



EUROPEAN CENTRAL BANK

EUROSYSTEM

ECB-RESTRICTED

DECISION OF THE EUROPEAN CENTRAL BANK

of 25 September 2018

**amending the European Central Bank Staff Rules as regards allowances
(ECB/2018/NP19)**

THE EXECUTIVE BOARD OF THE EUROPEAN CENTRAL BANK,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Decision ECB/2004/2 of the European Central Bank of 19 February 2004 adopting the Rules of Procedure of the European Central Bank¹, and in particular Article 21.3 thereof,

Having regard to the opinion of the Staff Committee,

Whereas:

- (1) Some of the European Central Bank Staff Rules (hereinafter the 'Staff Rules') relating to allowances should be amended to simplify and streamline them.
- (2) Under the current system, members of staff may only claim allowances retroactively for a period of three months. In order to adequately cater for situations of errors or omissions, it is proposed to increase this period to two years.
- (3) Under Article 21a of the European Central Bank Conditions of Employment (hereinafter the 'Conditions of Employment') the ECB must request reimbursement of sums overpaid or unduly paid from members of staff within five years of such overpayment or undue payment (except where the recipient has deliberately misled the administration, in which case such a time limit does not apply). The same period of time should apply with respect to the obligation of members of staff to retain and furnish proof of eligibility for allowances when requested by the ECB.
- (4) Article 15 of the Conditions of Employment does not establish the reference period for calculating the gross annual income of the spouse or recognised partner of a member of staff for the purpose of determining entitlement to the household allowance. In this regard, the Staff Rules should be amended to make reference to the calendar year preceding the year for which eligibility is assessed, thereby aligning the reference year with the definition of 'relevant calendar year' in Annex III of the Staff Rules (ECB health insurance rules), which is used for the purpose of assessing eligibility of spouses and recognised partners of members of staff for

ECB health insurance.

- (5) Child allowance should no longer be paid when a child of a member of staff marries or enters into a registered partnership since, from this date, the member of staff is no longer primarily responsible for the maintenance of that child.
- (6) The expenses that a member of staff incurs when changing residence in order to take up employment with the ECB are particularly high during the first month of service. Accordingly, a provisional payment equal to the installation allowance should be paid with the first monthly salary.
- (7) A member of staff whose contract is terminated by the ECB for reasons of underperformance will have necessarily spent more than one year at the ECB. Therefore, the reference to underperformance should be deleted from Article 4.6.3 of the Staff Rules.
- (8) Therefore, the Staff Rules should be amended accordingly,

HAS ADOPTED THIS DECISION:

Article 1

Amendments

The Staff Rules are amended as follows:

1. Article 3.1.2 is replaced by the following:

‘3.1.2 Allowances shall be paid up to a maximum of two years retroactively from the month of submission of the claim and upon provision of the full documentation. Where the claim is not completed within two months from its submission, the claim shall be rejected as incomplete unless documents cannot be provided on time for reasons beyond the control of the member of staff.

The ECB shall pay retroactively to the members of staff all amounts due under fully documented claims submitted by the members of staff on time.’;
2. Article 3.1.3 is replaced by the following:

‘The ECB may verify the eligibility of members of staff for allowances at any time. Members of staff shall retain evidence of their eligibility for five years from the date when the allowance is claimed or the date from when it is paid, whichever is later, and furnish such evidence to the ECB upon request.

Members of staff shall reimburse to the ECB salaries and allowances that have been paid although the member of staff did not fulfil the conditions;
3. Article 3.5.1 replaced by the following:

‘For the purpose of the income threshold laid down in Article 15 of the Conditions of Employment, “gross annual income” means income originating, in the calendar year preceding that in respect of which eligibility is assessed, from employment or self-employment, income replacement, e.g. maternity allowance, parental allowance, social security benefits and

unemployment allowance, but not payments representing reimbursement of expenses or pension, before tax and before the deduction of social security contributions.

In this context, investment income or income from capital gains is not considered income’;

4. Article 3.5.3 is deleted;
5. in Article 3.6.1, the following point (v) is added:
‘(v) not be married or a partner in a registered partnership.’;
6. Article 4.6.2 is replaced by the following:
‘A provisional payment equal to the installation allowance shall be paid automatically with the first monthly salary.’;
7. Article 4.6.3 is replaced by the following:
‘Subject to Article 4.6.1, members of staff who are in receipt of the installation allowance and:
(i) resign from the service of the ECB; or (ii) whose contract is terminated by the ECB for disciplinary reasons pursuant to Article 11(a)(iv) of the Conditions of Employment within one year from the date of appointment shall, on leaving the ECB, refund part of the allowance, in proportion to the unexpired portion of that one year period.’.

Article 2

Entry into force

This Decision shall enter into force on 1 January 2019.

Done at Frankfurt am Main, 25 September 2018.

[signed]

The President of the ECB

Mario DRAGHI