Ortssektion München . Local Section Munich . Section locale de Munich 21.06.2022 su22003mp – 0.2.1/0.3.2

# **DEMONSTRATION**



# Wednesday 29 June

SUEPO Munich invites <u>all staff</u> to demonstrate on **Wednesday 29 June 2022** (the first day of the 171th session of the Administrative Council) in front of the **Isar building starting from 12h30**. Mr Campinos hopes that his "Mobility Package" (<u>CA/32/22 Rev. 1</u>) introducing seconded national experts posts for the delegations will guarantee him a re-election for a second mandate. This paper gives further contextualized information about the current situation.

#### Protecting Mr Battistelli's inheritance as long as possible and at all costs

Back in 2018, Mr Campinos was mandated by the Administrative Council to restore social dialogue at the EPO. EPO staff hoped the new President elect would put an end to the breaches of fundamental rights. On several occasions<sup>1</sup>, Mr Campinos declared that he holds a lawyer degree himself and that he does not need the advice of the staff representation.

The Tribunal proved him wrong. In Judgments <u>4430-4435</u>, the Tribunal confirmed that **the EPO breached the fundamental right to strike** including 3 years during his mandate Judgment <u>4482</u> confirmed that staff representation elections held since 2014 and also by Mr Campinos in June 2020 interfered with the right to freedom of association. Mr Campinos refused that the Organization formulates any apology and even **threatened to reduce cash injections into the pension reserve funds if he were to grant moral damages to all staff.<sup>2</sup>** 

For the pending complaints in front of the Tribunal against Battistelli's New Career System and the abolition of the Invalidity Lump Sum, Mr Campinos is still counting on the two law firms Lenz & Staehelin and de Guillenchmidt to whom he awarded³ an unprecedented amount of €5.85m (CA/F 11/21) to represent the EPO.

Mr Campinos continues the attacks against staff representation and trade unions by banning them from freely using mass-emails on EPO lines and disbanded in 2021 any secretarial support<sup>4</sup> for staff

<sup>&</sup>lt;sup>1</sup> e.g. during the GCC meeting of 1 March 2022 (su22001mp)

<sup>&</sup>lt;sup>2</sup> "Extension of strike judgment to all staff: No moral damages. No apology", SUEPO paper of 23-09-2021 (su21024cp)

<sup>&</sup>lt;sup>3</sup> "An army of litigators instead of social dialogue", CSC paper of 17-05-2021 (sc21059cp)

<sup>&</sup>lt;sup>4</sup> "Disbanding secretarial support for staff representation", CSC paper of 09-07-2021 (sc21088cp)

representation. There are also warning signs that staff representation and unions will be hidden further clicks away in the new Intranet.

Since 2012, the EPO is consistently testing the limits of Employment Law and feels only governed by the Tribunal. In this respect, Mr Campinos continues to act along the line of his predecessor.

#### The flawed Financial Study

In 2019, Mr Campinos orchestrated a flawed Financial Study together with Oliver Wyman & Mercer. Mr Campinos selected a base-2 scenario which **foresaw deflation** and an overall deficit of €3.8bn by 2038, and added a €2bn arbitrary "buffer" for closing the alleged "gap"<sup>5</sup>.

In May 2020, SUEPO mandated Ernst & Young to perform an <u>analysis</u> on the Office's Financial Study. Comparing the key assumptions of the 2019 study with those of other EPO documents, Ernst & Young found that the 2019 study consistently took an overly conservative approach. It was clear that the EPO had no deficit.

The Covid-19 pandemic broke out in March 2020 and the lockdown forced staff to stay at home. The staff representation asked Mr Campinos to consider the Ernst & Young evidence at hand and appealed to his morality so that staff is not subject to a loss of purchasing power during the pandemic.

Mr Campinos ignored all arguments and put in place as of July 2020 his new salary adjustment procedure. Instead of the alleged deflation, **inflation now materialized at the historical level of** +11.1% in Germany<sup>6</sup> since then. Again, it is difficult for a study to be more wrong. At the same time, **EPO salaries were adjusted by only +0.5**%.

Over the same period, the EPO saved on liabilities and increased its assets in the treasury fund and the pension reserve fund. Within only 2 years, the new salary adjustment procedure saved on the back of staff €1.33bn of the €2bn planned to be saved over 20 years. At the end of 2021 the actual budget surplus came to €385.7m, 10.6% better than 2020, and significantly above the budget figure of €214.8m<sup>7</sup>. Again, it is difficult for a study to be more wrong.

In view of the excellent performance of the EPO, staff should be thanked for their efforts instead of having a historical loss of purchasing power.

In June 2022, the Coordinated Organisations (e.g. OECD, ESA, NATO, CoE) agreed to propose an interim adjustment of +7% for their staff retroactively to 1 March 2022. If Mr Campinos had not continued the Battistelli reform of 2014 as the staff representation proposed, EPO staff would also be granted interim adjustments. Now, EPO staff has no protection against high inflation.

SUEPO initiated a <u>petition</u> to remedy the situation. Almost +2.000 staff members signed so far.

#### The re-election package

Under the alleged buzzwords of "flexibility" and "sustainability", Mr Campinos is seeking approval of his "Mobility Package" in the Administrative Council (AC) meeting of 29/30 June 2022. This reform confirms the double standards policy at the EPO9. In a first aspect, the reform is creating a new lower

<sup>&</sup>lt;sup>5</sup> <u>CA/18/20</u>, summary

<sup>&</sup>lt;sup>6</sup> Harmonised Index of Consumer Prices (HICP) according to <u>Eurostat</u> in Germany was for July 2020 = 106.4, for April 2022 (when drafting the petition) = 116.9 (+9.1%) and for May 2022 = 118.2 (+11.1%).

<sup>&</sup>lt;sup>7</sup> CA/10/22 page 27/82

<sup>&</sup>lt;sup>8</sup> CA/32/22, "Professional Mobility"

<sup>&</sup>lt;sup>9</sup> "The Mobility Package", slides in the General Assembly of 18 May 2022 (sc22010mp)

category of staff called the "Young Professionals" with few rights and low salary. In a second aspect, the secondment policy provides a generous package for national experts and for seconded EPO handpicked employees.

## Young Professionals: Cheap Disposable Workforce

The EPO intends to hire bachelors for a three-year program. They will be deprived of allowances such as the dependent and travel allowance, have no right to pension transfer and no salary savings plan. They will start virtually off-scale below the EPO salary grid around €2.300 and will only reach the social minimum of G1(4) in their second year. 70% of them will be ejected from the EPO after their 1<sup>st</sup> year. While Mr Campinos is pretending to build a "caring organization" and calls on "Together, stronger", he is actually creating a new cheap disposable workforce below all International Standards.

# Secondment Policy: A generous package

Contrary to the Young Professionals, the secondment policy will be generous. National experts coming to the EPO will benefit from their **national salary paid by the EPO and an allowance of +€5.000 per month**. The handful of EPO employees (from high management?) seconded to national offices will continue to earn their **full EPO salary without performing any work for the EPO**.

The project is conveniently tabled in the Administration Council meeting during which the re-election of Mr Campinos will be discussed. In his time, Mr Battistelli offered free dental care to Council delegates to have their support. Now, Mr Campinos is offering them generous national experts posts.

The whole project aims at knowledge transfer of EPO core tasks to employees from national patent offices or external professionals. It fosters a decentralisation which is not in the interest of the Office and puts EPO employees at risk in the long term.

### Lack of Transparency in the conduct of social dialogue: the GCC meeting of 26 April 2022

The General Consultative Committee (GCC) was invented by Mr Battistelli in his "social democracy" reform of 2014. Since then, it confirmed to be neither an advisory body, nor a consultative body, but rather a promulgation body for rubber-stamping all proposals that come in. On the management's side, high managers silently attend and vote yes on all the President's reforms without formulating any reason. On the staff representation side, 99% of the documents either receive a negative opinion or an abstention because legal assessments and benchmarks are missing or the reforms are detrimental to staff without any justification.

During the pandemic, social dialogue took place only virtually and the "quality" of meetings significantly regressed. The trend deteriorated further in the GCC meeting of 26 April 2022 during which the atmosphere was abysmal. Mr Campinos used foul language throughout, using expletives in various languages, and insulted most of the speakers<sup>10</sup>. The degree of unprofessionalism shown during the meeting strongly reminded of and was even worse than the GCC of 19 November 2014 during which Mr Battistelli had said to a staff representative: "We don't care about your opinion Mr Rosé" ("On s'en fout de votre opinion Mr Rosé")<sup>11</sup>.

Meetings with Mr Campinos in which arguments cannot not be exchanged and where questions could not be answered, cannot be considered to have provided a meaningful consultation. Staff deserves transparency in this matter and their representation asked that the available recording is made public.

<sup>&</sup>lt;sup>10</sup> "Report on the GCC meeting of 26 April 2022", CSC paper of 29 April 2022 (sc22050cp)

<sup>11 &</sup>quot;Flash report on the GCC meeting of 19 November 2014", CSC paper (sc14287cp)

On 18 May 2022, a General Assembly took place during which some of the events of said meeting were reported to staff. At the end, a poll was organized during which 96% of the participants voted in favour of the request to publish the recording of the 26 April 2022 GCC<sup>12</sup>.

Mr Campinos rejected this request and alleges that such a recording is only meant for the GCC Secretariat to draft the minutes. However, the draft minutes are clearly redacted so as to hide the controversial conduct of Mr Campinos during the meeting. Mr Campinos has now postponed the approval of the minutes after the AC meeting and his re-election when the delegations look away. According to the Rules of Procedure put in place since 2014 by Mr Battistelli, Mr Campinos in his capacity as Chair of the GCC now has the power to approve the minutes alone although he has a blatant conflict of interest in the matter.

#### Come to the demonstration...

... on **Wednesday 29 June**, at **12.30h** in front of the Isar building to show the Administrative Council and the rest of the world that there can be no peace at the Office with a President who protects and pursues the Battistelli attacks on staff rights, who orchestrates a flawed Financial Study, who refuses to invest in younger employees who are the future of the EPO, who pushes for a decentralisation of the EPO to serve his re-election and who is unable to conduct social dialogue.

"You will never have such a nice person being the f\*\*\*ing President for the next fifty f\*\*\*ing vears. So you wake up and make agreements with me, or you never will for your f\*\*\*ing life."

Mr Campinos, in the GCC meeting of 26 April 2022

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<sup>&</sup>lt;sup>12</sup> "Open letter to the President: Staff demands publication of the GCC recording of 26 April 2022", LSCMN letter to the President (sc22009ml)