



**NSPA FORMER STAFF ASSOCIATION
ASSOCIATION DES ANCIENS DE LA NSPA**



ORIGINAL: FRENCH

Minutes of the ADAN Annual General Meeting of 29 November 2024

1. Opening of the General Meeting by the Chairman of ADAN - Mr Olivier Guidetti

The Chairman of the Association of Former Staff of the NSPA (ADAN) opened the General Meeting by welcoming all the participants and in particular the following guests:

Mr Zoltan NAGY, Chief of Staff of the NSPA;

Mr. Jonathan PARISH, President of the Confederation of NATO Civilian Retired Staff Associations (CNRCSA);

Mr Philippe VIEILLEMARD, representing NATO's Executive Management Directorate;

Mr Helmut HASSINK, President of the Confederation of NATO Civilian Staff Committees (CNCSC);

Mr Paul POIRRIER, Internal Auditor, NSPA;

Mr John PARSONS, Chairman of the Association of Pensioners from Coordinated Organisations and their dependants (AAPOCAD);

Mr Bojan POPADIĆ, Representative of Allianz;

Mrs Ellen DE CAUWER, Representative of Allianz;

Mr Martin GRESSY, Representative of Allianz;

Mr Marc HOLTZSCHUH, President of the NSPA Staff Association (Luxembourg).

The Secretary of ADAN, Mr Bernard Burnet, then gave a few practical indications and recommendations concerning the running of the meeting.

2. Speech by the Director General of the NSPA, Ms Stacy Cummings

Unable to attend the General Assembly, the General Manager had asked Mr Zoltan NAGY, NSPA Chief of Staff, to represent her.

Mr NAGY thanked the Chairman of ADAN, Mr Olivier Guidetti, for welcoming him and giving him the opportunity to give an overview of the development of the Agency over the last few years (the text of his speech is at Annex 1).

After introducing himself and apologising for the absence of Mrs CUMMINGS, he gave a brief overview of the activities and results achieved by the NSPA in 2024. The Agency has once again shown great flexibility in dealing with increasingly vast and complex logistical requirements. Its vital role in providing logistical support to NATO nations continues to be recognised and highly valued, as demonstrated by the invitation extended to the Director General to attend the NATO Summit in Washington last summer. This development has been accompanied by an increase in the number of staff, which now exceeds 1,500.

He went on to give a few examples of the significant results achieved in the logistical support of specific weapons systems and means of communication, as well as in ammunition procurement.

This growth in workload, the scale and diversity of which cannot always be predicted with great accuracy, presents the Agency with major challenges and forces it to review its processes for recruiting staff, sharing risks and managing its budget. To this end, a series of concrete reform measures have been presented to the AOB (Agency Oversight Board¹) to maintain the effectiveness, efficiency and responsiveness of the NSPA. In today's global security environment, the Agency needs to transform itself and act even more dynamically, while remaining fundamentally the same.

In response to a question about relations between the Agency and the European Union in the current political context, the Chief of Staff replied that the realities on the ground did not allow for a sustained official relationship with the European Union, but the Agency was informally doing all it could to work more closely with the EU. It is important to collaborate rather than compete, because the Alliance need not fear a strong European Union: on the contrary, it can only benefit from it.

Responding to a question about the human resources arrangements the Agency might make in the event of a US withdrawal from NATO, the Chief of Staff recalled that during former President Trump's first term in office, the United States had not withdrawn from the Alliance and had, on the contrary, remained a staunch ally by increasing its defence spending and maintaining its troops in Europe. However, everything will depend on the decisions taken by this country regarding its relations with China and the European Union, and in relation to the war in Ukraine. The Agency has no influence on American policy, but it must be as competitive as possible and show maximum flexibility in its management.

The Chairman thanked Mr NAGY for his clear and informative speech and for his willingness to answer questions.

3. Approval of the agenda

The agenda was approved as presented.

The Chairman then proposed that a minute's silence be observed in memory of former agents who died in 2024.

4. Activity report presented by the Chairman of ADAN

As provided for in the Articles of Association, the Chairman presented the activity report for 2024 (the text of his speech is attached at Appendix 2).

He announced the forthcoming introduction of a new database and a new website, and thanked in particular Mr Hedwig DUFOUR (son of a former member of the Agency), who had done a great deal of work on rewriting the database programme so that it could be integrated into the new site, as well as the three other members of the committee who had worked (and would continue to work) actively on this modernisation. He recalled that after numerous approaches to the JCB (Joint Consultative Committee) and the NATO administration, it had been possible to obtain tax deductibility for social security contributions paid in respect of health insurance in Luxembourg, and he paid tribute to the perseverance of the work that had gone into achieving this result. The Executive Committee meets every month to discuss local problems and issues dealt with by the Confederation of NATO Pensioners' Associations, such as the taxation of capital paid to an ADAN member affiliated to the DCPS, the modernisation of the NATO medical system with the introduction of long-term care insurance, and the rebalancing of the payment of basic medical insurance contributions. He concluded by praising the hard work of the Executive Committee in dealing with these issues and thanking the members who had contributed throughout the year to moving them forward.

The General Meeting approved the activity report of the Chairman of ADAN.

5. Treasurer's report and approval of the 2023 accounts

Mr Paul POIRRIER, Internal Auditor of the NSPA, began by apologising for the absence of Mr BELLANTONE, Head of Internal Audit, and then briefly presented the report on the audit of ADAN's financial statements for 2023 (see Appendix 3), on which there was nothing in particular to report. The financial statements had been properly prepared and all supporting documents had been provided.

The Treasurer, Mrs Patricia Munaut, then presented her financial report and the position of ADAN's accounts for 2023. Her report is attached at Appendix 4.

She noted in particular the purchase of three laptops for the members of the Executive Committee Bureau. These computers are and remain the property of ADAN.

The Treasurer announced that the Executive Committee had decided to maintain the membership fee for 2025 at EUR 20.

The President thanked the Treasurer for the quality and efficiency of her work, as well as Mr Poirrier. He then proposed that the Treasurer be discharged and that the financial statements for 2023 and the membership fee for 2025 be approved.

The General Meeting unanimously approved the 2023 financial statements.

It also approved, by a majority, the amount of the membership fee for 2025 and discharged the Treasurer.

6. Speech by the President of the CNRCSA (Confederation of NATO Civilian Retirees Associations)

The Chairman of the CNRCSA, Mr. Jonathan Parish, presented his speech (the text of which is attached at Annex 5) in which he touched on the following main themes:

The NATO Medical Plan, on which he said that the first phase of the modernisation had gone rather well, thanks in particular to the work carried out by NATO HQ and, more particularly, by Mr Philippe VIEIELLEMARD. Improvements are being implemented as part of phase 2 of this modernisation. These mainly concern the list of long-standing illnesses, dependency insurance and the rebalancing of contributions paid to the RMCF (Retired Staff Medical Coverage Fund).

The list of long-term illnesses has been updated and came into force on 1st July 2024. The reimbursement of medical expenses in the event of a recognised serious illness is 100%, with no increase in the insurance premium.

Dependency insurance will be introduced in January 2025. It will be paid in the form of a monthly allowance. It will cover the cost of the assistance and care required by dependent persons. The introduction of this insurance will be accompanied by an increase in premiums, 2/3 of which will be paid by NATO.

An independent body has analysed the likely development of the RMCF and concluded that, within twenty years or so, it will very probably be exhausted. Solutions therefore had to be found to avoid

this scenario, and one of them was to envisage all pensioners contributing to the fund, including those who have been exempt until now. This highly sensitive issue was bitterly debated and negotiated by all the parties concerned (management, active staff and retirees) and it was decided that this rebalancing of the contributions paid into the RMCF would take place from 1st July 2025. In this context, the deductibility of social security contributions in Luxembourg is good news.

The Chairman of the CNRCSA then addressed the issue of pensions and, more specifically, the defined contribution pension scheme (DCPS), which is causing a great deal of concern, particularly with regard to the tax treatment of capital paid to pensioners affiliated to this scheme. Fortunately, NATO is planning to replace this scheme with a New (Third) Pension Scheme, the study of which has been entrusted to a specialist private firm.

Relations with the Confederation of Active Staff and AAPOCAD are always very good insofar as these different bodies pursue the same goals even if, at times, their specific interests do not always coincide perfectly.

In terms of communication, the hoped-for introduction of a website specific to the CNRCSA has unfortunately run into technical problems relating to the site's security and the protection of personal data. Various solutions are being studied, but they are likely to be very costly.

The General Meeting took note of Mr Parish's speech and the Chairman thanked him.

7. Presentation by the Head of the NATO Pensions Unit

The Head of the NATO Pensions Unit gave a presentation by video conference from Brussels as he had other commitments during the day and was unable to attend the General Assembly in person. His presentation is attached at Annex 6.

After recalling the NPU's mission, which is essentially to administer pensions under the coordinated and defined contribution pension schemes (DCPS), he presented an organisation chart of the Unit's staff and the functions of its members.

The Unit administers 4,440 coordinated pension scheme pensioners in 49 countries, using 18 different salary scales. There are almost 6,000 DCPS pensioners.

The NPU works in collaboration with the International Salaries and Pensions Service (SIRP) to calculate tax adjustments and determine the timetables for filing tax returns in the various countries.

He concluded by outlining the method used to calculate pension adjustments.

In response to a question about guarantees for the payment of pensions in the future if NATO were to disappear, Mr Beckers replied that it was the member countries that had undertaken to pay pensions and not the organisation itself: there was therefore no reason to believe that this commitment would not be honoured.

The Chairman thanked Mr Beckers for his presentation.

8. NATO/Allianz medical plan

Mr Popadic and Mrs De Cauwer gave a presentation on the NATO Medical Plan and the means put in place by Allianz for handling the medical files of NATO retirees (see Annex 7).

In her presentation, they quoted a few figures concerning the number of people making up the team responsible for NATO, as well as the impressive number of claims and invoices processed by Allianz's services and the numerous exchanges carried out by telephone or e-mail in order to deal with claims in particular. They mentioned the possibility of subscribing again to affinity products before 31 December 2024 and the many advantages associated with these complementary products.

The Chairman thanked Mr Popadic and Ms De Cauwer for their presentation.

9. Speech by the President of AAPOCAD

Mr John Parsons gave a comprehensive presentation (the text of which is attached at Appendix 8), in which he outlined the structure of the association and the ways in which it operates. He then spoke about the issues to be dealt with in 2024, in particular the neutralisation of purchasing power parity envisaged for the Council of Europe and the OECD in the determination of salary adjustments, and the new salary scale adopted for Turkey due to the fact that the adjustments in place do not reflect the reality of inflation in that country. He also gave the provisional figures for the evolution of the HICP for the adjustment of pensions on 1 January 2025 and concluded by encouraging ADAN pensioners to join AAPOCAD, which has the financial and legal clout that pensioners under the coordinated pension scheme have benefited and will continue to benefit from on an individual or collective basis.

The Chairman thanked Mr. Parsons for his presentation and reiterated the importance of AAPOCAD's advocacy work.

10. Other business

There was no business under this item.

11. Closing

The Chairman closed the meeting by thanking the various guests for their presentations and speeches, and of course the interpreters for their invaluable assistance. He also thanked the members of ADAN for having made the effort to attend the General Meeting and congratulated the members of the Executive Committee on their excellent preparatory work.

He then invited everyone to a reception in the canteen bar.

¹ Formerly Board of Directors