

SUMMARY

Case C-17/17. Insolvency

Does Article 8 of Directive 80/987/EEC¹ (now superseded by Article 8 of Directive 2008/94/EC²) require member states to ensure that every individual employee receives at least 50% of the value of his accrued entitlement to old-age benefits in the event that his employer becomes insolvent (with the sole exception of cases of abuse, to which Article 10(a) of that Directive applies)? Alternatively, subject to the findings of the national courts regarding the facts of the case, is it sufficient under Article 8 of Directive 80/987/EEC for a member state to have a system of protection where employees usually receive more than 50% of the value of their accrued entitlement to old-age benefits but some individual employees receive less than 50% by virtue of:

- a financial cap on the amount of compensation paid to employees (in particular employees who have not reached their pension scheme's normal pension age at the time of the employer's insolvency); and/or
- rules limiting the annual increases in the compensation paid to employees or the annual revaluation of their entitlements prior to pension age?

Is Article 8 of Directive 80/987/EEC directly effective in the circumstances of the present case?

Creator: European Court of Justice (ECJ)

Verdict at: 2017-01-16

Case number: C-17/17