Notice for new recruits: the CERN Pension Scheme

As an intergovernmental organization, CERN maintains a social security scheme to provide coverage for its employees, who are not subject to national labour law or social security. The scheme offers protection equivalent to that provided in Switzerland and, in addition to health insurance and unemployment insurance, includes a pension scheme.

The CERN pension scheme is a defined benefit plan, which provides retirement, disability and survivors’ pensions to CERN employees and international staff members of ESO, the European Southern Observatory, and to their families. The benefits provided replace those resulting from public retirement schemes (first pillar) as well as those provided by occupational pension plans (second pillar).

In December 2010 and June 2011, the CERN Council took significant decisions in respect of the CERN pension scheme, in order to secure the Pension Fund and its long-term commitments. These decisions affected the rights and obligations of all stakeholders: CERN and ESO as employer organizations; current beneficiaries and members of the CERN Pension Fund; as well as future recruits, *i.e.,* persons who will become members of the Pension Fund as from 1 January 2012.

The respective Staff Rules and Regulations of CERN and ESO, and the Rules and Regulations of the CERN Pension Fund, are being amended accordingly; the revised texts will enter into force on 1 January 2012.

As you will become a member of the CERN Pension Fund after 1 January 2012, the following changes will apply to you:

***Retirement age***  67 years (this has corresponding implications for other provisions, including those relating to early retirement)

***Contribution rate*** employee, 11.33% : employer, 17%

*It is anticipated that the contribution rate will increase in view of extended longevity. The Organization awaits the necessary data before acting in this respect. You will be informed as soon as a decision has been taken.*

***Contribution ratio*** employee, 40% : employer, 60%

***Annual accrual rate*** 1.85%

***Maximum pension*** 70%, attainable after 37 years and 10 months of service

***Pension calculation*** calculated on the average of the last three years’ salary position at the time of termination of membership

***Acquired rights*** you will benefit from the general protection of acquired rights afforded by international administrative law, but will not be covered by the current Article III 1.02 of the Fund’s rules.