



EUROPEAN COMMISSION
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Directorate C: Macro-economic Statistics
Unit C.3: Statistics for administrative purposes

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 five months between 1 February 2021 and 1 June 2021 inclusive

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 Delegations which is payable in local or another authorised currency¹.

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

The previous annual update, establishing values applicable with effect from July 2020, was published in the Official Journal on 11th December 2020 (OJ C 428-11).

The previous intermediate report, covering the six months period between August 2020 and January 2021 inclusive, was published in the Official Journal on 15th June 2021 (OJ C 229-02).

This intermediate report covers the five months period between February 2021 and June 2021 inclusive and, inter alia, it includes:

1) **CCMMAAAA** (MM=month, AAAA=year; for example CC022021). 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 2020 or subsequently). Tables are included showing the locations for which this is the case:

2) **CHGMMAAAA** (MM=month, AAAA=year; for example CHG022021).

A summary file of these movements is also included:

3) **Staff Reg 5 per cent Rule period July 2020 or subsequent to June 2021 with NAP 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.

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 signed with the United Nations International Civil Service Commission (UN ICSC) and the International Service for Remuneration and Pensions of the Coordinated Organisations (ISRP)², 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

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

² 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).

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.A6465/14/60rev4) was adopted by the Article 64 Working Group in April 2020, and is available for download from the Eurostat free data website:

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

This report covers 149 Extra-EU duty stations. The list of duty stations has been updated by comparison to the list used for the previous intermediate update, as 2 new Extra-EU Delegations are added: Qatar-Doha, inserted for the first time February 2021, and São Tomé et Príncipe-São Tomé, inserted for the second time February 2021 (the production of CC ceased in June 2003 for this location).

No value is presented in this report for 18 locations, that can be split into two sets:

- The first set is composed of 9 locations, where mainly due to security reasons or constraints affecting the statistical reliability of the information, in particular due to uncertainty regarding the availability and price level of comparable, representative goods and services or due to the volatility of the reported inflation, the parities cannot be established with sufficient quality: Afghanistan; Iraq; Lebanon; Libya; Somalia; Syria; Venezuela; Yemen and Zimbabwe. Lebanon has been added to this list because it is experiencing economic crisis including hyperinflation. Sudan is also facing a problem of high inflation with sparse economic data available, however as the CC has fallen below 100 due to the rate of exchange between local currency and the Euro - and is likely to therefore no longer be applied - Sudan is retained in the current list and the situation will be reviewed for the next Intermediate Report.

- The second set is composed of the 9 locations which, following consultation with DG HR and the EEAS, are removed from the previous list of duty stations for which CC are produced with effect from February 2021, in order to align with the official list of Extra-EU delegations: Belize; Bosnia and Herzegovina (Banja Luka); Comoros; Indonesia (Banda Aceh); New Caledonia; Samoa; Solomon Isles; Vanuatu; Suriname. This report includes an appendix which lists those Delegations which coordinate multiple locations.

Note: CC are included for three duty stations which are not yet in the official list of Extra-EU Delegations: Iran (currently coordinated from Brussels); Qatar (currently coordinated from Kuwait); São Tomé et Príncipe (currently coordinated from Gabon).

Staff working at Extra-EU duty stations physically located inside the EU borders³ have an Intra-EU CC applied to their salaries: these locations are not included in the current report.

At June 2021, there were 21 duty stations with CCs greater than 100, a slight decrease of three, compared to 24 at January 2021 in the previous intermediate report. During the five months between January 2021 and June 2021, CCs for 3 duty stations (Djibouti; Qatar and United Kingdom) have increased above 100 and

³ 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].

CCs for 5 duty stations (Chad; New-Caledonia; South-Sudan; Sudan; Vanuatu) have decreased below 100. Lebanon (CC no longer published) formerly had CC above 100.

For this intermediate report, reporting period February 2021 - June 2021, positive and negative changes exceeding 5% were identified for 62 duty station locations, of which 13 locations had or have CC values above 100 (Democratic Republic of the Congo; Haiti; Hong Kong; Iran; Lebanon; Liberia; New Caledonia; Qatar; Solomon Islands; South-Sudan; Sudan; Turkmenistan; Vanuatu). This list of locations includes 3 places where CC is no longer published (New Caledonia; Solomon Islands; Vanuatu), 1 place where CC is suppressed (Lebanon) and 1 place where CC is produced for the first time (Qatar). There were 29 changes in February 2021, 20 changes in March, 7 changes in April, 15 changes in May and 16 changes in June.

The results of new UN P2P price surveys were introduced in this results package for the following 30 duty stations: Angola; Armenia; Barbados; Benin; Brazil; Burundi; Cambodia; Colombia; Cuba; Ecuador; Georgia; Guatemala; Guyana; Honduras; India; Jamaica; Kenya; Kyrgyzstan; Madagascar; Mali; Mozambique; Namibia; Nicaragua; Panama; Peru; Qatar (new location); São Tomé et Príncipe (new location); Tanzania; Trinidad and Tobago; Zambia.

CC for all duty stations have now been updated within 7 years with the sole exception of 3 duty stations: Hong Kong, last surveyed in 2012 (pending next UN price survey); Paraguay, last surveyed in 2013 (where latest U|N survey will be integrated for next results package); United States (New York), last surveyed in 2009. For New York a specific ECP-type survey is taking place this year (2021).

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).

Updated PPPs at July 2020 from comparison programme coordinated by OECD were used for the following 9 duty stations: Australia; Canada; Chile; Israel; Japan; South Korea; Mexico; New Zealand; United States (Washington).

Updated PPPs at July 2021 from comparison programme coordinated by Eurostat will be integrated in the next annual report for the following 11 duty stations: Albania; Bosnia and Herzegovina (Sarajevo); Iceland; Kosovo; Montenegro; North Macedonia; Norway; Serbia; Switzerland (Bern); Switzerland (Geneva); Turkey. ECP PPPs at January 2020 for the United Kingdom were updated and integrated for the last intermediate report.

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 June 2021, 36 duty stations had a positive smoothing factor and 3 a negative smoothing factor. Six months earlier, at January 2021 there were 17 positive and 5 negative smoothing factors.

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APPENDICES

- “CC022021” Economic parity, exchange rate, weighting (correction coefficient) for February 2021
- “CC032021” Economic parity, exchange rate, weighting (correction coefficient) for March 2021
- “CC042021” Economic parity, exchange rate, weighting (correction coefficient) for April 2021
- “CC052021” Economic parity, exchange rate, weighting (correction coefficient) for May 2021
- “CC062021” Economic parity, exchange rate, weighting (correction coefficient) for June 2021
- “CHG022021” Variation in economic parity exceeds 5%, comparing February 2021 and previous value (July 2020 or subsequent).
- “CHG032021” Variation in economic parity exceeds 5%, comparing March 2021 and previous value (July 2020 or subsequent).
- “CHG042021” Variation in economic parity exceeds 5%, comparing April 2021 and previous value (July 2020 or subsequent).
- “CHG052021” Variation in economic parity exceeds 5%, comparing May 2021 and previous value (July 2020 or subsequent).
- “CHG062021” Variation in economic parity exceeds 5%, comparing June 2021 and previous value (July 2020 or subsequent).
- “Staff Reg 5 per cent Rule period July 2020 or subsequent to June 2021 with NAP codes”
Summary table showing the time series of PPP, X-rates and CC values for which 5% rule generates a change; duty stations with CC > 100 are highlighted in bold.

List of EU Delegations which coordinate multiple locations/international organisations

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 Djibouti and IGAD
4	Delegation to El Salvador and to the Central American Integration System (SICA)
5	Delegation to Ethiopia; Delegation to the African Union
6	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
7	Delegation to Gabon, to São Tomé and Príncipe and to Equatorial Guinea
8	Delegation to Guyana, for Suriname, and with responsibility for Aruba, Bonaire, Curaçao, Saba, Saint Barthélemy, Sint Eustatius and Sint Maarten
9	Delegation to Hong Kong and Macao
10	Delegation to India and to Bhutan
11	Delegation to Indonesia and Brunei Darussalam; Delegation to ASEAN
12	Delegation to Jamaica, Belize, The Bahamas, Turks and Caicos Islands and Cayman Islands
13	Delegation to Kuwait and Qatar
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