



Organization for Security and Co-operation in Europe

Director for Human Resources
Vienna, 1 March 2004

Staff Instruction No. 13/2004

Subject: Rental Subsidy

1. Reference

Staff Regulation 5.12, Staff Rule 5.12.1

2. Purpose

The purpose of this Staff Instruction is to provide information on the new methodology applied by OSCE to determine the amount of the rental subsidy payable, define the conditions of eligibility and set the limits and procedures for its application.

3. Applicability

This Instruction **only** applies to international fixed-term contracted staff members in the Secretariat and in Institutions, including the Secretary General and Heads of Institution, appointed on or after 1 March 2004 who are renting their dwelling.

Staff members appointed before 1 March 2004, will be allowed to maintain and/or apply for rental subsidy under conditions and eligibility applicable in 2003 but the amount of the subsidy shall be fixed at a constant rate which will be set on the basis of the March 2004 salary and post adjustment.

4. Effective Date

This Staff Instruction shall be effective on 1 March 2004.

5. Determination of Rental Subsidy

5.1 The basic principles governing the rental subsidy scheme acknowledge that, in most cases of non career OSCE staff, the initial establishment in a new location involves a level of rental expense greater than the average expenses paid by local staff already in the duty station.

5.2 The rental subsidy payable by the OSCE is calculated at 5 % of the P4 Step 6 net salary at dependency rate including the applicable post adjustment (P4 step 6 is generally considered as the mid-point of the Professional salary scale). All international contracted staff renting their dwelling in the same duty station will receive the same amount of subsidy **without** consideration of their grade or the amount of rent paid.

5.3 Staff Members who use the services of a rental agency may claim 50% of applicable rental agency fees, up to a maximum of EUR 3,000. Rental agency fees shall be reimbursed once only during the entire period of service in the same duty station. Only fees charged by licensed rental agents/brokers shall qualify for reimbursement. Appropriate documentation, including both the agent's contract/agreement and a copy of either the receipt for the fee or the cheque for payment of the fee must be submitted.

5.4 The amount of rental subsidy determined under paragraph 5.2 above shall be applied for a maximum period of 7 years following the eligibility for rental subsidy, after which no subsidy will be paid.

6. Conditions of Eligibility

The eligibility to rental subsidy starts from the **thirty first** day of entry on duty, under the following conditions:

- The staff member, must not be a national or a permanent resident of the duty station.
- The staff member must rent, and not own, their dwelling
- When two staff members are married and are assigned to the same duty station, only one subsidy is payable.
- When a subsidy from an external employer is already paid to the spouse of a staff member the amount paid should be deducted from the OSCE rental subsidy payable.
- The contract/lease should be in a written format, and duly signed by both parties.

7. Procedures

7.1 Eligible staff members requesting the payment of a rental subsidy must complete the Rental Subsidy Application Form (Annex 1) , attach a copy of their lease and send it to their Personnel /Administrative Officer for approval and processing.

7.2 The amount of the rental subsidy will automatically be calculated on the P4 step 6 applicable remuneration. No adjustments reflecting grade or step change or change in family status will be made. Payments made to agencies or other entities will not be taken into account.

7.3 Staff members appointed prior to 1st March 2004 and already in receipt of a rental subsidy will continue to receive the amount calculated in accordance with Staff Circular No. 1/2000. However, the amount of the rental subsidy will be set on the basis of the March 2004 salary scale and will remain constant for one (1) year. The amount will be recalculated annually.

7.4 Staff members appointed before 1 March 2004 who are not in receipt of a rental subsidy, but who, in the meantime, have become eligible for the subsidy, may apply in accordance with the Staff Circular No. 1/2000 and will receive the subsidy under the conditions outlined in point 7.3 above.

7.5 In case of any changes of the rental situation or in case of purchase of the dwelling, the eligible staff member should immediately notify his/her Personnel/Administrative Officer. Failure to comply with this requirement may

lead to disciplinary measures including dismissal, in addition to the recovery of all undue payments.

8. Form

The Rental Subsidy Application Form is attached as Annex 1.