event of remarriage, decide in its discretion to continue the benefit;
 - (ii) in the case of a brother or sister, at the rate applicable in Article 30.

(d) The benefit shall be payable to the person designated by the participant or, in the absence of such designation or person, to the person designated by the Management Board.

Article 32

Cost-of-living adjustment of benefits

- (a) The system of cost-of-living adjustment of benefits provided for in paragraphs (b) – (j), below, is intended to ensure the maintenance of purchasing power of periodic benefits, in the currency in which those benefits are paid. The system of adjustment shall apply to retirement, early retirement, deferred retirement, disability, surviving spouse's, child's and secondary dependant's periodic benefits. It shall not apply to withdrawal or other lump-sum payments.
- (b) In the case of benefits paid in Swiss francs, the benefit shall be adjusted on 1 January of each year according to the annual movement of the Swiss consumer price index.
- (c) Where, in accordance with Article 14, the beneficiary selects a currency other than the Swiss franc, the benefit will continue to be adjusted in the manner described in paragraph (b), above.
- (d) Alternatively, a beneficiary may opt to submit proof of residence in a country other than Switzerland and request payment of the benefit in local currency in accordance with the procedure described below.
- (e) If satisfactory proof of residence is provided within six months from the date of initial entitlement, the local currency amount shall be computed from that date, with retroactive adjustment if it results in a greater benefit. Otherwise, the local currency amount shall be computed as of the first day of the quarter following acceptance of proof of residence.
- (f) Subject to paragraphs (d) and (e), above, the local currency amount of the benefit shall be calculated by applying to the Swiss franc benefit the average, computed over the 36 consecutive calendar months up to and including the month of separation, of the exchange rates between the Swiss franc and the currency of the country of residence.
- (g) The local currency amount of the benefit calculated in accordance with paragraphs (d), (e) and (f), above, shall be adjusted for the first time on the 1 January following the date of the first payment, according to the annual movement of the official consumer price index for the country concerned.
- (h) For the adjustment of deferred retirement benefits, the reference date for the application of paragraphs (b) and (g), above, shall be the date of separation from service of the beneficiary and the scope of adjustment under paragraphs (b) and (g) shall be made as follows:
- For the period from the date of separation to the date of commencement of payment of the benefit:
 - For participants whose contributory service began prior to 1 January 2016, the full deferred retirement benefit entitlement shall be adjusted in accordance with the provisions of paragraphs (b) and (g).
 - For participants whose contributory service began on or after 1 January 2016, 1/3 of the deferred retirement benefit entitlement shall be adjusted in accordance with the provisions of paragraphs (b) and (g).
 - For the period beginning on the date on which payment of the benefit commences, the full deferred retirement benefit shall be adjusted in accordance with the provisions of paragraphs (b) and (g).
- (i) Where the cost of living in the country of residence is more than 10% higher or lower than in Switzerland, an initial cost-of-living differential factor shall be applied to the local currency amount of the benefit calculated in accordance with paragraphs (d), (e) and (f) above.
- (j) In exceptional cases, such as hardship, and with the prior approval of the Management Board, a beneficiary in receipt of a benefit calculated in local currency in accordance with paragraphs (d)-(i) above, may revert to payment of the benefit in accordance with paragraphs (b) and (c), above.

Article 33***Residual settlement***

- (a) A residual settlement shall be payable if, upon the death of a participant and the exhaustion, as the case may be, of any entitlements due under these *Regulations* to the survivors, the total amount of the benefits paid to, and on the account of, the participant is less than the participant's own contributions.
- (b) The settlement shall be payable to a beneficiary designated by the participant and alive when the payment is due; failing such beneficiary, the settlement shall be paid to the estate of the participant.
- (c) The settlement shall consist of the participant's own contributions at the date of separation or death in service, reduced by the total amount of the benefits paid to, and on the account of, the participant.

Article 34***Limitation of entitlements during special leave without pay***

- (a) Entitlement to a disability benefit, or to a benefit payable in case of death, during a period of special leave without pay granted for the performance of military service, shall instead be to a withdrawal settlement calculated as of the day immediately preceding the commencement of such leave, in accordance with Article 26.
- (b) In the event that a participant becomes entitled to a retirement, early retirement or deferred retirement benefit on separation during a period of special leave without pay, a widow's, widower's, child's or secondary dependant's benefit shall not be payable unless entitlement thereto would have existed had the participant died on the day immediately preceding the commencement of such leave.

Article 35***Effect of re-entry into participation***

- (a) If a former participant who is entitled to a retirement, early retirement or deferred retirement benefit under these Regulations again becomes a participant, entitlement to such benefit or to a benefit derived therefrom shall be suspended and no payment shall be made until such participant dies or is again separated.
- (b) Such a participant who is again separated after at least five years of additional contributory service shall also be entitled, at the time of such subsequent separation, in respect of such service and subject to paragraph (d) below, to a retirement, early retirement or deferred retirement benefit, or a withdrawal settlement as the case may be.
- (c) Such a participant, who is again separated after less than five years of additional contributory service, shall, in respect of such service, become entitled to:
 - (i) a withdrawal settlement under Article 26; or
 - (ii) subject to paragraph (d) below, a retirement, early retirement or deferred retirement benefit, as the case may be, based on the length of such additional contributory service; provided, however, that such benefit may not be commuted into a lump sum, in whole or in part, and shall not be subject to any minimum provisions.
- (d) Payment of benefits under paragraph (b) or (c)(ii) above shall commence on the date of the resumption or commencement, as the case may be, of payment of benefits suspended under paragraph (a) above. In no event shall the total benefits payable to or on account of a former participant in respect of separate periods of contributory service exceed the benefits which would have been payable had participation in the Plan been continuous.

**SECTION 6
GENERAL PROVISIONS****Article 36*****Medical examination***

Every participant in the Plan shall be required to undergo a medical examination in accordance with the standards prescribed by the Management Board, unless the Management Board accepts the findings of an earlier medical examination.

Article 37***Information from participants and beneficiaries***

- (a) A participant or beneficiary may be required to supply information, and to furnish documentary or other proof thereof, in respect of any matter on which information or proof is required by the Management Board for the purposes of these *Regulations*.
- (b) Failure to supply such information or proof, or the omission or misrepresentation of any material fact therein, shall enable the Management Board to redetermine the entitlements of the participant or beneficiary under these *Regulations*, provided that entitlement to participation or to a benefit shall not be less favourable than if the information or proof had been supplied or truly represented.

Article 38***Recovery of indebtedness to the Plan***

The Management Board may deduct from any benefit payable under these *Regulations* to a participant, or on the participant's account, the amount of any indebtedness to the Plan by the participant or by any beneficiary or third person to whom payment has been made otherwise than in accordance with these *Regulations*.

Article 39***Interest on unpaid benefits***

The Plan shall not be liable for interest on any due but unpaid benefits, except where it is ascertained that the non-payment is attributable to a failure by the Plan to meet its obligations with respect to participants or beneficiaries.

Article 40***Non-assignment of rights***

Participants or beneficiaries may not assign their rights under these *Regulations*.

Article 41***Forfeiture of benefits***

- (a) The right to a withdrawal settlement or residual settlement shall be forfeit if for two years after payment has been due the beneficiary has failed to submit payment instructions or has failed or refused to accept payment.
- (b) The right to a retirement, early retirement, deferred retirement or disability benefit shall be forfeit if for five years after the first payment has been due the beneficiary has failed to submit payment instructions or has failed or refused to accept payment.
- (c) The right to continued periodic payments of a retirement, early retirement, deferred retirement or disability benefit shall be forfeit if for two years after a periodic payment has been due the beneficiary has failed to submit payment instructions or has failed or refused to accept payment.
- (d) The right to a benefit shall nevertheless not be forfeit under paragraphs (a), (b) or (c) above if its exercise has been prevented by circumstances beyond the control of the beneficiary.
- (e) The Management Board may, if in its opinion there are circumstances which so warrant, restore the right to any benefit which has been forfeited.

Article 42***Jurisdiction of the ILO Administrative Tribunal***

- (a) Applications alleging non-observance of these *Regulations* arising out of decisions of the Management Board may be submitted directly to the ILO Administrative Tribunal by:
 - (i) any member of the staff who is eligible under Article 15 of these *Regulations* as a participant in the Plan, even after employment has ceased, and any person who has succeeded to the rights upon the death of such member of the staff;
 - (ii) any other persons who can show that they are entitled to rights under these *Regulations* by virtue of the participation in the Plan of a member of the staff.
- (b) In the event of a dispute as to whether the Tribunal has competence, the matter shall be settled by a decision of the Tribunal.
- (c) The decision of the Tribunal shall be final and without appeal.
- (d) The time-limits prescribed in Article 7 of the Statute of the Tribunal are reckoned from the date of the communication of the contested decision of the Management Board.

**SECTION 7
AMENDMENT AND ENTRY INTO FORCE**

Article 43***Amendment***

- (a) The Management Board may recommend amendments to these *Regulations* to the General Council, which may amend these *Regulations* after consultation with the Management Board.
- (b) The *Regulations* so amended shall enter into force as from the date specified by the General Council but without prejudice to rights to benefits acquired through contributory service prior to that date. The amended *Regulations* shall apply to all rights acquired after the date of the amendment, including those of serving staff.

Article 44***Entry into force***

These *Regulations* shall enter into force with effect from 1 January 1999.

**SECTION 8
TRANSITIONAL PROVISIONS**

Article 45***Transitional provisions***

- (a) Members of the staff transferring from the United Nations Joint Staff Pension Fund (UNJSPF) to the Plan on 1 January 1999 shall not be required to undergo the medical examination provided for under Article 36.
- (b) Members of the staff transferring from the UNJSPF to the Plan on 1 January 1999 shall be credited with the equivalent actuarial value, calculated in accordance with these *Regulations*, of the Swiss franc retirement benefit which they had accrued in the UNJSPF based on their contributory service and FAR up to 31 December 1998. For that purpose, their prior contributory service shall be adjusted on the date of transfer to yield the same value of accrued benefit under these *Regulations* as they had accrued in the UNJSPF. The same procedure shall apply in respect of the validation under Article 17 of these *Regulations* of service prior to 1 January 1999.

- (c) Where the scale of pensionable remuneration of members of the staff transferring from the UNJSPF to the Plan on 1 January 1999 would be lower as a result of the application of Article 19 of these Regulations than under article 54 of the UNJSPF Regulations, the latter scale shall continue to apply to those staff members until it is overtaken by the scale provided for under Article 19 of these Regulations.
- (d) Where the early retirement reduction factors applicable to members of the staff transferring from the UNJSPF to the Plan on 1 January 1999 would be higher as a result of the application of Article 24 of these Regulations than under article 29 of the UNJSPF Regulations, the provisions of the latter article shall continue to apply to those members of the staff.

ANNEX 1 – TABLE 1

**ANNUAL NET SALARY AND PENSIONABLE REMUNERATION SCALE
EFFECTIVE 1 JANUARY 2010
(IN SWISS FRANCS)**

Grade		Range		Increment
		Minimum	Maximum	
1	Net Salary	52,950	72,159	2,171
	Pensionable Remuneration	59,562	85,476	
2	Net Salary	57,707	78,661	2,308
	Pensionable Remuneration	65,808	94,715	
3	Net Salary	62,885	85,709	2,453
	Pensionable Remuneration	72,548	104,869	
4	Net Salary	68,599	93,497	2,607
	Pensionable Remuneration	80,289	116,362	
5	Net Salary	75,068	102,300	2,778
	Pensionable Remuneration	89,677	129,575	
6	Net Salary	82,208	112,046	2,959
	Pensionable Remuneration	99,924	144,426	
7	Net Salary	94,423	128,692	3,305
	Pensionable Remuneration	117,749	170,747	
8	Net Salary	118,602	158,265	3,558
	Pensionable Remuneration	154,611	220,118	
9	Net Salary	140,902	182,587	3,663
	Pensionable Remuneration	190,511	262,300	
10	Net Salary	167,686	203,596	3,857
	Pensionable Remuneration	236,211	299,274	
11	Net Salary	197,134	224,595	2,168
	Pensionable Remuneration	287,997	336,472	
12	Net Salary	215,004	234,060	2,365
	Pensionable Remuneration	319,661	353,352	
ADG	Net Salary	246,668		
	Pensionable Remuneration	375,617		
DDG	Net Salary	267,237		
	Pensionable Remuneration	412,658		

ANNEX 1 – TABLE 2

PENSIONABLE REMUNERATION SCALE APPLICABLE TO STAFF MEMBERS IN GRADES 1-7
RECRUITED BEFORE 1 SEPTEMBER 1995
(IN SWISS FRANCS)

Grade	Range	
	Minimum	Maximum
1	63,791	88,030
2	69,777	96,292
3	76,292	105,452
4	83,525	116,362
5	91,740	129,575
6	100,861	144,426
7	117,749	170,747

ANNEX 1 – TABLE 3

UNIFIED WTO SALARY SCALE FOR SHORT-TERM APPOINTMENTS.
EFFECTIVE 1 JANUARY 2010
(IN SWISS FRANCS)

GRADE	MONTHLY PENSION CONTRIBUTION	DAILY RATES	MONTHLY RATES	VAN BREDA HEALTH INSURANCE PLAN		TRAVEL TIME	
				STAFF MEMBER		DAILY	MONTHLY
				FULL-TIME	HALF-TIME		
1	372.25	163.95	4,412.50	1.50	2.50	122.50	100.55
2	411.30	178.65	4,808.90	1.50	2.50	129.85	107.15
3	453.40	194.70	5,240.40	1.50	2.50	137.85	114.35
4	501.80	212.40	5,716.60	1.50	2.50	146.70	122.30
5	560.50	232.40	6,255.65	1.80	2.60	156.70	131.25
6 ¹	624.55	254.50	6,850.65	1.80	2.60	167.75	141.20
7	735.95	292.35	7,868.60	1.80	2.60	186.70	158.15
8	966.30	367.20	9,883.50	2.20	2.80	224.10	191.75
9	1,190.70	436.25	11,741.85	2.20	2.80	258.65	222.70
10	1,476.30	519.15	13,973.85	2.50	3.00	300.10	259.90
11	1,800.00	610.30	16,427.85	2.80	3.15	345.65	300.80
12	1,997.90	665.65	17,917.00	2.80	3.15	373.35	325.60

For non-local short-term appointments, a supplement of CHF 81.00 per day (for daily contracts) and CHF 1,620.00 per month (for monthly contracts) is payable.

¹ For professional-level staff in grade 6 on short-term appointments, the salary level and, as a consequence, the monthly pension contribution may differ from the level indicated, in order to ensure competitiveness.