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Eurostat Report
on the Intermediate Update of weightings (correction coefficients) applicable to the remuneration of officials, temporary staff and contract staff of the European Union serving in Extra-EU Delegations

In accordance with Article 64, Annex X and Annex XI of the Staff Regulations applicable to officials and other servants of the European Union

Reference:
The six months between 1 August 2023 and 1 January 2024 inclusive

Eurostat Report on the intermediate update of weightings (correction coefficients) applicable to the remuneration of EU officials serving in Extra-EU Delegations

EXTRA-EU CORRECTION COEFFICIENTS

REFERENCE PERIOD: THE SIX MONTHS BETWEEN 1 AUGUST 2023 AND 1 JANUARY 2024 INCLUSIVE

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EXECUTIVE SUMMARY

In accordance with Article 64, Annex X and Annex XI of the Staff Regulations applicable to officials and other servants of the European Union, this report presents the information required for the intermediate update of the weightings (correction coefficients) applicable to the remuneration of EU officials, temporary staff and contract staff of the European Union serving in Extra-EU duty stations which is payable in local or another authorised currency⁽¹⁾.

This is the twenty-first intermediate report covering Extra-EU locations which is prepared under the EU Staff Regulations as amended by Regulation 1023/2013.

The previous annual report, establishing values applicable with effect from July 2023 (reference Ares(2023)7336768), was published in the Official Journal on 14th December 2023 (OJ C 2023 1546).

The previous two intermediate reports, establishing values covering the six months period between August 2022 and January 2023 inclusive (reference Ares(2023)3382993) and the five months period between February 2023 and June 2023 inclusive (reference Ares(2023)7190249) respectively, were published in the Official Journal on 15th June 2023 (OJ 2023/C 208/05) and on 14th December 2023 (OJ 2023 C 1548).

This intermediate report covers the six months period between August 2023 and January 2024 inclusive and, inter alia, it includes:

1) CCMMAAAA (MM=month, AAAA=year; for example CC082023). These five tables show the economic parity, exchange rate and weighting (correction coefficient) established for each location for the month in question.

In accordance with Article 13 of Annex X to the Staff Regulations, an intermediate update to the weightings (correction coefficients) should be made whenever the variation in the economic parity has exceeded 5% since the previously established value (July 2023 or subsequently). Tables are included showing the locations for which this is the case:

2) CHGMMAAAA (MM=month, AAAA=year; for example CHG082023).

A summary file of these movements is also included:

3) Staff Reg 5 per cent rule period July 2023 or subsequent to December 2023 with codes.

Files are sent in the usual format. In the tables, parities are presented with 4 significant digits, exchange rates with 6 significant digits and the weightings (correction coefficients) are presented rounded to 1 decimal place.

⁽¹⁾ Exceptionally, salaries in certain delegations are paid in USD or another approved currency.

All figures and calculations contained in this report are based on data (place-to-place price surveys and time-to-time price indices) supplied under the 2009 Memorandum of Understanding⁽²⁾ signed with the United Nations International Civil Service Commission (UN ICSC) and the International Service for Remuneration and Pensions of the Coordinated Organisations (ISRP)⁽³⁾, complemented with information compiled directly by Eurostat.

The correction coefficient (CC) is defined as the economic parity divided by the exchange rate. CCs operate as a percentage adjustment to salaries. As salaries are first expressed in Euros, then converted to local currency using exchange rates, before being multiplied by CCs, it is clear that the exchange rate effect cancels out. If a CC changes solely due to a change in the exchange rate (i.e. there is no change in the economic parity) then local purchasing power will not be impacted.

CCs are aggregated from detailed price ratios up to a global value using the latest available consumption expenditure weights. A classification of 80 basic headings is used.

The detailed methodology for the calculation of Extra-EU correction coefficients is set out in a procedural manual, the latest version of which (doc.A6465/14/60rev5 Part 1: Main text & Part 2: Appendices) was adopted by the Article 64 Working Group in April 2022, and is available for download from the Eurostat free data tables metadata section (Eurobase), or from the dedicated section web pages:

<http://ec.europa.eu/eurostat/web/civil-servants-remuneration/correction-coefficients>

This report covers 143 Extra-EU duty stations. The list of duty stations is unchanged by comparison to the list used for the previous annual report (July 2023). An appendix to this report includes a list of EU Delegations which coordinate multiple additional locations/international organisations.

No value is presented in this report for 9 locations following the difficulty to get reliable data needed to establish a robust statistic (Afghanistan; Iraq; Lebanon; Libya; Somalia; Syria; Venezuela; Yemen; Zimbabwe). There is no change by comparison to the list used for the previous annual report (July 2023).

Staff working at four Extra-EU duty stations physically located inside the EU borders⁽⁴⁾ have an Intra-EU CC applied to their salaries: these locations are not included in the current report.

Duty stations which are an overseas country or territory ('OCT') of an EU Member State, have specific CC calculated on the basis of the Intra-EU CC for that Member State. This is the case for New Caledonia (France) and Greenland (Denmark).

⁽²⁾ An updated Administrative Arrangement in the field of remuneration statistics for administrative purposes was signed in February 2024.

⁽³⁾ The North Atlantic Treaty Organisation (NATO), Organisation for Economic Cooperation and Development (OECD), Council of Europe (CoE), European Space Agency (ESA), European Centre for Medium-range Weather Forecasts (ECMWF); European organisation for exploitation of Meteorological Satellites (EUMETSAT).

⁽⁴⁾ Delegation to the OECD and the UNESCO in Paris and the principalities of Andorra and Monaco [France]; Delegation to the Council of Europe in Strasbourg [France]; Delegation to the Holy See, Order of Malta, UN Organisations in Rome, and to San Marino [Italy]; Delegation to the International Organisations in Vienna [Austria].

Duty stations which are satellite offices of the main duty station in the capital city, have the CC for the capital city. This is the case for United States - San Francisco (CC for Washington DC).

At January 2024, there were 38 duty stations with CCs greater than 100, a decrease of 3, compared to 41 at July 2023 in the previous annual report.

During the six months between July 2023 and January 2024, CCs for 3 duty stations (Ethiopia, New Zealand, Sudan) have increased above 100 and CCs for 6 duty stations (Mauritania, Panama, Trinidad and Tobago, United States (San Francisco and Washington), Zambia) have decreased below 100.

During this period, exchange rate movements generated increases in 96 duty stations, decreases in 20 duty stations and no change in 18 duty stations, plus the 9 locations for which no value is presented.

For the period 1 July 2023 – 1 January 2024 the Joint Index (change in the cost of living measured for the EU officials) does exceed the specified threshold to trigger an intermediate update⁽⁵⁾. In consequence, in accordance with the agreed methodology, a general intermediate update of remuneration is required at 1 January 2024, and CC established at 1 January 2024 will apply for all the 143 Extra-EU duty station locations.

For this intermediate report, 5 months reporting period August 2023 – December 2023, positive and negative changes in the economic parity exceeding 5% were identified for 34 duty station locations, of which 13 locations had or have CC values above 100 (Angola; Armenia; Azerbaijan; Democratic Republic of the Congo; Congo; Cuba; Ethiopia; Haiti; Iran; Liberia; Mauritania; New Zealand; Sudan). There were 6 changes in August 2023, 8 changes in September, 18 changes in October, 9 changes in November and 12 changes in December.

The results of no new UN P2P price surveys were introduced for the calculation of PPPs and CCs presented in this Results Package. Other things being equal, the results of available surveys will be integrated for the second results package, covering the five months period February – June 2024.

Taking the reference year 2023, based on the latest set of UN P2Ps received, CCs for nearly all duty stations have now been updated using price survey data undertaken within the 7- year target (98% coverage) to refresh basic data. For 3 locations, surveys were last conducted in 2014 (Uruguay) or 2015 (Belarus; Ukraine) which simply reflects the work programme of our data partner, the United Nations International Civil Service Commission. The sole exceptions are Hong Kong and United States (New York) which were last surveyed in 2009. For New York, a specific price survey was run in November 2021 and the results are currently being validated. For Hong Kong, the timing of a new price survey is not yet determined. In accordance with the approved calculation methodology, subsequent price evolution relative to Brussels is monitored using official consumer price indices.

PPPs continue to be expressed in US Dollar, instead of local currency, in Cuba (CUP) and in 4 places where US Dollar is the official currency or there is a fixed 1:1 exchange rate (Ecuador; El Salvador; Panama; Timor-Leste).

⁽⁵⁾ See separate Eurostat Report on the intermediate update of remuneration and pensions of (Intra-)EU officials for the period 1 July 2023 – 1 January 2024 (Note: Ares(2024)___ reference not yet available as produced in parallel to this report).

Updated PPPs at July 2023 from the comparison programme coordinated by OECD are integrated in this intermediate report for the following 9 duty stations: Australia; Canada; Chile; Israel; Japan; South Korea; Mexico; New Zealand; United States (Washington DC).

Updated PPPs at July 2023 from the comparison programme coordinated by Eurostat are not integrated in this intermediate report for the following 12 duty stations: Albania; Bosnia and Herzegovina (Sarajevo); Iceland; Kosovo; Montenegro; North Macedonia; Norway; Serbia; Switzerland (Berne); Switzerland (Geneva); Türkiye; United Kingdom. The last updated PPPs, from the comparison programme coordinated by Eurostat, were integrated at July 2022. Other things being equal, updated PPPs at January 2023 from the comparison programme coordinated by Eurostat will be integrated for the second results package, covering the five months period February – June 2024.

In line with the standard procedure, where new survey results indicate a significant PPP difference by comparison to the previous value in force, the agreed smoothing mechanism is applied to spread the impact. At January 2024, 11 duty stations had a positive smoothing mechanism factor (Bangladesh; China; Fiji; Guinea-Bissau; Haiti; Lesotho; Mauritania; Mongolia; Thailand; Uganda; United Arab Emirates) and 3 duty stations had a negative smoothing factor (Iran; United States (San Francisco; Washington)). Six months earlier, at July 2023, there were 16 positive smoothing factors and 1 negative smoothing factor.

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APPENDIX: LIST OF EU DELEGATIONS WHICH COORDINATE MULTIPLE LOCATIONS/INTERNATIONAL ORGANISATIONS

1	Delegation to Barbados, the Eastern Caribbean States, the OECS and CARICOM/CARIFORUM
2	Delegation to Botswana and SADC
3	Delegation to Cameroon and Equatorial Guinea
4	Delegation to Djibouti and IGAD
5	Delegation to El Salvador and to the Central American Integration System (SICA)
6	Delegation to Ethiopia; Delegation to the African Union
7	Delegation for the Pacific. Responsible for Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, Niue, Palau, Republic of Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu as well as the three Overseas Countries and Territories in the Pacific
8	Delegation to Gabon, to São Tomé and Príncipe and to ECCAS
9	Delegation to Guyana, for Suriname, and with responsibility for Aruba, Bonaire, Curaçao, Saba, Saint Barthélemy, Sint Eustatius and Sint Maarten
10	Delegation to Hong Kong and Macao
11	Delegation to India and to Bhutan
12	Delegation to Indonesia and Brunei Darussalam; Delegation to ASEAN
13	Delegation to Jamaica, Belize, The Bahamas, Turks and Caicos Islands and Cayman Islands
14	Delegation to Madagascar and Comoros
15	Delegation to Mauritius and to the Seychelles
16	Delegation to Nigeria and ECOWAS
17	Delegation to Saudi Arabia, Bahrain and Oman
18	Delegation to Sri Lanka and the Maldives
19	Delegation to Switzerland and to Liechtenstein
20	Delegation to the UN and other international organisations in Geneva; Permanent mission to the World Trade Organisation
21	Delegation to West Bank and Gaza Strip, UNRWA
22	Delegation to Zambia and COMESA

