

# **Administrative Committee**

Decision on amendments of the Service and Staff Regulations regarding the baseline salary

Luxembourg, 14 February 2025

#### **EXPLANATORY NOTE**

# **Summary**

Considering the substantial period of time that has passed since the salary levels were agreed in 2016, it is suggested that the Administrative Committee adjust the basic salary level of the President of the Court of Appeal, the President of the Court of First Instance, the Judges, the Registrar, the Deputy-Registrar and the staff of the Court in addition to and on the basis of the adjustment resulting from the regular annual adjustment proposed in AC/05/14022025.

# General regulatory basis and background

In accordance with Article 12 of the Statute of the Unified Patent Court, the Administrative Committee shall set the remuneration of the President of the Court of Appeal, the President of the Court of First Instance, the judges, the Registrar, the Deputy-Registrar and the staff.

The basic monthly salaries of the two Presidents, the judges, the Registrar and the Deputy Registrar follows from Article 32 of the Regulations Governing the Conditions of Service of Judges, the Registrar and the Deputy-Registrar of the Unified Patent Court (Service Regulation), while the family allowances follow from Article 34 of said regulation.

The salary levels of the staff of the Court follow from Annex IV of the Staff Regulations of the Unified Patent Court (Staff Regulation) and the Family allowances of the staff follow from Article 21 of said regulation.

The two Regulations were adopted by the Administrative Committee on 8 July 2022. The salary levels reflected in the Service Regulation were however agreed upon by the Member States in the Preparatory Committee in February 2016 pursuant to document PC/12/Feb2016.<sup>1</sup> The salary levels of the staff of the Court were agreed by the Preparatory Committee in mid-2016.

On 25 November 2024 the Budget Committee adopted the decision D-BC/04/25112024 containing its proposal for the 2024 annual adjustment of salaries under Rule 4 of the Rules adopted by the Administrative Committee on the Adjustment of the Remuneration of the Judges, the Registrar, the Deputy Registrar and the Staff of the Unified Patent Court (D-AC/05/19072024) implementing Articles

<sup>&</sup>lt;sup>1</sup> See PC/12/Feb2016 attached in Annex 1

33 of the Service Regulations and 20 of the Staff Regulations. The proposal of the Budget Committee has been tabled in the Administrative Committee for decision in AC/05/14022025.

# The establishment of the current salary levels - PC/12/Feb2016

The current salary levels of the judges and the two Registrars were agreed by the Member States in the Preparatory Committee in February 2016. The Member States motivated their decision in document PC/12/Feb2016 and then stressed that

- the decisions of the UPC will concern matters of validity and infringement of European patents with the potential of having huge financial and commercial impacts on private parties,
- the judges of the UPC need to be able to handle complicated cases swiftly and in different languages and
- the judges of the UPC will need to be highly flexible as to their physical whereabouts, since they
  will need to take part in proceedings in multiple divisions located in different Contracting Member
  States.

Furthermore, the Member States underlined that, to secure the quality and credibility of the UPC, it is necessary to attract the best possible judges in the field of patents.

The Member States noted that there are two comparable similar institutions in Europe, the European Patent Office Board of Appeal (BoA) and the General Court of the European Union (General Court).

The Member States concluded that the work of a member of the BoA is comparable to the work of a UPC judge but that the work of a UPC judge will be more complex since the BoA only handles validity and not infringement cases.

The Member States noted that approximately 40% of the caseload of the General Court consisted of appeals from the EUIPO and that these cases are not technically complicated in the same way as a patent case. The Member States also noted that the General Court is never called upon to decide matters of infringement. Against this background the Member States concluded that the work of the General Court, as regards their work on the trademark and design cases, is comparable to the work of the UPC judges but that the work of the UPC judges will be more complex.

The Member States therefore decided that it was reasonable to find a salary level that is comparable to the actual level paid at the EPO Boards of Appeal and the EU General Court and established the salary levels so that they would be comparable to the actual level paid at these institutions.

At the time (2016) a member of the EPO Board of Appeal had an estimated average net salary of approximately 11 500 EUR/month, a chairman of the EPO Board of Appeal had an average net salary of 13 000 EUR/month and a judge in the General Court had a net salary of approximately 12 400 EUR/month.

Against this background it was decided to establish monthly net salaries of 11,000 EUR for a judge of the Court of First Instance and 12,000 EUR for a judge of the Court of Appeal. This corresponds to the current gross monthly salaries of 18 089EUR and 20 062 EUR respectively. This was subsequently implemented in Article 32 of the Service Regulation.

From the history of the Preparatory Committee it can be established that the current salary levels for the staff of the Court were agreed during the summer of 2016.

# The proposal and its background

It can be established that the salaries were decided in 2016 and that the Member States benchmarked against the EPO BoA and the General Court for the salaries of the Judges and the two Registrars. Against this background and to meet the objective of said benchmark model it is reasonable to adjust the salary level taking into account the time that has passed and the lack of revision since the salaries where established.

At the meeting of the Administrative Committee held on 19 July 2024 the Presidium therefore suggested to establish new baseline salary levels at a 2023 level. It was suggested to adjust the salary using the historic salary update in the EU institutions from 2016 to 2023. The model would take into account the parameters generally used in the European Union such as inflation rate and purchasing power.

Table 1: historic salary update in the EU institutions<sup>2</sup>

2016	2017	2018	2019	2020	2021	2022	2023
3.30%	1.50%	1.70%	2%	0.70%	1.90%	6.90%	2.70%

Applying the figures in table 1 on the basic monthly salary of the UPC judges from 2016 to 2023 would amount to a salary increase of 22,5 percent. Such an increase would put a hypothetic salary level of

2023 for the judges of the UPC in approximately the same relationship with the EPO BoA and the General Court as was the situation in 2016.

It was suggested that this should be implemented by amending Article 32 of the Service Regulation. and Annex IV of the Staff Regulation with a corresponding adjustment of the dependent child and education allowance.

While the underlying principles met with general broad support in the Administrative Committee, a majority of the Member States felt that an immediate increase with the full suggested percentage would be too substantial to be financially sustainable. It was therefore suggested by the Chairman to adopt a more cautious approach with a gradual increase, where a certain percentage would be added to the regular annual adjustment, with the aim of, within a period of time, bringing the salaries on par with the salaries at the EPO BoA and the General Court.

Against the background laid out above it is suggested to, in addition to the regular annual revision of the salaries suggested in AC/05/14022025, increase the salaries of the judges and staff as well as the dependent child and education allowance with 5 percent. The amendments are suggested to have effect as from 1 April 2025.

# DECISION OF THE ADMINISTRATIVE COMMITTEE OF 14 FEBRUARY 2025 ON AMENDMENTS TO THE REGULATIONS GOVERNING THE CONDITIONS OF SERVICE OF JUDGES, THE REGISTRAR AND THE DEPUTY REGISTRAR OF THE UNIFIED PATENT COURT AND TO THE STAFF REGULATION OF THE UNIFIED PATENT COURT REGARDING THE BASELINE SALARY

THE ADMINISTRATIVE COMMITTEE

CONSIDERING the Statute of the Unitary Patent Court, in particular article 12;

CONSIDERING the Regulations Governing the Conditions of Service of Judges, the Registrar and the Deputy-Registrar of the Unified Patent Court, in particular article 31-34;

CONSIDERING the Staff Regulations of the Unified Patent Court, in particular article 20; and

HAVING REGARD to the agreement by the Contracting Member States in the Preparatory Commitment as manifested in doc PC/12/Feb2016;

HAS ADOPTED THE FOLLOWING DECISION:

#### Article 1

- (1) The gross remuneration of the Judges, the Registrar, the Deputy Registrar and the Staff of the Unified Court are increased by 5 percent in addition to and on the basis of what has been decided with regard to the regular annual update in AC/05/14022025. The corresponding adjustment shall be made also with regard to the education and dependent child allowance. The adjustments shall have effect as of 1 April 2025.
- (2) Taking into account the latest amendments in AC/05/14022025, the resulting updated amounts in the Regulations Governing the Conditions of Service of Judges, the Registrar and the Deputy-Registrar of the Unified Patent Court and in the Staff Regulation of the Unified Patent Court which are to that effect amended with effect from the aforementioned date follow from Annex 1.

#### Article 2

This decision shall enter into force on 14 February 2025.

Done at Luxembourg on 14 February 2025

For the Administrative Committee

Signed Johannes Karcher

The Chairman

#### Annex 1

# THE REGULATIONS GOVERNING THE CONDITIONS OF SERVICE OF JUDGES, THE REGISTRAR AND THE DEPUTY REGISTRAR OF THE UNIFIED PATENT COURT

#### Article 32

# Amount of basic monthly salaries

1. Basic monthly salaries of judges are as provided in the following table:

	Gross salary (EUR)
Court of Appeal	<u>22 874</u>
Court of First Instance	<u>20 625</u>

- 2. The President of the Court of Appeal and the President of the Court of First Instance shall have a basic monthly salary equal to 105% of that of the judges at their respective instances.
  - 3. Basic monthly salaries of the Registrar and the Deputy-Registrar are as provided in the following table:

	Gross salary (EUR)
Registrar	<u>22 874</u>
Deputy-Registrar	<u>20 625</u>

#### Article 34

# **Family allowances**

- 1. Family allowances shall comprise the following:
  - a) The household allowance shall be set at a basic amount of half of the amount of the dependent child's allowance provided for under sub-paragraph c) below, plus 2% of the monthly net salary. It shall be granted to expatriate judges, expatriate Registrar and expatriate Deputy-Registrar with spouse while the spouse has no employment.
  - b) The education allowance shall be granted up to a maximum of <u>291 EUR</u>/child per month, to expatriate judges, expatriate Registrar and expatriate Deputy-Registrar.
  - c) The dependent child's allowance shall be set at <u>337 EUR</u>/child per month. It shall be granted to judges, the Registrar and Deputy-Registrar.
  - d) Disabled or severely disabled child allowance and reimbursement for education and/or training costs that are related to the disability. The disabled child allowance shall be a monthly basic amount equal to the dependent child's allowance. The severely disabled child allowance shall be a monthly basic amount equal to double the disabled child allowance. Reimbursement of education and training expenses shall amount to 90% of the expenses defined in the Implementing instructions as set out in Article 53 (1) of these

Regulations, on the basis of the remaining amount of expenses after the deduction of any payments that have been received from any other sources and for the same purpose.

Eligible part-time judges shall receive family allowances on a *pro rata* basis in accordance with Article 27(3) of these Regulations.

- 2. A judge, the Registrar or the Deputy-Registrar entitled to any of the above mentioned allowances shall be required to report to the President of the Court of Appeal or, in the case of a judge of the Court of First Instance or of the Deputy-Registrar, to the President of the Court of First Instance any payments of the same nature or for similar purpose that are received from other sources by him, his spouse or the child's other parent. The amounts of any such payments shall be deducted from the benefits paid under these Regulations.
- 3. In case of shared or alternate custody, the payment of the allowances shall be shared equally between the two persons employed by the Court who are the child's parents. However, the parents may decide by mutual agreement which of them will receive the allowances.

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#### THE STAFF REGULATIONS OF THE UNIFIED PATENT COURT

### Article 21

# **Family allowances**

- 1. Family allowances shall comprise the following:
  - a) The household allowance shall be set at a basic amount of half of the dependent child's allowance provided for under sub-paragraph c), plus 2% of the monthly net salary. It shall be granted to expatriate staff with spouse while the spouse has no remunerated employment.
  - b) The education allowance shall be granted up to a maximum of <u>291 EUR</u>/child per month, to expatriate staff.
  - c) The dependent child's allowance shall be set at 337 EUR/child per month.
  - d) The disabled or severely disabled child allowance and reimbursement for education and/or training costs that are related to the disability. The disabled child allowance shall be a monthly basic amount equal to the dependent child's allowance. The severely disabled child allowance shall be a monthly basic amount equal to double the disabled child allowance. Reimbursement of education and training expenses shall amount to 90% of the expenses defined in the Implementing instructions, as set out in Article 42(1) of these Regulations, on the basis of the remaining amount of expenses after the deduction of any payments that have been received from any other sources and for the same purpose. Only those expenses incurred with a view to providing the disabled or severely disabled child with access to an education or training programme designed to meet his needs in order to obtain the best possible functional capacity, and which are not otherwise covered by the provisions governing the education allowance, shall be eligible for reimbursement.
- 2. Part-time staff shall receive family allowances on a pro rata basis.
- 3. A staff member entitled to any of the above mentioned allowances shall be required to report to the Registrar any payments of the same nature or for similar purpose that are received from other sources by him, his spouse or the child's other parent. The amounts of any such payments shall be deducted from the benefits paid under these Regulations.
- 4. In case of shared or alternate custody, the payment of the allowances shall be shared equally between the two staff members employed by the Court who are the child's parents. However, the parents may decide by mutual agreement which of them will receive the allowances.

# **ANNEX IV**

# TYPES OF POSTS AND REMUNERATION FOR STAFF OF THE COURT

# 1. Directors

Function	Gross salary (EUR)
Director of the Mediation and Arbitration Centre	12 078
Director of the Training Centre	<u>12 078</u>

# 2. Staff

Function	Gross salary <i>(EUR)</i>								
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9
Case Manager / Clerk	<u>5 918</u>	<u>6 081</u>	<u>6 243</u>	<u>6 409</u>	<u>6 577</u>	<u>6 745</u>	<u>6 913</u>	7 086	<u>7 259</u>
Assistant / Secretary	<u>4 656</u>	<u>4 771</u>	4 888	<u>5 003</u>	<u>5 120</u>	<u>5 238</u>	<u>5 356</u>	<u>5 475</u>	<u>5 595</u>
Legal Assistant Pres CoA									10 871
Legal Assistant Pres CFI									10 871

The salaries of the staff as set out in this table are gross, expressed in euros, and subject to geographical weighing determined on the basis of the correction coefficients set in Article 3 of the Regulation (EU) No 423/2014 of the European Parliament and of the Council of 16 April 2014 adjusting with effect from 1 July 2012 the remuneration and pensions of officials and other servants of the European Union and the correction coefficients applied thereto.

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