

**General Council**  
**15 – 16 May 2006**

**ARRANGEMENT GOVERNING THE TRANSFER OF PENSION RIGHTS BETWEEN  
THE WTO PENSION PLAN (WTOPP) AND  
THE EUROPEAN COMMUNITIES PENSION SCHEME (EC SCHEME)**

1. Article 10 of the WTOPP Regulations states that: "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".
2. The Management Board of the WTOPP and the Secretariat of the European Communities Pension Scheme recently approved the attached text of an arrangement governing the transfer of pension rights between the two schemes.
3. The General Council is invited to express its concurrence with the attached transfer arrangement with the European Communities Pension Scheme.

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The present exchange of letters governs the transfer of pension rights between the WTO Pension Plan (WTOPP) and the European Communities pension scheme (EC scheme). A staff member leaving the service of the WTO and entering the service of the EC, and an official leaving the service of the EC and entering the service of the WTO may avail himself/herself of the transfer arrangement defined in the present exchange of letters. In either case the receiving institution shall determine, by means of general implementing provisions, the number of years of contributory/pensionable service with which he/she shall be credited in the corresponding Pension Plan/pension scheme in respect of the period of contributory/pensionable service in the former Pension Plan/pension scheme. The general implementing provisions applicable in respect of the WTOPP are set out in Annex I. The general implementing provisions currently applicable in respect of the EC scheme are set out in Annex 2.

Robert Luther  
Secretary  
WTO Pension Plan

Geneva,

Bernard Nonat  
xxxxxx  
European Communities Pension Scheme

xxxxx,

**Annex I****General implementing provisions applicable by the WTO Pension Plan  
in respect of transfers between the EC pension scheme and the WTO Pension Plan***Article 1*

In the present agreement:

- (b) "EC Scheme" means the pension scheme of the European Communities;
- (c) "Scheme participant" means a participant in the EC Scheme;
- (d) "Pension Plan" means the Pension Plan of the World Trade Organization;
- (e) "Plan participant" means a participant in the Pension Plan;
- (f) "Applicable exchange rate" means the average, computed over the 36 consecutive calendar months of contributory service (or the applicable such period if less than 36 months) up to and including the last month of participation in the EC Scheme or the Pension Plan, respectively, of the monthly United Nations operational rates of exchange between the Euro and the Swiss Franc.

*Article 2*

1. A former Scheme participant who has not received a benefit under the EC Staff Regulations may elect to be covered by the present provisions upon entering the service of the World Trade Organization within six months after participation in the EC Scheme has ceased and electing within such period to transfer the accrued entitlements from the EC Scheme to the Pension Plan.
2. Upon so electing, the former Scheme participant shall cease to be entitled to any benefit under the EC Staff Regulations.
3. Upon the former Scheme participant becoming a Plan participant and electing to be covered by the present provisions, the EC Scheme shall pay to the Pension Plan an amount equal to the equivalent actuarial value calculated in accordance with the general implementing provisions for articles 11 and 12 of annex VIII to the Staff Regulations of officials of the European Communities of the retirement benefit which the Scheme participant had accrued in the EC Scheme up to the date participation in the EC Scheme ceased.
4. The former Scheme participant shall be credited with contributory service with the Pension Plan as calculated in accordance with Articles 2(a) and 8 of the Regulations of the Pension Plan and, in particular, with the transfer factors appended to these provisions, the applicable exchange rate and the pensionable remuneration applicable to the participant under the Plan Regulations.

*Article 3*

1. A former Plan participant may elect to be covered by the present provisions after entering the EC Scheme and in respect of the conditions foreseen by article 11 of annex VIII of the Staff Regulations of the officials of the European Communities.
2. Upon so electing, the former Plan participant shall cease to be entitled to receive benefits under the Regulations of the Pension Plan.
3. Upon the former Plan participant becoming a Scheme participant and electing to be covered by the present provisions, the Pension Plan shall pay to the EC Scheme an amount equal to the equivalent actuarial value, calculated in accordance with Articles 2(a) and 8 of the Regulations of the Pension Plan, of the retirement benefit which the former Plan participant had accrued in the Pension Plan up to the date participation ceased, subject to the application of the transfer factors appended to these provisions, the exchange rate where applicable and the final average remuneration applicable to the former Plan participant at the date of separation from service.
4. The former Plan participant shall be credited for purposes of the EC Scheme with a number of years of pensionable service calculated in accordance with the general implementing provisions for Articles 11 and 12 of Annex VIII to the Staff Regulations of officials of the European Communities.

*Article 4*

1. Plan participants who entered the service of the World Trade Organization before the effective date of this agreement, and who have not received any payments from the EC Scheme resulting from their participation, may elect to avail themselves of these general implementing provisions by so informing the Pension Plan in writing before [ ]. Upon so electing, the provisions of article 2, paragraphs 2, 3 and 4, and article 3, paragraphs 2, 3, and 4, above shall apply.
2. Former Plan participants who entered the EC Scheme before the effective date of this agreement may elect to avail themselves of these general implementing provisions in respect of the conditions foreseen by article 11 of annex VIII (and, where applicable, by article 26(3) of annex XIII) of the Staff Regulations of officials of the European Communities.

**World Trade Organization Pension Plan**  
**Transfer Factors to be applied to Transfers to and from the EC Scheme**

<b>Age</b>	<b>Service to be credited for a transfer amount equal to Annual Pensionable Remuneration</b>	<b>Transfer Out Factor Normal retirement age 60</b>	<b>Transfer Out Factor Normal retirement age 62</b>
18	10.502	2.944	2.603
19	10.199	3.061	2.708
20	10.204	3.184	2.816
21	9.478	3.314	2.931
22	8.837	3.448	3.050
23	8.300	3.588	3.173
24	7.849	3.733	3.301
25	7.477	3.883	3.434
26	7.179	4.040	3.572
27	6.950	4.202	3.715
28	6.784	4.370	3.864
29	6.626	4.544	4.018
30	6.476	4.725	4.178
31	6.335	4.914	4.344
32	6.201	5.109	4.516
33	6.071	5.312	4.695
34	5.945	5.523	4.881
35	5.820	5.743	5.074
36	5.698	5.971	5.275
37	5.579	6.208	5.484
38	5.465	6.455	5.701
39	5.352	6.711	5.927
40	5.241	6.978	6.162
41	5.131	7.256	6.406
42	5.025	7.545	6.660
43	4.922	7.846	6.924
44	4.821	8.160	7.200
45	4.724	8.486	7.486
46	4.629	8.826	7.784
47	4.536	9.180	8.095
48	4.445	9.550	8.419
49	4.355	9.935	8.757
50	4.266	10.338	9.109
51	4.180	10.758	9.477
52	4.098	11.198	9.862
53	4.018	11.660	10.265
54	3.940	12.143	10.688
55	3.864	12.652	11.131
56	3.790	13.187	11.598
57	3.717	13.751	12.090
58	3.642	14.347	12.610
59	3.567	14.978	13.158
60	3.489	15.645	13.739
61	3.393	-	14.353
62	3.278	-	15.004

**General implementing provisions for Articles 11 and 12 of Annex VIII  
to the Staff Regulations on transferring pension rights**

**Section 2 – Provisions relating to Articles 11(1) and 12**

*Article 2*

Staff who leave the service of the Communities to:

- enter the service of a government administration or a national or international organization, or
- pursue an activity in an employed or self employed capacity by virtue of which they acquire pension rights,

may, provided they have not already started drawing a pension under the Staff Regulations, request that the institution in which they are employed transfer the actuarial equivalent of their pension rights (current on the day of the actual transfer) to one of the following bodies:

- a government administration or a national or international organization,
- the body responsible for administering the pension scheme that covers their activity in an employed or self employed capacity.

Alternatively, staff who have not reached pensionable age within the meaning of Article 77 of the Staff Regulations who permanently cease employment for a reason other than their death or invalidity and who are not entitled to a retirement pension may request that the actuarial equivalent of their pension rights be transferred to a private insurance company or pension fund of their choice, on condition such company or fund guarantees that:

- the capital will not be paid out;
- a monthly income will be paid from age 60 at the earliest, and age 65 at the latest;
- provisions are included for widow(er)s' or survivors' pensions;
- transfer to another insurance company or fund will be authorized only if such company or fund fulfils the conditions laid down in the three preceding indents.

*Article 3*

When staff permanently cease employment for a reason other than their death, invalidity or because they have started to draw their retirement pension, their institution will notify them of the amount of the actuarial equivalent that corresponds to their entire pension rights acquired to that date under the Community pension scheme.

The transfer, under Article 11(1) or Article 12, shall become permanent and irrevocable once written agreement for it has been provided by:

- the administration, organization, body, insurance company or pension fund referred to in Article 2, and

- the staff member and the institution in which they are employed.

By giving this agreement, staff shall effectively waive their entitlement and that of their dependants to any other pension rights under the Community pension scheme.

#### *Article 4*

The amount of the actuarial equivalent (M) shall be calculated by the institution in which the staff member is employed at the time of ceasing employment:

- on the basis of the retirement pension (P) due to the staff member on the date on which employment permanently ceases, and
- by capitalising this pension (P) on the basis of the latest actuarial values (V1) in the table in Annex 1, according to the formula  $M = P \times V1$ .

The actuarial equivalent calculated by this method shall be updated by a new calculation on the date on which the corresponding payment order is created.

### **Section 3 – Provisions relating to Article 11(2) and 11(3)**

#### *Article 5*

Staff who take up their post with the Communities after:

- leaving the service of a government administration or of a national or international organization, or
- pursuing an activity in an employed or self employed capacity,

shall be entitled, between the date on which they are established in their post or the end of their probation period (or, if they are not subject to a probation period, the date on which they take up their post) and the date on which they become eligible for payment of a retirement pension under the terms of Article 77 of the Staff Regulations, to have paid to the Communities the capital value, updated to the date of the actual transfer, of pension rights acquired by virtue of such service or activities.

If the staff member has already started receiving payments under the scheme in question, based on the rights referred to in the previous paragraph, as either a pension or an income, the transfer can be carried out only if agreement is obtained from this scheme.

Applications must be submitted in writing, using the form provided for this purpose and preferably sent by registered post with acknowledgement of receipt. They can be submitted as early as the date on which the staff member is established in his post or the date on which his probation period finishes or, if he is not subject to a probation period, the date on which they take up their post.

Applications received before the end of the probation period may not be processed by the competent department until this period has ended.

Regardless of their status, staff must submit their application no later than six months after the end of the minimum period needed to qualify them for the right referred to in Article 77 of the Staff Regulations. If the end of this period has not been reached by the time the staff member has reached pensionable age within the meaning of Article 77 of the Staff Regulations, they must submit their application no later than 6 months after the date on which they attain this age.

Applications must be submitted within the periods referred to above, even if no agreement has been reached with the pension scheme(s) in question on suitable arrangements for the transfer.

The date that counts shall be the date on which the competent institution takes delivery of an application sent by registered post or, failing that, the date on which the application is registered with the competent department of the institution.

In any unbroken period during which they are members of the pension scheme for officials of the European Communities, staff may exercise this option once only for each of any pension schemes they may have belonged to, regardless either of the administrative status under which they invoked the right to do so or of the Community institution, agency or office in which they performed the duties that made them eligible for the right.

The competent institution shall terminate the procedure if, on the date on which the member of staff resigns or on which his contract ends, he has been either working for less than the 10 years needed to be eligible for a Community pension or have not reached pensionable age within the meaning of Article 77 of the Staff Regulations, and if it has not proved possible to obtain definitive agreement from the staff member regarding the number of pensionable years to be credited to the Community pension scheme.

Staff members who are reinstated after

- a period of secondment under the second indent of Article 37(1)(b) of the Staff Regulations, or
- a period of leave on personal grounds under Article 40 of the Staff Regulations or Articles 17 and 91 of the Conditions of Employment of Other Servants of the European Communities,

may request the transfer of the capital value, updated to the date of the actual transfer, of pension rights acquired during the secondment or period of leave on personal grounds.

This provision shall not have the effect of re-opening any periods that have already closed for submitting a transfer application under Article 11(2) of Annex VIII to the Staff Regulations.

If the period provided for in paragraph 1 has expired, staff shall have a period of six months from the date of their reinstatement within which to request the transfer of only those rights acquired during the period of secondment or leave on personal grounds.

#### *Article 6*

All amounts owed to staff members from their previous pension scheme which are to be transferred must be certified as being the up to date capital value of the pension rights acquired before taking up their post with the Communities, or, for applications under Article 11(3) of Annex VIII to the Staff Regulations, before their reinstatement.

The amount to be transferred must correspond to the whole of this capital value. It may correspond to the rights acquired from periods spent in the service of more than one administration or organization or from more than one period of activity in an employed or self employed capacity.



### *Article 7*

For purposes of calculating the pensionable years to be credited under Article 11(2) and (3) of Annex VIII to the Staff Regulations:

The number of pensionable years to be taken into account shall be calculated on the basis of the transferable amount of the pension rights acquired during the periods referred to in the first subparagraphs, respectively, of Article 5(1) and (2), minus the amount of capital appreciation between the date on which the transfer application is registered and the date of the actual transfer.

Where the national or international body is not able to supply the value of the pension rights on the date on which the application is registered, simple interest at the rate provided for in Article 10 of Annex XII to the Staff Regulations shall be deducted from the amount transferred for the period from the date on which the application is registered to the date of the actual transfer.

The number of pensionable years to be taken into account shall be calculated as follows:

- by converting the transferred amount (M) into a theoretical income (R) using the latest actuarial values (V2) as provided for in the table in Annex 2, according to the formula  $R = M/V2$ .
- by converting this notional pension (R) into a number of pensionable years (N) to the Community pension scheme, based on (i) the annual basic salary (T) to which the staff member is entitled on the date on which his transfer application is registered and (ii) the annual rate of pension right accumulation applicable to the staff member in question (P), according to the formula  $N = R/(T \times P)$ .
- for staff who entered service before [ ] the bonus obtained shall be subject to the application of a weighting (CR) (see table Annex 3) to take account of the provisions of Article 22(1) and (2) of Annex XIII to the Staff Regulations, comprising amendments to the pensionable age and to the rate of increase of rights acquired after the normal pensionable age of the staff member concerned.

Amounts transferred to the Community pension scheme in a currency other than euros shall, for purposes of determining the number of pensionable years, be converted into euros on the basis of the monthly rate set by the Commission for the implementation of the budget in the month in which the application is registered.

For purposes of applying points 1, 2 and 3 and, if the institution in question finds that the transfer was not possible on the date when the staff member announced their interest due to a lack of agreement with the pension scheme in question on suitable arrangements for doing so, the date to be taken into account shall be the date on which the application is registered.

Where the application is registered during the probation period, the date to be taken into account shall be that on which the staff member is established or that of the end of his probation period.

The number of pensionable years to be taken into account may not under any circumstances exceed the number of years during which the staff member in question was a member of the schemes in question. Any excess amount resulting from the ceiling on the number of pensionable years shall be reimbursed to the staff member concerned.

#### *Article 8*

The crediting of pensionable years may not lead to the total pension payable by the Communities exceeding the ceilings set by the pension scheme.

Where relevant, the pensionable years taken into account shall go towards determining the actuarial equivalent transferable under Article 11(1) or Article 12 of Annex VIII to the Staff Regulations thereto.

The pensionable years taken into account shall not go towards determining the minimum number of completed years of service that qualify staff for a retirement pension under Article 77 of the Staff Regulations.

The pensionable years credited to contract staff who become officials or temporary officials, or who are reinstated in the service of the Community with one of these statuses, shall be converted into pensionable years acquired by an official subject to the terms of Article 3 of Annex VIII to the Staff Regulations.

### **Section 4 – Transitional and Final Provisions**

#### *Article 9*

The transitional provisions on the application of Article 11(1) and Article 12(1)(b) of Annex VIII to the Staff Regulations shall be as defined by Article 27 of Annex XIII thereto.

#### *Article 10*

The transitional provisions on the application of Article 11(2) of Annex VIII to the Staff Regulations shall be as defined by Article 26 of Annex XIII thereto.

These provisions shall apply by analogy to applications to exercise the option to transfer rights under Article 11(3) of Annex VIII.

#### *Article 11*

These general implementing provisions for Article 11(1), (2) and (3) and Article 12 of Annex VIII to the Staff Regulations shall enter into force on 1 May 2004.

They shall repeal and replace the general implementing provisions adopted on 2 July 1969. However, those general implementing provisions shall remain applicable to applications submitted before 1 May 2004.

Done at Brussels, 28.4.2004

**Annex 1**

Table of actuarial values (V1) calculated on the basis of the parameters laid down in Annex XII to the Staff Regulations for purposes of calculating the transferable amount of actuarial equivalent under Articles 11(1) and 12 of Annex VIII to the Staff Regulations.

Age at the date of the application	Actuarial value V1
20	9,643
21	9,597
22	9,552
23	9,529
24	9,477
25	9,422
26	9,382
27	9,368
28	9,373
29	9,393
30	9,419
31	9,467
32	9,533
33	9,620
34	9,716
35	9,815
36	9,926
37	10,045
38	10,171
39	10,303
40	10,441
41	10,583

42	10,728
43	10,877
44	11,030
45	11,184
46	11,341
47	11,499
48	11,663
49	11,830
50	12,002
51	12,182
52	12,369
53	12,556
54	12,747
55	12,949
56	13,158
57	13,378
58	13,607
59	13,856
60	14,121
61	14,408
62	14,715
63	15,050
64	15,215
65	15,215

**Annex 2**

Table of actuarial values (V2) calculated on the basis of the parameters laid down in Annex XII to the Staff Regulations for purposes of calculating the number of pensionable years to be credited under Article 11(2) and (3) of Annex VIII to the Staff Regulations.

Age at the date of the application	Actuarial value V2
20	9,643
21	9,597
22	9,552
23	9,529
24	9,477
25	9,422
26	9,382
27	9,368
28	9,373
29	9,393
30	9,419
31	9,467
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34	9,716
35	9,815
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55	12,949
56	13,158
57	13,378
58	13,607
59	13,856
60	14,121
61	14,408
62	14,715
63	15,050
64	15,215
65	15,215