EUROPEAN COMMISSION
EUROSTAT

Directorate C: Macro-economic statistics
Unit C-3 :Statistics for administrative purposes

Luxembourg, 23 October 2023

<u>**Supplement**</u> **to the**

Eurostat Report on
the 2023 annual update of remuneration and pensions of EU officials

in accordance with Articles 64 and 65 and Annexes XI and X of the Staff Regulations
applicable to officials and other servants of the European Union

adjusting with effect from 1 July 2023 the remuneration of active staff and the pensions
of retired staff,

and updating with effect from 1 July 2023 the correction coefficients applied to the
remuneration of active staff serving in Intra-EU and Extra-EU duty stations, to the
pensions of retired staff according to their country of residence, and for pension
transfers,

<u>**presenting**</u>

Explanations and statistical analyses: Specific indicators, control indicators, worktime;
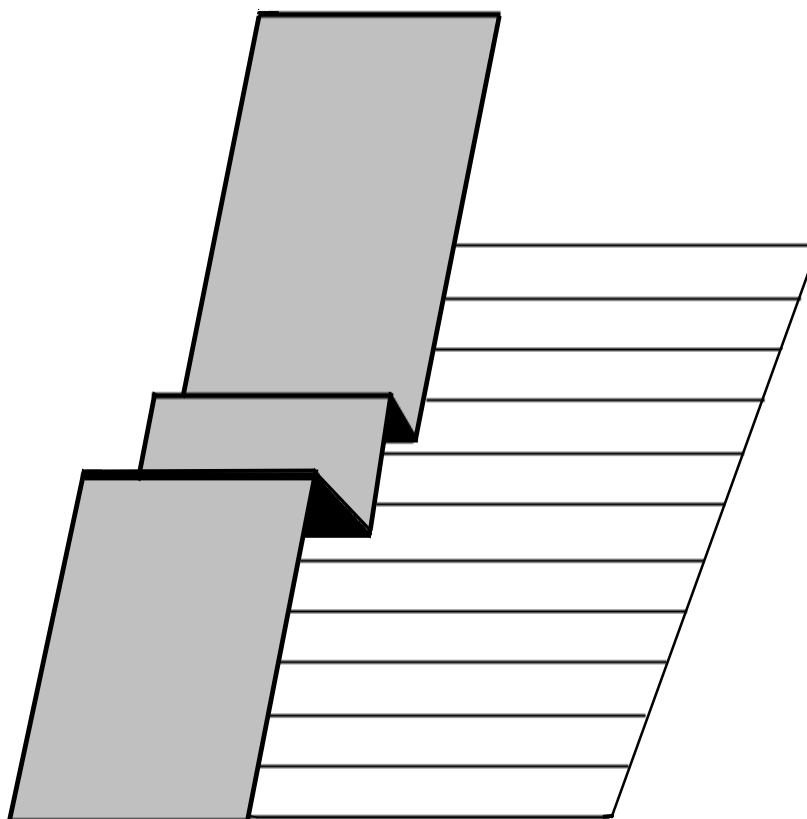**the cost of living in Belgium and Luxembourg; Correction coefficients.**

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Eurostat Report on the Annual Adjustment of Remuneration and Pensions

Appendix 1

Explanations and statistical analyses: specific indicators, control indicators, working time, changes in the cost of living, correction coefficients

Reference period:
Year to 1 July 2023

Content

This document is an appendix to the 2023 Eurostat report on the annual adjustment of remuneration and pensions. While the principal results concerning specific indicators and control indicators, changes in the cost of living in Belgium asnd Luxembourg, and correction coefficients for staff and pensioners are presented in the main report, the purpose of this appendix is to give further explanations and statistical analyses of the results as well as detailed tables with statistical information.

The footnote number sequence continues from the sequence in the main text.

Eurostat Report on the Annual Adjustment of Remuneration and Pensions

Appendix 1a

Explanations and statistical analyses: specific indicators, control indicators, working time

Reference period:

Year to 1 July 2023

Content

List of tables and graphs

1 | **Introduction**

This document is an appendix to the 2023 Eurostat report on the annual adjustment of remuneration and pensions. While the principal results concerning specific indicators and control indicators are presented in the main report, the purpose of this appendix is to give further explanations and statistical analyses of the results as well as detailed tables with statistical information.
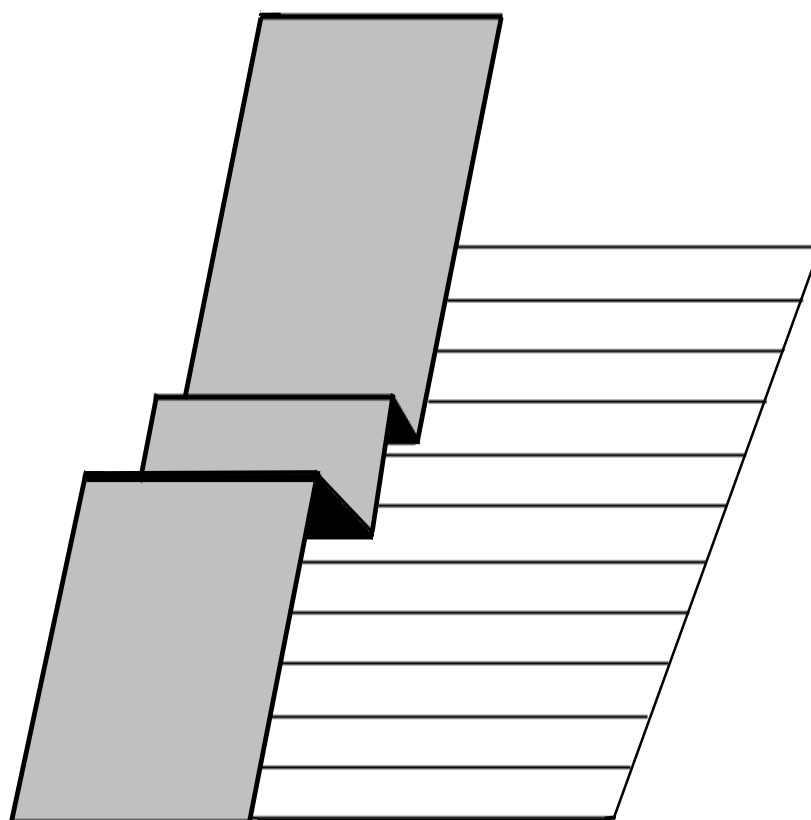
Chapters 2 to 9 of this document examine the changes in the purchasing power of salaries of central government civil servants in the Member States (specific indicator).

In **Chapters 10 and 11** comparative information is provided about control indicators (compensation of employees in central government; labour cost index for total public administration; Laspeyres-type specific indicators) and initial forecasts.

In **Chapter 12** information about working time in central governments of the Member States is given.

In the tables, specific indicators and control indicators are shown rounded to 1 decimal place. Percentage movements are shown rounded to 1 decimal place.

All calculations and figures presented in this appendix relating to specific indicators are based on data supplied and validated by the responsible authorities in the Member States. Completed 2023 remuneration questionnaires were received from all Member States, allowing the calculation of a specific indicator in combination with existing data provided for 2022. For the current annual exercise, the official forecast figure they supplied in March 2023, or a more recent estimate, was not used for any Member State[40].

Important note: the United Kingdom left the European Union with effect 1 February 2020 and is now a 'third country'. The transition agreement introduced by the 'Withdrawal Agreement' expired with effect 31 December 2020. The UK is no longer included in the core sample of Member States for specific indicator calculation purposes[41]. The remaining sample continues to represent at least 75 % of the EU27 gross domestic product.

More information about methodology can be found in the detailed procedural manual[42].

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[40] Op.cit. (7) For the previous (2022) annual exercise, the official forecast was also not used for any Member State

[41] A separate supplementary calculation including UK is done for partner international organisations

[42] Op.cit. (10) Doc.A6465/14/26rev5 (version March 2022) "Methodology for the calculation of specific indicators and control indicators"

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2 Parallelism with evolution of purchasing power of national officials

2.1 General remarks on the calculation of the specific indicator

The **global specific indicator** is a measure to represent the average change in the purchasing power of central government civil servants in the Member States of the European Union. It is measured by the real net salary increase in the central government civil services.

One of the basic elements of the annual salary adjustment procedure is the principle of **parallel development** of the salaries, in terms of purchasing power of national central government civil servants and of officials of the European Union. The **specific indicator** is the methodological tool allowing the implementation of this principle of parallelism.

Article 65 and Annex XI determine the basic principles of the method, but these have to be complemented with practical procedures[43]. Therefore, we provide here a set of commonly agreed basic definitions. If a particular situation in a given country makes it meaningful to deviate from these definitions to ensure a better application of the spirit of the method, then Eurostat, in agreement with that country may do so.

2.2 Elements of remuneration

All elements of remuneration that affect the purchasing power of civil servants should be taken into account in calculating the gross remuneration. All general bonuses and premiums, which are part of the salary, should be reported. In general the following elements should be taken into account:

- basic salaries;
- all allowances and bonuses, for example general premiums, child benefit and family allowances[44];
- non-pensionable lump-sum payments, for example annual holiday pay, Christmas bonus.

Not to be included:

- regional allowances granted to compensate for 'cost-of-living' differences;
- increase due to promotion or seniority;
- person-specific special allowances, for example individual bonuses for exceptional performance[45].

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[43] For full details, see the latest version of the methodology manual. Op.cit. (10) Doc.A6465/14/26rev5 (version March 2022)

[44] Where national civil servants are also eligible for state benefits (e.g. family allowances) these are included.

[45] Where bonuses represent an important regular percentage of total salary budget, a weighted average can be established.

2.3 Net remuneration

In order to get the net remuneration the following elements should be deducted from the gross remuneration:

- the amount of compulsory social deductions (social security contributions and occupational pension scheme contributions);
- general taxes on income;
- other compulsory deductions (mutual assistance contribution, temporary contribution, etc.).

Not to be included:

- voluntary contributions.

2.4 Reference period

In order to calculate the specific indicator for the year (t) the remuneration of central government civil servants on a fixed month of the year (t-1) is to be compared with the remuneration on the same date of the year (t).

The method is based on the comparison of a snapshot of a national remuneration system in the month of July of the current year with the equivalent snapshot in the month of July of the previous year. A snapshot of the system, however, does not simply mean the remuneration grid in a particular month; rather it means the remuneration level of the reference population employees in that month, including 1/12 of all annually paid elements such as Christmas bonuses, annual holiday pay, lump-sum payments etc.

If Member States report remuneration data of a given month/year again (e.g. data concerning remuneration of July 2022 sent in 2022 and re-sent in 2023), the data should be exactly the same. If not, they have to provide Eurostat with a clear justification (e.g. change in the structure of grades and categories in the public administration) and impact analysis.

2.5 Reference population

The reference population relates to permanent statutory staff of the sub-sector **"central governments" (S.1311 of ESA 2010)** of Member States. It should be noted that the sub-sector S.1311 in ESA 2010 is defined as follows:

"This sub-sector includes all administrative departments of the state and other central agencies whose competence extends normally over the whole economic territory, except for the administration of social security funds."

The reference population for calculating the specific indicator consists of subsector central government, with the following exclusions:

- state and local governments;
- social security funds;
- the armed forces, security forces, police forces, frontier guards, etc.;
- teaching staff;
- medical staff of national health services;
- ministers of religion, if directly paid by central government;
- diplomats and magistrates.

2.6 Sample of family types

The specific indicator for each country is calculated on the basis of remuneration data of officials of two different family statuses — **single** and **married with two dependent children**, and each with a weight of 50 %. Where relevant, spouses are assumed to have zero income.

2.7 Function groups

According to Annex XI, Art. 1 Eurostat is obliged to provide a specific indicator for each of the three function groups: Administrators (AD), Assistants (AST) and Secretaries and Clerks (AST/SC). Therefore, the posts in the national reference population should be classified, according to the nature of the duties to which they relate, in these three function groups – each should comprise several grades.

- Function group **AD** relates to staff engaged in administrative, advisory, linguistic and scientific duties that require university education or equivalent professional experience.

- Function group **AST** relates to staff engaged in executive and technical duties that require an advanced level of secondary education or equivalent professional experience.

- Function group **AST/SC** relates to staff engaged in clerical and secretarial duties that require an advanced level of secondary education or equivalent professional experience.

2.8 Sample of grades

Out of the reference population the Member States may select a sample of the more important grades in terms of staff numbers for each of the above mentioned function groups. Grades having only a small proportion of the total number of staff may be excluded from the sample.

The sample should be representative of the reference population. The ratio between the number of staff in the grades covered by the sample and the number in the reference population should normally be more than 75 %.

2.9 Sample of countries

Prior to 2004, data for all EU15 Member States was used.

Between 2004 and 2012 a sample composed of the following 8 Member States was specified: Belgium, Germany, Spain, France, Italy, Luxembourg, Netherlands and United Kingdom. For 2013 it was agreed to use data for all 28 Member States.

A new version of Annex XI was adopted in October 2013, and specifies a sample composed of 11 Member States (the same 8 as for 2004–2012 plus Austria, Poland and Sweden). This sample took effect from January 2014.

The United Kingdom left the EU with effect 1 February 2020 and is now a 'third country'. The transition period introduced by the 'withdrawal agreement' expired with effect 31 December 2020. Consequently, the UK is no longer included in the core sample of Member States for specific indicator calculation purposes (the remaining sample continues to represent at least 75 % of the remaining EU27 gross domestic product expressed in Purchasing Power Standards).

2.10 Calculation of country specific indicators

On receipt of the data from the Member States, Eurostat calculates specific indicators for each of the countries separately([46]). The steps leading to these calculations are:

- For each grade, Eurostat will calculate average gross and net remunerations for the available steps (e.g. minimum, maximum, median) and the family types.

- Average gross and net remunerations for each grade are then aggregated to three function groups (AD, AST and AST/SC). They are calculated by taking weighted averages of the grades belonging to these groups. The sample size (number of civil servants in the sample of each grade) is taken as weight.

- The average gross and net remunerations for the three function groups are then aggregated to overall gross and net remunerations in the central government civil service by taking the weighted average of the remunerations of these three groups, where the total actual number of civil servants in each of the groups is taken as weights.

- For each of the function groups as well as for the overall remunerations the following changes for the period July – July are calculated:

    - o Gross nominal
    - o Net nominal
    - o Gross real
    - o Net real

- The increases/decreases in real terms are calculated by taking into account the increases/decreases in nominal terms and the increase/decrease in the harmonized index of consumer price (HICP) for the corresponding period.

- The overall real net increase/decrease in remuneration is called the **country specific indicator**.

Detailed remuneration tables showing the calculations for each country are presented in the separate **Appendix 2** report.

([46]) With effect from 2018, Eurostat and the International Service for Remunerations and Pensions of the Coordinated Organisations compiles data jointly for the following 7 Member States: Belgium, Germany, Spain, France, Italy, Luxembourg and Netherlands.

3 Specific indicators — results by functional groups

Table 3.1 sets out the gross and net specific indicators for each of the three function groups, both in nominal and real terms, for the sample of countries specified in the Staff Regulations.

Table 3.1: Nominal and real changes in the remuneration of national civil servants in the twelve-month period to 1st July 2023 (July 2022 = 100) – sample 10

Country		Nominal change				Real change			
		AD	AST	SC	Total	AD	AST	SC	Total
BE	Gross	106.2	106.2		106.2	104.5	104.5		104.5
	Net	107.8	107.9		107.8	106.1	106.2		106.1
DE	Gross	100.4	100.6	100.9	100.5	94.0	94.2	94.5	94.1
	Net	103.2	104.1	105.2	103.6	96.6	97.5	98.5	97.0
ES	Gross	103.8	103.7	103.6	103.8	102.2	102.1	102.0	102.2
	Net	103.8	103.7	103.7	103.8	102.2	102.1	102.1	102.2
FR	Gross	101.8	103.2		102.8	96.7	98.0		97.6
	Net	102.2	103.5		103.2	97.1	98.3		98.0
IT	Gross	100.0	100.0	100.0	100.0	93.7	93.7	93.7	93.7
	Net	101.0	101.1	100.0	101.0	94.7	94.7	93.7	94.7
LU	Gross	104.9	104.8		104.8	103.9	103.8		103.8
	Net	104.3	103.4		103.9	103.3	102.4		102.9
NL	Gross	103.9	104.3	104.7	104.0	97.7	98.0	98.4	97.7
	Net	105.6	108.1	110.0	106.6	99.2	101.6	103.4	100.2
AT	Gross	107.4	107.8		107.7	99.6	100.0		99.9
	Net	108.0	108.5		108.3	100.2	100.6		100.5
PL	Gross	106.9		116.5	107.3	96.3		105.0	96.7
	Net	109.0		115.6	109.4	98.2		104.1	98.6
SE	Gross	101.4	102.0	101.4	101.4	95.4	96.0	95.4	95.4
	Net	101.4	101.1	100.6	101.4	95.4	95.1	94.6	95.4
Total	**Gross**	**102.3**	**102.3**	**103.3**	**102.5**	**96.5**	**96.9**	**97.1**	**96.8**
	Net	**103.6**	**103.9**	**105.2**	**104.0**	**97.8**	**98.5**	**98.9**	**98.2**

Table 3.1a presents the corresponding information for the remaining countries.

Table 3.1a: Nominal and real changes in the remuneration of national civil servants in the twelve-month period to 1ˢᵗ July 2023 (July 2022 = 100) – other 17

Country		Nominal change				Real change			
		AD	AST	SC	Total	AD	AST	SC	Total
BG	Gross	108.1	104.1		107.5	100.6	96.8		100.0
	Net	108.1	104.1		107.6	100.6	96.8		100.1
CZ	Gross	100.4	111.9	93.2	100.6	90.3	100.6	83.8	90.5
	Net	101.5	112.0	95.7	101.7	91.3	100.7	86.1	91.5
DK	Gross	101.8	101.9		101.8	99.4	99.5		99.4
	Net	102.3	102.0		102.3	99.9	99.6		99.9
EE	Gross	105.6	105.6		105.6	96.9	96.9		96.9
	Net	106.2	106.2		106.2	97.4	97.4		97.4
IE	Gross	106.1	106.2	106.6	106.3	101.2	101.3	101.7	101.4
	Net	109.2	107.6	106.4	107.7	104.2	102.7	101.5	102.8
EL	Gross	100.0	100.0		100.0	97.3	97.3		97.3
	Net	101.7	101.3		101.5	98.9	98.5		98.7
HR	Gross	111.5	123.7	126.0	114.2	103.0	114.3	116.4	105.4
	Net	110.3	121.5	123.3	112.9	101.9	112.2	113.8	104.2
CY	Gross	105.8	105.8	106.0	105.9	102.9	102.9	103.1	103.0
	Net	107.8	106.5	105.9	107.0	104.9	103.6	103.0	104.1
LV	Gross	121.9			121.9	112.8			112.8
	Net	120.5			120.5	111.5			111.5
LT	Gross	102.8	102.8		102.8	95.0	95.0		95.0
	Net	103.2	103.6		103.2	95.4	95.7		95.4
HU	Gross	111.9	103.1	102.4	110.5	93.3	86.0	85.4	92.2
	Net	111.0	101.9	100.7	109.5	92.6	85.0	84.0	91.3
MT	Gross	104.5	104.5	104.2	104.5	98.4	98.4	98.1	98.4
	Net	103.7	103.7	103.5	103.7	97.6	97.6	97.5	97.6
PT	Gross	104.7	103.5	107.6	105.4	100.0	98.9	102.8	100.7
	Net	106.6	105.3	108.1	107.0	101.8	100.6	103.2	102.2
RO	Gross	108.3	131.7		108.7	99.1	120.5		99.5
	Net	108.1	130.3		108.6	98.9	119.2		99.4
SI	Gross	109.6	110.7	110.7	109.8	102.8	103.8	103.8	103.0
	Net	110.0	111.4	111.5	110.2	103.2	104.5	104.6	103.4
SK	Gross	106.7	110.6	107.1	107.4	95.9	99.4	96.2	96.5
	Net	110.4	114.9	112.9	111.3	99.2	103.2	101.4	100.0
FI	Gross	103.6	103.7		103.6	99.5	99.6		99.5
	Net	103.1	103.6		103.2	99.0	99.5		99.1

4 Ratios of staff numbers by functional groups

Table 4.1 summarises the ratio of AD-equivalent to AST-equivalent and to AST/SC-equivalent personnel amongst central government personnel (total population), as reported in SRQ for the sample of countries specified in the Staff Regulations.

4 Member States in the sample do not supply data for AST/SC category (Belgium, France, Luxembourg, Austria). 1 Member State does not supply data for AST category (Poland). The percentage of AD staff represents 49.4 % on average, with range between 19.5 % (France) and 92.5 % (Poland).

Table 4.1: Central government personnel ratios (total population) - July 2023 – sample 10

Country	Percentage			
	AD	AST	SC	Total
BE	41.3	58.7		100.0
DE	48.4	41.7	9.9	100.0
ES	45.9	34.9	19.2	100.0
FR	19.5	80.5		100.0
IT	40.7	54.8	4.5	100.0
LU	45.9	54.1		100.0
NL	54.9	40.9	4.2	100.0
AT	21.7	78.3		100.0
PL	92.5		7.5	100.0
SE	83.7	12.1	4.2	100.0

Table 4.1a presents the corresponding information for the remaining Member States.

8 of the remaining Member States do not supply data for AST/SC category. The percentage of AD staff represents 72.2 % on average, with range between 18.1 % (Ireland) and 100 % (Latvia).

Table 4.1a: Central government personnel ratios (total population) - July 2023 – other 17

Country	Percentage			
	AD	**AST**	**SC**	**Total**
BG	78.2	21.8		**100.0**
CZ	93.9	4.3	1.8	**100.0**
DK	87.8	12.2		**100.0**
EE	75.0	25.0		**100.0**
IE	18.1	44.0	37.9	**100.0**
EL	57.3	42.7		**100.0**
HR	68.6	3.9	27.6	**100.0**
CY	41.9	32.2	25.9	**100.0**
LV	100.0			**100.0**
LT	99.5	0.5		**100.0**
HU	80.4	17.1	2.5	**100.0**
MT	58.5	30.6	10.9	**100.0**
PT	45.0	10.4	44.6	**100.0**
RO	96.4	3.6		**100.0**
SI	76.6	5.4	17.9	**100.0**
SK	73.3	20.4	6.3	**100.0**
FI	76.3	23.7		**100.0**

Table 4.2 summarises the information about staff numbers in central goverment for the sample of countries specified in the Staff Regulations.

Table 4.2: Staff numbers in central government – sample 10

Country	Sample	Central Government Population	Ratio Sample/ Population		ESA 2010*	NASA_10**	
	Numbers	Numbers	%		Numbers	Numbers	
BE	23,275	23,275	100.0		:	917,000	2021
DE	22,627	25,739	87.9		:	4,883,000	2022
ES	33,877	38,733	87.5		457,916	3,304,000	2021
FR	247,263	247,263	100.0		:	6,128,000	2021
IT	125,146	125,146	100.0		:	3,411,000	2022
LU	5,417	5,417	100.0		:	71,000	2021
NL	146,746	146,746	100.0		:	1,209,000	2022
AT	13,297	13,297	100.0		301,410	772,000	2021
PL	25,632	25,632	100.0		:	2,909,000	2021
SE	68,315	68,315	100.0		89,369	1,502,000	2022

* = figure provided by country

** = figure per Eurostat website (value 12.09.2023)

Table 4.2a presents the corresponding information for the remaining Member States.

Table 4.2a: Staff numbers in central government – other 17

Country	Sample	Central Government Population	Ratio Sample/ Population		ESA 2010*	NASA_10**	
	Numbers	Numbers	%		Numbers	Numbers	
BG	35,724	35,724	100.0		308,953	:	0
CZ	20,378	21,878	93.1		387,952	936,000	2022
DK	13,802	13,802	100.0		:	865,000	2022
EE	5,712	5,712	100.0		54,835	150,000	2021
IE	32,655	32,655	100.0		:	489,000	2021
EL	72,602	72,602	100.0		:	772,000	2021
HR	10,371	11,727	88.4		234,849	386,000	2021
CY	10,194	10,566	96.5		62,618	68,000	2021
LV	1,929	2,028	95.1		97,693	181,000	2021
LT	13,470	13,470	100.0		138,160	311,000	2021
HU	14,434	14,470	99.8		651,217	926,000	2021
MT	29,546	29,546	100.0		:	48,000	2021
PT	102,106	108,003	94.5		559,400	743,000	2021
RO	426	68,307	0.6		:	1,436,000	2020
SI	20,510	20,510	100.0		105,014	181,000	2021
SK	8,426	32,231	26.1		241,263	465,000	2022
FI	3,199	35,983	8.9		149,600	682,000	2022

* = figure provided by country

** = figure per Eurostat website (value 12.09.2023)

5 The evolution of gross and net remuneration

Table 5.1 provides comparative information on the evolution of gross and net nominal remuneration for the sample of countries specified in the Staff Regulations.

Table 5.1: Changes in the nominal gross and nominal net specific indicators for the twelve-month period to 1st July 2023 – sample 10

Country	Gross remuneration	Net remuneration	Difference
BE	106.2	107.8	1.6
DE	100.5	103.6	3.1
ES	103.8	103.8	0.0
FR	102.8	103.2	0.4
IT	100.0	101.0	1.0
LU	104.8	103.9	-0.9
NL	104.0	106.6	2.6
AT	107.7	108.3	0.6
PL	107.3	109.4	2.1
SE	101.4	101.4	0.0
Total	**102.5**	**104.0**	**1.5**

The movements in nominal gross remuneration and nominal net remuneration provided in Table 5.1 are summarised in the analysis below for the **countries in the sample**:

Range (GROSS)	Member States	
x < 0 %	0	
0 % ≤ x < 2 %	3	DE, IT, SE
2 % ≤ x < 4 %	2	ES, FR
4 % ≤ x	5	BE, LU, NL, AT, PL
Total	**10**	

Range (NET)	Member States	
x < 0 %	0	
0 % ≤ x < 2 %	2	IT, SE
2 % ≤ x < 4 %	4	DE, ES, FR, LU
4 % ≤ x	4	BE, NL, AT, PL
Total	**10**	

Table 5.1a presents the corresponding information for the remaining Member States.

Table 5.1a: Changes in the nominal gross and nominal net specific indicators for the twelve-month period to 1st July 2023 – other 17

Country	Gross remuneration	Net remuneration	Difference
BG	107.5	107.6	0.1
CZ	100.6	101.7	1.1
DK	101.8	102.3	0.5
EE	105.6	106.2	0.6
IE	106.3	107.7	1.4
EL	100.0	101.5	1.5
HR	114.2	112.9	-1.3
CY	105.9	107.0	1.1
LV	121.9	120.5	-1.4
LT	102.8	103.2	0.4
HU	110.5	109.5	-1.0
MT	104.5	103.7	-0.8
PT	105.4	107.0	1.6
RO	108.7	108.6	-0.1
SI	109.8	110.2	0.4
SK	107.4	111.3	3.9
FI	103.6	103.2	-0.4

The movements in nominal gross remuneration and nominal net remuneration provided in Table 5.1a are summarised in the analysis below for the **remaining countries**:

Range (GROSS)	Member States	
x < 0 %	0	
0 % ≤ x < 2 %	3	CZ, DK, EL
2 % ≤ x < 4 %	2	LT, FI
4 % ≤ x	12	BG, EE, IE, HR, CY, LV, HU, MT, PT, RO, SI, SK
Total	**17**	

Range (NET)		
x < 0 %	0	
0 % ≤ x < 2 %	2	CZ, EL
2 % ≤ x < 4 %	4	DK, LT, MT, FI
4 % ≤ x	11	BG, EE, IE, HR, CY, LV, HU, PT, RO, SI, SK
Total	**17**	

Table 5.2 presents the information about average monthly gross remuneration and average monthly net remuneration in central government, in nominal terms, for the sample of countries specified in the Staff Regulations, expressed in national currency, in euro and converted using purchasing power parities.

Table 5.2: Average monthly gross and net remuneration in central government at 1st July 2023 – sample 10

Country	Currency	Period	Monthly NAC Gross	Monthly EUR Gross	Monthly PPS Gross	Monthly NAC Net	Monthly EUR Net	Monthly PPS Net
BE	EUR	Annual	4,979	4,979	4,979	3,386	3,386	3,386
DE	EUR	Month	6,353	6,353	6,143	4,562	4,562	4,411
ES	EUR	Annual	4,083	4,083	4,311	3,077	3,077	3,248
FR	EUR	Month	3,478	3,478	2,911	2,729	2,729	2,285
IT	EUR	Month	2,643	2,643	2,715	1,978	1,978	2,032
LU	EUR	Month	9,146	9,146	9,146	6,302	6,302	6,302
NL	EUR	Annual	4,933	4,933	4,307	3,306	3,306	2,886
AT	EUR	Month	5,168	5,168	4,614	3,701	3,701	3,305
PL	PLN	Month	6,796	1,528	1,897	5,508	1,238	1,538
SE	SEK	Month	42,161	3,568	3,080	33,094	2,800	2,417

1. Gross and net remuneration as supplied by Member States for calculation of specific indicators.
   (monthly values include equivalent of irregular components).
2. Exchange rates and purchasing power parities as used for calculation of correction coefficients.

Table 5.2a presents the corresponding information for the remaining Member States.

Table 5.2a: Average monthly gross and net remuneration in central government at 1st July 2023 – other 17

Country	Currency	Period	Monthly NAC Gross	Monthly EUR Gross	Monthly PPS Gross	Monthly NAC Net	Monthly EUR Net	Monthly PPS Net
BG	EUR	Month	2,360	1,206	1,760	1,428	730	1,065
CZ	CZK	Month	65,507	2,766	2,689	54,729	2,311	2,246
DK	DKK	Annual	49,566	6,655	5,064	29,731	3,992	3,038
EE	EUR	Month	3,607	3,607	3,646	2,963	2,963	2,995
IE	EUR	Annual	4,212	4,212	3,017	3,442	3,442	2,466
EL	EUR	Month	1,465	1,465	1,635	1,052	1,052	1,174
HR	EUR	Month	1,763	1,763	2,078	1,315	1,315	1,550
CY	EUR	Month	3,326	3,326	4,031	2,619	2,619	3,173
LV	EUR	Month	2,759	2,759	3,134	2,020	2,020	2,294
LT	EUR	Month	2,354	2,354	2,521	1,547	1,547	1,656
HU	HUF	Month	667,117	1,799	2,074	476,932	1,286	1,483
MT	EUR	Annual	2,051	2,051	2,202	1,664	1,664	1,786
PT	EUR	Month	2,375	2,375	2,459	1,759	1,759	1,821
RO	RON	Month	8,829	1,779	2,385	5,309	1,070	1,434
SI	EUR	Month	2,791	2,791	3,036	2,003	2,003	2,179
SK	EUR	Month	2,700	2,700	3,185	2,156	2,156	2,543
FI	EUR	Month	5,956	5,956	5,024	3,887	3,887	3,279

1. Gross and net remuneration as supplied by Member States for calculation of specific indicators. (monthly values include equivalent of irregular components).
2. Exchange rates and purchasing power parities as used for calculation of correction coefficients.

6 The transition from gross to net remuneration

The movement in net remuneration can differ from the movement in gross remuneration. **Chapter 2** of this document includes a description of the types of adjustment made to gross remuneration in order to get net remuneration. This can include statutory deductions and other compulsory deductions payable by national civil servants (e.g. personal income taxation, social security contributions) and the inclusion of certain social benefits receivable by national civil servants.

Note: under current methodology, state social security welfare benefits payable to the general population (i.e. including national civil servants) are only taken into consideration for specific indicator calculation purposes if there is an equivalent welfare component in the EU system. During the reference period July 2022 – July 2023, some Member States have made specific one-off welfare payments[47] as part of policy measures introduced to mitigate the impact of consumer price inflation in general and energy price rises in particular. Only some of these were classified as being equivalent allowances for EU purposes. Consequently, the purchasing power of national civil servants may have evolved by a higher amount than is captured by the current methodology. EU officials living in the countries concerned are not always eligible for national social security welfare payments.

Chapter 3 shows the movements in gross and net specific indicators for each of the countries in nominal and real terms for each of the function groups and the total. **Chapters 8 and 9** describe the main changes affecting the individual country specific indicators in nominal terms, distinguishing changes in staff numbers, changes affecting gross remuneration, and changes affecting net remuneration. It is the specific indicator of net remuneration which best captures the change in purchasing power.

Table 2.1 in the main report shows the change in net remuneration of central government civil servants in real terms for the sample of countries specified in the Staff Regulations. The corresponding information for the remaining Member States is shown in **Table 6** below.

The graphs after the table show the nominal net specific indicators, the consumer price indices, and the real net specific indicators, ranked in order of magnitude.

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(47) Note: Such one-off measures are intended to provide temporary support. For specific indicator calculation purposes, the impact is positive in the year of receipt, and negative in the following year (unless renewed).

Table 6: Change in the net remuneration of central government civil servants July 2022 - July 2023 (remaining 17 countries)

Country	Weight [1] EU27=100	Nominal net specific indicator	Consumer price indices	Real net specific indicator
	(%)	(%)	(%)	(%)
BG	0.9	7.6	7.5	**0.1**
CZ	2.2	1.7	11.2	**-8.5**
DK	1.8	2.3	2.4	**-0.1**
EE	0.3	6.2	9.0	**-2.6**
IE	2.7	7.7	4.8	**2.8**
EL	1.6	1.5	2.8	**-1.3**
HR	0.6	12.9	8.3	**4.2**
CY	0.2	7.0	2.8	**4.1**
LV	0.3	20.5	8.1	**11.5**
LT	0.6	3.2	8.2	**-4.6**
HU	1.7	9.5	19.9	**-8.7**
MT	0.1	3.7	6.2	**-2.4**
PT	1.8	7.0	4.7	**2.2**
RO	3.3	8.6	9.3	**-0.6**
SI	0.4	10.2	6.6	**3.4**
SK	0.8	11.3	11.3	**0.0**
FI	1.4	3.2	4.1	**-0.9**

[1] Basis: GDP expressed in PPP, 2022

Nominal net specific indicator (%), ranked

Consumer price indices (%), ranked

Real net specific indicator (%), ranked
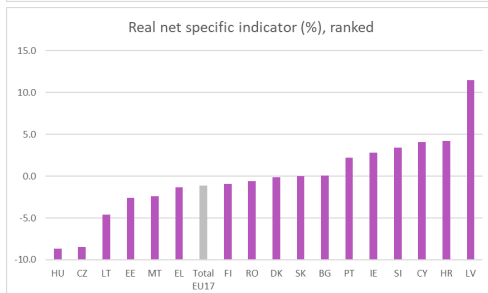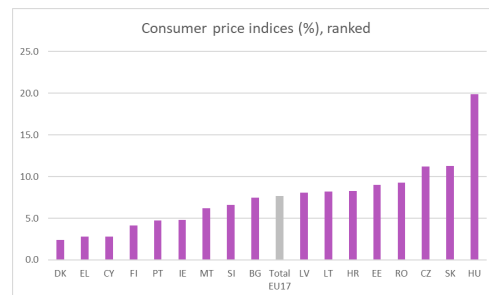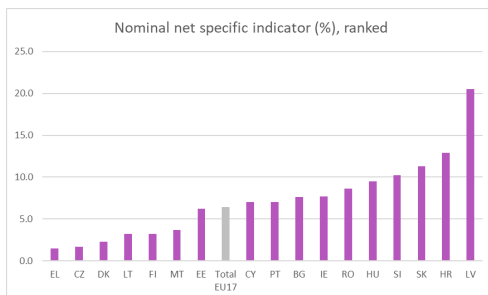
7 Global specific indicator for the EU27

Combining the information in **Table 6** with the information in Table 2.1 of the main report, it is possible to calculate a hypothetical global specific indicator for the EU27 as a whole (evolution of net remuneration of national civil servants in real terms).

For the year to July 2023, this would be **104.5 (+4.5 %)** in nominal terms, and **98.3 (-1.7 %)** in real terms. This compares with the movement of net remuneration for the core sample of 10 EU Member States stipulated in the Staff Regulations which is reported in Chapter 2 of the main report, in nominal terms 104.0 (+4.0 %) and in real terms 98.2 (-1.8 %).

The movement for the six-month period July 2022 – January 2023 was reported in the Intermediate Report issued by Eurostat in May 2023([48]) which used the available forecasts of the annual movements. The movement of net remuneration in real terms for the EU27 was **96.6 (-3.4 %)**, which compares with 96.2 (-3.8 %) for the core sample. On that basis, rounding down to 1 decimal place, the applicable indicator for the first six months (i.e. 50 %) was **98.3 (-1.7 %)**. That compares with 98.1 (-1.9 %) for the core sample.

The residual movement for the six-month period January 2023 to July 2023 can be identified by combining the annual indicator and the indicator for the first six months. On that basis, the residual indicator for the second six months for the EU27 would be **100.0 (0.0 %)** in real terms. That compares with 100.1 (+0.1 %) for the core sample.

Further explanations and statistical analyses for the EU27 as a whole are presented in the separate **Appendix 2** report.

([48]) Op.cit. (2) Ares(2023)3417031

8 Description of changes in the specific indicators (countries in the sample)

The main changes affecting the individual country specific indicators in nominal terms for the Member States in the sample for the period are as follows:

1	**Belgium**: Figures are supplied in accordance with a country manual validated in November 2015 and subsequent bilateral correspondence. Increase of staff of +3491. Automatic salary indexation 1.1.2023 (*indice pivot*) and large increase to year-end allowance. Family allowances increased slightly. Gross nominal salary increased by +6.2 %. Minor changes in professional tax and tax deductions made the nominal net salaries change by +7.8 %.
2	**Germany**: Figures are supplied in accordance with a country manual validated in September 2016 and subsequent bilateral correspondence. Staff increased by +1169. All categories concerned, especially AD A15 (+395). The gross salary increased by +0.5 %. New collective agreement (TVÖD) will enter into force in 2024. Interim one-off tax-free payment starting June 2023. Only slight modifications of some parameters used for taxation and calculation of social contributions. Child allowance increased by +14 %. The nominal net remuneration has increased by +3.6 %.
3	**Spain**: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence. The data for Spain refer to 2022. Increase of staff: +289. Initial salary increase by annual Budget Law (December); subsequent increase by special law (October). The gross remuneration gives a +3.8 % change. Statutory deductions reflect the annual Budget Law and are largely unchanged. Overall, nominal net remuneration has increased by +3.8 %.

4	**France**: Figures are supplied in accordance with country manual validated in April 2010 and subsequent bilateral correspondence.
	Again a big staff decrease of -7495 (especially for several AST grades).
	Revaluation of the grids for all grades, following the increase in minimum wage on 01.01.2023 and 01.05.2023. Change in index as per 1 July 2023. Nominal gross remuneration increased by +2.8 %.
	No major changes in deductions, the nominal change in net remuneration was +3.2 %.
	Italy: Figures are supplied in accordance with country manual validated in March 2016 and subsequent bilateral correspondence.
	Big staff increase (+3416), especially for AD F1 (+10500), AST decreased by 5409.
	New collective agreement "Comparto Funzioni Centrali 2019-2021" for Aree Funzionali staff. No increase in gross salary during reference period: +0.0 %.
	Minor changes in taxation and social security contributions. As a result, the nominal net remuneration increased with +1.0 %.
6	**Luxembourg**: Figures are supplied in accordance with a draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence.
	Increase in staff of +494.
	New index applicable from 1 February 2023 and 1 April 2023. Minimum wage increased by +8.4 %. Increased child allowance. The nominal gross remuneration: +4.8 %.
	"Crédit d'impôt d'énergie" replaced by "crédit d'impôt conjoncture". No major changes in tax and social contributions, resulting in a nominal net remuneration of +3.9 %.
7	**Netherlands**: Figures are supplied in accordance with country manual validated in December 2015 and subsequent bilateral correspondence.
	Again big increase of staff (+7293), especially for grades AD 11, 12 and 13.
	New agreement (CAO) for government officials: basic salary increases as from 1 July 2022 (+3.2 %), 1 April 2023 (+3 %) and 1 January 2024 (+1.5 %). Two one-off payments of EUR 450 gross (December 2022 and April 2023). Increased child benefit. The total increase of nominal gross remuneration was +4.0 %.
	Minor changes in social security contributions. Various changes to personal income tax rates and deductions. As a result of these changes, nominal net remuneration increased by +6.6 %.
8	**Austria**: Figures are supplied in accordance with a country manual validated in December 2015 and subsequent bilateral correspondence.
	Decrease in staff: -845, for all grades.
	Increase in gross salary as from 1.1.2023. The average salary increase across all public employees at Federal Level amounts to +7.7 %.
	Family Bonus Plus – this tax deduction increased from EUR 1 500 to EUR 2 000. Changes in income taxes, resulting in a nominal net increase of +8.3 %.

9	**Poland**: Figures are supplied in accordance with country manual validated in September 2015 and subsequent bilateral correspondence. The data for Poland refer to 2022.
	Staff increase of +1101 (biggest changes for AD IP +803 and CP +307).
	Increase in national minimum wage, affecting most minimum steps in all grades. No change in the base amount of wages in the civil service. The nominal gross remuneration increase amounts to +7.3 %.
	Several changes for income tax (bracket, threshold). Also, since 2022, health insurance contributions are no longer deducted from the personal income tax advance payment. The pro-family tax relief is deducted from the tax advance, regardless of income. The nominal net remuneration increased by +9.4 %.
10	**Sweden**: Figures are supplied in accordance with a country manual validated in February 2018 and subsequent bilateral correspondence.
	Staff decrease of -1295. Biggest change in AD: -1007.
	Yearly revision of salaries in accordance with central framework agreement RALS 2020-2023, in October. The reported evolution in nominal gross remuneration for current period is +1.4 %.
	No changes in personal income tax nor in municipal tax. Overall, the nominal net remuneration increased also by +1.4 %.

9 Description of changes in the specific indicators (remaining countries)

The main changes affecting the individual country specific indicators for the remaining countries for the period are as follows:

1	**Bulgaria**: Figures are supplied in accordance with the country manual (as adopted in February 2021) and subsequent bilateral correspondence.
	Staff increase of +362, especially for AD chief inspector. As in previous years, there are reported salary increases and decreases for almost all grades. On average, nominal gross remuneration increased by +7.5 %.
	No changes in statutory deductions. The nominal net remuneration increased by +7.6 %.
2	**Czechia**: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence.
	Small decrease in staff numbers (-47). Basic salaries increased by +3.1 %. As in previous years, there was volatility in reported values. For allowances and bonuses, the 2023/2022 index was 104.6 %. On average, nominal gross remuneration increased by +0.6 %.
	Income tax: progressive taxation since 2021 - this year only changes in limits. Only change in upper limit for the payment of social insurance. As for child allowances, there are increases in subsistence limit and amount. There was an annual one-off child benefit of CZK 5000 p.child for certain households in 2022 (income-related). In consequence the increase in nominal net remuneration was +1.7 %.
3	**Denmark**: Figures are supplied according to approach agreed bilaterally in 2017.
	Staff numbers increased this year by +1453 (especially AD category). Basic salary increase of approx. +1.87 % for all staff categories. The nominal gross remuneration therefore increased by +1.8 %.
	For the married employee with two children, gross and net remuneration also includes a tax-free cash compensation for the cost of having two children (with an increased average compared to previous exercise).
	Changes in limits of income tax arrangements (increases in brackets and personal deduction) are reflected in the calculation of nominal net remuneration, which increased by +2.3 %.

4	**Estonia**: Figures are reported here in accordance with bilateral discussions December 2014 and subsequent correspondence.
	Decrease in staff (-481). Nominal gross salary has increased on average by +5.6 %. Additional remuneration (specially compensation for overtime work) can affect more or less permanent officials' gross salary in central government.
	For income tax there was a change in threshold. No changes in other deductions. Increased child allowance (now EUR 80 p. child). In consequence, the nominal net remuneration increased by +6.2 %.
5	**Ireland**: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence.
	Big staff increase again: +963 (changes especially for SC CO and AST staff). The nominal gross remuneration increased by +6.3 %.
	Salaries according to Pay Act 2021, with the extension of the Building Momentum for 2022-2023.
	Changes in thresholds for both Universal Social Charge (USC) and Income taxes. Also changes in personal income tax credits. As a result, the nominal net remuneration increase amounts to +7.7 %.
6	**Greece**: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence.
	Staff increased by +1791 (especially AST AE: +1071). No increase of the gross salary, as no change to basic salary and family allowance. Minimum wage increase in 2023 – no impact on A65 calculation as below lowest gross salary reported.
	Abolishment of two formerly applied deductions: 1 % benefit TPDY and the extraordinary tax. No further changes in the deductions. The nominal net remuneration therefore increased by +1.5 %.
7	**Croatia**: Figures are supplied according to the country manual as validated in March 2021 and subsequent bilateral correspondence in 2021. Croatia entered the Euro-zone on 01.01.23. Both 2023 and 2022 figures in euro for this exercise.
	Decrease in staff compared to 2022: -442. The basic salary has been increased twice in October 2022 and April 2023 (resp. +6 % and +2 %). Temporary salary supplement, depending on work complexity coefficients. Nominal gross salary has increased on average by +14.2 %.
	No changes in income tax or other deductions. The increase of the nominal net remuneration is +12.9 %.
8	**Cyprus**: Figures are supplied in accordance with country manual validated in April 2015 and subsequent bilateral correspondence. Cyprus applies since January 2023 a general minimum wage (n.a. for Article 65 purposes though).
	Increase in staff: +112. Again an increase in COLA (cost of living allowance) – from 2.56 % to 8.52 % as from 1.1.2023. Increased child allowance (depending on income). Nominal gross remuneration increased with +5.9 %.
	Earnings reductions as from 2023 now completely abolished. Small increase in Social Insurance Contribution ceiling. The movement in net remuneration is +7.0 %.

9	**Latvia**: Figures are reported here in accordance with bilateral correspondence.
	Small increase in staff of +71. Increase in minimum wage (+24 %). Overall, the reported average nominal gross remuneration amounts to +21.9 %.
	The new "Law on Remuneration of Officials and Employees of State" has come into force from 1 July 2022, aiming to improve efficiency and quality of public administration through the reform of the remuneration system. The new law envisages gradual increase in wages until 2027. For this exercise only info for category AD as a whole, not for AST and SC.
	Minor changes in deductions. The average nominal net remuneration increased by +20.5 %.
10	**Lithuania**: Figures are reported here in accordance with bilateral correspondence.
	Staff again decreased, by -195 overall (especially grade AD8: -396 and AD7: +166). Basic salary amount (to be multiplied by coefficient for position) increased from EUR 181 to EUR 186 since 1 January 2023. Increases in child allowance in January to EUR 85.75 per child. The nominal gross remuneration increased with +2.8 %.
	The minimum monthly wage used to determine non-taxable income rose from EUR 730 to EUR 840. The change in nominal net remuneration: +3.2 %.
11	**Hungary**: Figures are supplied in accordance with country manual validated in May 2017 and subsequent correspondence.
	Increase in staff: +277. Minimum wage increase of +14%. No legal measures concerning basic wages in the central public administration (CPA). Bonus payments have been restricted in the CPA since September 2022. Average increase in gross remuneration: +10.5 %.
	No real change in statutory deductions. Nominal net remuneration amounts to +9.5 %.
12	**Malta**: Figures are supplied in accordance with a draft country manual and subsequent updates.
	Staff increased by +2451 (biggest change: AD7: +689). Increase in basic salary, COLA (cost of living allowance) and child allowance threshold. The nominal gross indicator increased on average by +4.5 %.
	No change in deductions, resulting in a nominal net remuneration increase of +3.7 %.
13	**Portugal**: Figures are supplied in accordance with country manual validated in August 2014 and subsequent bilateral correspondence.
	Increase in staff numbers: +408 (especially ADTS: +745). Increases in basic salary, regular allowances for managers and meal allowance. Average increase of the nominal gross remuneration: +5.4 %.
	Minor reduction in income tax. Consequently, the nominal net remuneration increased by +7.0 %.
14	**Romania**: Figures are supplied in accordance with bilateral correspondence, pending implementation of the draft manual which is currently being drafted.
	Like in 2022, the provided information presents results of a pilot exercise of data collection and may not be representative for the entire Romanian administration.
	Gross salary includes basic salary, meal vouchers and holiday allowance. Basic salary increased by +10 % as from 1 January 2023. Average increase of the nominal gross remuneration: +8.7 %.
	No change in deductions. The average increase in nominal net remuneration: +8.6 %.

15	**Slovenia**: Figures are reported here in accordance with a draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence.
	Staff number increased by +98. Biggest changes in several AD grades. Basic salary increases in October 2022 (+4.5 %) and April 2023 (+4.0 %). Increases for both meals and holiday allowance. Child allowances: small changes in amount and income brackets. The result is a nominal gross increase of +9.8 %.
	Personal income tax: changes in brackets and tax reliefs. No change in social security contributions. The nominal net remuneration increased by +10.2 %.
16	**Slovakia**: Figures are supplied in accordance with bilateral correspondence.
	Increased staff numbers (+113). Collective agreements for state and public service workers negotiated for the period 1 January 2023-31 August 2024. For the 2023 exercise: basic salary increase from 01.01.23 of +7 %. For next exercise: +10 % as from 01.09.23. One-off payment of EUR 500 in August. As in previous years, big reported changes in salaries for a lot of grades. Average increase in gross remuneration: +7.4 %.
	Statutory deductions are largely unchanged by comparison with previous year. Decrease in dependent spouse allowance. Increases of family allowance and child tax bonus. In consequence, nominal net remuneration increased by +11.3 %.
17	**Finland**: Figures are supplied in accordance with approach adopted in 2016 and subsequent correspondence.
	Minor change to staff numbers (increase: +30). General pay increase of +3.5 % in May 2023. Average gross remuneration increased by +3.6 %.
	Income tax slightly reduced (because of changes in thresholds). As a result, the average nominal net remuneration increased by +3.2 %.

10 Comparison with forecast

An initial forecast about the expected changes in net remuneration in nominal terms during the period 1 July 2022 – 1 July 2023 was compiled from Member States. Where these forecasts were not available, Eurostat or DG ECFIN estimates were used instead([49]).

National estimates of expected changes in the harmonized consumer price indices (inflation rates) during the period were used to transform the nominal changes in remuneration into movements in real terms. Where these forecasts were not available, Eurostat or DG ECFIN estimates were used instead([50]).

Values were confirmed by national delegates at the March 2023 meeting of the Working Group on Articles 64 and 65 of the Staff Regulations, and published in the Intermediate Report issued by Eurostat in May 2023([51]).

The information presented in that report is a best estimate based on available information at the time. The results of the definitive annual data collection exercise now presented in this report may vary by comparison to those forecasts, for example due to factors arising between the date of the Working Group meeting and the date of drafting the Annual Report.

Table 2.2 in the main report provides comparative information about the evolution of net remuneration in nominal and real terms for the countries in the sample, for the actual specific indicator presented in this document and the forecast presented in the Intermediate report. The corresponding information for the remaining Member States is shown in **Table 10** below.

([49]) This was the case for nominal remuneration of 1 Member State: Greece (the same in 2022)

([50]) This was the case for inflation rate of 7 Member States: Ireland, Greece, Spain, Malta, the Netherlands, Austria and Slovenia (in 2022: 5 countries)

([51]) Op.cit. (2) Ares(2023)3417031

Table 10: Comparison of the net specific indicator and the forecast in nominal and real terms for the twelve-month period to 1st July 2023 (remaining 17 countries)

Country	Net specific indicator in nominal terms			Net specific indicator in real terms		
	Actual	Forecast *	Difference %	Actual	Forecast *	Difference %
BG	107.6	110.0	2.2	100.1	103.6	3.5
CZ	101.7	105.0	3.2	91.5	95.5	4.4
DK	102.3	102.4	0.1	99.9	98.6	-1.3
EE	106.2	109.6	3.2	97.4	93.0	-4.5
IE	107.7	112.9	4.8	102.8	108.5	5.5
EL	101.5	102.4	0.9	98.7	98.8	0.1
HR	112.9	108.3	-4.1	104.2	96.3	-7.6
CY	107.0	105.1	-1.8	104.1	99.1	-4.8
LV	120.5	106.7	-11.5	111.5	97.0	-13.0
LT	103.2	103.1	-0.1	95.4	88.1	-7.7
HU	109.5	100.0	-8.7	91.3	85.5	-6.4
MT	103.7	103.8	0.1	97.6	99.5	1.9
PT	107.0	104.0	-2.8	102.2	95.8	-6.3
RO	108.6	107.4	-1.1	99.4	97.5	-1.9
SI	110.2	110.1	-0.1	103.4	104.2	0.8
SK	111.3	108.0	-3.0	100.0	94.1	-5.9
FI	103.2	104.4	1.2	99.1	96.0	-3.1

* Per Intermediate Report.

In nominal terms, for 9 countries the actual indicator is <u>higher</u> than the forecast, and for 8 countries it is <u>lower</u>.

In real terms, for 11 countries the actual indicator is <u>higher</u> than the forecast, and for 6 countries the it is <u>lower</u>.

11 Control Indicators

11.1 Per capita compensation of employees in central government

Table 11.1 shows the calculation of this control indicator for the countries in the sample specified in the Staff Regulations.

Table 11.1: Control indicator: per capita compensation of employees in central government 2022-2023, Eurostat estimates based on data supplied by Member States – sample 10

Country	Compensation of employees [1]		Number of employees [2]	Nominal change	HICP [3]	Change in real terms	GDP in PPS [4]
	2022	**2023**	**2023**	**(%)**	**(%)**	**(%)**	**(%)**
BE	64,979.6	71,632.8	917.000	10.2	1.6	8.5	3.1
DE	303,324.0	302,720.0	4,883.000	-0.2	6.8	-6.6	21.9
ES	27,626.0	27,627.0	457.916	0.1	1.6	-1.5	9.1
FR	317,641.6	337,982.8	6,128.000	6.4	5.3	1.0	15.5
IT	167,186.4	173,606.4	3,411.000	3.8	6.7	-2.7	12.8
LU	7,133.2	7,759.6	71.000	8.8	1.0	7.7	0.4
NL	68,924.0	73,392.0	1,209.000	6.5	6.4	0.1	5.2
AT	18,116.9	18,118.0	301.410	0.0	7.8	-7.2	2.5
PL	264,252.0	300,308.0	2,909.000	13.6	11.0	2.3	6.7
SE	171,925.0	171,926.0	89.369	-2.0	6.3	-7.8	2.8
Total	**-**	**-**	**-**	**3.7**	**6.0**	**-2.1**	**80.0**

[1] Depending on denominator, <u>either</u>: Numerator: ESA 2010 expenditure on compensation of employees in Central Government (NAC million) per Eurostat website 28.08.2023, extrapolated to 2023 using growth rate 2021-2022.

<u>Or</u>: Numerator: ESA 2010 expenditure on compensation of employees in General Government (NAC million) for 2022 and 2023 per Eurostat website 11.10.2023, extrapolated to 2022 using 1st quarter of 2022, extrapolated to 2023 using 1st quarter of 2023.

[2] Denominator: ESA 2010 employment in Central Government (thousand persons) per SRQ.
If no figure supplied then ESA 2010 employment in General Government (thousand persons) per Eurostat website 12.09.2023
Not supplied: BE, DE, FR, IT, LU, NL, PL

[3] HICP June 2022 - June 2023 per Eurostat website 13.10.2023

[4] GDP 2022 in PPS per Eurostat website 13.10.2023

Table 11.1a shows the corresponding figures for the remaining Member States.

Table 11.1a: Control indicator: per capita compensation of employees in central government 2022-2023, Eurostat estimates based on data supplied by Member States – other 17

Country	Compensation of employees [1]		Number of employees [2]	Nominal change	HICP [3]	Change in real terms	GDP in PPS [4]
	2022	2023	2023	(%)	(%)	(%)	(%)
BG	10,256.6	10,258.0	308.953	2.4	7.5	-4.7	0.9
CZ	317,547.0	317,548.0	387.952	0.3	11.2	-9.8	2.2
DK	378,743.6	390,405.2	865.000	3.1	2.4	0.7	1.8
EE	2,120.5	2,122.0	54.835	0.5	9.0	-7.8	0.3
IE	27,732.4	28,733.6	489.000	3.6	4.8	-1.1	2.7
EL	22,012.0	22,696.0	772.000	3.1	2.8	0.3	1.6
HR	3,772.5	3,774.0	234.849	-0.6	8.3	-8.2	0.6
CY	3,010.9	3,012.0	62.618	-0.2	2.8	-2.9	0.2
LV	2,244.9	2,246.0	97.693	0.0	8.1	-7.5	0.3
LT	3,481.2	3,482.0	138.160	0.6	8.2	-7.0	0.6
HU	5,445,498.5	5,445,500.0	651.217	-0.4	19.9	-16.9	1.7
MT	1,810.0	1,894.4	48.000	4.7	6.2	-1.4	0.1
PT	20,302.1	20,303.0	559.400	0.1	4.7	-4.4	1.8
RO	134,341.2	146,891.6	1,436.000	9.3	9.3	0.0	3.3
SI	4,092.1	4,093.0	105.014	-0.6	6.6	-6.8	0.4
SK	7,053.8	7,055.0	241.263	-0.8	11.3	-10.9	0.8
FI	8,118.0	8,119.0	149.600	-3.7	4.1	-7.5	1.4

[1] Depending on denominator, <u>either</u>: Numerator: ESA 2010 expenditure on compensation of employees in Central Government (NAC million) per Eurostat website 28.08.2023, extrapolated to 2023 using growth rate 2021-2022.

<u>Or</u>: Numerator: ESA 2010 expenditure on compensation of employees in General Government (NAC million) for 2022 and 2023 per Eurostat website 11.10.2023, extrapolated to 2022 using 1st quarter of 2022, extrapolated to 2023 using 1st quarter of 2023.

[2] Denominator: ESA 2010 employment in Central Government (thousand persons) per SRQ.
If no figure supplied then ESA 2010 employment in General Government (thousand persons) per Eurostat website 12.09.2023
Not supplied: DK, IE, EL, MT, RO.

[3] HICP June 2022 - June 2023 per Eurostat website 13.10.2023

[4] GDP 2022 in PPS per Eurostat website 13.10.2023

Table 3.1 in the main report compares the gross specific indicator and the control indicator in real terms (per capita compensation of employees) for the countries in the sample specified in the Staff Regulations. The corresponding information for the remaining Member States is shown in **Table 11.2** below.

Table 11.2: Comparison of the gross specific indicator and the control indicator (COE) in real terms – other 17

Country	Real gross specific indicator	Control indicator *	Difference (%)
	2023 (2022 = 100)	**2023 (2022 = 100)**	
BG	100.0	95.3	-4.7
CZ	90.5	90.2	-0.3
DK	99.4	100.7	1.3
EE	96.9	92.2	-4.9
IE	101.4	98.9	-2.5
EL	97.3	100.3	3.1
HR	105.4	91.8	-12.9
CY	103.0	97.1	-5.7
LV	112.8	92.5	-18.0
LT	95.0	93.0	-2.1
HU	92.2	83.1	-9.9
MT	98.4	98.6	0.2
PT	100.7	95.6	-5.1
RO	99.5	100.0	0.5
SI	103.0	93.2	-9.5
SK	96.5	89.1	-7.7
FI	99.5	92.5	-7.0

* Compensation of employees in central government: Eurostat estimates.

For 4 of these 17 countries, the per capita compensation of employees control indicator is <u>higher</u> than the specific indicator. This is a result of conceptual and statistical differences between the control indicator and the specific indicator.

11.2 Labour cost index for total public administration

Table 11.3 shows the calculation of this control indicator for the countries in the sample specified in the Staff Regulations.

Table 11.3: Control indicator: labour cost index for total public administration 2022-2023 Eurostat estimates based on data supplied by Member States – sample 10

Country	Labour cost index [1]		Nominal change (%)	HICP [2] (%)	Change in real terms (%)	GDP in PPS [3] (%)
	2022	**2023**				
BE	104.6	114.3	9.3	1.6	7.6	3.1
DE	98.5	103.3	4.9	6.8	-1.8	21.9
ES	104.5	108.2	3.5	1.6	1.9	9.1
FR [4]	:	:	:	:	:	:
IT	111.1	104.4	-6.0	6.7	-11.9	12.8
LU	104.4	112.0	7.3	1.0	6.2	0.4
NL [5]	107.6	104.2	-3.2	6.4	-9.0	5.2
AT	106.7	110.5	3.6	7.8	-3.9	2.5
PL	117.2	132.2	12.8	11.0	1.6	6.7
SE	104.4	112.7	8.0	6.3	1.6	2.8
Total	**-**	**-**	**3.0**	**6.2**	**-2.9**	**64.5**

1 Labour cost index (nominal value, quarterly data, wages and salaries component) NACE R2 group O per Eurostat website 07.10.2023
2 HICP June 2022 - June 2023 per Eurostat website 13.10.2023
3 GDP 2022 in PPS per Eurostat website 13.10.2023
4 In the absence of Labour cost index data for France, French data for HICP and GDP in PPS is excluded
5 In the absence of Q2 2023 data, Q1 2022 to Q1 2023 data was used instead. This was the case for the Netherlands

Table 11.3a shows the corresponding figures for the remaining Member States.

Table 11.3a: Control indicator: labour cost index for total public administration 2022-2023 Eurostat estimates based on data supplied by Member States – other 17

Country	Labour cost index [1]		Nominal change	HICP [2]	Change in real terms	GDP in PPS [3]
	2022	2023	(%)	(%)	(%)	(%)
BG	128.2	138.1	7.7	7.5	0.2	0.9
CZ	103.7	109.4	5.5	11.2	-5.1	2.2
DK	104.6	107.4	2.7	2.4	0.3	1.8
EE	115.7	130.9	13.1	9.0	3.8	0.3
IE	106.5	114.6	7.6	4.8	2.7	2.7
EL	96.0	99.6	3.8	2.8	1.0	1.6
HR	108.0	125.3	16.0	8.3	7.1	0.6
CY	109.1	116.2	6.5	2.8	3.6	0.2
LV	114.1	130.7	14.5	8.1	5.9	0.3
LT	118.1	132.6	12.3	8.2	3.8	0.6
HU	115.2	132.4	14.9	19.9	-4.2	1.7
MT	123.8	121.6	-1.8	6.2	-7.5	0.1
PT	101.3	107.8	6.4	4.7	1.6	1.8
RO	108.1	117.2	8.4	9.3	-0.8	3.3
SI	106.4	127.8	20.1	6.6	12.7	0.4
SK	106.5	120.0	12.7	11.3	1.3	0.8
FI	104.9	111.2	6.0	4.1	1.8	1.4

1 Labour cost index (nominal value, quarterly data, wages and salaries component) NACE R2 group O per Eurostat website 07.10.2023
2 HICP June 2022 - June 2023 per Eurostat website 13.10.2023
3 GDP 2022 in PPS per Eurostat website 13.10.2023

Table 3.2 in the main report compares the gross specific indicator and the control indicator in nominal terms (labour cost index) for the countries in the sample specified in the Staff Regulations. The corresponding information for the remaining Member States is shown in **Table 11.4** below.

Table 11.4: Comparison of the gross specific indicator and the control indicator (LCI) in nominal terms – other 17

Country	Nominal gross specific indicator	Control indicator *	Difference (%)
	2023 (2022 = 100)	2023 (2022 = 100)	
BG	107.5	107.7	0.2
CZ	100.6	105.5	4.9
DK	101.8	102.7	0.9
EE	105.6	113.1	7.1
IE	106.3	107.6	1.2
EL	100.0	103.8	3.8
HR	114.2	116.0	1.6
CY	105.9	106.5	0.6
LV	121.9	114.5	-6.1
LT	102.8	112.3	9.2
HU	110.5	114.9	4.0
MT	104.5	98.2	-6.0
PT	105.4	106.4	0.9
RO	108.7	108.4	-0.3
SI	109.8	120.1	9.4
SK	107.4	112.7	4.9
FI	103.6	106.0	2.3

 * Labour Cost Index: Eurostat estimates.

For 14 of these 17 countries the labour cost control indicator is <u>higher</u> than the specific indicator. This is a result of conceptual and statistical differences between the control indicator and the specific indicator.

11.3 Laspeyres-type specific indicators

Table 3.3 in the main report shows the comparison of this control indicator with the <u>gross</u> specific indicator in nominal terms and in real-terms for countries in the sample specified in the Staff Regulations.

Table 11.5 below shows the calculation for the remaining Member States([52]).

Table 11.5: Comparison of the gross specific indicator in nominal terms and in real terms with the corresponding Laspeyres-type specific indicators – other 17

Country	Nominal gross specific indicator 2023 (2022 = 100)	Control indicator 2023 (2022 = 100)	Difference (%)	Real gross specific indicator 2023 (2022 = 100)	Control indicator 2023 (2022 = 100)	Difference (%)
BG	107.5	107.6	0.1	100.0	100.1	0.1
CZ	100.6	100.7	0.1	90.5	90.6	0.1
DK	101.8	101.8	0.0	99.4	99.4	0.0
EE	105.6	105.6	0.0	96.9	96.9	0.0
IE	106.3	106.3	0.0	101.4	101.4	0.0
EL	100.0	100.0	0.0	97.3	97.3	0.0
HR	114.2	114.5	0.3	105.4	105.7	0.3
CY	105.9	105.9	0.0	103.0	103.0	0.0
LV	121.9	121.9	0.0	112.8	112.8	0.0
LT	102.8	102.8	0.0	95.0	95.0	0.0
HU	110.5	111.1	0.5	92.2	92.7	0.5
MT	104.5	104.5	0.0	98.4	98.4	0.0
PT	105.4	105.4	0.0	100.7	100.7	0.0
RO	108.7	108.5	-0.2	99.5	99.3	-0.2
SI	109.8	109.8	0.0	103.0	103.0	0.0
SK	107.4	107.6	0.2	96.5	96.7	0.2
FI	103.6	103.6	0.0	99.5	99.5	0.0

([52]) For Latvia it was not possible to calculate control indicator due to break in data series. Instead, specific indicator value was used for aggregation purposes.

Table 3.4 in the main report shows the comparison of this control indicator with the <u>net</u> specific indicator in nominal terms and in real-terms for countries in the sample specified in the Staff Regulations.

Table 11.6 below shows the calculation for the remaining Member States([53]).

Table 11.6: Comparison of the net specific indicator in nominal terms and in real terms with the corresponding Laspeyres-type specific indicators – other 17

Country	Nominal net specific indicator 2023 (2022 = 100)	Control indicator 2023 (2022 = 100)	Difference (%)	Real net specific indicator 2023 (2022 = 100)	Control indicator 2023 (2022 = 100)	Difference (%)
BG	107.6	107.6	0.0	100.1	100.1	0.0
CZ	101.7	101.8	0.1	91.5	91.5	0.0
DK	102.3	102.3	0.0	99.9	99.9	0.0
EE	106.2	106.2	0.0	97.4	97.4	0.0
IE	107.7	107.7	0.0	102.8	102.8	0.0
EL	101.5	101.5	0.0	98.7	98.7	0.0
HR	112.9	113.1	0.2	104.2	104.4	0.2
CY	107.0	107.0	0.0	104.1	104.1	0.0
LV	120.5	120.5	0.0	111.5	111.5	0.0
LT	103.2	103.2	0.0	95.4	95.4	0.0
HU	109.5	110.1	0.5	91.3	91.8	0.5
MT	103.7	103.7	0.0	97.6	97.6	0.0
PT	107.0	107.0	0.0	102.2	102.2	0.0
RO	108.6	108.4	-0.2	99.4	99.2	-0.2
SI	110.2	110.3	0.1	103.4	103.5	0.1
SK	111.3	111.5	0.2	100.0	100.2	0.2
FI	103.2	103.2	0.0	99.1	99.1	0.0

([53]) Op. cit. (53) For Latvia it was not possible to calculate control indicator due to break in data series. Instead, specific indicator value was used for aggregation purposes.

12 Information about working time

Through the standard remuneration questionnaire, Eurostat also collects statistical information on differences in the working hours of national officials in all Member States. Information about statutory or contractual weekly working hours in central governments (**Table 12.1**), number of days of annual leave (**Table 12.2**) and number of public holidays per year (**Table 12.3**) are shown below for the Member States in the sample. In all these tables the situation in July 2023 has been compared with that in July 2022. Similarly, information is also collected about retirement age in central government. The situation at July 2023 is shown in **Table 12.4**.

Corresponding information is presented separately for the remaining Member States in **Table 12.1a** (working hours), **Table 12.2a** (annual leave), **Table 12.3a** (public holidays) and **Table 12.4a** (retirement age).

Important note: this information is supplied to help understand the situation in Member States. Any differences in working hours per week or yearly number of days on holiday are not employed to adjust the remuneration data used to establish specific indicators onto a common basis.

Table 12.1: Statutory or contractual weekly working hours in central governments – sample 10

Country	Weekly working hours		Remarks
	July 2022	July 2023	
BE	38	38	
DE	41	41	40 for special family reasons
ES	37.30-40	37.30-40	
FR	35	35	
IT	36	36	
LU	40	40	
NL	36	36	
AT	40	40	
PL	40	40	
SE	39.45	39.45	

Table 12.1a: Statutory or contractual weekly working hours in central governments – other 17

Country	Weekly working hours		Remarks
	July 2022	July 2023	
BG	40	40	
CZ	40	40	
DK	34.5	34.5	
EE	40	40	
IE	37	37	
EL	40	40	
HR	40	40	
CY	37	37	
LV	40	40	
LT	40	40	
HU	40	40	
MT	40	40	
PT	35	35	
RO	40	40	
SI	37.30	37.30	
SK	38	38	
FI	36.15	36.15	

Table 12.2: Number of days of annual leave in central governments – sample 10

Country	Number of days		Remarks - 2023
	July 2022	**July 2023**	
BE	26 - 33	26 - 33	Depends on age
DE	30	30	
ES	31	**30**	Depends on age (seniority)
FR	25	25	2 days bonus maximum
IT	32	32	Under 3 years of service: 30 days
LU	32-36	32-36	Depends on age (34 from 50, 36 from 55)
NL	23-27	23-27	Depends on age (144 statutory hours+64 addtional hours (=IKB-hours)+age-dependant additional IKB-hours)
AT	25-30	25-30	Depends on age
PL	26-38	26-38	Depends on age
SE	28-35	28-35	Depends on age

Table 12.2a: Number of days annual leave in central governments – other 17

Country	Number of days		Remarks - 2023
	July 2022	**July 2023**	
BG	20	20	
CZ	25	25	
DK	30	30	
EE	35	35	
IE	22-32	22-32	Depends on grade (new+promoted employees: 22-30 days)
EL	20-25	20-25	
HR	20-30	20-30	Depends on age, years of service and grade
CY	20-29	20-29	Depends on years of service
LV	28	28	
LT	22-37	22-37	Depends on years of service *calendar days
HU	20	20	Additional days by job classification (3-9 days)
MT	28	**26**	
PT	22	22	
RO	21-25	21-25	Depends on years of service
SI	20-35	20-35	Depends on age and grade (+ another 15 days under special conditions)
SK	25-30	25-30	Depends on age (younger than 33: 25, older: 30)
FI	30-38	30-38	Depends on years of service

Table 12.3: Number of public holidays per year (statutory, contractual, etc) – sample 10

Country	Number of days		Remarks - 2023
	July 2022	July 2023	
BE	13	13	
DE	**8**	**9**	Berlin
ES	14	14	Time off when the public holiday falls on Sunday
FR	10	10	
IT	11	11	
LU	12	12	
NL	8	8	
AT	12	12	
PL	9	9	Compensation when public holiday falls on Saturday or Sunday
SE	13	13	Time off when the public holiday falls on Saturday or Sunday

Table 12.3a: Number of public holidays per year (statutory, contractual, etc) – other 17

Country	Number of days		Remarks - 2023
	July 2022	July 2023	
BG	11	11	Time off when the public holiday falls on Saturday or Sunday
CZ	**9**	**8**	
DK	9 - 10	9 - 10	
EE	12	12	
IE	10	10	Time off when the public holiday falls on Saturday or Sunday
EL	12	12	
HR	14	14	Only if civil servant works on the day of public holiday
CY	15*	15**	* 5 Saturdays and Sundays, 10 working days ** 6 Saturdays and Sundays, 9 working days
LV	15	15	
LT	16	16	
HU	**6**	**9**	
MT	14	14	
PT	**12**	**10**	
RO	**15**	**15**	
SI	**8**	**11**	Public holidays on Saturday/Sunday not included in this number
SK	10	10	No compensation
FI	8	9	

Table 12.4: Age of retirement and early retirement in central governments – sample 10

Country	Age		Remarks - 2023
	Retirement	**Early retirement**	
BE	65*	63	* 65 (66 from 2025 and 67 from 2030)
DE	67*	63	* variations of retirement depending on age
ES	65	60-64*	* at least 30 years of service
FR	60*	51 - 55*	* depends on age
IT	67	Women: 41 y and 10 m, Men: 42 y and 10 m*	* years of contributions; depends on age and sex
LU	60	57	
NL	67	From 60 y on	
AT	65	62	
PL	60 women/65 men*	55 women/ 60 men**	* depends on sex ** depends on sex and years of work
SE	65	yes	

Table 12.4a: Age of retirement and early retirement in central governments – other 17

Country	Age		Remarks - 2023
	Retirement	**Early retirement**	
BG	Men: 64 y and 6 m, Women: 62 y	yes*	* depends on job
CZ	Men 64 y, Women 64 y*	yes**	* age lowers when having brought up child ** first 5 years before pensionable age
DK	67-74*	60y6m-66	* both depending on age
EE	65	60-62	as from 2021, flexible old-age pension will replace older system - transition period 2021-2025
IE	60-66*	50-65*	* depends on years of service
EL	67*	62	* depends on age
HR	Men 65 Women 63 y 3m	58 y 3 m-60	
CY	65	45*	* 45 y with 3 y in Government Post. Lump sum received immediately while monthly pension at 55 y
LV	64 y and 6 m	62 y and 6 m	* both depending on age
LT	Men 64 y and 6 m Women 64 y	5 years till the set age of retirement*	*depending on sex and age
HU	65	60-65*	* depends on age
MT	64-65*	Any age on medical grounds/ early retirement schemes	* depends on age
PT	66 y and 4 m*	60**	* depends on age and grade ** depends on age/grade, with min. 40 y of service
RO	:	:	according to public pensions systems
SI	60	60	depending on age and contributions/conditions
SK	57-62*	55-60**	* depends on age and sex ** early retirement max. 2 y before normal age
FI	63-68*	61	* depends on age

Eurostat Report on the Annual Adjustment of Remuneration and Pensions

Appendix 1b

Explanations and statistical analyses:

Cost of living in Belgium and Luxembourg

Reference period:

Year to 1 July 2023

Content

List of tables and graphs

1 Introduction

This document is an appendix to the 2023 Eurostat report on the annual adjustment of remuneration and pensions. While the principal results concerning changes in the cost of living in Belgium and Luxembourg are presented in the main report, the purpose of this appendix is to give further explanations and statistical analyses of the results as well as detailed tables with statistical information.

Chapters 2 to 5 of this document examine respectively:

- the evolution of the Joint Index;
- the evolution of the Belgian HICP;
- the evolution of the Luxembourgish CPI;
- staff numbers

In the tables, indices are shown rounded to 1 decimal place. Percentage movements are shown rounded to 1 decimal place.

With the exception of the information about staff numbers which is obtained from internal Commission services, and the information about consumption expenditure patterns which is compiled by Eurostat from direct surveys of staff, all calculations and figures presented in this appendix relating to the cost of living in Belgium and Luxembourg are based on data supplied and validated by the responsible authorities in the Member States.

More information about methodology can be found in the detailed procedural manual([54]).

For any information concerning this report appendix, please contact the Eurostat Remuneration Team in Luxembourg:

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([54]) Op.cit. (10) Doc.A6465/14/58rev2 (version March 2020).

2 Changes in the cost of living (Joint Belgium-Luxembourg Index)

Annex XI Article 2 of the Staff Regulations requests that Eurostat shall draw up an index to measure the changes in the cost of living for EU officials in Belgium and Luxembourg([55]). This index, known as the Joint Belgium-Luxembourg Index of consumer prices (JBLI) is calculated by weighting national inflation between June of the previous year and June of the current year, as measured by the Harmonised Index of Consumer Prices (HICP) for Belgium, and the Consumer Prices Index (CPI) for Luxembourg, according to the distribution of EU staff serving in Belgium and Luxembourg. This is done at the level of the detailed sub-indices for the 80 basic headings, aggregated using weights derived from the latest of the periodic Family Budget Survey conducted amongst EU staff in Brussels (2017). Precise methodology has been defined by the Working Group on Articles 64 and 65 of the Staff Regulations.

Table 4.1 in the main report presents the results for the current exercise, at the level of 12 main consumption groups ([56]).

The Joint Index represents a weighted average of national indices, and may not reflect the specific price evolution in either of the reference cities (Brussels and Luxembourg). By comparing results at the level of the 12 main COICOP groups presented in **chapters 3 and 4** of this appendix, reasons for the difference in the value of the overall index can be identified. Note: when doing such comparisons, the impact of differing numbers of underlying basic headings and different aggregation approaches should be remembered.

([55])   This definition was introduced by Regulation 1023/2013 and applies with effect from 1.1.2014. Alternative definitions applied for earlier reporting periods.

([56])   There are restrictions about the level of detail at which price information below the level of the 12 main consumption groups can be disseminated. An approved list of analytical categories has been developed for Article 64 purposes within the applicable constraints of data quality and sensitivity regarding source data. This list includes the 12 main COICOP groups, and adds a selection of basic headings and interim aggregates. In total there are 35 analytical categories. This information is made available separately, in **Appendix 3**.

3 Changes in the Belgian HICP

Table 3.1 presents the published HICP values for Belgium for June 2022 and June 2023, base 2015 = 100. The final figure in the right-hand column shows the variation for the period at global level, **101.3 (+1.3 %)**.

Table 3.1: Change in the Belgian HICP (HICP weights) June 2022 - June 2023

Groups of consumption	Weight 2022	Index 2022	Weight 2023	Index 2023	Index change
1. Food and non-alcoholic beverages	168.6	117.5	155.4	134.2	114.2
2. Alcoholic beverages and tobacco	53.5	137.4	47.4	149.4	108.9
3. Clothing and footwear	58.8	105.2	60.1	115.3	109.9
4. Housing, water, electricity, gas and other fuels	171.8	151.6	201.3	120.0	77.5
5. Furnishings, household equipment and maintenance of house	83.6	110.0	72.9	117.0	106.4
6. Health	77.0	107.5	70.6	112.7	104.8
7. Transport	107.4	132.2	105.9	131.8	100.6
8. Communications	40.0	108.2	32.2	109.5	101.2
9. Recreation and culture	82.9	112.2	85.8	118.0	105.5
10. Education	5.2	127.6	5.4	129.6	101.6
11. Hotels, cafes and restaurants	67.3	121.3	82.7	132.6	109.5
12. Miscellaneous goods and services	84.0	114.4	80.4	121.6	105.9
Global index without rents	926.4	123.6	931.7	125.2	101.0
Rents index	73.6	113.0	68.3	119.7	105.9
Global index	**1000.0**	**122.8**	**1000.0**	**124.8**	**101.3**

The foregoing information is provided by the Belgian authorities "*Service public fédéral, Economie, P.M.E., Classes moyennes et Energie, division des prix*" (Federal Public Service, Economy, SMEs, Self-Employed and Energy, Price indices department), and reformatted by Eurostat.

Table 3.2 below shows the revised Belgian HICP variation for the period June 2022 to June 2023, base 2015 = 100, replacing aggregation weights with ones that include owner-occupiers. The final figure in the right-hand column again shows the variation for the period at global level, **104.9 (+4.9 %)**.

Table 3.2: Change in the Belgian HICP (rev. weights) June 2022 - June 2023

	Groups of consumption	Weight	Index
1.	Food and non-alcoholic beverages	125.9	114.1
2.	Alcoholic beverages and tobacco	13.9	108.2
3.	Clothing and footwear	43.1	109.3
4.	Housing, water, electricity, gas and other fuels	344.2	99.5
5.	Furnishings, household equipment and maintenance of house	64.5	105.1
6.	Health	12.7	104.8
7.	Transport	130.0	106.2
8.	Communications	19.8	101.2
9.	Recreation and culture	79.6	105.5
10.	Education	26.7	101.6
11.	Hotels, cafes and restaurants	81.1	109.6
12.	Miscellaneous goods and services	58.6	105.8
	Global index without rents	721.4	104.6
	Rents index	278.5	105.9
	Global index	**1000.0**	**104.9**

For this twelve-month period, the index variation calculated using revised weights is <u>higher</u> than the index variation excluding owner-occupiers[57].

The following **tables 3.1a and 3.2a** reproduce the corresponding information for the six-month period June 2022 - December 2022, as presented in the intermediate report[58]. The final figure in the right-hand column of each table shows the variation for the period at global level: **104.3 (+4.3 %)** with original weights, **104.5 (+4.5 %)** with revised weights.

Table 3.1a: Change in the Belgian HICP (HICP weights) June 2022 - December 2022

	Groups of consumption	Weight 2022	Index 2022m06	Weight 2022	Index 2022m12	Index change
1.	Food and non-alcoholic beverages	168.6	117.5	168.6	125.7	106.9
2.	Alcoholic beverages and tobacco	53.5	137.4	53.5	141.2	102.8
3.	Clothing and footwear	58.8	105.2	58.8	114.7	109.1
4.	Housing, water, electricity, gas and other fuels	171.8	151.6	171.8	163.4	109.0
5.	Furnishings, household equipment and maintenance of house	83.6	110.0	83.6	114.1	103.7
6.	Health	77.0	107.5	77.0	108.6	101.0
7.	Transport	107.4	132.2	107.4	127.8	97.6
8.	Communications	40.0	108.2	40.0	106.8	98.7
9.	Recreation and culture	82.9	112.2	82.9	116.6	103.9
10.	Education	5.2	127.6	5.2	129.6	101.6
11.	Hotels, cafes and restaurants	67.3	121.3	67.3	126.7	104.5
12.	Miscellaneous goods and services	84.0	114.4	84.0	117.3	102.3
	Global index without rents	926.4	123.6	926.4	128.7	104.4
	Rents index	73.6	113.0	73.6	116.3	102.9
	Global index	**1000.0**	**122.8**	**1000.0**	**127.8**	**104.3**

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[57] For the previous twelve-month period, June 2021 - June 2022, the index variation calculated using revised weights was <u>lower</u> than the index variation excluding owner-occupiers

[58] Op.cit. (2) Ares(2023)3417031

Table 3.2a: Change in the Belgian HICP (rev. weights) June 2022 - December 2022

	Groups of consumption	Weight	Index
1.	Food and non-alcoholic beverages	125.9	106.8
2.	Alcoholic beverages and tobacco	13.9	101.9
3.	Clothing and footwear	43.1	108.2
4.	Housing, water, electricity, gas and other fuels	344.2	104.0
5.	Furnishings, household equipment and maintenance of house	64.5	102.8
6.	Health	12.7	101.0
7.	Transport	130.0	105.1
8.	Communications	19.8	98.7
9.	Recreation and culture	79.6	104.9
10.	Education	26.7	101.6
11.	Hotels, cafes and restaurants	81.1	105.4
12.	Miscellaneous goods and services	58.6	102.0
	Global index without rents	721.4	105.0
	Rents index	278.5	102.9
	Global index	**1000.0**	**104.5**

For this six-month period, the index variation calculated using revised weights is <u>higher</u> than the index variation excluding owner-occupiers.

The residual movement for the six-month period December 2022 – June 2023 can be identified by combining the annual indicator presented in Table 3.1 with original weights (i.e. 101.3) and Table 3.2 with revised weights (i.e. 104.9) and the information for the first six months presented in Table 3.1a with original weights (i.e. 104.3) and Table 3.2a with revised weights (i.e. 104.5).

On that basis, the residual change in the Belgian HICP for the second six months is **97.1 (-2.9 %)** with original weights, **100.4 (+0.4 %)** with revised weights.

For this residual six-month period, the index variation calculated using revised weights is <u>higher</u> than the index variation excluding owner-occupiers.

4 Changes in the Luxembourgish CPI

Table 4.1 presents the published CPI values for Luxembourg for June 2022 and June 2023, base 2015 = 100. The final figure in the right-hand column again shows the variation for the period at global level, **104.1 (+4.1 %)**.

Table 4.1: Change in the Luxembourgish CPI (CPI weights) June 2022 - June 2023

Groups of consumption	Weight 2022	Index 2022	Weight 2023	Index 2023	Index change
1. Food and non-alcoholic beverages	127.5	119.7	128.9	133.1	111.3
2. Alcoholic beverages and tobacco	37.3	113.6	34.3	120.9	106.3
3. Clothing and footwear	66.5	109.6	61.7	115.7	105.5
4. Housing, water, electricity, gas and other fuels	184.5	119.2	163.7	120.1	101.3
5. Furnishings, household equipment and maintenance of house	87.6	113.6	98.1	121.3	107.7
6. Health	32.2	108.3	26.3	112.6	104.0
7. Transport	146.4	123.1	133.1	118.1	97.1
8. Communications	23.1	91.5	18.5	90.3	99.2
9. Recreation and culture	56.8	115.8	79.4	123.2	104.5
10. Education	16.4	120.5	13.6	121.2	100.6
11. Hotels, cafes and restaurants	51.2	120.9	75.1	124.4	103.8
12. Miscellaneous goods and services	170.5	115.5	167.2	117.0	103.7
Global index without rents	921.8	117.4	935.6	121.1	104.2
Rents index	78.2	109.0	64.4	111.1	101.8
Global index	**1000.0**	**116.8**	**1000.0**	**120.5**	**104.1**

The foregoing information is provided by the Luxembourg authorities "*Institut national de la statistique et des études économiques, STATEC, unité SOC4-Prix*" (National Institute for Statistics and Economic Analysis, STATEC, Unit SOC4-Prices), and reformatted by Eurostat.

The only distinction between the Luxembourgish CPI and the Luxembourgish HICP is that for the CPI the weights used for aggregation purposes exclude expenditures by non-residents on the Luxembourg territory, whereas these are included for the HICP.

Table 4.2 below shows the revised Luxembourgish CPI variation for the period June 2022 to June 2023, base 2015 = 100, replacing aggregation weights with ones that include owner-occupiers. The final figure in the right-hand column again shows the variation for the period at global level, **103.0 (+3.0 %)**.

Table 4.2: Change in the Luxembourgish CPI (rev. weights) June 2022 - June 2023

Groups of consumption	Weight	Index
1. Food and non-alcoholic beverages	125.9	111.2
2. Alcoholic beverages and tobacco	13.9	106.4
3. Clothing and footwear	43.1	105.6
4. Housing, water, electricity, gas and other fuels	344.2	101.2
5. Furnishings, household equipment and maintenance of house	64.5	106.1
6. Health	12.7	104.0
7. Transport	130.0	102.9
8. Communications	19.8	99.3
9. Recreation and culture	79.6	104.8
10. Education	26.7	100.6
11. Hotels, cafes and restaurants	81.1	93.3
12. Miscellaneous goods and services	58.6	103.8
Global index without rents	721.4	103.5
Rents index	278.5	101.8
Global index	**1000.0**	**103.0**

For this twelve-month period, the index variation calculated using revised weights is <u>lower</u> than the index variation excluding owner-occupiers[59].

The following **tables 4.1a and 4.2a** reproduce the corresponding information for the six-month period June 2022 - December 2022, as presented in the intermediate report[60]. The final figure in the right-hand column of each table shows the variation for the period at global level: **101.4 (+1.4 %)** with original weights, **100.4 (+0.4 %)** with revised weights.

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[59] For the previous twelve-month period, June 2021 - June 2022, the index variation calculated using revised weights was <u>lower</u> than the index variation excluding owner-occupiers

[60] Op.cit. (2) Ares(2023)3417031

Table 4.1a: Change in the Luxembourgish CPI (CPI weights) June 2022 - December 2022

Groups of consumption	Weight 2022	Index 2022m06	Weight 2022	Index 2022m12	Index change
1. Food and non-alcoholic beverages	127.5	119.7	127.5	125.4	104.8
2. Alcoholic beverages and tobacco	37.3	113.6	37.3	116.8	102.9
3. Clothing and footwear	66.5	109.6	66.5	114.1	104.0
4. Housing, water, electricity, gas and other fuels	184.5	119.2	184.5	119.7	101.2
5. Furnishings, household equipment and maintenance of house	87.6	113.6	87.6	118.0	104.4
6. Health	32.2	108.3	32.2	108.9	100.5
7. Transport	146.4	123.1	146.4	117.8	97.0
8. Communications	23.1	91.5	23.1	90.7	99.0
9. Recreation and culture	56.8	115.8	56.8	116.0	100.2
10. Education	16.4	120.5	16.4	121.2	100.6
11. Hotels, cafes and restaurants	51.2	120.9	51.2	119.0	98.4
12. Miscellaneous goods and services	170.5	115.5	170.5	112.8	101.3
Global index without rents	921.8	117.4	921.8	117.7	101.4
Rents index	78.2	109.0	78.2	110.1	100.9
Global index	**1000.0**	**116.8**	**1000.0**	**117.1**	**101.4**

Table 4.2a: Change in the Luxembourgish CPI (rev. weights) June 2022 - December 2022

Groups of consumption	Weight	Index
1. Food and non-alcoholic beverages	125.9	104.8
2. Alcoholic beverages and tobacco	13.9	102.5
3. Clothing and footwear	43.1	103.9
4. Housing, water, electricity, gas and other fuels	344.2	100.7
5. Furnishings, household equipment and maintenance of house	64.5	103.7
6. Health	12.7	100.5
7. Transport	130.0	100.8
8. Communications	19.8	99.3
9. Recreation and culture	79.6	97.7
10. Education	26.7	100.6
11. Hotels, cafes and restaurants	81.1	89.0
12. Miscellaneous goods and services	58.6	101.4
Global index without rents	721.4	100.2
Rents index	278.5	100.9
Global index	**1000.0**	**100.4**

For this six-month period, the index variation calculated using revised weights is <u>lower</u> than the index variation excluding owner-occupiers.

The residual movement for the six-month period December 2022 – June 2023 can be identified by combining the annual indicator presented in Table 4.1 with original weights (i.e. 104.1) and Table 4.2 with revised weights (i.e. 103.0) and the information for the first six months presented in Table 4.1a with original weights (i.e. 101.4) and Table 4.2a with revised weights (i.e. 100.4).

On that basis, the residual change in the Luxembourgish CPI for the second six months is **102.7 (+2.7 %)** with original weights, **102.6 (+2.6 %)** with revised weights.

For this residual six-month period, the index variation calculated using revised weights is <u>lower</u> than the index variation excluding owner-occupiers.

5 Staff ratio Brussels:Luxembourg

In accordance with the agreed methodology, the staff weights available for the base period are used. The information is obtained from Commission internal services.

The ratio between active staff in Brussels and Luxembourg for the start of the current period is shown in **Table 5**.

Table 5: Number of permanent officials and other servants in active service at July 2022 (i.e. December 2021)

Duty station	No.	%
Brussels	38,650	80.4
Luxembourg	9,409	19.6
Total	48,059	100.0

Source: PMO, as included in PSEO database (Eurostat), adjusted to exclude staff on special leave, analysed to include staff in Luxembourg who reside in Belgium, France and Germany.

The ratio for the current calculation has changed slightly by comparison to the previous values (80.5 % : 19.5 %).

Eurostat Report on the Annual Adjustment of Remuneration and Pensions

Appendix 1c

**Explanations and statistical analyses:
correction coefficients for intra-EU staff, pensioners and
extra-EU staff**

Reference period:

Year to 1 July 2023

Content

List of tables and graphs

1 Introduction

This document is an appendix to the 2023 Eurostat report on the annual adjustment of remuneration and pensions. While the principal results concerning correction coefficients for staff and pensioners are presented in the main report, the purpose of this appendix is to give further explanations and statistical analyses of the results as well as detailed tables with statistical information.

Chapters 2 to 5 of this document examine respectively:

- the economic parities and correction coefficients for staff (Intra-EU);
- the economic parities and correction coefficients for pensioners (Intra-EU);
- the economic parities and correction coefficients for staff (Extra-EU);
- total adjustment for staff outside Brussels and pensioners outside Belgium.

In the tables, parities are shown rounded to 3 decimal places (Euro zone) or 4 significant figures; exchange rates are shown with the same format (Intra-EU) or rounded to 6 significant figures (Extra-EU); correction coefficients are shown rounded to 1 decimal place; percentage movements are shown rounded to 1 decimal place.

With the exception of the information about consumption expenditure pattern data which is compiled by Eurostat from direct surveys of staff, and a direct survey of international schools, all calculations and figures presented in this appendix relating to correction coefficients are based on Intra-EU data supplied by the responsible national authorities.

Corresponding data for Extra-EU duty stations is obtained from responsible national authorities coordinated by Eurostat under the European Comparison Programme (ECP), or through collaboration with the International Service for Remunerations and Pensions of the Coordinated Organisations (CO.ISRP) and the United Nations International Civil Service Commission (UN.ICSC).

Important note: the United Kingdom left the European Union with effect 1 February 2020 and is now a 'third country'. The transition agreement introduced by the 'Withdrawal Agreement' expired with effect 31 December 2020. For staff, the United Kingdom is now treated as an Extra-EU country and the production and publication of correction coefficients according to Intra-EU methodology has ceased. Exceptionally, production and publication of correction coefficient for existing UK pensioners continues.

More information about methodology can be found in the detailed procedural manuals for Intra-EU([61]) and Extra-EU([62]).

For any information concerning this report appendix, please contact the Eurostat Remuneration Team in Luxembourg:

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([61]) Op cit (10) Doc.A6465/14/59rev5 (version February 2022) "Methodology for the calculation of Intra-EU correction coefficients"

([62]) Op cit (10) Doc.A6465/14/60rev5 (version April 2022) "Methodology for the calculation of Extra-EU correction coefficients"

2 Equivalence of purchasing power of EU officials in the Member States

2.1 Economic parities, exchange rates and correction coefficients

Table 11.2 in the main report shows the global values for active staff for all Intra-EU duty stations. Tables 11.1, 11.1a and 11.1b in the main report show the movements in the global parities for the period July 2022 - July 2023, together with breakdowns for the six-month period July 2022 - January 2023 and the six-month period January 2023 - July 2023.

As at July 2023, information is compiled for a list of 30 Intra-EU capital cities and other duty stations. By comparison to the situation at July 2022, there is no change to this list ([63]).

The correction coefficients applicable to the salaries of the European institution officials working in the capitals and places of employment other than Brussels and Luxembourg, which are calculated for the month of July, are determined on the basis of the relationships between the economic parities and the exchange rates fixed by the Commission and specified in the Staff Regulations for the relevant countries.

The correction coefficient operates as a percentage adjustment to salaries to take account of the cost of living differences between Brussels and the various duty stations. Changes in correction coefficients from one year to another are therefore a component of the annual adjustment of remuneration. However, as salaries are first expressed in Euros, then converted to local currency using exchange rate before being multiplied by the correction coefficient, it is clear that the exchange rate effect cancels out so the relevant factor is any change in the economic parities. If a correction coefficient changes due solely 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. This is illustrated in the worked example below:

Numeric example (constant parity, fluctuating exchange rate)*

t_0: **EUR 1000 x ER 9.431 x CC 127.4 % (i.e. PPP 12.02 ÷ ER 9.431) = 12015 local**
which is essentially the same as **EUR 1000 x PPP 12.02 = 12020 local**
(with slight rounding effect)

t_1: **EUR 1000 x ER 9.722 x CC 123.6 % (i.e. PPP 12.02 ÷ ER 9.722) = 12016 local**
which is essentially the same as **EUR 1000 x PPP 12.02 = 12020 local**
(with slight rounding effect)

* t0 = actual Sweden CC 2016, t1= hypothetical CC using actual ER 2017 but constant PPP

([63]) Op.cit. (28) The most recent modifications were in 2021 (cancellation of production for DE-Bonn due to cessation of official data source and absence of staff) and 2020 (withdrawal of UK from the EU).

2.2 Changes between July 2022 and July 2023

An intermediate report was prepared in the usual way covering the six months July 2022 – January 2023[64]. That report identifies the locations where, in accordance with Chapter 2 of Annex XI to the Staff Regulations, the change in the implicit index (i.e. the combined impact of the Joint Belgium Luxembourg Index and the change in the purchasing power parity relative to Belgium) exceeded 3 %.

For the period July 2022 – January 2023 the JBLI exceed the 3 % threshold, therefore there were changes to the correction coefficients for staff in all duty stations.

2.2.1 Changes in the correction coefficients from July 2022 to July 2023

The simple average change for all duty stations in the correction coefficient for the period under review was +3.7 %, with standard deviation 5.5 %. The maximum increase was +24.6 % (HU-Budapest). The maximum decrease was -7.3 % (SE-Stockholm). For 24 locations there was an increase and for 4 locations there was a decrease. The movements in correction coefficients of EU officials for the period July 2022 - July 2023 are summarised in the analysis below[65]:

Summary of changes in the correction coefficients, twelve months July 2022 - July 2023

Range		Duty stations
X < -7.3 %	0	
-7.3 % ≤ X < -1.8 %	3	DK, ES, SE
-1.8 % ≤ X < 0.0 %	1	CY
0.0 % ≤ X < 3.7 %	13	DE-Berlin, DE-Karlsruhe, DE-Munich, IE, EL, FR, IT-Rome, IT-Varese, LV, MT, AT, PT, FI
3.7 % ≤ X < 9.2 %	9	BG, CZ, EE, HR, LT, NL, RO, SI, SK
9.2 % ≤ X < 14.7 %	1	PL
14.7 % ≤ X ≤ 24.6 %	1	HU
Total	**28**	excluding Brussels and Luxembourg[66]

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[64] Op cit (2) Ares(2023)3417031

[65] Note: For countries in the Eurozone, the change in the correction coefficient = the change in the economic parity.

[66] Brussels is the reference city for the bilateral comparisons (CC for staff). In accordance with Article 3(5) of Annex XI to the EU Staff Regulations, Luxembourg CC = Brussels CC. A separate supplementary calculation of the hypothetical CC for Luxembourg is produced for partner international organisations.

The analysis below summarises the changes for the first six-month period July 2022-January 2023:

Summary of changes in the correction coefficients, six months July 2022-January 2023

Range		Duty stations
X < -4.7 %	0	
-4.7 % ≤ X < -2.2 %	2	EL, ES
-2.2 % ≤ X < 0.0 %	12	DK, DE-Berlin, DE-Karlsruhe, DE-Munich, IE, FR, CY, LV, MT, PT, SK, SE
0.0 % ≤ X < 0.3 %	1	EE
0.3 % ≤ X < 2.8 %	10	BG, CZ, HR, IT-Rome, IT-Varese, NL, AT, RO, SI, FI
2.8 % ≤ X < 5.2 %	1	LT
5.2 % ≤ X ≤ 8.6 %	2	HU, PL
Total	**28**	excluding Brussels and Luxembourg

The analysis below summarises the changes for the second six-month period January 2023-July 2023:

Summary of changes in the correction coefficients, six months January 2023-July 2023

Range		Duty stations
-7.0 % ≤ X < -3.5 %	1	SE
-3.5 % ≤ X < -0.1 %	1	DK
-0.1 % ≤ X < 0.0 %	0	
0.0 % ≤ X < 3.3 %	14	DE-Berlin, DE-Karlsruhe, DE-Munich, IE, ES, IT-Rome, IT-Varese, CY, LT, MT, NL, AT, PT, FI
3.3 % ≤ X < 6.8 %	10	BG, EE, EL, FR, HR, LV, PL, RO, SI, SK
6.8 % ≤ X < 10.2 %	1	CZ
10.2 % ≤ X ≤ 14.7 %	1	HU
Total	**28**	excluding Brussels and Luxembourg

2.2.2 Changes in exchange rates from July 2022 to July 2023

Croatia joined the Eurozone with effect from 1st January 2023. Comparative data at July 2022, previously expressed in HRK, has been converted to EUR using the irrevocable exchange rate.

For those duty stations in the 20 Member States which are in the Eurozone, movements in the correction coefficient are the same as movements in the economic parity. For those duty stations in the 7 Member States which are not in the Eurozone, the impact of exchange rate fluctuations relative to the Euro on the global correction coefficient can be significant. Exchange rate movements for the period July 2022–July 2023 are summarised in the following analysis:

Summary of changes in the exchange rates, July 2022-July 2023

Period	Changes
12 months July 2022 – July 2023	BG 0.0 %, CZ -4.3 %, DK 0.1 %, HU -5.9 %, PL -5.1 %, RO +0.4 % and SE +10.6 %
6 months July 2022 – January 2023	Not applicable[67]
6 months January 2023 – July 2023	Same as for the annual movement[21]

Tables 2.1, 2.1a and 2.1b show the movements in the global parities, exchange rates and correction coefficients for those duty stations in countries which are <u>not</u> in the Eurozone, for the period July 2022 - July 2023, together with breakdowns for the six-month period July 2022 - January 2023 and the six-month period January 2023 - July 2023.

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[67] In the Intermediate Report, to establish correction coefficients at January, the same exchange rate is used as was applied in the previous Annual Report to establish correction coefficients at July. Consequently, for the first six months there is no change, and for the second six months the change is the same as for the annual movement.

2.3 Economic parities

The object of the economic parities is to compare the relative cost of living of European officials in Brussels (reference city) and in each of the capitals and other places of employment for which a correction coefficient has been set. The method used is to compare the price of a "basket" of goods and services purchased by the average official in Brussels with the price of the same basket in each of the other places of employment. The average of all the price ratios is the "economic parity".

The system works as follows: the total range of goods and services constituting the consumption of the average European institution official is divided into 80 basic headings (such as meat, footwear, electricity supply, motor cars, telephone communications, books). A price ratio between the place of employment and Brussels is established for each of these headings; this is called the basic parity. Price surveys are conducted on goods and services which are selected to represent the basic heading and specified in the necessary detail to enable prices in a sufficiently narrow range to be collected for internationally comparable items.

The Staff Regulations require each basic parity to be checked by direct survey at least once every five years. In practice checks are carried out at shorter intervals as part of the European Comparison Programme (ECP). Specific methodologies apply for the calculation of parities relating to delivery of healthcare services and delivery of education services. At each annual salary review around one third of the basic price parities are replaced by new parities produced by the latest price surveys.

The 80 basic parities are then updated using the ratio between the Harmonised Index of Consumer Prices (HICP) for the country in which the place of employment is located and the Joint Belgium-Luxembourg Index of consumer prices (JBLI).

Housing is dealt with differently. Special rent surveys of estate agents are carried out each year at each place of employment, including Brussels, to calculate an economic parity for the basic heading "accommodation costs for tenants". The calculation follows a methodology that has been developed by Eurostat in collaboration with the national statistical institutes of the Member States, based on the principle that the parity used should be calculated in such a way to allow European institution officials outside Brussels to live in dwellings of comparable quality to those occupied by European institution officials in Brussels. The basic parity "accommodation costs of owner-occupiers" is calculated by reference to the rent the owner-occupiers would pay if they were tenants (these are known as "imputed rents").

In order to calculate the overall economic parities weights have to be applied to each basic heading according to its relative importance in the consumption basket. These weights are calculated directly from the results of the special family budget surveys conducted among European and international civil servants every five to seven years. The resulting structure reflects the consumption of the average international civil servant in Brussels and in each country or place of employment.

Using the 80 basic parities and the specific weights the overall parity is calculated in two ways: the first uses the consumption pattern for the reference city (Brussels) (this is a type of Laspeyres index); the second uses the consumption pattern for the place of employment (this is a type of Paasche index). In accordance with the standard practice for international comparisons both types of index are calculated and the geometric mean of the results (the Fisher index) is used as the economic parity.

The details of the economic parities calculation, at the level of 12 main consumption groups, are shown in **Table 2.2** for all capitals and other places apart from Brussels and Luxembourg[68].

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[68]   Op. cit. (66) Luxembourg CC = Brussels CC.

There are restrictions about the level of detail at which price information below the level of the 12 main consumption groups can be disseminated. An approved list of analytical categories has been developed for Article 64 purposes within the applicable constraints of data quality and sensitivity regarding source data. This list includes the 12 main COICOP groups, and adds a selection of basic headings and interim aggregates. In total there are 35 analytical categories. This information is made available separately, in **Appendix 3**.

Table 2.1: Changes in the economic parities, exchange rates and correction coefficients in the twelve months to 1st July 2023 (for staff)

Country Place of employment		Parity 1.7.2023	Exch.Rate 1.7.2023	C.C. 1.7.2023	Parity 1.7.2022	Exch.Rate 1.7.2022	C.C. 1.7.2022	Parity CHANGE %	Exch.Rate CHANGE %	C.C. CHANGE %
BG	Sofia	1.341	1.956	68.6	1.271	1.956	65.0	5.5	0.0	5.5
CZ	Prague	24.36	23.69	102.9	23.62	24.74	95.5	3.1	-4.3	7.7
DK	Copenhagen	9.788	7.448	131.4	10.02	7.439	134.7	-2.3	0.1	-2.4
HU	Budapest	321.6	370.9	86.7	274.4	394.3	69.6	17.2	-5.9	24.6
PL	Warsaw	3.582	4.449	80.5	3.359	4.687	71.7	6.6	-5.1	12.3
RO	Bucharest	3.702	4.964	74.6	3.465	4.942	70.1	6.8	0.4	6.4
SE	Stockholm	13.69	11.82	115.8	13.35	10.68	124.9	2.5	10.6	-7.3

Note: for countries which are in the Eurozone, there is no change in the exchange rate. Consequently, the change in the correction coefficient = the change in the parity.

Table 2.1a: Changes in the economic parities, exchange rates and correction coefficients in the first six months to 1st January 2023 (for staff)

Country Place of employment		Parity 1.1.2023	Exch.Rate 1.1.2023	C.C. 1.1.2023	Parity 1.7.2022	Exch.Rate 1.7.2022	C.C. 1.7.2022	Parity CHANGE %	Exch.Rate CHANGE %	C.C. CHANGE %
BG	Sofia	1.283	1.956	65.6	1.271	1.956	65.0	0.9	0.0	0.9
CZ	Prague	23.71	24.74	95.9	23.62	24.74	95.5	0.4	0.0	0.4
DK	Copenhagen	9.825	7.439	132.1	10.02	7.439	134.7	-1.9	0.0	-1.9
HU	Budapest	297.9	394.3	75.6	274.4	394.3	69.6	8.6	0.0	8.6
PL	Warsaw	3.542	4.687	75.6	3.359	4.687	71.7	5.5	0.0	5.4
RO	Bucharest	3.533	4.942	71.5	3.465	4.942	70.1	2.0	0.0	2.0
SE	Stockholm	13.31	10.68	124.5	13.35	10.68	124.9	-0.3	0.0	-0.3

Note: for countries which are in the Eurozone, there is no change in the exchange rate. Consequently, the change in the correction coefficient = the change in the parity.

Table 2.1b: Changes in the economic parities, exchange rates and correction coefficients in the second six months to 1st July 2023 (for staff)

	Country	Parity	Exch.Rate	C.C.	Parity	Exch.Rate	C.C.	Parity	Exch.Rate	C.C.
	Place of employment	1.7.2023	1.7.2023	1.7.2023	1.1.2023	1.1.2023	1.1.2023	CHANGE %	CHANGE %	CHANGE %
BG	Sofia	1.341	1.956	68.6	1.283	1.956	65.6	4.5	0.0	4.6
CZ	Prague	24.36	23.69	102.9	23.71	24.74	95.9	2.7	-4.3	7.3
DK	Copenhagen	9.788	7.448	131.4	9.825	7.439	132.1	-0.4	0.1	-0.5
HU	Budapest	321.6	370.9	86.7	297.9	394.3	75.6	8.0	-5.9	14.7
PL	Warsaw	3.582	4.449	80.5	3.542	4.687	75.6	1.1	-5.1	6.5
RO	Bucharest	3.702	4.964	74.6	3.533	4.942	71.5	4.8	0.4	4.3
SE	Stockholm	13.69	11.82	115.8	13.31	10.68	124.5	2.9	10.6	-7.0

Note: for countries which are in the Eurozone, there is no change in the exchange rate. Consequently, the change in the correction coefficient = the change in the parity.

Table 2.2 (page 1 of 3): Economic parities of the 12 main expenditure groups for each duty station at 1st July 2023 (for staff)

Expenditure Groups	BE Weight	BG-Sofia Weight	BG-Sofia Parity	CZ-Prague Weight	CZ-Prague Parity	DK-Copenhagen Weight	DK-Copenhagen Parity	DE-Berlin Weight	DE-Berlin Parity	DE-Karlsruhe Weight	DE-Karlsruhe Parity	DE-Munich Weight	DE-Munich Parity
1	125.9	160.1	1.841	92.8	23.56	129.6	8.607	114.3	1.038	114.3	1.061	114.3	1.083
2	13.9	17.5	1.305	13.6	20.57	17.4	8.542	8.6	0.816	8.6	0.815	8.6	0.818
3	43.1	80.2	1.659	53.9	28.63	51.6	8.965	42.0	0.914	42.0	0.928	42.0	0.931
4	344.2	240.4	1.092	413.1	30.60	299.7	12.19	348.4	1.195	348.4	0.945	348.4	1.477
5	64.5	53.6	1.395	71.9	23.14	56.0	10.16	61.3	1.101	61.3	1.085	61.3	1.119
6	12.7	15.8	0.8165	13.5	11.66	16.2	8.477	18.2	0.962	18.2	0.968	18.2	0.970
7	130.0	131.0	1.660	110.3	22.65	148.2	8.413	142.7	1.020	142.7	1.027	142.7	1.049
8	19.8	24.0	0.9084	15.6	19.64	18.9	5.662	17.7	0.732	17.7	0.732	17.7	0.732
9	79.6	102.0	1.613	81.0	23.51	103.9	9.306	87.1	1.022	87.1	1.002	87.1	1.071
10	26.7	30.4	0.8430	19.5	10.18	22.0	5.687	30.3	0.515	30.3	0.676	30.3	0.670
11	81.1	76.3	1.030	69.5	15.83	86.1	10.36	71.7	0.930	71.7	0.946	71.7	1.023
12	58.6	68.8	1.446	45.4	22.47	50.6	8.902	57.8	0.923	57.8	0.974	57.8	0.994
Rents	278.5	188.5	1.086	358.4	30.33	246.9	12.94	274.2	1.181	274.2	0.858	274.2	1.514
Total without rent	721.4	811.5	1.428	641.6	22.04	753.1	8.884	725.8	0.984	725.8	1.013	725.8	1.040
Global parity	1000.0	1000.0	**1.341**	1000.0	**24.36**	1000.0	**9.788**	1000.0	**1.034**	1000.0	**0.968**	1000.0	**1.153**
Exchange rate			1.956		23.69		7.448		1		1		1

Expenditure Groups	BE Weight	EE-Tallinn Weight	EE-Tallinn Parity	IE-Dublin Weight	IE-Dublin Parity	EL-Athens Weight	EL-Athens Parity	ES-Madrid Weight	ES-Madrid Parity	FR-Paris Weight	FR-Paris Parity	HR-Zagreb Weight	HR-Zagreb Parity
1	125.9	135.9	1.066	101.4	1.083	124.7	1.065	113.1	0.934	126.9	1.058	135.7	0.987
2	13.9	15.8	0.971	15.6	1.844	19.2	1.005	14.3	0.812	14.5	1.001	15.3	0.964
3	43.1	77.6	1.099	39.5	0.950	61.2	0.984	49.2	0.812	38.5	1.024	60.9	0.919
4	344.2	250.5	1.033	360.9	2.129	229.6	0.847	287.4	1.126	381.4	1.569	259.1	0.894
5	64.5	65.7	0.944	57.1	0.989	86.9	0.860	70.9	1.030	63.7	1.166	51.1	0.790
6	12.7	16.7	0.742	9.7	1.546	16.7	0.792	17.6	0.969	9.4	0.777	17.0	0.502
7	130.0	139.8	1.055	158.5	1.187	168.1	1.007	148.4	0.844	117.0	1.085	169.5	0.988
8	19.8	18.8	0.550	18.8	1.061	25.1	0.934	22.5	0.779	16.0	0.591	24.5	0.745
9	79.6	108.8	1.070	81.0	1.243	95.7	0.937	89.1	0.945	70.0	1.143	91.8	0.849
10	26.7	26.9	0.539	34.1	0.789	28.6	0.649	44.7	0.774	33.3	0.641	25.6	0.299
11	81.1	90.1	0.860	69.6	1.216	89.2	0.759	91.5	0.777	81.9	1.020	98.1	0.725
12	58.6	53.5	1.053	53.9	0.956	55.2	0.781	51.3	0.837	47.5	1.005	51.6	0.785
Rents	278.5	193.0	1.055	319.1	2.258	160.9	0.923	237.2	1.213	315.3	1.672	198.6	0.979
Total without rent	721.4	807.0	0.972	680.9	1.142	839.2	0.892	762.8	0.870	684.8	1.040	801.4	0.815
Global parity	1000.0	1000.0	**0.989**	1000.0	**1.396**	1000.0	**0.896**	1000.0	**0.947**	1000.0	**1.195**	1000.0	**0.848**
Exchange rate			1		1		1		1		1		1

Table 2.2 (page 2 of 3): Economic parities of the 12 main expenditure groups for each duty station at 1st July 2023 (for staff)

Expenditure Groups	BE Weight	IT-Rome Weight	IT-Rome Parity	IT-Varese Weight	IT-Varese Parity	CY-Nicosia Weight	CY-Nicosia Parity	LV-Riga Weight	LV-Riga Parity	LT-Vilnius Weight	LT-Vilnius Parity	HU-Budapest Weight	HU-Budapest Parity
1	125.9	110.2	1.013	117.7	1.133	154.6	0.981	136.6	1.049	137.1	0.994	124.6	392.6
2	13.9	13.2	0.780	12.4	0.833	16.9	0.850	15.9	0.969	15.9	0.902	19.2	281.6
3	43.1	56.7	0.974	55.2	0.989	77.4	0.885	78.0	1.007	78.2	0.985	59.3	311.0
4	344.2	268.7	1.002	300.0	0.840	266.3	0.667	246.7	0.877	244.1	1.040	328.7	350.5
5	64.5	72.0	0.978	74.4	1.122	51.8	0.814	66.0	0.845	66.2	0.893	60.7	301.1
6	12.7	21.6	1.078	19.6	1.236	15.3	1.016	16.8	0.710	16.9	0.653	9.7	223.5
7	130.0	161.5	1.093	153.6	1.044	126.5	1.012	140.5	0.844	141.0	1.018	129.1	346.8
8	19.8	18.2	0.611	16.8	0.650	23.2	0.679	18.9	0.662	19.0	0.705	17.6	203.6
9	79.6	93.9	1.050	85.4	1.169	98.5	1.015	109.3	0.894	109.8	0.917	82.4	307.1
10	26.7	29.0	0.719	34.2	0.899	29.3	0.791	27.0	0.624	27.1	0.680	23.7	209.1
11	81.1	85.1	0.844	73.4	0.772	73.7	0.745	90.6	0.765	90.9	0.659	92.7	250.6
12	58.6	70.1	0.862	57.4	0.889	66.5	0.840	53.7	0.965	53.9	0.893	52.2	272.8
Rents	278.5	205.7	0.959	230.0	0.759	216.2	0.637	189.0	0.889	186.2	1.130	267.6	406.4
Total without rent	721.4	794.3	0.980	770.0	1.024	783.8	0.897	811.0	0.879	813.8	0.883	732.4	295.8
Global parity	1000.0	1000.0	**0.973**	1000.0	**0.950**	1000.0	**0.825**	1000.0	**0.880**	1000.0	**0.934**	1000.0	**321.6**
Exchange rate			1		1		1		1		1		370.9

Expenditure Groups	BE Weight	MT-Valletta Weight	MT-Valletta Parity	NL-TheHague Weight	NL-TheHague Parity	AT-Vienna Weight	AT-Vienna Parity	PL-Warsaw Weight	PL-Warsaw Parity	PT-Lisbon Weight	PT-Lisbon Parity	RO-Bucharest Weight	RO-Bucharest Parity
1	125.9	144.9	1.102	109.4	0.936	109.7	1.006	110.7	3.674	103.0	1.000	132.4	3.902
2	13.9	27.1	0.924	9.9	0.880	9.9	0.732	13.7	3.657	11.0	0.911	14.5	3.658
3	43.1	57.8	0.973	40.8	0.939	63.9	0.998	62.1	3.954	49.0	0.882	66.3	4.091
4	344.2	302.0	0.964	373.7	1.287	292.4	1.315	308.9	3.897	268.3	1.231	371.7	3.869
5	64.5	70.4	0.925	66.1	1.038	71.9	1.103	69.5	3.785	96.6	0.945	44.3	3.600
6	12.7	16.2	0.751	9.4	1.150	14.7	1.134	11.9	2.704	17.2	0.935	13.1	1.898
7	130.0	116.4	0.886	125.1	1.229	149.3	1.110	132.2	3.988	152.1	0.961	108.3	4.249
8	19.8	17.9	0.714	14.7	0.806	18.2	0.640	12.9	1.837	16.9	0.809	19.8	1.479
9	79.6	80.4	0.961	84.0	1.153	90.0	1.150	98.1	3.752	86.5	1.009	84.4	4.093
10	26.7	14.8	0.589	49.3	1.082	32.0	1.081	39.7	1.646	60.9	0.510	25.1	2.544
11	81.1	113.2	0.831	65.2	1.205	75.0	0.943	89.3	3.103	86.0	0.659	63.1	3.000
12	58.6	38.9	0.878	52.5	1.032	72.9	1.036	51.0	3.449	52.9	0.833	56.9	3.801
Rents	278.5	256.7	1.023	301.9	1.313	223.5	1.306	252.6	4.036	217.0	1.322	328.7	4.027
Total without rent	721.4	743.4	0.901	698.1	1.084	776.5	1.066	747.4	3.439	783.0	0.876	671.2	3.569
Global parity	1000.0	1000.0	**0.932**	1000.0	**1.146**	1000.0	**1.120**	1000.0	**3.582**	1000.0	**0.966**	1000.0	**3.702**
Exchange rate			1		1		1		4.449		1		4.964

Table 2.2 (page 3 of 3): Economic parities of the 12 main expenditure groups for each duty station at 1st July 2023 (for staff)

Expenditure Groups	BE Weight	SI-Ljubljana Weight	SI-Ljubljana Parity	SK-Bratislava Weight	SK-Bratislava Parity	FI-Helsinki Weight	FI-Helsinki Parity	SE-Stockholm Weight	SE-Stockholm Parity
1	125.9	135.5	0.973	98.1	1.030	128.1	1.076	126.6	11.61
2	13.9	15.3	0.846	14.4	0.797	17.2	1.634	17.0	11.70
3	43.1	60.8	0.939	57.0	0.960	51.0	1.059	50.4	11.90
4	344.2	259.8	0.941	379.8	0.917	307.8	1.344	315.9	17.61
5	64.5	51.1	0.926	76.0	0.862	55.3	1.010	54.7	12.48
6	12.7	16.9	0.839	14.2	0.638	16.0	1.489	15.8	16.19
7	130.0	169.4	1.062	116.6	0.699	146.5	1.210	144.8	13.12
8	19.8	24.5	0.738	16.5	0.684	18.7	0.850	18.5	9.751
9	79.6	91.7	1.026	85.6	0.866	102.7	1.245	101.5	13.11
10	26.7	25.5	0.417	20.6	0.423	21.7	0.638	21.4	7.408
11	81.1	98.0	0.761	73.4	0.749	85.1	1.130	84.1	11.79
12	58.6	51.6	0.904	47.9	0.839	50.0	1.106	49.4	11.49
Rents	278.5	199.4	0.950	322.0	0.951	255.7	1.434	264.4	18.79
Total without rent	721.4	800.6	0.913	678.1	0.808	744.3	1.106	735.6	12.17
Global parity	1000.0	1000.0	**0.919**	1000.0	**0.848**	1000.0	**1.186**	1000.0	**13.69**
Exchange rate			1		1		1		11.82

Consumption groups:

1. Food and non-alcoholic beverages
2. Alcoholic beverages and tobacco
3. Clothing and footwear
4. Housing, water, electricity, gas and other fuels
5. Furnishings, household equipment and maintenance of house
6. Health
7. Transport
8. Communications
9. Recreation and culture
10. Education
11. Hotels, cafes and restaurants
12. Miscellaneous goods and services

2.4 Purchasing power parities – analysis of results

2.4.1 Changes in the economic parities from July 2022 to July 2023

The calculation of correction coefficients used for salary adjustment in places other than Brussels and Luxembourg involves the revision of some elementary parities each year. Changes in the global parities from one year to the next come mainly from survey prices and rent revisions, but may also be affected by the trend in the price indices used to update the elementary parities at the date of the adjustment and by changes in the consumption structures. A decomposition of all the effects underlying the changes in the economic parities for the period July 2022–July 2023, is given in **Table 2.3**.

The simple average change in the global economic parity for all duty stations for the period under review was +3.4 % with standard deviation 3.7 %. The maximum increase was +17.2 % (HU-Budapest). The maximum decrease was -2.8 % (ES-Madrid). For 25 locations there was an increase, for one location there was no change and for two locations there was a decrease. The movements in the global economic parities for the period are summarised in the analysis below:

Summary of changes in the economic parities, twelve months July 2022-July 2023

Range		Duty stations
X < -4.0 %	0	
-4.0 % ≤ X < -0.3 %	2	DK, ES
-0.3 % ≤ X < 0.0 %	0	
0.0 % ≤ X < 3.4 %	16	CZ, De-Berlin, DE-Karlsruhe, DE-Munich, IE, EL, FR, IT-Rome, IT-Varese, CY, LV, MT, AT, PT, FI, SE
3.4 % ≤ X < 7.1 %	9	BG, EE, HR, LT, NL, PL, RO, SI, SK
7.1 % ≤ X < 10.8 %	0	
10.8 % ≤ X < 17.2 %	1	HU
Total	**28**	excluding Brussels and Luxembourg ([69])

The analysis below summarises the changes for the first six-month period July 2022-January 2023:

Summary of changes in the economic parities, six months July 2022-January 2023

Range		Duty stations
X < -4.7 %	0	
-4.7 % ≤ X < -2.2 %	2	EL, ES
-2.2 % ≤ X < 0.0 %	12	DK, DE-Berlin, DE-Karlsruhe, DE-Munich, IE, FR, CY, LV, MT, PT, SK, SE
0.0 % ≤ X < 0.3 %	1	EE
0.3 % ≤ X < 2.8 %	10	BG, CZ, HR, IT-Rome, IT-Varese, NL, AT, RO, SI, FI
2.8 % ≤ X < 5.3 %	1	LT
5.3 % ≤ X ≤ 8.6 %	2	HU, PL
Total	**28**	excluding Brussels and Luxembourg ([70])

([69]) Op cit (66) Luxembourg CC = Brussels CC.

([70]) Op cit (66) Luxembourg CC = Brussels CC.

The analysis below summarises the changes for the second six-month period January 2023-July 2023:

The analysis below summarises the changes for the second six-month period January 2023-July 2023:

Summary of changes in the economic parities, six months January 2023-July 2023

Range		Duty stations
-0.4% ≤ X < -0.3 %	1	DK
-0.3 % ≤ X < 0.0 %	0	
0.0 % ≤ X < 1.4 %	3	ES, PL, FI
1.4 % ≤ X < 3.1 %	13	CZ, DE-Karlsruhe, DE-Munich, IE, IT-Rome, IT-Varese, CY, LT, MT, NL, AT, PT, SE
3.1 % ≤ X < 4.8 %	5	BG, DE-Berlin, EL, FR, LV
4.8 % ≤ X < 6.5 %	5	EE, HR, RO, SI, SK,
6.5 % ≤ X ≤ 8.0 %	1	HU
Total	**28**	excluding Brussels and Luxembourg ([71])

([71]) Op cit (66) Luxembourg CC = Brussels CC.

2.4.2 Impact of changes in the expenditure weights

Consumption weighting structures are used to aggregate the basic heading parities to produce the global economic parity. They determine the relative importance of the parities for every basic heading, and can therefore have a potentially important impact. **Weighting structures were updated for Germany, France and the Netherlands during the period under review([72]).**

The current structures were established as follows:

- Data from the autumn 2017 family budget survey in **Brussels** was combined with spring 2018 data from staff in partner organisations and the resulting structure was introduced in the July 2020 calculation exercise. The consumption structure for Brussels affects all other duty stations, as Brussels is the reference city for parity calculation, setting the 'Laspeyres' component of the Fisher index calculation (duty station structures set the 'Paasche' component).

- Data from the autumn 2018 family budget survey in Ireland was used to produce the consumption structure which was integrated in the July 2020 calculation exercise.

- Updated structures for 22 other duty stations were introduced for the July 2018 calculation exercise, based on family budget surveys conducted as indicated below:

  - (2) Bulgaria and Croatia: spring 2016.

  - (6) Greece, Spain, Italy (incl. Italy-Varese), Austria and Portugal: autumn 2016.

  - (14) Czechia, Denmark, Estonia, Cyprus, Lithuania, Latvia, Hungary, Malta, Poland, Romania, Slovenia, Slovakia, Finland, Sweden: spring 2017.

- Updated structures for remaining Intra-EU duty stations were introduced for the July 2023 calculation exercise, based on family budget surveys conducted as indicated below:

  - An updating family budget survey was launched during spring 2022 amongst staff in **France**, to replace the existing weighting structure based on surveys conducted between 2011 and 2013. Survey participation was open to all staff working for EU institutions, to EU agencies, and to staff of partner organisations (notably collaboration with the International Service for Remunerations and Pensions of the Coordinated Organisations and the European Organisation for Air Safety Navigation), working in various locations([73]). The new weighting structure has been validated and introduced in the 2023 annual exercise. The impact of introducing the new FBS weights for France is +1.3%.

  - An updating family budget survey was launched during spring 2023 amongst staff in the **Netherlands**, to replace the existing weighting structure based on surveys conducted between 2011 and 2013. Survey participation was open to all staff working for EU institutions, to EU agencies, and to staff of partner organisations (notably collaboration with the International Service for Remunerations and Pensions of the Coordinated Organisations and the European Organisation for Air Safety Navigation and the European Patent Organisation), working in various locations([74]). The new weighting structure has been validated and introduced in the 2023 annual exercise. The impact of introducing the new FBS weights for the Netherlands is 0.1%.

  - Updating family budget surveys were launched during autumn 2022 and spring 2023 amongst staff in **Germany** in 3 locations: DE-Karlsruhe; DE-Munich; DE-Berlin/other. The previously used weighting structures for these places were based on surveys conducted between 2011 and 2013. Survey participation was open to all staff working for EU institutions in and outside the common system, to EU agencies, and to staff of partner organisations (notably in collaboration with the International Service for Remunerations and Pensions of the Coordinated Organisations, the European Organisation for Air Safety Navigation and the European Patent Organisation), working in various locations([75]). The new weighting structures

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([72]) Note: No family budget surveys were conducted during 2019-2021 due to the impact of the Covid-19 pandemic and policy responses to it

([73]) For France, locations outsdie Paris include: Marseille, Strasbourg, Valenciennes, Caderache, Lyon, Brétigny-sur-Orge

([74]) For Netherlands, locations outside The Hague include: Amsterdam, Bergen, Petten, Maastricht, Noordwijk, Brunssum.

([75]) For Germany, locations outside Berlin, Karlsruhe and Munich include: Bonn, Cologne, Frankfurt, Darmstadt.

have been validated and introduced in the 2023 annual exercise. The impact of introducing the new FBS weights for DE-Karlsruhe is -0.6%; for DE-Munich is +1.0%; and for DE-Berlin/other is +0.2% .

- A family budget survey was launched during autumn 2022 amongst staff in **Luxembourg**. Survey participation was not open to EU staff, but only for staff working for partner organisations (notably collaboration with the International Service for Remunerations and Pensions of the Coordinated Organisations, the European Free Trade Association and the European Organisation for Air Safety Navigation). The new weighting structure has been validated and introduced in the 2023 annual exercise for the calculation of correction coefficients applicable to staff of these organisations. In accordance with the EU Staff Regulations, no correction coefficient applies for EU staff working in Luxembourg, and this value is therefore considered to be hypothetical. The impact of introducing the new FBS weights for Luxembourg on the hypothetical correction coefficient and global parity for Luxembourg is 0.0%. The average impact of introducing the new FBS weights for Luxembourg on the Joint Belgium-Luxembourg Index is -0.1%.

Other things being equal, the next round of family budget surveys amongst Intra-EU staff will commence in 2025, after surveys have been conducted amongst Pensioners in EU27 Member States and amongst Extra-EU staff in delegations around the world.

2.4.3 Impact of new parities derived from price surveys

For the current annual exercise, new parities obtained from the following consumer price surveys have been integrated for the following groups:

- House and garden (survey conducted in spring 2022)

- Transport and HORECA (survey conducted in autumn 2022)

In the usual way, prices were obtained from the European Comparison Programme (ECP) for capital cities, and complemented with consistent data from national statistical offices for duty stations in Italy (Varese) and Germany (Karlsruhe, Munich).

The introduction of price data from the **spring 2022 ECP survey on House and garden** affects 20 elementary parities out of the 80 basic heading classification, which together account for 99.6 ‰ of the total consumption weight in Brussels and 112.4 ‰ on average in other EU duty stations with range between 91.8 ‰ and 138.4 ‰ and standard deviation 10.4 ‰. Introduction of these various results has led to an increase in the overall parity for 10 locations, no change in 5 locations and a decrease in the parity for 13 locations - with the impact ranging between +0.8 % (PT-Lisbon) and -0.4 % (DE-Berlin,SK-Bratislava). The average impact was +0.0 %, with standard deviation 0.3 %.

The introduction of the price data from the **autumn 2022 ECP survey on Transport and HORECA** affects 8 elementary parities out of the 80 basic heading classification, which together account for 166.9 ‰ of the total consumption weight in Brussels and 170.9 ‰ on average in other EU duty stations with range between 137.0 ‰ and 208.9 ‰ and standard deviation 19.3 ‰. Introduction of these results has generated an increase in the overall parity for 11 locations, no impact for 1 location, and negative change for 16 locations - with the impact ranging between +1.9 % (RO-Bucharest) and -1.6 % (CZ-Prague). The average impact was +0.0 %, with standard deviation 0.9 %.

2.4.4 Impact of indexation

As regards price indexation, it has to be remembered that the impact for each duty station reflects the movement of the national Harmonised Index of Consumer Prices (HICP) relative to the evolution of prices in Brussels[76].

The impact on the overall parity of applying detailed sub-indices at basic heading level for the year to July 2023 generated a decrease (i.e. inflation was lower than in Brussels) in 4 places and an increase (i.e. inflation was higher than in Brussels) in 24 places – with the impact ranging between +14.8 % (HU-Budapest) and -1.8 % (ES-Madrid). The average impact was +3.3 % and standard deviation 3.5 %.

Here it should be recalled that there are important differences between HICP and PPP methodologies, notably regarding weights used for aggregation purposes (treatment of owners and tenants), and geographical coverage (country or city) particularly for measurement of rents. For this reason, the "price updating effect" presented in the table cannot be directly compared with the relative movement of the all-items HICP published separately on the Eurostat website – although other things being equal that movement does give an indication of the general magnitude and direction of change. Therefore, purely for information purposes, the following graphs summarise how national HICPs have developed relative to Belgium during the year to July 2023.

The index is presented excluding and including expenditure by owner-occupiers. For the index excluding owner-occupiers, it is clear that the overall price index for the whole twelve month period has risen more quickly in <u>all</u> of the duty station countries than in Belgium, also during the second six months (January-June), whilst for the first six months (July-December) it rose more quickly than in Brussels for 12 Member States. For the index including owner-occupiers, for 7 of the 30 duty stations the aggregated overall price index for the whole twelve month period has risen less quickly than in Brussels; this was the case for 18 of the 30 duty stations during the first six months (July-December) and for <u>none</u> of the duty stations during the second six months (January-June).

There is a second potential impact due to any change in the numbers of active staff in Brussels and Luxembourg, as these are used as weights in the construction of the index used to measure the evolution of prices in Brussels. The ratio for the new base period July 2022 (i.e. December 2021) remained broadly stable compared with the previous base period July 2021 (i.e. December 2020) [77].

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[76] See main report Chapter 4 and **Appendix 1b Section 2** for details of the movement in the Joint Belgium-Luxembourg Index (JBLI).

[77] See **Appendix 1b Chapter 5** for details of the staff numbers in Brussels and Luxembourg

Graph: all-items HICP movement, aggregation weights excluding and including owners – twelve months June 2022 - June 2023

All-items HICP movement ranked, aggregation weights exclude owners
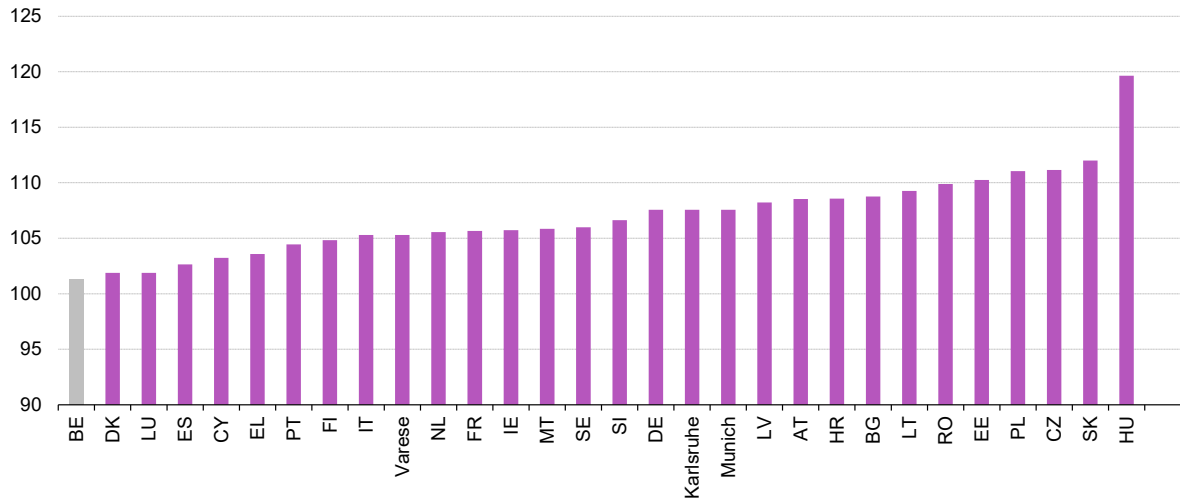
All-items HICP movement ranked, aggregation weights include owners
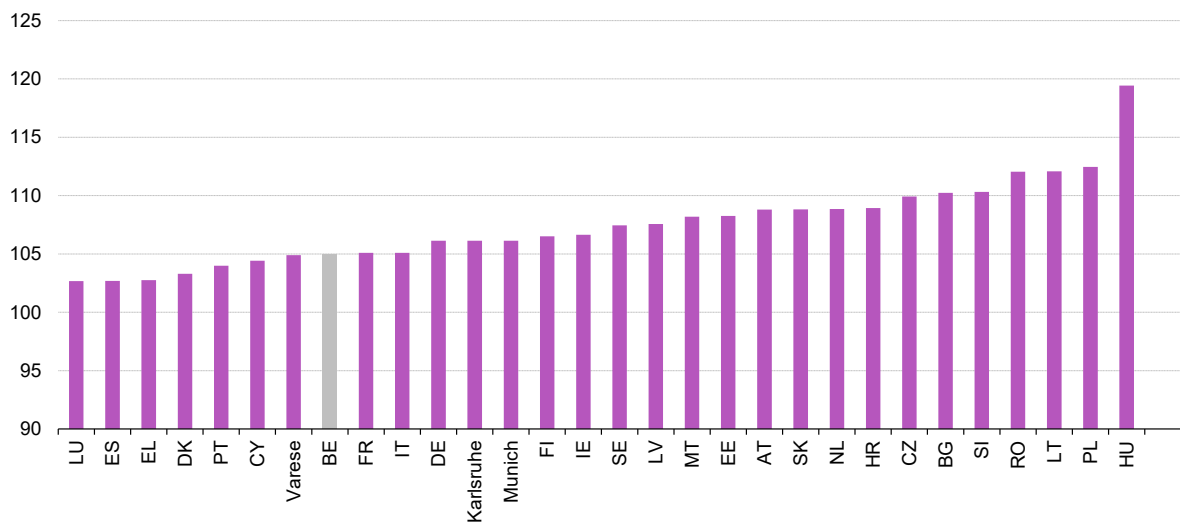
Graphs showing the corresponding changes for the first six-month period June 2022 - December 2022 are reproduced below, as presented in the intermediate report([78]).

Graph: all-items HICP movement, aggregation weights excluding and including owners – six months June 2022 - December 2022

All-items HICP movement ranked, aggregation weights exclude owners
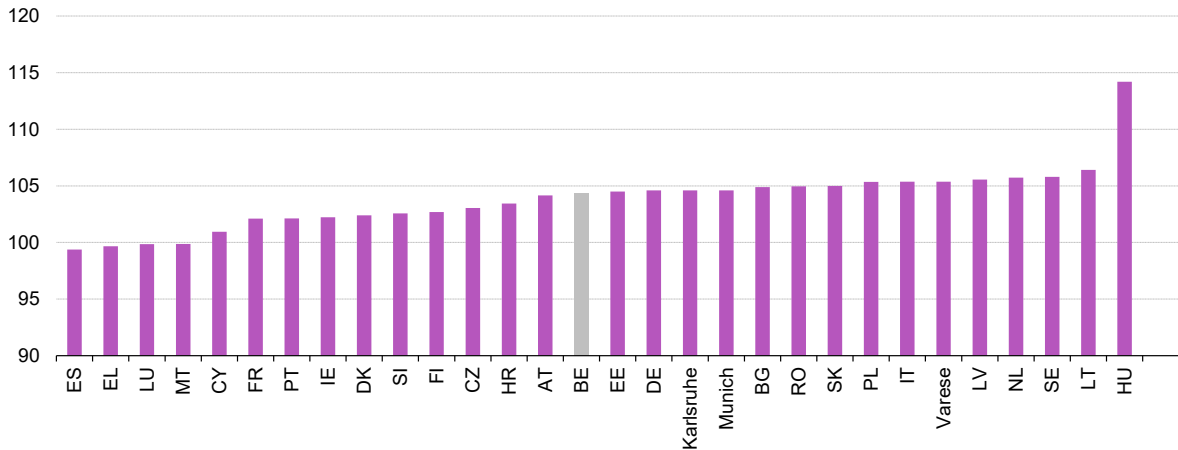
All-items HICP movement ranked, aggregation weights include owners

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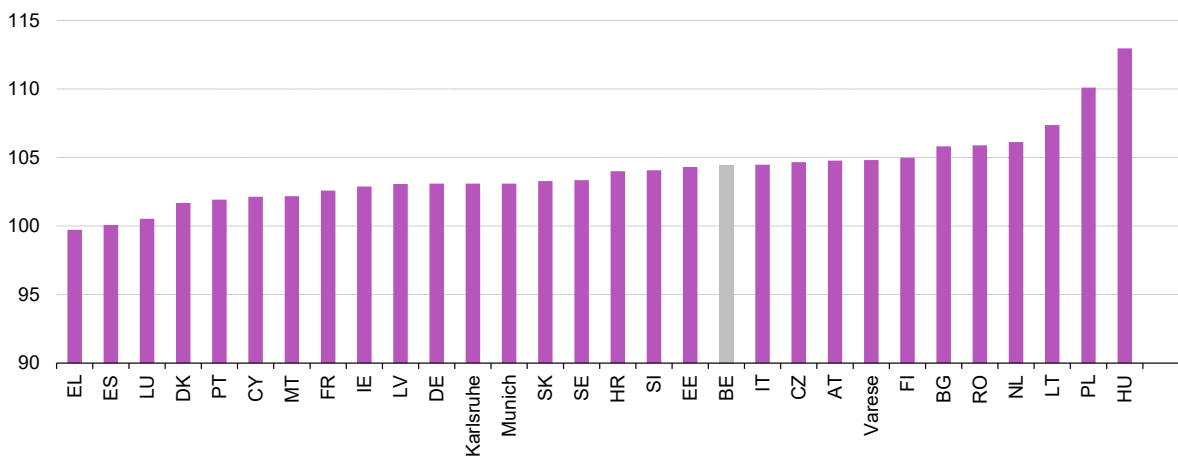
([78]) Op.cit. (2) Ares(2023)3417031

Graphs showing the corresponding changes for the second six-month period December 2022 - June 2023 are shown below.

Graph: all-items HICP movement, aggregation weights excluding and including owners – six months December 2022 - June 2023

All-items HICP movement ranked, aggregatio weights exclude owners
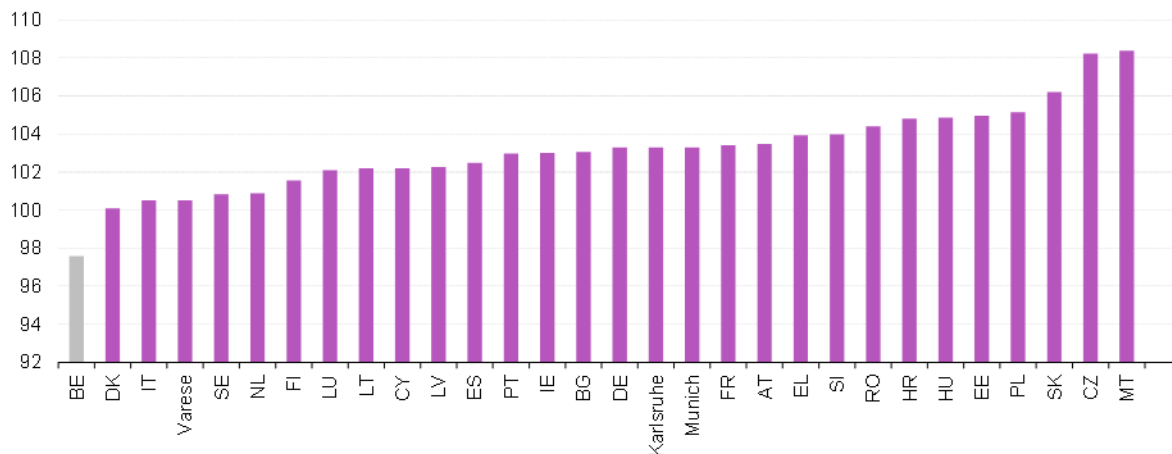
All-items HICP movement ranked, aggregation weights include owners

2.4.5 Impact of new rent parities

An Estate Agency Rent Survey is carried out every year in all Member States to compile rent data. A six-year moving average model is used for calculating rent parities: the rent parities for 2023 are based on the relative trend in the real-estate markets in Brussels and other places of employment between 2016 and 2023.

The rent parities are, therefore, affected by the following factors:

- introduction of rent data for each dwelling type for year 2023;

- deletion of the rent data for each dwelling type for year 2017;

- price indices used for updating the rents for 2018 - 2022 to price level of 2023;

- relative weighting of rents data for each of the years 2017 – 2023 ("taper weights")

- relative weighting of rents data for each dwelling type ("preference weights").

The relative weighting structures are derived from the 2021 housing survey conducted amongst active staff in all Intra-EU duty stations in collaboration with other international organisations. Dwelling type preference weights were introduced for the 2021 exercise; individual country taper weights were introduced for the 2022 exercise.

Details of the average rent values by type of dwelling at July 2023, together with comparative information for July 2022, are provided in **Table 2.4**.

Details of the changes in the rent parities from July 2022 to July 2023, including a decomposition of all the effects, are given in **Table 2.5** and **Table 2.6**.

The simple average change in the rent parity for all duty stations was +0.1 %. There were increases in the rent parity for 13 duty stations, no change in 1 location and decreases for 14 locations. Movements in the rent parity in absolute terms of 5 % or more could be observed only in Budapest (+12.8 %).

The rents basic headings account for 278.5 ‰ of the total consumption weight in Brussels and 248.5 ‰ on average in other EU duty stations, with range between 160.9 ‰ and 358.4 ‰ and standard deviation 50.2 ‰. Consequently, the rent parities can influence in a quite significant way the global economic parities. The introduction of the new rent parities has led to an increase in the overall parity or stability for 13 locations and decreases for 15 locations, with the impact ranging between +2.3 % (EE-Tallinn) and -2.6 % (MT-Valetta). The average impact on the overall parity was -0.1 % with standard deviation 0.9 %.

2.4.6 Impact of rents on the overall parity for staff

In **Table 2.7** and **Table 2.8**, the analysis of correction coefficients and parities calculated with and without the rent element for the same place of employment makes it easier to isolate the effect of rent differences separately from the impact of differences arising from other causes.

In 2023, for 12 out of the 28 duty stations (i.e. excluding Brussels and Luxembourg), the rent correction coefficient (ratio between the rent parity and the exchange rate) is under 100. This means that the average rents are generally lower in these places than in Brussels. For the remaining 16 duty stations, the rent correction coefficient is greater than 100.

The correction coefficients for rents (compared to Brussels =100) are very high in IE-Dublin (225.8), DKCopenhagen (173.8), FR-Paris (167.2) and SE-Stockholm (159.0), whereas they are quite low in BG-Sofia (55.5), CY-Nicosia (63.7) and IT-Varese (75.9).

In 2023, the rent correction coefficient is lower than the correction coefficient without rent in 5 of the duty stations (BG, DE-Karlsruhe,IT-Rome, IT-Varese and CY). This means that, for those places, the rents lead to a reduction of the global correction coefficient.

When rents are integrated in the computation, the correction coefficient is increased by 10 % or more in IE-Dublin (+22.2 %), FR-Paris (+14.9 %), SE-Stockholm (+12.4 %), DE Munich (+10.9 %), CZ-Prague (+10.5 %), PT-Lisbon (+10.3 %) and DK-Copenhagen (+10.1 %). By contrast, the impact is quite negative in CY-Nicosia (-8.0 %), IT-Varese (-7.2 %) and BG-Sofia (-6.0 %). The average rent effect is +4.8 % with standard deviation 6.8 %.

2.4.7 Summary of component impacts on global parity

The analysis below summarises the impact of the various components on the global parity for staff, which are discussed in the preceding paragraphs.

Firstly, it shows the relative importance (‰ weight) of the basic headings affected in Brussels and the average for all other duty stations, together with the standard deviation and the minimum and maximum weight of the basic headings affected.

Summary of expenditure weights for affected BH

Component	BH	Expenditure weight ‰				
		BE	Other (Avg.)	Other (St.Dev)	Other (Min.)	Other (Max.)
E22-1 House and garden	20	99.6	112.4	10.4	91.8	138.4
E22-2 Transport and HORECA	8	166.9	170.9	19.3	137.0	208.9
HICP relative to JBLI	80	1000.0	1000.0	0	1000.0	1000.0
Rent	2	278.5	248.5	50.2	160.9	358.4

Secondly, it shows the average impact on global PPP of the changes to the basic headings affected for all duty stations, the standard deviation, the minimum and maximum impact and the numbers of positive/negative impacts. The analysis is for the 12 months to 1st July 2023.

Summary of impact on global PPP of changes for affected BH

Component	BH	Impact on Global PPP					
		Avg.	St.Dev	Max.	Min.	+ve or 0	-ve
E22-1 House and garden	20	+0.0 %	0,3 %	+0.8%	-0.4 %	15	13
E22-2 Transport and HORECA	8	+0.0 %	0.9 %	+1.9 %	-1.6 %	12	16
HICP relative to JBLI	80	+3.3 %	3.5 %	+14.8 %	-1.8 %	24	4
Rent	2	-0.1 %	0.9 %	+2.3 %	-2.6 %	13	15
GLOBAL	**80**	**+3.4 %**	**3.7 %**	**+17.2 %**	**-2.8 %**	**26**	**2**

Table 2.3: Changes in the economic parities in the 12 months to 1st July 2023 – Decomposition of the effects (for staff)

Place of employment		New FBS weights	Introduction of new price data				Total
			E22-1 House and garden	E22-2 Transport HORECA	Indexation (HICP relative to JBLI)	2023 Rents	
BG	Sofia	0.0	0.2	1.1	4.6	-0.4	5.5
CZ	Prague	0.0	-0.2	-1.6	5.8	-0.8	3.1
DK	Copenhagen	0.0	-0.1	-0.2	-1.6	-0.5	-2.3
DE	Berlin	0.2	-0.4	-0.2	2.6	0.6	2.8
	Karlsruhe	-0.6	-0.3	-0.1	2.6	-0.2	1.3
	Munich	1.0	-0.3	-0.4	2.5	-0.1	2.7
EE	Tallinn	0.0	0.1	-0.1	2.6	2.3	5.1
IE	Dublin	0.0	0.7	-0.4	2.1	0.0	2.4
EL	Athens	0.0	0.6	0.7	-1.3	0.1	0.2
ES	Madrid	0.0	0.0	-0.7	-1.8	-0.3	-2.8
FR	Paris	1.3	-0.1	0.0	1.1	0.0	2.3
HR	Zagreb	0.0	0.1	0.9	4.7	0.3	6.1
IT	Rome	0.0	-0.2	1.4	1.7	-0.2	2.8
	Varese	0.0	0.2	0.6	1.8	0.7	3.2
CY	Nicosia	0.0	-0.1	1.0	-0.9	-0.1	0.0
LV	Riga	0.0	0.0	-1.2	2.9	0.9	2.5
LT	Vilnius	0.0	-0.3	-0.4	7.7	-0.1	6.8
HU	Budapest	0.0	0.7	0.3	14.8	1.0	17.2
MT	Vallette	0.0	-0.1	0.6	3.3	-2.6	1.1
NL	The Hague	0.1	-0.3	1.2	3.8	-0.4	4.3
AT	Vienna	0.0	-0.2	-1.1	4.7	-0.4	2.9
PL	Warsaw	0.0	0.1	-0.4	7.8	-0.7	6.6
PT	Lisbon	0.0	0.8	-0.4	0.2	0.7	1.2
RO	Bucharest	0.0	0.1	1.9	6.6	-1.7	6.8
SI	Ljubljana	0.0	0.0	0.5	6.3	-1.2	5.5
SK	Bratislava	0.0	-0.4	-1.2	4.9	0.9	4.3
FI	Helsinki	0.0	0.0	-0.3	1.2	0.2	1.0
SE	Stockholm	0.0	0.0	-0.6	2.7	0.5	2.5

Note: Total impact is calculated by comparing previous global value and current global value. Individual component impact is calculated by modifying individual element and recomputing global value. Due to rounding, product of individual component impacts may not match total impact.

Table 2.4 (page 1 of 4): Changes in the average rents of accommodation in the twelve months to 1ˢᵗ July 2023
(Values expressed in Euro, except local currencies: BG*, CZ, DK, HU, PL, RO*, SE)

Country			3 bedroom flat			2 bedroom flat		1 bedroom flat	
Place of employment			(140-160m²)	(110-130m²)	(80-100m²)	(80-100m²)	(60-80m²)	(60-80m²)	(40-60m²)
BE	Brussels	2022	1,873	1,587	1,307	1,202	1,042	965	790
		2023	1,937	1,622	1,277	1,278	1,044	979	801
BG	*Sofia*	2022	*1,680*			*1,172*		*821*	
		2023	*2,114*			*1,377*		*929*	
CZ	*Prague*	2022		*43,972*		*33,883*		*24,272*	
		2023		*49,806*		*37,236*		*27,092*	
DK	*Copenhagen*	2022		*20,333*			*14,485*		*10,869*
		2023		*19,842*			*14,631*		*12,179*
DE	Berlin	2022		2,160		1,639		1,217	
		2023		2,134		1,583		1,252	
	Karlsruhe	2022		1,511		1,064		904	
		2023		1,503		1,121		910	
	Munich	2022		2,480		1,851		1,532	
		2023		2,436		1,800		1,526	
EE	Tallin	2022			1,470		1,045		730
		2023			1,548		1,093		782
IE	Dublin	2022		2,864			2,343		1,818
		2023		3,203			2,559		2,030
EL	Athens	2022	1,932			1,171		913	
		2023	2,008			1,286		961	
ES	Madrid	2022		1,861			1,355		970
		2023		1,819			1,381		1,025
FR	Paris	2022		2,785		2,142			1,260
		2023		2,904		2,214			1,326
HR	Zagreb	2022		1,443		1,027		765	
		2023		1,775		1,256		888	
IT	Rome	2022		1,611		1,180		922	
		2023		1,651		1,222		913	
	Varese	2022		1,081		806		639	
		2023		1,119		817		667	
CY	Nicosia	2022		1,029		777		619	
		2023		1,125		863		630	

1 Rent value for dwelling type for year in question is average of reported values.
  * BG, RO collected in Euros. Values converted to national currency

Table 2.4 (page 2 of 4): Changes in the average rents of accommodation in the twelve months to 1ˢᵗ July 2023 (Values expressed in Euro, except local currencies: BG*, CZ, DK, HU, PL, RO*, SE)

Country			3 bedroom flat			2 bedroom flat		1 bedroom flat	
Place of employment			(140-160m²)	(110-130m²)	(80-100m²)	(80-100m²)	(60-80m²)	(60-80m²)	(40-60m²)
BE	Brussels	2022	1,873	1,587	1,307	1,202	1,042	965	790
		2023	1,937	1,622	1,277	1,278	1,044	979	801
LV	Riga	2022		1,436		1,044		687	
		2023		1,420		1,044		738	
LT	Vilnius	2022			1,743		1,250		833
		2023			1,423		1,074		785
HU	*Budapest*	2022		638,947			385,765		259,217
		2023		636,183			483,911		329,322
MT	Valletta	2022		1,413		1,101			803
		2023		1,542		1,228			900
NL	The Hague	2022		1,961		1,519		1,235	
		2023		2,006		1,660		1,181	
AT	Vienna	2022		1,800		1,404		1,057	
		2023		2,064		1,530		1,148	
PL	*Warsaw*	2022		5,427		4,120			2,867
		2023		6,375		4,705			3,220
PT	Lisbon	2022	2,450			1,736		1,155	
		2023	2,311			1,835		1,325	
RO	*Bucharest*	2022		5,332		4,038			2,550
		2023		5,842		4,467			2,874
SI	Ljubljana	2022		1,671		1,074			695
		2023		1,838		1,204			822
SK	Bratislava	2022		1,468		986		756	
		2023		1,588		1,079		786	
FI	Helsinki	2022		2,334			1,449		1,097
		2023		2,235			1,491		1,094
SE	*Stockholm*	2022		30,857		25,130		17,510	
		2023		31,234		25,523		19,892	

Table 2.4 (page 3 of 4): Changes in the average rents of accommodation in the twelve months to 1ˢᵗ July 2023 (Values expressed in Euro, except local currencies: BG*, CZ, DK, HU, PL, RO*, SE)

Country / Place of employment			Non-detached houses			Detached houses			Rent Parity [2]
			(140-160m²)	(110-130m²)	(80-100m²)	(190-220m²)	(150-180m²)	(110-140m²)	
BE	Brussels	2022	2,105	1,807	1,425	2,864	2,381	2,020	
		2023	2,252	1,717	1,427	3,037	2,562	2,039	
BG	*Sofia*	2022				*3,014*			*1.074*
		2023				*3,571*			*1.086*
CZ	*Prague*	2022		*43,875*			*59,250*		*30.62*
		2023		*47,571*			*62,167*		*30.33*
DK	*Copenhagen*	2022		*19,417*			*28,917*		*13.49*
		2023		*21,250*			*27,700*		*12.94*
DE	Berlin	2022		1,948			2,828		1.193
		2023		2,179			2,917		1.181
	Karlsruhe	2022		1,444			1,646		0.892
		2023		1,606			2,271		0.858
	Munich	2022		2,634			3,819		1.566
		2023		2,651			3,759		1.514
EE	Tallin	2022		1,645			2,395		1.034
		2023		1,769			2,494		1.055
IE	Dublin	2022			3,145			4,050	2.215
		2023			3,525			4,505	2.258
EL	Athens	2022	1,901			2,744			0.923
		2023	2,121			2,872			0.923
ES	Madrid	2022	2,475			3,494			1.264
		2023	2,525			3,733			1.213
FR	Paris	2022		2,718			3,446		1.720
		2023		2,945			3,744		1.672
HR	Zagreb	2022	1,948			2,711			0.957
		2023	2,150			3,025			0.979
IT	Rome	2022		1,406		2,006			0.990
		2023		1,333		1,985			0.959
	Varese	2022		1,421		2,243			0.759
		2023		1,550		2,336			0.759
CY	Nicosia	2022	1,232			1,775			0.645
		2023	1,360			1,938			0.637

1 Rent value for dwelling type for year in question is average of reported values.
  * BG, RO collected in Euros. Values converted to national currency
2 Rent parity uses a six year model of the rent averages, updated by indices, applying taper weights.
  Dwelling type weights and taper weights are identified by periodic housing surveys.

Table 2.4 (page 4 of 4): Changes in the average rents of accommodation in the twelve months to 1ˢᵗ July 2023 (Values expressed in Euro, except local currencies: BG*, CZ, DK, HU, PL, RO*, SE)

Country			Non-detached houses			Detached houses			Rent Parity [2]
Place of employment			(140-160m²)	(110-130m²)	(80-100m²)	(190-220m²)	(150-180m²)	(110-140m²)	
BE	Brussels	*2022*	2,105	1,807	1,425	2,864	2,381	2,020	
		2023	2,252	1,717	1,427	3,037	2,562	2,039	
LV	Riga	2022	1,643			2,281			0.898
		2023	1,671			2,367			**0.889**
LT	Vilnius	2022		1,960			2,811		1.077
		2023		1,657			2,375		**1.130**
HU	*Budapest*	2022	845,598			1,115,584			360.4
		2023	753,717			1,117,750			**406.4**
MT	Valletta	2022		1,831		3,265			1.034
		2023		2,004		3,166			**1.023**
NL	The Hague	2022	2,393				3,213		1.360
		2023	2,471				3,500		**1.313**
AT	Vienna	2022		2,172			3,752		1.296
		2023		2,340			3,854		**1.306**
PL	*Warsaw*	2022		7,060		11,100			3.910
		2023		8,135		13,324			**4.036**
PT	Lisbon	2022	2,879				3,756		1.293
		2023	3,197				4,309		**1.322**
RO	*Bucharest*	2022					9,647		4.077
		2023					9,744		**4.027**
SI	Ljubljana	2022		1,521			2,267		0.934
		2023		1,638			2,257		**0.950**
SK	Bratislava	2022		1,550			2,157		0.922
		2023		1,805			2,436		**0.951**
FI	Helsinki	2022		2,494		3,479			1.470
		2023		2,227		3,408			**1.434**
SE	Stockholm	2022		30,287			34,125		18.66
		2023		30,218			36,700		**18.79**

1 Rent value for dwelling type for year in question is average of reported values.
  * BG, RO collected in Euros. Values converted to national currency
2 Rent parity uses a six year model of the rent averages, updated by indices, applying taper weights.
  Dwelling type weights and taper weights are identified by periodic housing surveys.

**Table 2.5: Changes in rent parities in the twelve months to 1ˢᵗ July 2023 –
Decomposition of the effects (for staff)**

Place of employment		Delete survey 2017	Introduce survey 2023	Rent index 2023	New SHS dwelling weights BE	New SHS dwelling weights (place)	New taper weights	Currency conversion *	Total change rent PPP
BG	Sofia	-3.8	2.4	2.7	-	-	-	0.0	1.1
CZ	Prague	-5.5	1.4	3.4	-	-	-	-	-0.9
DK	Copenhagen	-2.1	0.2	-2.1	-	-	-	-	-4.0
DE	Berlin	1.1	0.0	-2.0	-	-	-	-	-0.9
	Karlsruhe	-4.2	2.8	-2.3	-	-	-	-	-3.8
	Munich	-1.1	-0.3	-1.9	-	-	-	-	-3.3
EE	Tallinn	-1.9	0.5	3.5	-	-	-	-	2.0
IE	Dublin	-1.0	1.4	1.5	-	-	-	-	1.9
EL	Athens	2.4	0.5	-2.8	-	-	-	-	0.0
ES	Madrid	-1.2	-0.2	-2.6	-	-	-	-	-4.0
FR	Paris	-1.9	0.4	-1.3	-	-	-	-	-2.8
HR	Zagreb	-1.6	2.0	1.8	-	-	-	-	2.2
IT	Rome	-3.8	-0.3	0.9	-	-	-	-	-3.2
	Varese	-1.1	0.3	0.8	-	-	-	-	0.1
CY	Nicosia	-1.3	3.5	-3.2	-	-	-	-	-1.1
LV	Riga	-3.1	-0.4	2.6	-	-	-	-	-1.1
LT	Vilnius	3.4	-1.9	3.5	-	-	-	-	4.9
HU	Budapest	-0.3	0.7	12.4	-	-	-	-	12.8
MT	Valletta	-2.0	0.7	0.3	-	-	-	-	-1.0
NL	The Hague	-3.9	-0.3	0.8	-	-	-	-	-3.5
AT	Vienna	-2.4	0.3	2.9	-	-	-	-	0.8
PL	Warsaw	-3.9	3.0	4.2	-	-	-	-	3.2
PT	Lisbon	3.4	0.5	-1.6	-	-	-	-	2.2
RO	Bucharest	-5.9	0.5	4.0	-	-	-	0.4	-1.2
SI	Ljubljana	-0.7	1.2	1.2	-	-	-	-	1.7
SK	Bratislava	-2.5	1.6	4.2	-	-	-	-	3.2
FI	Helsinki	-2.9	-0.6	1.0	-	-	-	-	-2.5
SE	Stockholm	-2.6	0.5	2.8	-	-	-	-	0.7

* BG, RO rent values are compiled in Euro and converted to local currency for PPP calculation.
  Restatement of national currency values expressed at July 2022 exchange rates into July 2023 exchange rates.

Note: Total change is calculated by comparing previous rent PPP value and current rent PPP value. Individual component impact is calculated by modifying individual element and recomputing rent PPP value. Due to rounding, combined product of individual component impacts may not match total change.

Table 2.6: Changes in rent parities in the twelve months to 1st July 2023 – Decomposition of the effects (impact on global parity) (for staff):

Place of employment		Delete survey 2017	Introduce survey 2023	Rent index 2023	New SHS dwelling weights (place)	New taper weights	Currency conversion *	Total rent impact
BG	Sofia	1.4	-0.9	-1.0	-	-	0.0	-0.4
CZ	Prague	-4.7	1.2	2.9	-	-	-	-0.8
DK	Copenhagen	-0.3	0.0	-0.3	-	-	-	-0.5
DE	Berlin	-0.6	0.0	1.2	-	-	-	0.6
	Karlsruhe	-0.3	0.2	-0.1	-	-	-	-0.2
	Munich	0.0	0.0	-0.1	-	-	-	-0.1
EE	Tallinn	-2.2	0.6	4.0	-	-	-	2.3
IE	Dublin	0.0	0.0	0.0	-	-	-	0.0
EL	Athens	-42.5	-8.2	49.6	-	-	-	0.1
ES	Madrid	-0.1	0.0	-0.2	-	-	-	-0.3
FR	Paris	0.0	0.0	0.0	-	-	-	0.0
HR	Zagreb	-0.2	0.3	0.3	-	-	-	0.3
IT	Rome	-0.2	0.0	0.0	-	-	-	-0.2
	Varese	-13.4	3.8	10.4	-	-	-	0.7
CY	Nicosia	-0.1	0.3	-0.2	-	-	-	-0.1
LV	Riga	2.5	0.3	-2.1	-	-	-	0.9
LT	Vilnius	-0.1	0.0	-0.1	-	-	-	-0.1
HU	Budapest	0.0	0.1	1.0	-	-	-	1.0
MT	Valletta	-5.4	1.9	0.8	-	-	-	-2.6
NL	The Hague	-0.5	0.0	0.1	-	-	-	-0.4
AT	Vienna	1.1	-0.2	-1.3	-	-	-	-0.4
PL	Warsaw	0.8	-0.6	-0.9	-	-	-	-0.7
PT	Lisbon	1.0	0.1	-0.5	-	-	-	0.7
RO	Bucharest	-8.4	0.7	5.7	-	-	0.6	-1.7
SI	Ljubljana	0.5	-0.8	-0.9	-	-	-	-1.2
SK	Bratislava	-0.7	0.5	1.2	-	-	-	0.9
FI	Helsinki	0.2	0.0	-0.1	-	-	-	0.2
SE	Stockholm	-2.0	0.4	2.2	-	-	-	0.5

* BG, RO rent values are compiled in Euro and converted to local currency for PPP calculation.

Restatement of national currency values expressed at July 2022 exchange rates into July 2023 exchange rates.

Note: Total impact is calculated by comparing previous global value and current global value. Individual component impact is calculated by modifying individual element and recomputing global value. Due to rounding, combined product of individual component impacts may not match total impact.

Table 2.7: Effect of rent on the correction coefficients at 1ˢᵗ July 2023 (for staff)

Place of employment		Weight		Correction coefficient			Rent effect (%)
		Without rent	Rent	Without rent	Rent	Overall	
		[1]	[2]	[3]	[4]	[5]	[6] = [5]/[3]
BG	Sofia	811.5	188.5	73.0	55.5	68.6	-6.0
CZ	Prague	641.6	358.4	93.1	128.1	102.9	10.5
DK	Copenhagen	753.1	246.9	119.3	173.8	131.4	10.1
DE	Berlin	725.8	274.2	98.4	118.1	103.4	5.1
	Karlsruhe	725.8	274.2	101.3	85.8	96.8	-4.4
	Munich	725.8	274.2	104.0	151.4	115.3	10.9
EE	Tallinn	807.0	193.0	97.2	105.5	98.9	1.7
IE	Dublin	680.9	319.1	114.2	225.8	139.6	22.2
EL	Athens	839.2	160.9	89.2	92.3	89.6	0.4
ES	Madrid	762.8	237.2	87.0	121.3	94.7	8.9
FR	Paris	684.8	315.3	104.0	167.2	119.5	14.9
HR	Zagreb	801.4	198.6	81.5	97.9	84.8	4.0
IT	Rome	794.3	205.7	98.0	95.9	97.3	-0.7
	Varese	770.0	230.0	102.4	75.9	95.0	-7.2
CY	Nicosia	783.8	216.2	89.7	63.7	82.5	-8.0
LV	Riga	811.0	189.0	87.9	88.9	88.0	0.1
LT	Vilnius	813.8	186.2	88.3	113.0	93.4	5.8
HU	Budapest	732.4	267.6	79.8	109.6	86.7	8.6
MT	Vallette	743.4	256.7	90.1	102.3	93.2	3.4
NL	The Hague	698.1	301.9	108.4	131.3	114.6	5.7
AT	Vienna	776.5	223.5	106.6	130.6	112.0	5.1
PL	Warsaw	747.4	252.6	77.3	90.7	80.5	4.1
PT	Lisbon	783.0	217.0	87.6	132.2	96.6	10.3
RO	Bucharest	671.2	328.7	71.9	81.1	74.6	3.8
SI	Ljubljana	800.6	199.4	91.3	95.0	91.9	0.7
SK	Bratislava	678.1	322.0	80.8	95.1	84.8	5.0
FI	Helsinki	744.3	255.7	110.6	143.4	118.6	7.2
SE	Stockholm	735.6	264.4	103.0	159.0	115.8	12.4

Note: For countries which are in the Eurozone, there is no change in the exchange rate. Consequently the change in the correction coefficient = the change in the economic parity.

Table 2.8: Effect of rent on the economic parities at 1ˢᵗ July 2023 (for staff)

Place of employment		Weight		PPP			Rent effect (%)
		Without rent	Rent	Without rent	Rent	Overall	
		[1]	[2]	[3]	[4]	[5]	[6] = [5]/[3]
BG	Sofia	811.5	188.5	1.428	1.086	1.341	-6.0
CZ	Prague	641.6	358.4	22.04	30.33	24.36	10.5
DK	Copenhagen	753.1	246.9	8.884	12.94	9.788	10.1
DE	Berlin	725.8	274.2	0.984	1.181	1.034	5.1
	Karlsruhe	725.8	274.2	1.013	0.858	0.968	-4.4
	Munich	725.8	274.2	1.040	1.514	1.153	10.9
EE	Tallinn	807.0	193.0	0.972	1.055	0.989	1.7
IE	Dublin	680.9	319.1	1.142	2.258	1.396	22.2
EL	Athens	839.2	160.9	0.892	0.923	0.896	0.4
ES	Madrid	762.8	237.2	0.870	1.213	0.947	8.9
FR	Paris	684.8	315.3	1.040	1.672	1.195	14.9
HR	Zagreb	801.4	198.6	0.815	0.979	0.848	4.0
IT	Rome	794.3	205.7	0.980	0.959	0.973	-0.7
	Varese	770.0	230.0	1.024	0.759	0.950	-7.2
CY	Nicosia	783.8	216.2	0.897	0.637	0.825	-8.0
LV	Riga	811.0	189.0	0.879	0.889	0.880	0.1
LT	Vilnius	813.8	186.2	0.883	1.130	0.934	5.8
HU	Budapest	732.4	267.6	295.8	406.4	321.6	8.6
MT	Vallette	743.4	256.7	0.901	1.023	0.932	3.4
NL	The Hague	698.1	301.9	1.084	1.313	1.146	5.7
AT	Vienna	776.5	223.5	1.066	1.306	1.120	5.1
PL	Warsaw	747.4	252.6	3.439	4.036	3.582	4.1
PT	Lisbon	783.0	217.0	0.876	1.322	0.966	10.3
RO	Bucharest	671.2	328.7	3.569	4.027	3.702	3.8
SI	Ljubljana	800.6	199.4	0.913	0.950	0.919	0.7
SK	Bratislava	678.1	322.0	0.808	0.951	0.848	5.0
FI	Helsinki	744.3	255.7	1.106	1.434	1.186	7.2
SE	Stockholm	735.6	264.4	12.17	18.79	13.69	12.4

3 Equivalence of purchasing power of EU pensioners in the Member States

3.1 Economic parities, exchange rates and correction coefficients

Tables 12.1 and 12.2 in the main report show the global values for pensioners for all Member States plus the United Kingdom.

The correction coefficients applicable to the EU pensioners are determined on the basis of the relationships between the economic parities and the exchange rates fixed by the Commission and specified in the Staff Regulations for the relevant countries.

The correction coefficient operates as a percentage adjustment to pensions to take account of the cost of living differences between Belgium and the Member States, except Luxembourg where, according to the Staff Regulations, a correction coefficient of 100 % is applied. The correction coefficient applies in full for transfers into, or out of, the pension scheme of European Officials.

As pensions are first expressed in Euros, then converted to local currency using exchange rates, before being multiplied by the correction coefficients, it is clear that the exchange rate effect cancels out and the relevant factor is any change in the economic parities[79].

In accordance with Article 3(5b) of Annex XI, correction coefficients are only applicable to pension rights accumulated prior to 1 May 2004 for retired EU staff residing within the EU. In accordance with Article 20 of Annex XIII, no correction coefficient is applicable to pensions of retired EU staff residing outside the EU.

Consequently, the information presented in chapter 12 of the main report and in this chapter of the appendix, is of particular relevance for those Member States with correction coefficient equal to or greater than 100 at July 2023, or where the correction coefficient was greater than or equal to 100 at July 2022 or at January 2023. As at July 2023, 9 Member States had pensioner CC greater than or equal to 100 (Denmark, Germany, Estonia, Ireland, France, Netherlands, Austria, Finland, Sweden) plus the United Kingdom. The situation was similar at July 2022.

Note: Since 2022, the European Comparison Programme (ECP) does not include information about the UK. Therefore, to calculate the July 2023 parities, the July 2022 parities for the UK have only been updated for indexation relative to JBLI.

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[79] For a numerical example to illustrate this, see **Appendix 1c Section 2.1**; for details of changes in exchange rates, see **Appendix 1c Section 2.2.2**

3.2 Changes between July 2022 and July 2023

An intermediate report was prepared in the usual way covering the six months July 2022 – January 2023[80]. That report identifies the locations where, in accordance with Chapter 2 of Annex XI to the Staff Regulations, the change in the implicit index (i.e. the combined impact of the Joint Belgium Luxembourg Index and the change in the purchasing power parity relative to Belgium) exceeded 3 %. For the period July 2022 – January 2023 the JBLI did exceed the 3 % threshold, therefore there were change to the correction coefficients for pensioners for all Member States.

3.2.1 Changes in the correction coefficients from July 2022 to July 2023

The simple average change for all Member States in the correction coefficient for the period under review was +5.6 % with standard deviation 6.6 %. The maximum increase was +30.4 % (Hungary); the maximum decrease was -3.8 % (Sweden). For 23 Member States the change was positive and for 2 Member States the change was negative. The movements in pensioner correction coefficients for the twelve-month period July 2022 - July 2023 are summarised in the analysis hereafter:

Summary of changes in the correction coefficients, twelve months July 2022-July 2023

Range		Duty stations
X < -7.6 %	0	
-7.6 % ≤ X < -1.0 %	2	ES, SE
-1.0 % ≤ X < 0.0 %	0	
0.0 % ≤ X < 5.6 %	12	DK, DE, EL, FR, IT, CY, LV, MT, NL, AT, PT, FI
5.6 % ≤ X < 12.2 %	9	BG, CZ, EE, IE, HR, LT, RO, SI, SK
12.2 % ≤ X < 18.8 %	1	PL
18.8 % ≤ X ≤ 30.4 %	1	HU
Total	**25**	excluding Belgium and Luxembourg[81]

For the UK, the change was in the range 0.0 % ≤ X < 5.6 %.

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[80] Op cit (2) Ares(2023)3417031

[81] Like for Intra-EU staff op.cit.(66), Belgium is the reference country for the bilateral comparisons (CC for pensioners). In accordance with Article 3(5) of Annex XI to the Staff Regulations, Luxembourg CC = Belgium CC.

The movements in pensioner correction coefficients for the first six-month period July 2022 - January 2023 are summarised in the analysis hereafter:

Summary of changes in the correction coefficients, six months July 2022-January 2023

Range		Duty stations
X < -4.6 %	0	
-4.6 % ≤ X < -2.0 %	2	EL, ES
-2.0 % ≤ X < 0.0 %	10	DK, DE, EE, IE, FR, CY, LV, MT, PT, SI
0.0 % ≤ X < 0.5 %	5	CZ, HR, SK, FI, SE
0.5 % ≤ X < 3.0 %	5	BG, IT, NL, AT, RO
3.0 % ≤ X < 5.5 %	2	LT, PL
5.5 % ≤ X ≤ 9.2 %	1	HU
Total	**25**	excluding Belgium and Luxembourg([82])

For the UK, the change was in the range 0.5 % ≤ X < 3.0 %.

The movements in pensioner correction coefficients for the second six-month period January 2023 - July 2023 are summarised in the analysis hereafter:

Summary of changes in the correction coefficients, six months January 2023-July 2023

Range		Duty stations
-3.8 % ≤ X < -3.4 %	1	SE
-3.4 % ≤ X < 0.0 %	0	
0.0 % ≤ X < 0.8 %	0	
0.8 % ≤ X < 5.0 %	13	DK, EL, ES, FR, IT, CY, LV, LT, MT, NL, AT, PT, FI
5.0 % ≤ X < 9.2 %	8	BG, DE, EE, IE, HR, RO, SI, SK
9.2 % ≤ X < 13.4 %	2	CZ, PL
13.4 % ≤ X ≤ 19.5 %	1	HU
Total	**25**	excluding Belgium and Luxembourg([83])

For the UK, the change was in the range 0.8 % ≤ X < 5.0 %.

3.2.2 Changes in exchange rates

Croatia joined the Eurozone with effect from 1st January 2023. Comparative data at July 2022, previously expressed in HRK, has been converted to EUR using the irrevocable exchange rate.

For those duty stations in the 20 Member States which are in the Eurozone, movements in the correction coefficient are the same as movements in the economic parity. For those duty stations in the 7 Member States which are not in the Eurozone, the impact of exchange rate fluctuations relative to the Euro on the global correction coefficient can be significant. Exchange rate movements for the period July 2022–July 2023 are summarised in the box in **chapter 2 section 2.2.2** of this appendix.

([82]) Op.cit.(81) Luxembourg CC = Belgium CC.

([83]) Op.cit.(81) Luxembourg CC = Belgium CC.

Tables 3.1, 3.1a and 3.1b show the movements in the global parities, exchange rates and correction coefficients for those residence countries which are <u>not</u> in the Eurozone, for the period July 2022 - July 2023, together with breakdowns for the six-month period July 2022 - January 2023 and the six-month period January 2023 - July 2023.

3.2.3 Economic parities

The economic parities for pensioners with a reference date of 1 July have been calculated in accordance with the agreed methodology on the basis of the following information:

- Basic heading parities for all goods and services, except for rents, as used for the calculation of the correction coefficients for active staff. These parities are based on bilateral comparison of prices between different capital cities and Brussels[84].

- For calculating country rent parities a two-stage procedure has been applied. Firstly a spatial adjustment factor is calculated in the form of national/capital ratio of market rents. Secondly, with the help of this adjustment factor the capital city rent parity is transformed into the country rent parity.

- To establish the capital/national adjustment ratio, average rent values from Article 64 exercise for duty station and Brussels (i.e. bilateral parity with Brussels) as used for the calculation of correction coefficients for active staff are compared with average rent values from European Comparison Programme exercise for duty station country and Belgium (i.e. bilateral parity with Belgium)[85]. That approach is applied for all Member States except Belgium (CPI), Estonia (1:1 ratio), Malta (1:1 ratio), Austria (microcensus).

- Basic heading parities are aggregated using specific consumption weights for the pensioners.

3.2.4 Expenditure weights

The consumption weighting structure used to aggregate the basic heading parities to produce the global economic parity for pensioners was not updated during the period under review for any Member State.

The current weights are established on the basis of an across-the-whole-EU family budget survey carried out in 2013 and first introduced for calculation of the July 2016 parities.

Naturally, as the pension scheme continues to mature, the number of pensioners can be expected to increase, and they may choose to reside in different locations. These factors may have an impact on the eventual spending patterns. Other things being equal, the next family budget survey amongst pensioners will now be scheduled in 2024, following completion of the current cycle of surveys amongst active staff.

3.2.5: Detailed economic parities

The details of the calculated economic parities at the level of 12 main consumption groups are shown in **Table 3.2** for all countries apart from Belgium and Luxembourg[86]. This table also includes information about the consumption weights by country and by expenditure groups.

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[84] For more details about the parities for staff, see **Appendix 1c Chapter 2**

[85] Source: Eurostat Free Data Table prc_ppp_ind "Purchasing power parities (PPPs), price level indices and real expenditures for ESA 2010 aggregates", AGGREG Housing, water, electricity, gas and other fuels. With effect from 2020, the NA_Item reference used has changed from EU28=1 to EU27_2020=1.

[86] Op. cit. (81) Luxembourg CC = Belgium CC.

   There are restrictions about the level of detail at which price information below the level of the 12 main consumption groups can be disseminated. An approved list of analytical categories has been developed for Article 64 purposes within the applicable constraints of data quality and sensitivity regarding source data. This list includes the 12 main COICOP groups, and adds a selection of basic headings and interim aggregates. In total there are 35 analytical categories. This information is made available separately, in **Appendix 3**.

Table 3.1: Changes in the economic parities, exchange rates and correction coefficients in the twelve months to 1st July 2023 (for pensioners)

	Parity 1.7.2023	Exch.Rate 1.7.2023	C.C. 1.7.2023	Parity 1.7.2022	Exch.Rate 1.7.2022	C.C. 1.7.2022	Parity CHANGE %	Exch.Rate CHANGE %	C.C. CHANGE %
BG	1.277	1.956	65.3	1.192	1.956	60.9	7.2	0.0	7.2
CZ	21.59	23.69	91.1	20.48	24.74	82.8	5.4	-4.3	10.0
DK	10.17	7.448	136.6	10.16	7.439	136.5	0.2	0.1	0.1
HU	284.5	370.9	76.7	232.0	394.3	58.8	22.7	-5.9	30.4
PL	3.156	4.449	70.9	2.907	4.687	62.0	8.6	-5.1	14.4
RO	3.241	4.964	65.3	2.921	4.942	59.1	11.0	0.4	10.5
SE	12.99	11.82	109.9	12.21	10.68	114.3	6.3	10.6	-3.8
UK	1.123	0.8640	130.0	1.084	0.8646	125.4	3.6	-0.1	3.7

Table 3.1a: Changes in the economic parities, exchange rates and correction coefficients in the six months to 1st January 2023 (for pensioners)

Country	Parity 1.1.2023	Exch.Rate 1.1.2023	C.C. 1.1.2023	Parity 1.7.2022	Exch.Rate 1.7.2022	C.C. 1.7.2022	Parity CHANGE %	Exch.Rate CHANGE %	C.C. CHANGE %
BG	1.212	1.956	62.0	1.192	1.956	60.9	1.7	0.0	1.8
CZ	20.52	24.74	82.9	20.48	24.74	82.8	0.2	0.0	0.1
DK	10.03	7.439	134.8	10.16	7.439	136.5	-1.3	0.0	-1.2
HU	253.0	394.3	64.2	232.0	394.3	58.8	9.1	0.0	9.2
PL	3.026	4.687	64.6	2.907	4.687	62.0	4.1	0.0	4.2
RO	2.988	4.942	60.5	2.921	4.942	59.1	2.3	0.0	2.4
SE	12.22	10.68	114.3	12.21	10.68	114.3	0.0	0.0	0.0
UK	1.102	0.8646	127.5	1.084	0.8646	125.4	1.7	0.0	1.7

Note: for countries in the Eurozone, there is no change in the exchange rate. Consequently, the change in the correction coefficient = the change in the parity.

Table 3.1b: Changes in the economic parities, exchange rates and correction coefficients in the six months to 1st July 2023 (for pensioners)

Country	Parity 1.7.2023	Exch.Rate 1.7.2023	C.C. 1.7.2023	Parity 1.1.2023	Exch.Rate 1.1.2023	C.C. 1.1.2023	Parity CHANGE %	Exch.Rate CHANGE %	C.C. CHANGE %
BG	1.277	1.956	65.3	1.212	1.956	62.0	5.4	0.0	5.3
CZ	21.59	23.69	91.1	20.52	24.74	82.9	5.2	-4.3	9.9
DK	10.17	7.448	136.6	10.03	7.439	134.8	1.5	0.1	1.3
HU	284.5	370.9	76.7	253.0	394.3	64.2	12.5	-5.9	19.5
PL	3.156	4.449	70.9	3.026	4.687	64.6	4.3	-5.1	9.8
RO	3.241	4.964	65.3	2.988	4.942	60.5	8.5	0.4	7.9
SE	12.99	11.82	109.9	12.22	10.68	114.3	6.3	10.6	-3.8
UK	1.123	0.8640	130.0	1.102	0.8646	127.5	1.9	-0.1	2.0

Note: for countries in the Eurozone, there is no change in the exchange rate. Consequently, the change in the correction coefficient = the change in the parity.

Table 3.2 (page 1 of 2): Economic parities of the 12 main expenditure groups for each country at 1st July 2023 (for pensioners)

Expenditure Groups*	BE	BG		CZ		DK		DE		EE		IE		EL	
	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	131.0	155.0	1.835	140.7	23.58	119.0	8.669	123.4	1.033	118.6	1.007	131.1	1.148	137.0	1.055
2	24.4	32.0	1.474	29.0	21.33	31.4	8.815	27.4	0.797	24.8	1.011	27.1	1.903	28.3	1.181
3	42.4	46.0	1.638	41.7	28.38	33.3	8.987	40.6	0.901	27.3	0.922	38.9	1.136	40.6	0.961
4	337.0	186.0	0.9204	261.1	22.79	376.4	12.50	305.5	1.244	349.8	1.264	311.4	1.827	280.8	0.730
5	70.9	92.0	1.336	83.5	22.83	60.2	10.35	74.4	1.125	67.8	0.859	77.8	1.070	81.3	0.828
6	21.7	29.5	0.8165	26.8	11.66	16.8	8.477	30.9	0.962	18.5	0.639	25.0	1.797	26.1	0.792
7	118.0	147.4	1.497	133.8	21.46	131.6	8.700	117.7	1.012	124.2	0.965	124.7	1.128	130.2	0.932
8	19.6	22.1	0.9118	20.0	19.58	15.5	5.787	14.1	0.719	19.0	0.561	18.7	1.052	19.5	0.931
9	95.2	119.3	1.602	108.2	22.42	95.3	9.593	114.8	1.019	102.7	1.089	100.9	1.368	105.4	1.006
10	2.7	5.7	0.8430	5.1	10.18	4.4	5.687	7.9	0.515	6.5	0.628	4.8	0.677	5.0	0.649
11	72.2	88.0	1.025	79.9	15.50	66.7	10.12	77.6	0.906	76.6	0.877	74.5	1.194	77.8	0.743
12	65.0	77.2	1.362	70.0	21.64	49.4	9.182	65.8	0.931	64.2	1.009	65.3	0.955	68.2	0.748
Rents	255.4	83.1	0.7570	167.8	20.49	297.2	13.55	230.1	1.253	224.5	1.302	258.0	2.137	190.0	0.755
Total without rent	744.6	916.9	1.409	832.2	21.93	702.8	9.144	769.9	1.000	775.6	0.968	742.0	1.183	810.0	0.884
Global parity	1000.0	1000.0	1.277	1000.0	21.59	1000.0	10.17	1000.0	1.055	1000.0	1.038	1000.0	1.376	1000.0	0.853
Exchange rate			1.956		23.69		7.448		1		1		1		1

Expenditure Groups*	BE	ES		FR		HR		IT		CY		LV		LT	
	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	131.0	147.7	0.934	131.6	1.051	144.8	0.992	144.9	1.005	137.7	0.982	129.7	1.044	162.6	0.987
2	24.4	25.2	0.826	23.6	0.981	29.9	1.017	21.1	0.800	28.4	0.926	26.8	1.082	33.6	0.978
3	42.4	38.4	0.796	39.8	1.021	42.9	0.910	36.4	0.949	40.8	0.875	38.4	1.000	48.2	0.987
4	337.0	259.2	0.989	313.6	1.301	239.4	0.558	351.7	1.047	276.9	0.746	319.0	0.724	146.0	0.678
5	70.9	94.3	1.016	75.0	1.179	85.9	0.735	86.3	0.974	81.7	0.787	76.9	0.827	96.5	0.897
6	21.7	35.4	0.969	21.0	0.777	27.6	0.502	41.7	1.078	26.2	1.016	24.7	0.710	31.0	0.653
7	118.0	153.2	0.845	137.1	1.055	137.7	0.905	91.6	1.013	130.9	0.924	123.3	0.797	154.6	0.935
8	19.6	17.5	0.780	19.7	0.607	20.6	0.739	18.5	0.624	19.6	0.664	18.5	0.670	23.1	0.714
9	95.2	90.2	0.945	97.4	1.163	111.4	0.890	79.3	1.057	105.9	1.050	99.8	0.858	125.1	0.916
10	2.7	9.0	0.774	7.0	0.641	5.3	0.299	1.5	0.719	5.0	0.791	4.7	0.624	5.9	0.680
11	72.2	66.6	0.762	67.2	0.997	82.3	0.729	66.3	0.856	78.2	0.749	73.6	0.773	92.4	0.673
12	65.0	63.4	0.822	67.1	0.998	72.1	0.756	60.6	0.855	68.5	0.813	64.5	0.934	80.9	0.857
Rents	255.4	178.1	1.067	232.5	1.333	143.4	0.529	253.5	0.993	185.6	0.730	233.0	0.689	38.1	0.590
Total without rent	744.6	821.9	0.877	767.6	1.054	856.6	0.812	746.5	0.987	814.4	0.882	767.0	0.871	961.9	0.874
Global parity	1000.0	1000.0	0.914	1000.0	1.115	1000.0	0.747	1000.0	0.988	1000.0	0.846	1000.0	0.823	1000.0	0.827
Exchange rate			1		1		1.000		1		1		1		1

* For explanation of codes see table 2.2

Table 3.2 (page 2 of 2): Economic parities of the 12 main expenditure groups for each country at 1st July 2023 (for pensioners)

Expenditure Groups*	BE Weight	HU Weight	HU Parity	MT Weight	MT Parity	NL Weight	NL Parity	AT Weight	AT Parity	PL Weight	PL Parity	PT Weight	PT Parity	RO Weight	RO Parity
1	131.0	142.0	392.6	130.0	1.100	111.0	0.945	111.0	1.004	150.5	3.652	147.7	1.000	150.3	3.888
2	24.4	29.3	283.0	26.8	0.984	28.6	0.862	28.6	0.736	31.1	4.040	25.2	0.942	31.0	3.839
3	42.4	42.1	308.8	38.6	0.956	39.8	0.933	39.8	0.993	44.6	3.907	38.4	0.867	44.5	4.010
4	337.0	254.1	238.7	317.1	1.097	321.6	1.332	321.6	1.454	209.4	2.388	259.2	0.919	211.0	2.573
5	70.9	84.3	290.1	77.2	0.870	91.9	1.042	91.9	1.116	89.3	3.751	94.3	0.929	89.1	3.506
6	21.7	27.1	223.5	24.8	0.751	22.3	1.150	22.3	1.134	28.7	2.704	35.4	0.935	28.6	1.898
7	118.0	135.1	334.1	123.7	0.842	122.0	1.168	122.0	1.058	143.2	3.806	153.2	0.927	142.9	3.892
8	19.6	20.2	206.0	18.5	0.712	15.8	0.802	15.8	0.640	21.4	1.851	17.5	0.807	21.4	1.499
9	95.2	109.3	315.3	100.0	1.042	100.0	1.209	100.0	1.179	115.8	3.602	90.2	1.002	115.6	4.031
10	2.7	5.2	209.1	4.7	0.589	3.2	1.082	3.2	1.081	5.5	1.646	9.0	0.510	5.5	2.544
11	72.2	80.7	253.0	73.9	0.820	73.7	1.155	73.7	0.925	85.5	3.122	66.6	0.684	85.3	2.976
12	65.0	70.7	257.7	64.7	0.845	70.0	1.033	70.0	1.053	74.9	3.344	63.4	0.813	74.8	3.623
Rents	255.4	159.9	262.5	230.8	1.264	238.2	1.401	238.2	1.508	109.6	1.963	178.1	0.916	111.3	2.345
Total without rent	744.6	840.1	291.2	769.2	0.898	761.8	1.073	761.8	1.059	890.4	3.486	821.9	0.906	888.7	3.478
Global parity	1000.0	1000.0	**284.5**	1000.0	**0.974**	1000.0	**1.145**	1000.0	**1.154**	1000.0	**3.156**	1000.0	**0.907**	1000.0	**3.241**
Exchange rate			370.9		1		1		1		4.449		1		4.964

Expenditure Groups*	BE Weight	SI Weight	SI Parity	SK Weight	SK Parity	FI Weight	FI Parity	SE Weight	SE Parity	UK Weight	UK Parity
1	131.0	140.8	0.969	143.1	1.033	119.0	1.077	119.0	11.61	102.6	0.8081
2	24.4	29.1	0.873	29.5	0.797	31.4	1.675	31.4	12.14	22.4	1.184
3	42.4	41.7	0.934	42.4	0.952	33.3	1.075	33.3	12.02	25.5	0.7872
4	337.0	260.5	0.841	248.7	0.961	376.4	1.392	376.4	14.55	391.1	1.509
5	70.9	83.5	0.924	84.9	0.860	60.2	1.011	60.2	12.53	64.2	0.9587
6	21.7	26.8	0.839	27.3	0.638	16.8	1.489	16.8	16.19	13.8	1.525
7	118.0	133.9	0.947	136.0	0.739	131.6	1.114	131.6	12.60	120.5	1.009
8	19.6	20.0	0.732	20.4	0.682	15.5	0.865	15.5	9.854	15.6	0.8546
9	95.2	108.3	1.057	110.1	0.816	95.3	1.269	95.3	12.94	99.8	0.9564
10	2.7	5.1	0.417	5.2	0.423	4.4	0.638	4.4	7.408	5.9	1.184
11	72.2	80.0	0.751	81.2	0.747	66.7	1.128	66.7	11.80	77.1	0.9790
12	65.0	70.1	0.881	71.2	0.807	49.4	1.113	49.4	11.72	61.7	0.9315
Rents	255.4	167.1	0.836	153.8	1.089	297.2	1.529	297.2	14.98	309.1	1.688
Total without rent	744.6	832.9	0.909	846.2	0.819	702.8	1.120	702.8	12.31	691.0	0.9581
Global parity	1000.0	1000.0	**0.892**	1000.0	**0.867**	1000.0	**1.219**	1000.0	**12.99**	1000.0	**1.123**
Exchange rate			1		1		1		11.82		0.8640

3.3 Purchasing power parities for pensioners: analysis of results

3.3.1 Changes in the economic parities from July 2022 to July 2023

A decomposition of the changes in the economic parities for the period July 2022 - July 2023 is shown in **Table 3.4**.

The simple average change across all countries in the global economic parity for pensioners for the period under review was +5.3 % with standard deviation 4.7 %. The maximum increase was +22.7 % (Hungary). The maximum decrease was -2.1 % (Spain). For 24 Member States the change was positive and for 1 Member State the change was negative. The movements in the global economic parities for the period are summarised in the analysis below:

Summary of changes in the economic parities, twelve months July 2022-July 2023

Range		Duty stations
X < -4.1 %	0	
-4.1 % ≤ X < 0.0 %	1	ES
0.0 % ≤ X < 0.6 %	1	DK
0.6 % ≤ X < 5.3 %	11	DE, EL, FR, IT, CY, LV, MT, NL, AT, PT, FI
5.3 % ≤ X < 10.0 %	10	BG, CZ, EE, IE, HR, LT, PL, SI, SK, SE
10.0 % ≤ X < 14.7 %	1	RO
14.7 % ≤ X ≤ 22.7 %	1	HU
Total	**25**	excluding Belgium and Luxembourg([87])

For the UK, the change was in the range 0.6 % ≤ X < 5.3 %.

The movements in pensioner economic parities for the first six-month period July 2022 - January 2023 are summarised in the analysis hereafter:

Summary of changes in the economic parities, six months July 2022-January 2023

Range		Duty stations
X < -4.5 %	0	
-4.5 % ≤ X < -2.0 %	2	EL, ES
-2.0 % ≤ X < 0.0 %	10	DK, DE, EE, IE, FR, CY, LV, MT, PT, SI
0.0 % ≤ X < 0.5 %	5	CZ, HR, SK, FI, SE
0.5 % ≤ X < 3.0 %	5	BG, IT, NL, AT, RO
3.0 % ≤ X < 5.5 %	2	LT, PL
5.5 % ≤ X ≤ 9.1 %	1	HU
Total	**25**	excluding Belgium and Luxembourg([88])

For the UK, the change was in the range 3.0 % ≤ X < 5.5 %.

([87]) Op cit (81) Luxembourg CC = Belgium CC.

([88]) Op cit (81) Luxembourg CC = Belgium CC.

The movements in pensioner economic parities for the second six-month period January 2023 - July 2023 are summarised in the analysis hereafter

Summary of changes in the economic parities, six months January 2023-July 2023

Range		Duty stations
X < -0.2 %	0	
-0.2 % ≤ X < 0.0 %	0	
0.0 % ≤ X < 2.3 %	1	ES
2.3 % ≤ X < 4.8 %	8	DK, EL, IT, LV, NL, AT, PT, FI
4.8 % ≤ X < 7.3 %	9	BG, CZ, DE, EE, FR, CY, LT, MT, PL
7.3 % ≤ X < 9.8 %	5	IE, HR, SI, SK, SE
9.8 % ≤ X ≤ 13.8 %	2	HU, RO
Total	**25**	excluding Belgium and Luxembourg[89]

For the UK, the change was in the range 2.3 % ≤ X < 4.8 %.

One of the main differences in the calculation of parity values for pensioners by comparison to those established for active staff arises from the aggregation using specific expenditure weights for pensioners rather than consumption patterns for active staff[90]. This can affect the magnitude of the impact of the individual components (introduction of new price surveys, price updating using indices, new rents, etc.). Consequently the movements in the overall parity differ from those reported for active staff, details of which are provided elsewhere in this report.

The other adjustment in the calculation of parity values for pensioners is the conversion of capital city rent levels to national average rent levels. The ratio values applied for the current year and the change by comparison to the previous year are shown in **Table 3.3**. For 2023 the ratio for Belgium/Brussels is 0.81 (a decrease of -0.22 %)[91]. The average ratio for other countries/capitals is 0.71 with standard deviation 0.21. The minimum ratio is 0.39 (PL/Poland). The maximum ratio is 1.00 (EE/Estonia and MT/Malta). Excluding Belgium/Brussels, the rent ratio has decreased by comparison to the previous year for 5 countries/capitals, has remained stable for 3 countries/capitals and has increased for 17 countries/capitals. The average change is +1.9 % with standard deviation 3.3 %. There were increases of more than +5 % for 8 countries/capitals: +16.43 % (HU/Budapest), +10.54 % (SE/Stockholm), +7.44 % (DK/Copenhagen), 7.23 % (DE/Berlin), 7.18 % (SK/Bratislava), 7.07% (FR/Paris), 6.61 % (RO/Bucharest) and +6.23 % (IE/Dublin). The largest decrease is -6.34 % (LV/Riga).

The ratio calculation method applies a consistent reference period (six years) for both numerator and denominator[92]. Due to Brexit, ECP rent parities in free data tables have changed from EU28=1 to EU27_2020=1. For UK/London the rent ratio calculated in 2021 is used again in 2023, as Eurostat no longer compiles and publishes ECP rent parities for the UK.

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[89] Op cit (81) Luxembourg CC = Belgium CC.

[90] The most recent family budget survey amongst pensioners in EU28 Member States was conducted in 2013 and results were integrated for the 2016 calculation exercise.

[91] Since 2020 there is a change in the way the Belgium/Brussels rent ratio is being calculated by the national statistical office: registered leases databases are now the source for rents, while in previous years web surveys were used.

[92] Expressed as country rent level = numerator of fraction, capital city rent level = denominator of fraction.

3.3.2 Impact of rents on the overall parity for pensioners

Details of the impact of rent on the overall correction coefficient are given in **Table 3.5** and on the overall parity in **Table 3.6**.

In 2023, for 13 out of the 25 Member States (i.e. excluding Belgium and Luxembourg), the rent correction coefficient (ratio between the rent parity and the exchange rate) is under 100. This means that the average rents are generally lower in these places than in Belgium. For the remaining 12 countries (and the UK), the rent correction coefficient is greater than 100.

The correction coefficients for rents (compared to Belgium =100) are very high in Ireland (213.7), the UK (195.4), Denmark (181.9), Finland (152.9) and Austria (150.8), whereas they are quite low in Bulgaria (38.7), Poland (44.1) and Romania (47.2).

Moreover, in 2023, the rent correction coefficient is lower than the correction coefficient without rent for 11 of the Member States. This means that, for these places, the rents lead to a reduction of the global correction coefficient.

When rents are integrated in the computation, the average impact is +1.5 % with standard deviation 7.1 %. The correction coefficient is increased by 10% or more in Ireland (+16.4 %) and Denmark (11.3 %) - and in the UK (17.2 %) - and between 5–10 % in 9 Member States (Germany, Estonia, France, Malta, The Netherlands, Austria, Slovakia, Finland and Sweden). By contrast, the impact is quite negative in Poland (-9.5 %), Bulgaria (-9.3 %) and Croatia (-8.0 %).

3.3.3 Summary of component impacts on global parity for pensioners

The analysis below summarises the impact of the various components on the global parity for pensioners, which are discussed in the preceding paragraphs.

Firstly, it shows the relative importance (‰ weight) of the basic headings affected in Belgium and the average for all other Member States, together with the standard deviation and the minimum and maximum weight of the basic headings affected.

Summary of expenditure weights for affected BH

Component	BH	Expenditure weight ‰				
		BE	Other (Avg.)	Other (st.dv)	Min	Max
E22-1 House and garden	20	112.7	119.4	11.1	101.9	143.3
E22-2 Transport and HORECA	8	165.0	185.0	14.2	145.4	219.1
HICP relative to JBLI	80	1000.0	1000.0	0.0	1000.0	1000.0
Rent	2	255.4	195.9	65.7	38.1	297.2
Rent ratios	2	255.4	195.9	65.7	38.1	297.2

Secondly, it shows the average impact on global PPP of the changes to the basic headings affected for all Member States, the standard deviation, the minimum and maximum impact and the numbers of positive/negative impacts. The analysis is for the 12 months to 1st July 2023.

Summary of impact on global PPP of changes for affected BH

Component	BH	Impact on Global PPP					
		Avg.	St.Dev	Max.	Min.	+ve or 0	-ve
E22-1 House and garden	20	+0.1 %	0.4 %	+1.0 %	-0.4 %	15	10
E22-2 Transport and HORECA	8	+0.4 %	1.1 %	+2.4 %	-1.6 %	16	9
HICP relative to JBLI	80	+4.0 %	3.2 %	+13.8 %	-0.9 %	22	3
Rent	2	+0.0 %	0.7 %	+2.4 %	-1.1 %	13	12
Rent ratios	2	+0.7 %	1.1 %	+3.1 %	-1.5 %	20	5
GLOBAL	**80**	**+5.3%**	**4.7 %**	**+22.7 %**	**-2.1 %**	**24**	**1**

Table 3.3: Rent ratios applied for the estimation of the pensioners rent parities

Country	Ratio applied in		Diff.	Diff.
	2022	**2023**	**(absolute)**	**(%)**
BE [1]	0.81	0.81	0.00	-0.22
BG	0.55	0.56	0.01	2.37
CZ	0.53	0.55	0.02	3.56
DK	0.79	0.85	0.06	7.44
DE	0.80	0.86	0.06	7.23
EE [2]	1.00	1.00	0.00	0.00
IE	0.72	0.77	0.04	6.23
EL	0.70	0.66	-0.04	-5.40
ES	0.70	0.71	0.01	1.10
FR	0.60	0.65	0.04	7.07
HR	0.43	0.44	0.00	0.66
IT	0.81	0.84	0.03	4.08
CY	0.92	0.93	0.01	0.90
LV	0.67	0.63	-0.04	-6.34
LT	0.44	0.42	-0.02	-4.58
HU	0.45	0.52	0.07	16.43
MT [2]	1.00	1.00	0.00	0.00
NL	0.86	0.86	0.01	0.88
AT [1]	0.94	0.94	-0.01	-0.79
PL	0.39	0.39	0.01	2.15
PT	0.57	0.56	-0.01	-2.33
RO	0.44	0.47	0.03	6.61
SI	0.69	0.71	0.02	2.58
SK	0.86	0.93	0.06	7.18
FI	0.83	0.86	0.04	4.35
SE	0.58	0.65	0.06	10.54

UK	0.58	0.58	0.00	0.00

Standard estimation using national (ECP) and capital (A64) rents,
[1] specific national source: BE (CPI database), AT (microcensus)
[2] no adjustment: EE, MT

Table 3.4: Changes in the economic parities in the twelve months to 1st July 2023 Decomposition of the effects (for pensioners)

Country	Impact of component change on global PPP					Total
	Introduction of new price data					
	E22-1 House and garden	E22-2 Transport HORECA	Indexation (HICP relative to JBLI)	2023 Rents	Update rent ratios	
BG	0.2	1.7	4.7	0.2	0.4	7.2
CZ	0.0	-1.6	6.5	-0.2	0.8	5.4
DK	-0.2	-0.4	-0.2	-1.1	2.0	0.2
DE	-0.3	0.0	3.6	-0.2	1.8	4.9
EE	0.2	0.3	4.7	0.5	0.1	5.8
IE	0.9	0.6	2.8	0.5	1.7	6.7
EL	0.7	1.7	-0.6	0.0	-1.1	0.6
ES	0.0	-0.6	-0.9	-0.9	0.3	-2.1
FR	-0.1	0.2	2.4	-0.7	1.7	3.6
HR	0.2	1.3	4.8	0.4	0.2	7.0
IT	-0.1	1.7	3.1	-0.8	1.0	5.0
CY	-0.1	1.8	0.4	-0.2	0.2	2.1
LV	0.2	-1.0	4.4	-0.3	-1.5	1.8
LT	-0.1	0.1	8.0	0.6	-0.5	8.0
HU	0.8	1.3	13.8	2.4	3.1	22.7
MT	0.1	0.3	2.7	-0.2	0.1	2.9
NL	-0.3	1.9	2.4	-0.9	0.3	3.5
AT	-0.2	-0.7	5.1	0.2	-0.1	4.3
PL	0.2	0.2	7.2	0.5	0.4	8.6
PT	1.0	-0.5	0.5	0.5	-0.4	1.0
RO	0.4	2.4	7.0	-0.2	1.1	11.0
SI	0.1	1.3	4.3	0.3	0.6	6.8
SK	-0.4	-1.0	6.3	0.7	1.5	7.2
FI	0.0	-0.4	2.4	-0.7	1.2	2.6
SE	-0.2	-0.4	3.9	0.2	2.8	6.3
UK	0.0	0.0	4.2	-0.7	0.1	3.6

Note: Total impact is calculated by comparing previous global value and current global value. Individual component impact is calculated by modifying individual element and recomputing global value. Due to rounding, product of individual component impacts may not match total impact.

Table 3.5: Effect of rent on the correction coefficients at 1st July 2023 (for pensioners)

Country	Weight		Correction coefficient			Rent effect (%)
	Without rent	Rent	Without rent	Rent	Overall	
	[1]	[2]	[3]	[4]	[5]	[6] = [5] / [3]
BG	916.9	83.1	72.0	38.7	65.3	-9.3
CZ	832.2	167.8	92.6	86.5	91.1	-1.6
DK	702.8	297.2	122.8	181.9	136.6	11.3
DE	769.9	230.1	100.0	125.3	105.5	5.5
EE	775.6	224.5	96.8	130.2	103.8	7.2
IE	742.0	258.0	118.3	213.7	137.6	16.4
EL	810.0	190.0	88.4	75.5	85.3	-3.5
ES	821.9	178.1	87.7	106.7	91.4	4.2
FR	767.6	232.5	105.4	133.3	111.5	5.8
HR	856.6	143.4	81.2	52.9	74.7	-8.0
IT	746.5	253.5	98.7	99.3	98.8	0.2
CY	814.4	185.6	88.2	73.0	84.6	-4.1
LV	767.0	233.0	87.1	68.9	82.3	-5.5
LT	961.9	38.1	87.4	59.0	82.7	-5.4
HU	840.1	159.9	78.5	70.8	76.7	-2.3
MT	769.2	230.8	89.8	126.4	97.4	8.5
NL	761.8	238.2	107.3	140.1	114.5	6.7
AT	761.8	238.2	105.9	150.8	115.4	8.9
PL	890.4	109.6	78.4	44.1	70.9	-9.5
PT	821.9	178.1	90.6	91.6	90.7	0.1
RO	888.7	111.3	70.1	47.2	65.3	-6.8
SI	832.9	167.1	90.9	83.6	89.2	-1.9
SK	846.2	153.8	81.9	108.9	86.7	5.9
FI	702.8	297.2	112.0	152.9	121.9	8.9
SE	702.8	297.2	104.2	126.7	109.9	5.5
UK	691.0	309.1	110.9	195.4	130.0	17.2

Note: For countries which are in the Eurozone, there is no change in the exchange rate. Consequently the change in the correction coefficient = the change in the economic parity.

Table 3.6: Effect of rent on the economic parities at 1ˢᵗ July 2023 (for pensioners)

Country	Weight		PPP			Rent effect (%)
	Without rent	Rent	Without rent	Rent	Overall	
	[1]	[2]	[3]	[4]	[5]	[6] = [5] / [3]
BG	916.9	83.1	1.409	0.7570	1.277	-9.3
CZ	832.2	167.8	21.93	20.49	21.59	-1.6
DK	702.8	297.2	9.144	13.55	10.17	11.3
DE	769.9	230.1	1.000	1.253	1.055	5.5
EE	775.6	224.5	0.968	1.302	1.038	7.2
IE	742.0	258.0	1.183	2.137	1.376	16.4
EL	810.0	190.0	0.884	0.755	0.853	-3.5
ES	821.9	178.1	0.877	1.067	0.914	4.2
FR	767.6	232.5	1.054	1.333	1.115	5.8
HR	856.6	143.4	0.812	0.529	0.747	-8.0
IT	746.5	253.5	0.987	0.993	0.988	0.2
CY	814.4	185.6	0.882	0.730	0.846	-4.1
LV	767.0	233.0	0.871	0.689	0.823	-5.5
LT	961.9	38.1	0.874	0.590	0.827	-5.4
HU	840.1	159.9	291.2	262.5	284.5	-2.3
MT	769.2	230.8	0.898	1.264	0.974	8.5
NL	761.8	238.2	1.073	1.401	1.145	6.7
AT	761.8	238.2	1.059	1.508	1.154	8.9
PL	890.4	109.6	3.486	1.963	3.156	-9.5
PT	821.9	178.1	0.906	0.916	0.907	0.1
RO	888.7	111.3	3.478	2.345	3.241	-6.8
SI	832.9	167.1	0.909	0.836	0.892	-1.9
SK	846.2	153.8	0.819	1.089	0.867	5.9
FI	702.8	297.2	1.120	1.529	1.219	8.9
SE	702.8	297.2	12.31	14.98	12.99	5.5
UK	691.0	309.1	0.9581	1.688	1.123	17.2

3.4 Comparison of correction coefficients for active staff and pensioners

Table 3.7 compares the country correction coefficients for pensioners (from Table 3.5) with the capital city correction coefficients for active staff (from Table 2.8), at July 2023[93].

Among all Member States, Ireland (Dublin) has the highest country-based global CC (137.6) and the highest city-based global CC (139.6); Bulgaria (Sofia) has the lowest country-based global CC (65.3) and the lowest city-based global CC (68.6).

The biggest absolute differences between capital city global CC values and country global CC values can be observed in Prague/CZ (-11.8), Vilnius/LT (-10.7), Zagreb/HR (-10.1) and Budapest/HU (-10.0). By contrast, in The Hague/NL (-0.1), the two CC values are nearly at the same level.

In 9 of the 25 Member States (i.e. excluding Belgium and Luxembourg) – Denmark, Germany, Estonia, Italy, Cyprus, Malta, Austria, Slovakia and Finland – the country CCs relative to Belgium are higher than or equal to the capital city CCs relative to Brussels. In the remaining 16 Member States, the country CCs are lower than the capital city CCs

For the CCs without rents, the capital-based and country-based values are very much closer.

It should be mentioned that the Staff Regulations set out specific rules for the application of the pensioner CC[94].

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[93] Comparison not done for UK as Intra-EU CC for staff is no longer published.

[94] See **Appendix 1c, Section 3.1** for a summary of these rules.

Table 3.7: Pensioners correction coefficients and Staff correction coefficients at 1st July 2023

	Correction coefficients for pensioners				Correction coefficients for staff		
Country	without rents	rents	Total	Capitals	without rents	rents	Total
BE	**100.0**	**100.0**	**100.0**	**Brussels**	**100.0**	**100.0**	**100.0**
BG	72.0	38.7	65.3	Sofia	73.0	55.5	68.6
CZ	92.6	86.5	91.1	Prague	93.1	128.1	102.9
DK	122.8	181.9	136.6	Copenhagen	119.3	173.8	131.4
DE	100.0	125.3	105.5	Berlin	98.4	118.1	103.4
EE	96.8	130.2	103.8	Tallinn	97.2	105.5	98.9
IE	118.3	213.7	137.6	Dublin	114.2	225.8	139.6
EL	88.4	75.5	85.3	Athens	89.2	92.3	89.6
ES	87.7	106.7	91.4	Madrid	87.0	121.3	94.7
FR	105.4	133.3	111.5	Paris	104.0	167.2	119.5
HR	81.2	52.9	74.7	Zagreb	81.5	97.9	84.8
IT	98.7	99.3	98.8	Rome	98.0	95.9	97.3
CY	88.2	73.0	84.6	Nicosia	89.7	63.7	82.5
LV	87.1	68.9	82.3	Riga	87.9	88.9	88.0
LT	87.4	59.0	82.7	Vilnius	88.3	113.0	93.4
HU	78.5	70.8	76.7	Budapest	79.8	109.6	86.7
MT	89.8	126.4	97.4	Vallette	90.1	102.3	93.2
NL	107.3	140.1	114.5	The Hague	108.4	131.3	114.6
AT	105.9	150.8	115.4	Vienna	106.6	130.6	112.0
PL	78.4	44.1	70.9	Warsaw	77.3	90.7	80.5
PT	90.6	91.6	90.7	Lisbon	87.6	132.2	96.6
RO	70.1	47.2	65.3	Bucharest	71.9	81.1	74.6
SI	90.9	83.6	89.2	Ljubljana	91.3	95.0	91.9
SK	81.9	108.9	86.7	Bratislava	80.8	95.1	84.8
FI	112.0	152.9	121.9	Helsinki	110.6	143.4	118.6
SE	104.2	126.7	109.9	Stockholm	103.0	159.0	115.8
UK	110.9	195.4	130.0				

4

Equivalence of purchasing power of EU officials outside the European Union

4.1 Economic parities, exchange rates and correction coefficients

The correction coefficients applicable to the salaries of the European institution officials working in Extra-EU duty stations, are determined on the basis of the relationships between the economic parities and the exchange rates fixed by the Commission and specified in the Staff Regulations for the relevant countries.

The correction coefficient operates as a percentage adjustment to salaries to take account of the cost of living differences between Brussels and the various duty stations. Changes in the correction coefficients from one year to another are therefore a component of the annual adjustment of remuneration. However, as salaries are first expressed in Euros, then converted to local currency using exchange rates, before being multiplied by the correction coefficients, it is clear that the exchange rate effect cancels out and the relevant factor is any change in the economic parities. If a correction coefficient 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[95].

As at July 2023, correction coefficients are compiled for a list of 143 Extra-EU duty stations. There are no changes by comparison to the situation at July 2022.

Included in the list are 9 locations for which no values are presented (Afghanistan; Iraq; Lebanon; Libya; Somalia; Syria; Venezuela; Yemen; Zimbabwe) mainly due to security constraints affecting the statistical reliability of the information, or due to uncertainty regarding the volatility of the reported inflation.

Note: staff working at Extra-EU duty stations which are physically located inside European Union borders[96] have Intra-EU correction coefficient applied to their salaries.

In accordance with the agreed methodology for overseas countries and territories of EU Member States, the CC for Nuuk, Greenland is calculated as the PPP for the 'home' country (in this case, Denmark), excluding rents, and re-expressed in local currency (in this case, the same as the 'home' country, i.e. DKK). The calculation is done at global level. Eurostat has launched a collaboration with Statistics Denmark and Statistics Greenland to conduct a comparative price level study in accordance with ECP methodology, which may allow in the near future allow the calculation of a direct PPP with Belgium, or a 'triangulated' PPP via Denmark.

In the absence of specific price survey data for USA-San Francisco, the standard operational solution for satellite offices is applied (application of the CC for the capital city for the country concerned, i.e. the CC for USA-Washington).

Table 13.2 in the main report shows the global values for active staff for all Extra-EU duty stations. Tables 13.1, 13.1a and 13.1b in the main report show the movements in the global parities for the period July 2022 - July 2023, together with breakdowns for the six-month period July 2022 - January 2023 and the six-month period January 2023 - July 2023.

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[95] For a numerical example to illustrate this, see **Appendix 1c Section 2.1**

[96] 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].

However, the application of Extra-EU correction coefficients is only likely to be requested in practice where the cost of living is higher than in Brussels. **Table 4.1** therefore only shows the places where the correction coefficient is greater than or equal to 100 at July 2023 (or was greater than or equal to 100 at July 2022). As there was an interim update at January 2023, on the basis of the Intermediate Report issued by Eurostat in May 2023([97]), **Table 4.1a** shows the places where the correction coefficient is greater than or equal to 100 at July 2023 (or was greater than or equal to 100 at January 2023).

At July 2023 there were 41 duty stations with CCs greater than 100 (and 93 duty stations for which CCs are below 100, plus 9 duty stations for which CCs are not produced). By comparison in July 2022 there were 40 duty stations with CCs greater than 100 (and 93 duty stations for which CCs were below 100, plus 10 duty stations for which CCs were not produced). By comparison in January 2023 there were 42 duty stations with CCs greater than 100 (and 91 duty stations for which CCs were below 100, plus 10 duty stations for which CCs were not produced).

4.2 Changes between July 2022 and July 2023

Two interim reports were prepared in the usual way between the last annual report and the current annual report, covering the six months August 2022 - January 2023([98]), and the five months February 2023 - June 2023([99]). Those reports identify the locations where, in accordance with Article 13 of Annex X of the Staff Regulations, changes in the parity exceeding 5 % from the previous value in force (July 2022 or subsequently) resulted in application of a new correction coefficient.

For the period August 2022 - January 2023, 43 duty stations were affected (some more than once), of which 15 locations had CC values above 100. For the period February 2023 - June 2023, 44 duty stations were affected (some more than once), of which 10 locations had CC values above 100. This means that for the eleven months August 2022 - June 2023, positive or negative changes exceeding 5% are identified for 61 duty stations altogether (some more than once), of which 20 have or had CC values above 100. Production of CC for Sudan (which was suspended in August 2021) was restarted in February 2023.

4.2.1 Changes in correction coefficients from July 2022 to July 2023

No percentage change is calculated for the 9 locations where no CC is published and Sudan that had no CC between August 2022 and January 2023.

Comparing the situation at July 2023 to the situation at July 2022 for the remaining 133 locations, CCs have decreased for 66 duty stations, and were stable or increased for 67 duty stations.

During the 6 months covered by the first interim report, CC moved above 100 for 5 locations (Brazil; Burundi; Guyana; São Tomé and Príncipe; Saudi Arabia) and moved below 100 for 3 locations (Kenya; Tanzania; Trinidad and Tobago).

During the 5 months covered by the second interim report, CC moved above 100 for 7 locations (Chad; The Gambia; Haiti; Mauritania; Moldova; Trinidad and Tobago; United Arab Emirates) and moved below 100 for 5 locations (Burundi; Canada; Guyana; Papua New Guinea; Russia).

Comparing July 2023 to July 2022, 7 locations which had no CCs at July 2022 or CCs lower than 100 at July 2022 now have CCs higher than 100 (Brazil, Chad, Haiti, Mauritania, São Tomé and Príncipe, United Arab Emirates; Zambia); 6 locations which had CCs higher than 100 at July 2022 now have CCs lower than 100 (Canada, Guatemala, Kenya, Papua New Guinea, Russia, Tanzania).

([97]) Op.cit. (2) Ares(2023)3417031

([98]) Op cit (3) Ares(2023)3382993

([99]) Op cit (4) Ares(2023)7190249

The average CC change was +0.7 % with standard deviation 13.9 %. The maximum increase was +53.0 % (Sri lanka). The maximum decrease was -50.6 % (South Sudan). The CC increase was greater than two standard deviations from the mean for 7 duty stations (Angola, Belarus, Cuba, Nigeria, Russia, South Sudan, Sri Lanka).

Comparing July 2023 and January 2023, 6 locations which had no CCs at January 2023 or CCs lower than 100 at January 2023 now have CCs higher than 100 (Chad, Haiti, Mauritania, Trinidad and Tobago, United Arab Emirates, Zambia); 7 location which had CC higher than 100 at January 2022 now has CC lower than 100 (Burundi, Canada, Guatemala, Guyana, Papua New Guinea, Russia, Saudi Arabia). The average CC change was +0.4 % with standard deviation 9.8 %. The maximum increase was +44.3 % (Haïti). The maximum decrease was -37.6 % (Angola). The CC movement was greater than two standard deviations from the mean for 8 duty stations (Angola; Burundi; Colombia; Ghana; Haiti; Nigeria; Russia; South Sudan).

4.2.2 Changes in exchange rates from July 2022 to July 2023

No change is calculated for the 9 locations where no CC is published and for the Sudan where the production of the PPP has restarted in February 2023.

For 2 duty stations (Kosovo, Montenegro), the local currency is the Euro and for 2 duty stations (Bosnia and Herzegovina, New Caledonia) the exchange rate is pegged to the Euro. For 13 locations, the local currency is the CFA for which the exchange rate to the Euro has not changed. For 2 other locations (Cape Verde, North Macedonia) exchange rates did not vary during the period.

A large part of the explanation for the movements in the correction coefficients of the remaining 116 locations is fluctuations in their currency exchange rates relative to the Euro. Currency fluctuations relative to the Euro were positive (i.e. purchasing power of Euro decreased) in 23 locations and negative in 93 locations (i.e. purchasing power of Euro increased). The average exchange rate fluctuation was -11.2 % with standard deviation 25.2 %. The maximum increase was +99.9 % (Sierra Leone where a new currency came into force). The maximum decrease was -114.2 % (Argentina). The currency movement exceeded two standard deviations from the average for 9 duty stations (Angola; Argentina; Egypt; Ghana; Nigeria; Russia; Sierra Leone; South Sudan; Türkiye).

For 5 locations (Cuba, Ecuador, El Salvador, Panama and Timor Leste([100])), the local currency is either USD or is pegged to the USD, for which exchange rate to the Euro has remained fairly stable.

([100]) Zimbabwe also uses USD, however no CC is currently published.

4.2.3 Changes in economic parities from July 2022 to July 2023

No change is calculated for the 9 locations where no CC is published and for the Sudan where the production of the PPP has restarted in February 2023.

The simple average change across all duty stations in the global economic parity for officials serving outside the EU for the period under review was +8.6 % with standard deviation 16.9 %. The maximum increase was +113.7 % (Argentina). The maximum decrease was -99.9 % (Sierra Leone). The change was positive or zero in 114 duty stations and negative in 19 duty stations.

The movements in the global economic parities for Extra-EU staff for the period are summarised in the analysis below.

Summary of changes in the economic parities for Extra-EU staff, 12 months July 2022-July 2023

Range (PPP% change)	Duty stations	
X < -25.3 %	1	Sierra Leone
-25.3 % ≤ X < -8.3 %	0	
-8.3 % ≤ X < 0 %	18	
0 % ≤ X < 8.6 %	65	
8.6 % ≤ X < 25.5 %	38	
25.5 % ≤ X < 42.5 %	9	Cuba; Egypt; eSwatini; Ethiopia; Ghana; Nigeria; Pakistan; Sri Lanka; Türkiye
42.5 % ≤ X	2	Argentina, Haiti
Blank	10	9 CC=0 + Sudan
Total	**143**	Excluding Brussels and Luxembourg ([101])

The movements in the economic parities for Extra-EU staff for the first six-month period July 2022 - January 2023 are summarised in the analysis hereafter:

Summary of changes in the economic parities for Extra-EU staff, July 2022-January 2023

Range (PPP% change)	Duty stations	
X < -11.4 %	1	South-Sudan
-11.4 % ≤ X < -3.8 %	4	Cambodia; Djibouti; Panama; Russia
-3.8 % ≤ X < 0 %	36	
0 % ≤ X < 3.8 %	44	
3.8 % ≤ X < 11.4 %	30	
11.4 % ≤ X < 19.0 %	15	
19.0 % ≤ X	3	Argentina, Ghana, Sri Lanka
Blank	10	
Total	**143**	Excluding Brussels and Luxembourg ([102])

([101]) Op cit (66) Like for Intra-EU staff, Brussels is the reference city for the bilateral comparisons. In accordance with Article 3(5) of Annex XI to the Staff Regulationss, Luxembourg CC = Brussels CC. A separate, supplementary calculation of the hypothetical CC for Luxembourg is produced for partner international organisations.

([102]) Op cit (101) Luxembourg CC = Brussels CC.

The movements in the economic parities for Extra-EU staff for the second six-month period January 2023 - July 2023 are summarised in the mini-table hereafter:

Summary of changes in the economic parities for Extra-EU staff, January 2023-July 2023

Range (PPP% change)	Duty stations	
X < -19.4 %	1	Sierra Leone
-19.4 % ≤ X < -7.4 %	2	Iran; Myanmar/Burma
-7.4 % ≤ X < 0 %	13	
0 % ≤ X < 4.6 %	68	
4.6 % ≤ X < 16.6 %	39	
16.6 % ≤ X < 28.6 %	8	Congo; Cuba; Egypt; Ethiopia; Guinea-Bissau; Pakistan; South Sudan; Türkiye
28.6 % ≤ X	2	Argentina; Haiti
Blank	10	9 CC=0 + Sudan (Production restarted February 2023)
Total	**143**	excluding Brussels and Luxembourg ([103])

A decomposition of the effects underlying the changes in the economic parities for the period July 2022 – July 2023 is given in **Table 4.2**, for the duty stations where the CC is greater than 100 at July 2023 (or was greater than 100 at July 2022).

([103]) Op cit (101) Luxembourg CC = Brussels CC.

4.3 Data sources

4.3.1 Spatial price data to establish detailed parities

Extra-EU purchasing power parities are established using a classification of 78 basic headings which are the same as those employed for Intra-EU purposes. The sole difference is the exclusion of the 2 basic headings relating to housing because, in accordance with Annex X, specific accommodation arrangements are made for Extra-EU staff. Thus rent levels, rent indices and expenditure on housing are not taken into account.

With the exception of the 12 duty stations in Extra-EU countries which participate in the European Comparison Programme (ECP) coordinated by Eurostat([104]) or the 9 duty stations in countries which participate in the linked programme coordinated by the Organisation for Economic Cooperation and Development([105]), or the locations for which specific survey arrangements are made([106]), the source of price data is the rolling cycle of surveys conducted by the United Nations International Civil Service Commission. Data is exchanged under a 2009 Memorandum of Understanding signed with the United Nations International Civil Service Commission and the International Service for Remunerations and Pensions of the Coordinated Organisations([107]).

For the July 2023 exercise, new parities derived from UN price surveys have been integrated for 16 locations altogether. By comparison, for the July 2022 exercise, 15 new UN surveys were integrated. The new parities, for the 16 locations, were integrated for the second interim report (covering the period February 2023–June 2023), in the following places:

Bangladesh; Burkina Faso; Central African Republic; China; Fiji; Guinea-Bissau; Haiti; Iran; Lesotho; Mongolia; Singapore; Sudan; Thailand; Timor-Leste; Turkmenistan; United Arab Emirates. A UN survey for Lebanon was processed but not introduced in this sesults package because of the continuing economic uncertainties affecting the price data and causing currency volatility. The foregoing duty stations are also indicated in Tables 13.1 and 13.2 in the main report (see footnotes to the tables). Parities established from these surveys are calculated using the same classification of 80 basic headings as employed for Intra-EU purposes (sole exception: housing).

For the July 2023 exercise, new parities for 20 ECP duty stations have been integrated:

- Updated PPPs at July 2022 from comparison programme coordinated by OECD were used for the following 9 duty stations: Australia; Canada; Chile; Israel; Japan; South Korea; Mexico; New Zealand; USA-Washington.

- Updated PPPs at July 2022 from comparison programme coordinated by Eurostat were used for the following 11 duty stations: Albania; Bosnia and Herzegovina; Iceland; Kosovo; Montenegro; North Macedonia; Norway; Serbia; Switzerland-Bern; Switzerland-Geneva; Türkiye. PPP for the United Kingdom was last updated in July 2021 [108].

([104]) Albania, Bosnia & Herzegovina; Iceland; Kosovo; Montenegro, North Macedonia, Norway; Serbia, Switzerland-Bern, Switzerland-Geneva, Türkiye, United Kingdom.

([105]) Australia, Canada, Chile, Israel, Japan, Mexico, New Zealand, South Korea, USA-Washington.

([106]) Taiwan (direct survey on Eurostat behalf); New Caledonia (Overseas Territory); Greenland (direct survey); USA-SanFrancisco (satellite office).

([107]) 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 the Exploitation of Meteorological Satellites (EUMETSAT).

([108]) Op. cit. (28) Note: Following UK withdrawal from the EU in 2020, Eurostat no longer compiles and publishes ECP data or HICP data for the UK. Pending transition from coordination by Eurostat to coordination by OECD, integration of ECP data from E22-1 and E22-2 surveys is delayed, and relevant basic heading PPP are updated using CPI sub-indices.

4.3.2 Temporal price data to update detailed parities

For all locations, initial survey-based parities are subsequently updated using the ratio between the national consumer price index and the Joint Belgium-Luxembourg Index. For Iceland, Kosovo, Norway, Switzerland, Türkiye and the United Kingdom, the national consumer price index is the Harmonised Index of Consumer Prices. For other duty station locations, the price index information is compiled from national sources. For New York it is the official regional price index produced by the US Bureau of Labor Statistics.

With the exception of the duty stations for which new UN price survey data, new ISRP ECP parities or new Eurostat ECP parities are introduced (or the gradual impact of smoothing older price survey data), the sole explanatory factor for price movements in the remaining duty stations is the evolution of the local consumer price index relative to the evolution of the Joint Belgium-Luxembourg Index.

Important note: As rent price movements are not taken into account, the cumulative JBLI movement used to calculate Extra-EU purchasing power parities is different from the JBLI movement calculated for Intra-EU purposes for the same period. There is also a slight difference attributable to the monthly chained index calculation which is used for Extra-EU purposes. For the period July 2022-July 2023 the Extra-EU index is +2.2 % whereas the Intra-EU index is +4.6 %.

There are important differences between PPP and CPI methodologies, notably regarding weights used for aggregation purposes (national consumption patterns vs. international officials) and the exclusion of housing, and geographical coverage (city or country). For this reason, the "inflation updating effect" in **Table 4.2** cannot be directly compared with relative movement in the all-items CPI.

Purely for indicative purposes, the following graph([109]) summarises how national CPIs have developed for the twelve-month period June 2022–June 2023 (i.e. 1st July 2022 – 1st July 2023), for the duty stations where the CC is greater than 100 at July 2023 (or was greater than 100 at July 2022).

Graph: all-items CPI movement, national aggregation weights twelve months June 2022 - June 2023
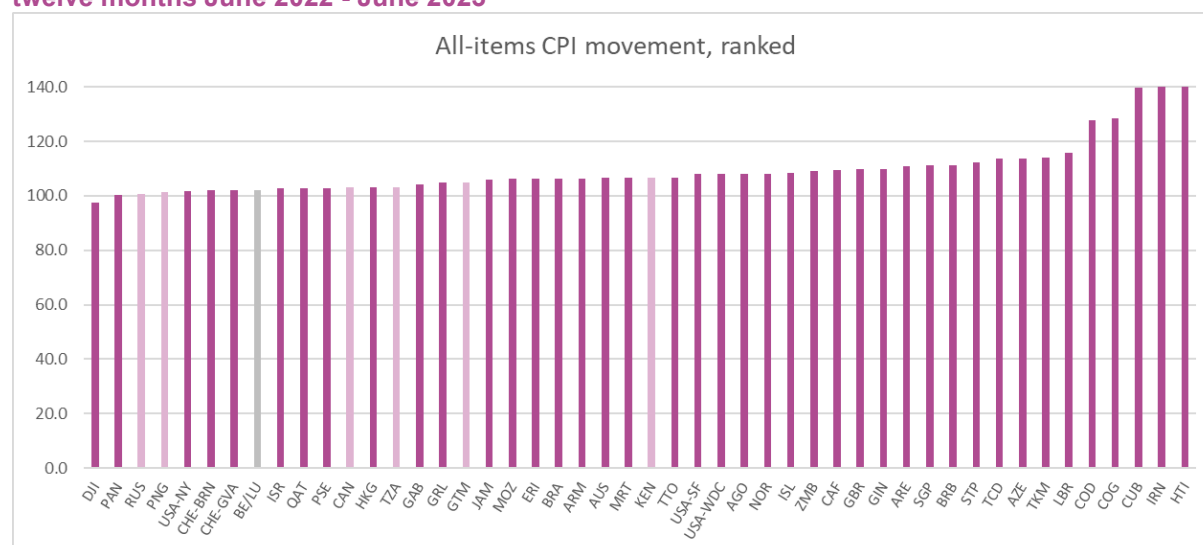
Graphs showing the corresponding changes for the first six-month period June 2022 – December 2022 (i.e. 1st July 2022 – 1st January 2023) and the second six-month period December 2022 - June 2023 (i.e. 1st January 2023 – 1st July 2023) are shown below.

([109]) Note: the graph includes the Joint Belgium-Luxembourg index for comparison.

**Graph: all-items CPI movement, national aggregation weights
six months June 2022 - December 2022**
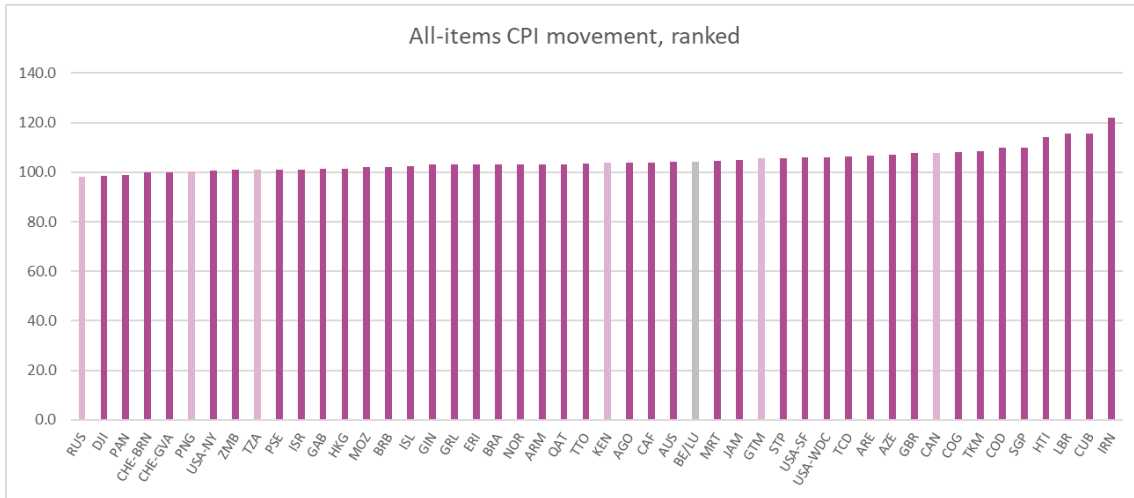
**Graph: all-items CPI movement, national aggregation weights
six months December 2022 - June 2023**
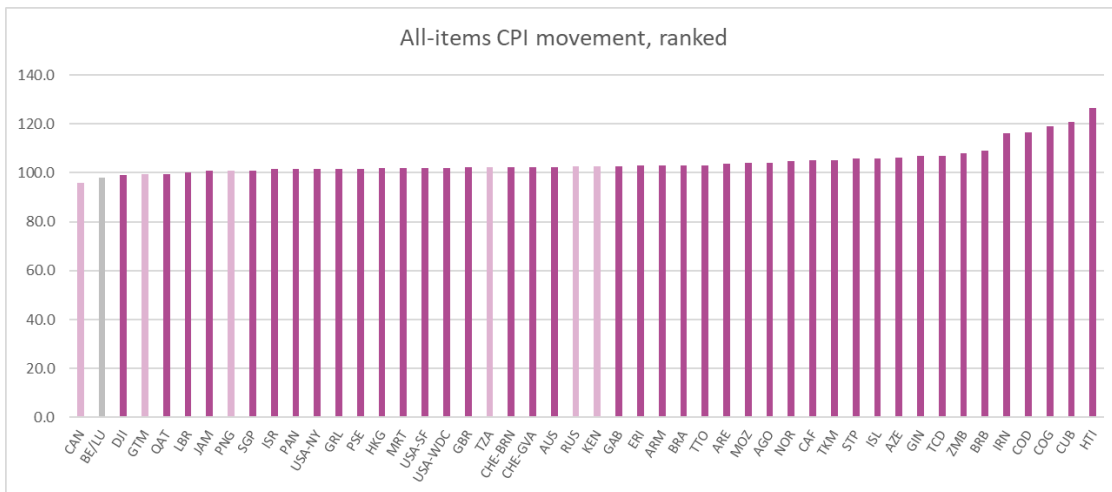
From the graphs it can be seen that for the whole twelve-month period (June 2022 – June 2023), the global CPI has risen more quickly than in Brussels for 40 of the 47 locations. This was the case for 19 of the 47 locations during the first six months (June 2022 – December 2022), and for 46 of the 47 locations during the second six months (January 2023 – June 2023).

4.3.3 Expenditure weights

Detailed price ratios are aggregated up to a global value using the latest available consumption expenditure weighting structures.

Data from the 2017-2018 surveys amongst staff in Brussels were introduced in the July 2020 calculation exercise, replacing the weights derived from previous survey. The updated consumption structure affected all duty stations, as Brussels is the reference city for bilateral parity calculation. As the new expenditure structure updates the relative importance of the parities for every basic heading, it may therefore have a potentially important impact on the global aggregate parity for some duty stations.

Due to the low population sizes in many individual Extra-EU duty stations and the low response rate from survey participants in some locations during the last family budget surveys conducted amongst EU personnel, regional average expenditure patterns were established in 2018 using results from the most recent family budget survey amongst expatriate UN staff, recognising that under the international collaboration agreement, surveys are done using a harmonised questionnaire and the expatriate international civil servant behaviour profile is broadly similar. Six regions were defined: Africa with 51 duty stations, Asia with 40 duty stations, Oceania with 3 duty stations, Europe (non-EU) with 11 duty stations, North America with 12 duty stations, and South America with 12 duty stations. These regional weights are not used to compute aggregate parities for 6 of the 12 Eurostat ECP duty stations (Iceland, Norway, Switzerland-Bern, Switzerland-Geneva, Türkiye, Kosovo) or 8 of the 9 ISRP ECP duty stations (AUS, CAN, CHL, ISR, JAP, MEX, NZL, KOR, USA-WDC), for which separate consumption weights are available. There is no specific aggregation calculation for certain additional locations whose CC is derived from CC for other places (i.e. Greenland, New Caledonia, USA-San Francisco).

A specific family budget survey was scheduled amongst staff in the 3 USA duty stations (New York City, San Francisco, Washington D.C.) in autumn 2022. The new weighting structure has been validated and has been introduced in the 2023 annual exercise. The average impact on the global PPP of introducing the new FBS weights for USA-New York is +2.1% and for USA-Washington is +0.1% ([110]).

Other things being equal, a direct family budget survey amongst staff in all Extra-EU duty stations will be scheduled during 2024, following completion of cycle amongst Intra-EU staff and amongst Pensioners in EU27 Member States.

([110]) The impact for USA-San Francisco = impact for USA-Washington as the same CC is applied.

4.3.4 Gradual impact of changes

Whenever integrating the results of new price surveys or new expenditure weights generates a significantly higher or lower parity than the previous value in force, a smoothing mechanism is applied to gradually implement that change. The period over which this smoothing applies can vary, in accordance with procedural guidelines adopted by the Article 64&65 Working Group. Thus, a large impact may only partially have been taken into account in the current reporting period, with a continued gradual introduction of the change foreseeable during the next reporting period. Similarly, the current reporting period may be affected by continued gradual application of results introduced during the previous reporting period.

Of the duty stations for which new price surveys were integrated, smoothing mechanism will continue to apply after July 2023 for the following 17 locations where the impact of older survey is being gradually applied: Bangladesh, China, Fiji, Guinea-Bissau, Haiti, Iran, Lesotho, Mauritania, Mongolia, New Zealand, Niger, eSwatini, Thailand, Timor-Leste, Turkmenistan, Uganda, United Arab Emirates.

A summary is given in **Table 4.3**, for the duty stations where the CC is greater than 100 at July 2023 (or was greater than 100 at July 2022). As there was a general update at January 2023, a separate summary is given in **Table 4.3a**, for the duty stations where the CC is greater than 100 at July 2023 (or was greater than 100 at January 2023).

In **table 4.1** and **table 4.2** and **table 4.3** hereafter:

(1) Figures are stated relative to Brussels, ie. Brussels PPP = 1, ER = 1, CC = 100%

(2) 1 euro = USD (2 Duty Stations: Cuba - Panama)

(3) 1 euro = CFA (4 Duty Stations: Central African Republic - Chad - Congo - Gabon)

(4) Currency = Euro (0 Duty Station:)

(5) Not available (0 Duty Station:)

(6) UN P2P processed (6 Duty Stations: Central African Republic - Haiti - Iran - Singapore - Turkmenistan - United Arab Emirates)

(7) ISRP PPP processed (4 Duty Stations: Australia - Canada - Israel - United States (Washington DC))

(8) ECP PPP processed (5 Duty Stations: Iceland - Norway - Switzerland (Berne, Geneva) - United Kingdom)

(9) ECP Balkan Duty stations (0 Duty Station:)

(10) Duty stations for which Intra-EU CC excluding rent is used (0 Duty Station:)

(12) For Kosovo, West Bank – Gaza Strip: This designation is without prejudice to positions on status and is in line with UNSCR 1244/1999

In **table 4.2**, for Extra-EU CC calculation purposes, the JBLI and CPI exclude housing

Table 4.1 (page 1 of 2): Summary of the 41 (6) duty stations where the cost of living is higher than in Brussels at 1st July 2023 (or at July 2022, grey section bottom of table) - for staff serving in Extra- EU delegations

Place of employment			Economic Parities	Exchange Rate	Correction Coefficients	Economic Parities	Exchange Rate	Correction Coefficients	CHANGE (in %)		
									Economic Parities	Exchange Rate	Correction Coefficients
Code			Jul-2023	Jul-2023	Jul-2023	Jul-2022	Jul-2022	Jul-2022	Jul-2023 - Jul-2022	Jul-2023 - Jul-2022	Jul-2023 - Jul-2022
		Country	City									
IRN	(6)	Iran	Tehran	97846	45942.3	**213.0**	100442	44171.4	**227.4**	-2.6	-4.0	-6.3
CUB	(2)	Cuba	Havana	1.708	1.09380	**156.2**	1.261	1.05170	**119.9**	35.4	-4.0	30.3
TKM	(6)	Turkmenistan	Ashgabat	5.942	3.82830	**155.2**	5.079	3.68095	**138.0**	17.0	-4.0	12.5
CHE	(8)	Switzerland	Berne	1.392	0.978300	**142.3**	1.343	1.00050	**134.2**	3.6	2.2	6.0
CHE	(8)	Switzerland	Geneva	1.392	0.978300	**142.3**	1.343	1.00050	**134.2**	3.6	2.2	6.0
COD		Democratic Republic of the Congo	Kinshasa	3642	2578.20	**141.3**	2934	2119.50	**138.4**	24.1	-21.6	2.1
ISL	(8)	Iceland	Reykjavik	204.7	149.100	**137.3**	187.9	139.900	**134.3**	8.9	-6.6	2.2
COG	(3)	Congo	Brazzaville	889.9	655.957	**135.7**	714.7	655.957	**109.0**	24.5		24.5
GIN		Guinea	Conakry	12109	9383.02	**129.1**	11607	9076.32	**127.9**	4.3	-3.4	0.9
SGP	(6)	Singapore	Singapore	1.905	1.47900	**128.8**	1.711	1.46070	**117.1**	11.3	-1.3	10.0
LBR		Liberia	Monrovia	253.1	200.712	**126.1**	225.4	160.478	**140.5**	12.3	-25.1	-10.2
ARM		Armenia	Yerevan	526.0	422.200	**124.6**	510.7	430.540	**118.6**	3.0	1.9	5.1
BRB		Barbados	Bridgetown	2.747	2.20849	**124.4**	2.603	2.10791	**123.5**	5.5	-4.8	0.7
HTI	(6)	Haiti	Port-au-Prince	184.0	151.491	**121.5**	117.5	119.499	98.3	56.6	-26.8	23.6
NOR	(8)	Norway	Oslo	14.15	11.7645	**120.3**	13.26	10.3065	**128.7**	6.7	-14.1	-6.5
JAM		Jamaica	Kingston	200.8	169.152	**118.7**	178.9	159.461	**112.2**	12.2	-6.1	5.8
GRL		Greenland	Nuuk	8.817	7.44760	**118.4**	8.598	7.43920	**115.6**	2.5	-0.1	2.4
HKG		Hong Kong	Hong Kong	10.05	8.57130	**117.3**	9.922	8.25320	**120.2**	1.3	-3.9	-2.4
QAT		Qatar	Doha	4.665	3.98143	**117.2**	4.379	3.82819	**114.4**	6.5	-4.0	2.4
GBR	(8)	United Kingdom	London	0.9924	0.864000	**114.9**	0.9421	0.864610	**109.0**	5.3	0.1	5.4
GAB	(3)	Gabon	Libreville	738.5	655.957	**112.6**	696.1	655.957	**106.1**	6.1		6.1
BRA		Brazil	Brasilia	5.940	5.30060	**112.1**	5.159	5.51630	93.5	15.1	3.9	19.9
MOZ		Mozambique	Maputo	77.57	70.0350	**110.8**	75.60	67.5700	**111.9**	2.6	-3.6	-1.0
ERI		Eritrea	Asmara	17.98	16.4890	**109.0**	17.49	15.7755	**110.9**	2.8	-4.5	-1.7

Table 4.1 (page 2 of 2): Summary of the 41 (6) duty stations where the cost of living is higher than in Brussels at 1st July 2023 (or at July 2022, grey section bottom of table) - for staff serving in Extra- EU delegations

Code		Country	City	Economic Parities Jul-2023	Exchange Rate Jul-2023	Correction Coefficients Jul-2023	Economic Parities Jul-2022	Exchange Rate Jul-2022	Correction Coefficients Jul-2022	CHANGE (in %) Economic Parities Jul-2023 - Jul-2022	CHANGE (in %) Exchange Rate Jul-2023 - Jul-2022	CHANGE (in %) Correction Coefficients Jul-2023 - Jul-2022
AZE		Azerbaijan	Baku	2.014	1.85946	**108.3**	1.825	1.78789	**102.1**	10.4	-4.0	6.1
USA		United States	New York	1.183	1.09380	**108.2**	1.195	1.05170	**113.6**	-1.0	-4.0	-4.8
STP		São Tomé and Príncipe	São Tomé	26.35	24.5000	**107.6**	24.37	24.5000	99.5	8.1		8.1
ARE	(6)	United Arab Emirates	Abu Dhabi	4.269	4.01542	**106.3**	3.625	3.86200	93.9	17.8	-4.0	13.2
ISR	(7)	Israel	Tel-Aviv	4.250	4.04390	**105.1**	4.208	3.63440	**115.8**	1.0	-11.3	-9.2
PSE	(12)	West Bank — Gaza Strip	East Jerusalem	4.250	4.04390	**105.1**	4.208	3.63440	**115.8**	1.0	-11.3	-9.2
CAF	(3)(6)	Central African Republic	Bangui	684.6	655.957	**104.4**	669.4	655.957	**102.0**	2.3		2.4
TCD	(3)	Chad	N'Djamena	684.4	655.957	**104.3**	617.1	655.957	94.1	10.9		10.8
DJI		Djibouti	Djibouti	202.6	194.751	**104.0**	214.2	187.203	**114.4**	-5.4	-4.0	-9.1
MRT		Mauritania	Nouakchott	39.19	37.7155	**103.9**	31.62	37.8648	83.5	23.9	0.4	24.4
AGO		Angola	Luanda	933.4	904.735	**103.2**	872.8	452.977	**192.7**	6.9	-99.7	-46.4
PAN	(2)	Panama	Panama City	1.127	1.09380	**103.0**	1.156	1.05170	**109.9**	-2.5	-4.0	-6.3
ZMB		Zambia	Lusaka	19.56	18.9941	**103.0**	16.72	18.0940	92.4	17.0	-5.0	11.5
AUS	(7)	Australia	Canberra	1.686	1.64800	**102.3**	1.634	1.52560	**107.1**	3.2	-8.0	-4.5
TTO		Trinidad and Tobago	Port-of-Spain	7.526	7.41420	**101.5**	7.319	7.26330	**100.8**	2.8	-2.1	0.7
USA		United States	San Francisco	1.108	1.09380	**101.3**	1.099	1.05170	**104.5**	0.8	-4.0	-3.1
USA	(7)	United States	Washington DC	1.108	1.09380	**101.3**	1.099	1.05170	**104.5**	0.8	-4.0	-3.1
CAN	(7)	Canada	Ottawa	1.441	1.45030	99.4	1.455	1.35130	**107.7**	-1.0	-7.3	-7.7
GTM		Guatemala	Guatemala City	8.499	8.58086	99.0	8.420	8.16098	**103.2**	0.9	-5.1	-4.1
KEN		Kenya	Nairobi	129.7	153.275	84.6	125.6	123.735	**101.5**	3.3	-23.9	-16.7
PNG		Papua New Guinea	Port Moresby	3.844	3.89253	98.8	3.847	3.70317	**103.9**	-0.1	-5.1	-4.9
RUS		Russia	Moscow	81.80	93.8644	87.1	84.07	53.8580	**156.1**	-2.7	-74.3	-44.2
TZA		Tanzania	Dar es Salaam	2489	2635.49	94.4	2494	2431.71	**102.6**	-0.2	-8.4	-8.0

Table 4.1a (page 1 of 2): Summary of the 41 (7) duty stations where the cost of living is higher than in Brussels at 1ˢᵗ July 2023 (or at January 2023, grey section bottom table) - for staff serving in Extra- EU delegations

| Place of employment | | | Economic Parities | Exchange Rate | Correction Coefficients | Economic Parities | Exchange Rate | Correction Coefficients | CHANGE (in %) | | |
| | | | | | | | | | Economic Parities | Exchange Rate | Correction Coefficients |
Code		Country	City	Jul-2023	Jul-2023	Jul-2023	Jan-2023	Jan-2023	Jan-2023	Jul-2023 - Jan-2023	Jul-2023 - Jan-2023	Jul-2023 - Jan-2023
IRN	(6)	Iran	Tehran	97846	45942.3	**213.0**	111738	44045.4	**253.7**	-12.4	-4.3	-16.0
CUB	(2)	Cuba	Havana	1.708	1.09380	**156.2**	1.416	1.06490	**133.0**	20.6	-2.7	17.4
TKM	(6)	Turkmenistan	Ashgabat	5.942	3.82830	**155.2**	5.336	3.72715	**143.2**	11.4	-2.7	8.4
CHE	(8)	Switzerland	Berne	1.392	0.978300	**142.3**	1.359	0.984000	**138.1**	2.4	0.6	3.0
CHE	(8)	Switzerland	Geneva	1.392	0.978300	**142.3**	1.359	0.984000	**138.1**	2.4	0.6	3.0
COD		Democratic Republic of the Congo	Kinshasa	3642	2578.20	**141.3**	3126	2140.25	**146.1**	16.5	-20.5	-3.3
ISL	(8)	Iceland	Reykjavik	204.7	149.100	**137.3**	192.2	152.500	**126.0**	6.5	2.2	9.0
COG	(3)	Congo	Brazzaville	889.9	655.957	**135.7**	748.7	655.957	**114.1**	18.9		18.9
GIN		Guinea	Conakry	12109	9383.02	**129.1**	11588	9097.30	**127.4**	4.5	-3.1	1.3
SGP	(6)	Singapore	Singapore	1.905	1.47900	**128.8**	1.827	1.43600	**127.2**	4.3	-3.0	1.3
LBR		Liberia	Monrovia	253.1	200.712	**126.1**	253.1	164.434	**153.9**		-22.1	-18.1
ARM		Armenia	Yerevan	526.0	422.200	**124.6**	509.5	419.070	**121.6**	3.2	-0.7	2.5
BRB		Barbados	Bridgetown	2.747	2.20849	**124.4**	2.597	2.13436	**121.7**	5.8	-3.5	2.2
HTI	(6)	Haiti	Port-au-Prince	184.0	151.491	**121.5**	129.4	153.730	84.2	42.2	1.5	44.3
NOR	(8)	Norway	Oslo	14.15	11.7645	**120.3**	13.50	10.5500	**128.0**	4.8	-11.5	-6.0
JAM		Jamaica	Kingston	200.8	169.152	**118.7**	200.8	159.631	**125.8**		-6.0	-5.6
GRL		Greenland	Nuuk	8.817	7.44760	**118.4**	8.507	7.43650	**114.4**	3.6	-0.1	3.5
HKG		Hong Kong	Hong Kong	10.05	8.57130	**117.3**	9.698	8.29940	**116.9**	3.6	-3.3	0.3
QAT		Qatar	Doha	4.665	3.98143	**117.2**	4.440	3.87624	**114.5**	5.1	-2.7	2.4
GBR	(8)	United Kingdom	London	0.9924	0.864000	**114.9**	0.9638	0.885490	**108.8**	3.0	2.4	5.6
GAB	(3)	Gabon	Libreville	738.5	655.957	**112.6**	722.3	655.957	**110.1**	2.2		2.3
BRA		Brazil	Brasilia	5.940	5.30060	**112.1**	5.755	5.53510	**104.0**	3.2	4.2	7.8
MOZ		Mozambique	Maputo	77.57	70.0350	**110.8**	74.79	68.0750	**109.9**	3.7	-2.9	0.8
ERI		Eritrea	Asmara	17.98	16.4890	**109.0**	17.48	15.9735	**109.4**	2.9	-3.2	-0.4

Table 4.1a (page 2 of 2): Summary of the 41 (7) duty stations where the cost of living is higher than in Brussels at 1st July 2023 (or at January 2023, grey section bottom table) - for staff serving in Extra- EU delegations

				Economic Parities	Exchange Rate	Correction Coefficients	Economic Parities	Exchange Rate	Correction Coefficients	CHANGE (in %)		
										Economic Parities	Exchange Rate	Correction Coefficients
Code		Country	City	Jul-2023	Jul-2023	Jul-2023	Jan-2023	Jan-2023	Jan-2023	Jul-2023 - Jan-2023	Jul-2023 - Jan-2023	Jul-2023 - Jan-2023
AZE		Azerbaijan	Baku	2.014	1.85946	**108.3**	1.898	1.81033	**104.8**	6.1	-2.7	3.3
USA		United States	New York	1.183	1.09380	**108.2**	1.157	1.06490	**108.6**	2.2	-2.7	-0.4
STP		São Tomé and Príncipe	São Tomé	26.35	24.5000	**107.6**	24.87	24.5000	**101.5**	6.0		6.0
ARE	(6)	United Arab Emirates	Abu Dhabi	4.269	4.01542	**106.3**	3.724	3.91120	95.2	14.6	-2.7	11.7
ISR	(7)	Israel	Tel-Aviv	4.250	4.04390	**105.1**	4.135	3.75750	**110.0**	2.8	-7.6	-4.5
PSE	(12)	West Bank — Gaza Strip	East Jerusalem	4.250	4.04390	**105.1**	4.135	3.75750	**110.0**	2.8	-7.6	-4.5
CAF	(3)(6)	Central African Republic	Bangui	684.6	655.957	**104.4**	676.1	655.957	**103.1**	1.3		1.3
TCD	(3)	Chad	N'Djamena	684.4	655.957	**104.3**	636.4	655.957	97.0	7.5		7.5
DJI		Djibouti	Djibouti	202.6	194.751	**104.0**	205.3	188.894	**108.7**	-1.3	-3.1	-4.3
MRT		Mauritania	Nouakchott	39.19	37.7155	**103.9**	35.06	39.3050	89.2	11.8	4.0	16.5
AGO		Angola	Luanda	933.4	904.735	**103.2**	886.0	535.302	**165.5**	5.3	-69.0	-37.6
PAN	(2)	Panama	Panama City	1.127	1.09380	**103.0**	1.109	1.06490	**104.1**	1.6	-2.7	-1.1
ZMB		Zambia	Lusaka	19.56	18.9941	**103.0**	18.08	19.0749	94.8	8.2	0.4	8.6
AUS	(7)	Australia	Canberra	1.686	1.64800	**102.3**	1.631	1.58590	**102.8**	3.4	-3.9	-0.5
TTO		Trinidad and Tobago	Port-of-Spain	7.526	7.41420	**101.5**	7.332	7.41090	98.9	2.6	0.0	2.6
USA		United States	San Francisco	1.108	1.09380	**101.3**	1.094	1.06490	**102.7**	1.3	-2.7	-1.4
USA	(7)	United States	Washington DC	1.108	1.09380	**101.3**	1.094	1.06490	**102.7**	1.3	-2.7	-1.4
BDI		Burundi	Bujumbura	2415	3084.80	78.3	2206	2199.07	**100.3**	9.5	-40.3	-21.9
CAN	(7)	Canada	Ottawa	1.441	1.45030	99.4	1.476	1.44750	**102.0**	-2.4	-0.2	-2.5
GTM		Guatemala	Guatemala City	8.499	8.58086	99.0	8.578	8.35669	**102.6**	-0.9	-2.7	-3.5
GUY		Guyana	Georgetown	224.8	230.810	97.4	225.7	222.020	**101.7**	-0.4	-4.0	-4.2
PNG		Papua New Guinea	Port Moresby	3.844	3.89253	98.8	3.789	3.74965	**101.0**	1.5	-3.8	-2.2
RUS		Russia	Moscow	81.80	93.8644	87.1	79.70	72.6226	**109.7**	2.6	-29.2	-20.6
SAU		Saudi Arabia	Riyadh	4.065	4.10230	99.1	4.052	3.99338	**101.5**	0.3	-2.7	-2.4

Table 4.2 (page 1 of 2): Summary of the 41 (6) duty stations where the cost of living is higher than in Brussels at 1ˢᵗ July 2023 (or at 1st July 2022) - Approximate decomposition of impact on global value from changes in components - for staff serving in Extra- EU delegations

Place of employment				Real PPP	JBLI	CPI	P2P	Real PPP	Recalc PPP	% Diff
Code		Country	City	Jul-22	Jun-23 / Jun-22	Jun-23 / Jun-22	Aug 22 to Jul 23	Jul-23	Jul-23	%
IRN	(6)	Iran	Tehran	100442	2.2%	41.7%	-26.4%	97846	102527	-4.6%
CUB	(2)	Cuba	Havana	1.261	2.2%	39.8%	0.0%	1.708	1.726	-1.1%
TKM	(6)	Turkmenistan	Ashgabat	5.079	2.2%	14.0%	11.4%	5.942	6.312	-5.9%
CHE	(8)	Switzerland	Berne	1.343	2.2%	2.2%	0.0%	1.392	1.343	3.7%
CHE	(8)	Switzerland	Geneva	1.343	2.2%	2.2%	0.0%	1.392	1.343	3.7%
COD		Democratic Republic of the Congo	Kinshasa	2934	2.2%	27.8%	0.0%	3642	3669	-0.7%
ISL	(8)	Iceland	Reykjavik	187.9	2.2%	8.4%	0.0%	204.7	199.3	2.7%
COG	(3)	Congo	Brazzaville	714.7	2.2%	28.6%	0.0%	889.9	899.4	-1.1%
GIN		Guinea	Conakry	11607	2.2%	9.9%	0.0%	12109	12488	-3.0%
SGP	(6)	Singapore	Singapore	1.711	2.2%	11.1%	0.0%	1.905	1.860	2.4%
LBR		Liberia	Monrovia	225.4	2.2%	15.7%	0.0%	253.1	255.2	-0.8%
ARM		Armenia	Yerevan	510.7	2.2%	6.4%	0.0%	526.0	531.8	-1.1%
BRB		Barbados	Bridgetown	2.603	2.2%	11.2%	0.0%	2.747	2.832	-3.0%
HTI	(6)	Haiti	Port-au-Prince	117.5	2.2%	44.2%	8.3%	184.0	179.6	2.5%
NOR	(8)	Norway	Oslo	13.26	2.2%	8.1%	0.0%	14.15	14.02	0.9%
JAM		Jamaica	Kingston	178.9	2.2%	5.9%	11.2%	200.8	206.2	-2.6%
GRL		Greenland	Nuuk	8.598	2.2%	4.8%	0.0%	8.817	8.818	0.0%
HKG		Hong Kong	Hong Kong	9.922	2.2%	3.1%	0.0%	10.05	10.01	0.3%
QAT		Qatar	Doha	4.379	2.2%	2.8%	0.0%	4.665	4.405	5.9%
GBR	(8)	United Kingdom	London	0.9421	2.2%	9.9%	0.0%	0.9924	1.013	-2.0%
GAB	(3)	Gabon	Libreville	696.1	2.2%	4.1%	6.6%	738.5	755.9	-2.3%
BRA		Brazil	Brasilia	5.159	2.2%	6.3%	12.6%	5.940	6.046	-1.8%
MOZ		Mozambique	Maputo	75.60	2.2%	6.1%	0.0%	77.57	78.51	-1.2%
ERI		Eritrea	Asmara	17.49	2.2%	6.1%	0.0%	17.98	18.17	-1.1%

Table 4.2 (page 2 of 2): Summary of the 41 (6) duty stations where the cost of living is higher than in Brussels at 1ˢᵗ July 2023 (or at 1st July 2022) - Approximate decomposition of impact on global value from changes in components - for staff serving in Extra- EU delegations

Code		Country	City	Real PPP Jul-22	JBLI Jun-23 / Jun-22	CPI Jun-23 / Jun-22	P2P Aug 22 to Jul 23	Real PPP Jul-23	Recalc PPP Jul-23	%Diff %
AZE		Azerbaijan	Baku	1.825	2.2%	13.8%	0.0%	2.014	2.033	-1.0%
USA		United States	New York	1.195	2.2%	2.5%	0.0%	1.208	1.199	0.7%
STP		São Tomé and Príncipe	São Tomé	24.37	2.2%	12.1%	0.0%	26.35	26.73	-1.4%
ARE	(6)	United Arab Emirates	Abu Dhabi	3.625	2.2%	10.9%	8.3%	4.269	4.262	0.2%
ISR	(7)	Israel	Tel-Aviv	4.208	2.2%	2.6%	0.0%	4.250	4.225	0.6%
PSE	(12)	West Bank — Gaza Strip	East Jerusalem	4.208	2.2%	2.8%	0.0%	4.250	4.234	0.4%
CAF	(3)(6)	Central African Republic	Bangui	669.4	2.2%	9.4%	0.0%	684.6	716.5	-4.5%
TCD	(3)	Chad	N'Djamena	617.1	2.2%	13.7%	0.0%	684.4	686.4	-0.3%
DJI		Djibouti	Djibouti	214.2	2.2%	-2.4%	0.0%	202.6	204.6	-1.0%
MRT		Mauritania	Nouakchott	31.62	2.2%	6.5%	20.2%	39.19	39.64	-1.1%
AGO		Angola	Luanda	872.8	2.2%	8.0%	0.0%	933.4	922.2	1.2%
PAN	(2)	Panama	Panama City	1.156	2.2%	0.4%	0.0%	1.127	1.136	-0.8%
ZMB		Zambia	Lusaka	16.72	2.2%	8.9%	11.6%	19.56	19.90	-1.7%
AUS	(7)	Australia	Canberra	1.634	2.2%	6.5%	0.0%	1.686	1.702	-1.0%
TTO		Trinidad and Tobago	Port-of-Spain	7.319	2.2%	6.8%	0.0%	7.526	7.649	-1.6%
USA		United States	San Francisco	1.099	2.2%	8.0%	0.0%	1.108	1.161	-4.6%
USA	(7)	United States	Washington DC	1.099	2.2%	8.0%	0.0%	1.108	1.161	-4.6%
CAN	(7)	Canada	Ottawa	1.455	2.2%	3.0%	0.0%	1.441	1.467	-1.7%
GTM		Guatemala	Guatemala City	8.420	2.2%	4.8%	0.0%	8.499	8.639	-1.6%
KEN		Kenya	Nairobi	125.6	2.2%	6.7%	0.0%	129.7	131.1	-1.1%
PNG		Papua New Guinea	Port Moresby	3.847	2.2%	1.3%	0.0%	3.844	3.816	0.8%
RUS		Russia	Moscow	84.07	2.2%	0.7%	0.0%	81.80	82.86	-1.3%
TZA		Tanzania	Dar es Salaam	2494	2.2%	3.2%	0.0%	2489	2519	-1.2%

Table 4.3 (page 1 of 2): Summary of the 41 (6) duty stations where the cost of living is higher than in Brussels at 1ˢᵗ July 2023 (or at 1st July 2022 or at 1st January 2023) – Smoothing the impact of new parities (for staff serving in Extra- EU delegations)

Code		Place of employment Country	City	new P2P or ECP PPP -	of which, smoothing 2022/08 - 2023/01	of which, smoothing 2023/02 - 2023/07	ie. still to smooth
IRN	(6)	Iran	Tehran	-70.6%	:	-26.4%	-60.1%
CUB	(2)	Cuba	Havana	:	1.2%	:	:
TKM	(6)	Turkmenistan	Ashgabat	11.4%	:	11.4%	:
CHE	(8)	Switzerland	Berne	3.4%	3.4%	:	:
CHE	(8)	Switzerland	Geneva	3.4%	3.4%	:	:
COD		Democratic Republic of the Congo	Kinshasa	:	:	:	:
ISL	(8)	Iceland	Reykjavik	2.9%	2.9%	:	:
COG	(3)	Congo	Brazzaville	:	:	:	:
GIN		Guinea	Conakry	:	1.2%	:	:
SGP	(6)	Singapore	Singapore	2.6%	:	2.6%	:
LBR		Liberia	Monrovia	:	:	:	:
ARM		Armenia	Yerevan	:	:	:	:
BRB		Barbados	Bridgetown	:	:	:	:
HTI	(6)	Haiti	Port-au-Prince	27.1%	:	8.3%	17.3%
NOR	(8)	Norway	Oslo	2.1%	2.1%	:	:
JAM		Jamaica	Kingston	:	13.2%	:	:
GRL		Greenland	Nuuk	:	:	:	:
HKG		Hong Kong	Hong Kong	:	:	:	:
QAT		Qatar	Doha	:	:	:	:
GBR	(8)	United Kingdom	London	-1.6%	-1.6%	:	:
GAB	(3)	Gabon	Libreville	:	7.8%	:	:
BRA		Brazil	Brasilia	:	14.9%	:	:
MOZ		Mozambique	Maputo	:	1.7%	:	:
ERI		Eritrea	Asmara	:	:	:	:

Table 4.3 (page 2 of 2): Summary of the 41 (6) duty stations where the cost of living is higher than in Brussels at 1ˢᵗ July 2023 (or at 1st July 2022 or at 1st January 2023) – Smoothing the impact of new parities (for staff serving in Extra- EU delegations)

Code		Country	City	new P2P or ECP PPP -	of which, smoothing 2022/08 - 2023/01	of which, smoothing 2023/02 - 2023/07	ie. still to smooth
AZE		Azerbaijan	Baku	:	:	:	:
USA		United States	New York	:	:	:	:
STP		São Tomé and Príncipe	São Tomé	:	:	:	:
ARE	(6)	United Arab Emirates	Abu Dhabi	37.5%	:	8.3%	27.1%
ISR	(7)	Israel	Tel-Aviv	-0.6%	-0.6%	:	:
PSE	(12)	West Bank — Gaza Strip	East Jerusalem	:	:	:	:
CAF	(3)(6)	Central African Republic	Bangui	:	:	:	:
TCD	(3)	Chad	N'Djamena	:	:	:	:
DJI		Djibouti	Djibouti	:	:	:	:
MRT		Mauritania	Nouakchott	:	11.3%	9.7%	9.7%
AGO		Angola	Luanda	:	:	:	:
PAN	(2)	Panama	Panama City	:	1.6%	:	:
ZMB		Zambia	Lusaka	:	13.7%	:	:
AUS	(7)	Australia	Canberra	:	:	:	:
TTO		Trinidad and Tobago	Port-of-Spain	:	1.5%	:	:
USA		United States	San Francisco	-1.8%	-1.8%	:	:
USA	(7)	United States	Washington DC	-1.8%	-1.8%	:	:
CAN	(7)	Canada	Ottawa	0.3%	0.3%	:	:
GTM		Guatemala	Guatemala City	:	:	:	:
KEN		Kenya	Nairobi	:	1.3%	:	:
PNG		Papua New Guinea	Port Moresby	:	:	:	:
RUS		Russia	Moscow	:	:	:	:
TZA		Tanzania	Dar es Salaam	:	1.6%	:	:

Table 4.4: 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 the Central American Integration System (SICA)
5	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, São Tomé and Príncipe, and 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 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 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 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

5 Total adjustment of remuneration outside Brussels and pensions outside Belgium

5.1 Intra-EU duty stations (for staff)

Table 8 in the main report identified the residual annual update applicable to remuneration of EU staff in Brussels / EU pensioners in Belgium for 2023. The table is reproduced below:

Summary of intermediate update, annual unnual update and residual update for 2023

	[1] Intermediate		[2] Annual (total)		[3] = [2] / [1] Annual (residual)	
GSI 2023	98.1	-1.9 % (50 %)	98.2	-1.8 %	100.1	+0.1 %
JBLI 2023	103.7	+3.7 %	104.6	+8.6 %	100.9	+0.9 %
→ **nominal update 2023**	**101.7**	**+1.7 %**	102.7	+2.7 %	**101.0**	**+1.0 %**

Chapter 9 in the main report indicated how this information could be combined with information about changes in economic parities to establish the adjustment of remuneration applicable for EU staff outside Brussels / EU pensioners outside Belgium. The table is reproduced below:

Residual update outside Brussels (for staff) / Belgium (for pensioners) for 2023

Residual GSI x residual implicit index

$$\frac{100.1 \times \left(100.9 \times \frac{PPP^{\,2023-07}}{PPP^{\,2023-01}}\right)}{100}$$

OR

Residual update x change in PPP

$$101.0 \times \frac{PPP^{\,2023-07}}{PPP^{\,2023-01}}$$

Chapter 10 of the main report presented information about correction coefficients and purchasing power parities for staff working in Intra-EU duty stations outside Brussels.

On this basis, **Table 5.1** below presents the adjustment of the nominal net remuneration of EU officials outside Brussels which is necessary to maintain a parallel development of the purchasing power with the civil servants in the Member States, for the 12-month period July 2022-July 2023. Similarly, **Table 5.1a** below presents the residual adjustment of the nominal net remuneration of EU officials outside Brussels which is necessary to maintain a parallel development of the purchasing power with the civil servants in the Member States, for the 6-month period January 2023-July 2023.

Table 5.1: Annual update outside Brussels for the twelve months to 1st July 2023 (for staff)

Country Place of employment		Global specific indicator	Implicit price index	Annual update
BE/LU	**Brussels/Luxembourg**	**-1.8**	**4.6**	**2.7**
BG	Sofia	-1.8	10.4	8.4
CZ	Prague	-1.8	7.9	6.0
DK	Copenhagen	-1.8	2.2	0.4
DE	Berlin	-1.8	7.5	5.6
	Karlsruhe	-1.8	6.0	4.1
	Munich	-1.8	7.4	5.5
EE	Tallinn	-1.8	9.9	7.9
IE	Dublin	-1.8	7.1	5.2
EL	Athens	-1.8	4.8	2.9
ES	Madrid	-1.8	1.7	-0.1
FR	Paris	-1.8	7.0	5.1
HR	Zagreb	-1.8	11.0	9.0
IT	Rome	-1.8	7.5	5.6
	Varese	-1.8	8.0	6.1
CY	Nicosia	-1.8	4.5	2.6
LV	Riga	-1.8	7.2	5.3
LT	Vilnius	-1.8	11.7	9.7
HU	Budapest	-1.8	22.6	20.4
MT	Valletta	-1.8	5.7	3.8
NL	The Hague	-1.8	9.1	7.1
AT	Vienna	-1.8	7.7	5.8
PL	Warsaw	-1.8	11.6	9.6
PT	Lisbon	-1.8	5.8	3.9
RO	Bucharest	-1.8	11.8	9.8
SI	Ljubljana	-1.8	10.4	8.4
SK	Bratislava	-1.8	9.1	7.1
FI	Helsinki	-1.8	5.7	3.8
SE	Stockholm	-1.8	7.3	5.4

Table 5.1a: Residual annual update outside Brussels for the six months to 1ˢᵗ July 2023 (for staff)

Country Place of employment		Global specific indicator	Implicit price index	Residual annual update
BE/LU	**Brussels/Luxembourg**	**0.1**	**0.9**	**1.0**
BG	Sofia	0.1	5.5	5.6
CZ	Prague	0.1	3.7	3.8
DK	Copenhagen	0.1	0.5	0.6
DE	Berlin	0.1	4.0	4.1
	Karlsruhe	0.1	2.5	2.6
	Munich	0.1	3.9	4.0
EE	Tallinn	0.1	6.0	6.1
IE	Dublin	0.1	4.0	4.1
EL	Athens	0.1	4.8	4.9
ES	Madrid	0.1	1.5	1.6
FR	Paris	0.1	4.3	4.4
HR	Zagreb	0.1	6.6	6.7
IT	Rome	0.1	3.2	3.3
	Varese	0.1	3.4	3.5
CY	Nicosia	0.1	3.0	3.1
LV	Riga	0.1	4.6	4.7
LT	Vilnius	0.1	3.9	4.0
HU	Budapest	0.1	8.9	9.0
MT	Valletta	0.1	3.9	4.0
NL	The Hague	0.1	3.4	3.5
AT	Vienna	0.1	3.0	3.1
PL	Warsaw	0.1	2.0	2.1
PT	Lisbon	0.1	3.5	3.6
RO	Bucharest	0.1	5.7	5.8
SI	Ljubljana	0.1	6.1	6.2
SK	Bratislava	0.1	5.7	5.8
FI	Helsinki	0.1	1.4	1.5
SE	Stockholm	0.1	3.8	3.9

5.2 Intra-EU country of residence (for pensioners)

The value of the annual update for pensioners residing in Member States outside Belgium is equal to the product of the global specific indicator multiplied by the implicit index (i.e. the combined impact of the percentage change in the cost of living in Brussels and Luxembourg, and the percentage change in the economic parities between Belgium and the Member State).

Taking account of the figures for 2022 reported in Chapters 2 and 4 of the main report, summarised in Chapter 5 of the main report, Chapter 9 of the main report identified the residual annual update applicable to remuneration in Brussels.

Chapter 12 of the main report presented information about correction coefficients and purchasing power parities for pensioners residing in EU Member States outside Belgium. Chapter 10 of the main report indicated how this information could be combined to establish the total adjustment of remuneration.

On this basis, **Table 5.2** below presents the adjustment of the nominal net pensions of retired EU officials outside Belgium for the 12-month period July 2022-July 2023. Similarly, **Table 5.2a** below presents the residual adjustment of the nominal net pensions of retired EU officials for the 6-month period January 2023-July 2023.

This information is of particular relevance for Member States with correction coefficient equal to or greater than 100 at July 2023, or where the correction coefficient was greater than or equal to 100 at July 2022 or at January 2023. As at July 2023, 9 Member States are concerned (Denmark, Germany, Estonia, Ireland, France, Netherlands, Austria, Finland, Sweden) plus the United Kingdom. The situation was similar at July 2022.

Table 5.2: Annual update outside Belgium for the twelve months to 1st July 2023 (for pensioners)

Country	Global specific indicator	Implicit price index	Annual update
BE/LU	**-1.8**	**4.6**	**2.7**
BG	-1.8	12.1	10.1
CZ	-1.8	10.3	8.3
DK	-1.8	4.8	2.9
DE	-1.8	9.7	7.7
EE	-1.8	10.7	8.7
IE	-1.8	11.6	9.6
EL	-1.8	5.3	3.4
ES	-1.8	2.4	0.6
FR	-1.8	8.3	6.4
HR	-1.8	11.9	9.9
IT	-1.8	9.8	7.8
CY	-1.8	6.8	4.9
LV	-1.8	6.5	4.6
LT	-1.8	13.0	11.0
HU	-1.8	28.3	26.0
MT	-1.8	7.6	5.7
NL	-1.8	8.2	6.3
AT	-1.8	9.1	7.1
PL	-1.8	13.6	11.6
PT	-1.8	5.7	3.8
RO	-1.8	16.1	14.0
SI	-1.8	11.7	9.7
SK	-1.8	12.1	10.1
FI	-1.8	7.3	5.4
SE	-1.8	11.2	9.2

UK	-1.8	8.3	6.4

Table 5.2a: Residual annual update outside Belgium for the six months to 1st July 2023 (for pensioners)

Country	Global specific indicator	Implicit price index	Residual Annual update
BE/LU	0.1	0.9	1.0
BG	0.1	6.4	6.5
CZ	0.1	6.2	6.3
DK	0.1	2.4	2.5
DE	0.1	6.1	6.2
EE	0.1	6.9	7.0
IE	0.1	7.9	8.0
EL	0.1	4.1	4.2
ES	0.1	1.9	2.0
FR	0.1	5.5	5.6
HR	0.1	7.8	7.9
IT	0.1	4.2	4.3
CY	0.1	4.9	5.0
LV	0.1	3.8	3.9
LT	0.1	4.9	5.0
HU	0.1	13.5	13.6
MT	0.1	5.3	5.4
NL	0.1	3.5	3.6
AT	0.1	3.5	3.6
PL	0.1	5.2	5.3
PT	0.1	3.0	3.1
RO	0.1	9.4	9.5
SI	0.1	8.1	8.2
SK	0.1	7.8	7.9
FI	0.1	3.4	3.5
SE	0.1	7.3	7.4
UK	0.1	2.8	2.9

5.3 Extra-EU duty stations (for staff)

The value of the annual update for duty stations outside Brussels and Luxembourg working in third countries is equal to the product of the global specific indicator multiplied by the implicit index (i.e. the combined impact of the percentage change in the cost of living in Brussels and the percentage change in the economic parities between Brussels and the duty station).

Taking account of the figures for 2023 reported in Chapters 1 and 4 of the main report, summarised in Chapter 5 of the main report, Chapter 9 of the main report identified the residual annual update applicable to remuneration in Brussels.

Chapter 13 of the main report presented information about correction coefficients and purchasing power parities for staff working in duty stations outside the European Union. Chapter 10 of the main report indicated how this information could be combined to establish the total adjustment of remuneration.

On this basis, **Table 5.3** below presents the adjustment of the nominal net remuneration of EU officials outside Brussels and Luxembourg working in third countries which is necessary to maintain a parallel development of the purchasing power with the civil servants in the Member States for the 12-month period July 2022-July 2023. Similarly, **Table 5.3a** below presents the residual adjustment of the nominal net pensions of retired EU officials for the 6-month period January 2023-July 2023.

This information is of particular relevance to those duty stations where application of the correction coefficient has been requested. This is only likely in practice for the locations identified in **Table 4.1** earlier, where the correction coefficient is greater than or equal to 100 at July 2023, or was greater than or equal to 100 at July 2022 – or in **Table 4.1a** where the correction coefficient is greater than or equal to 100 at July 2023, or was greater than or equal to 100 at January 2023.

Table 5.3 (page 1 of 3): Annual update outside Brussels for the 12 months to 1st July 2023 (for staff serving in Extra-EU delegations)

Place of employment				Global specific indicator	Implicit price index	Annual update
Code		Country	City	[a]	[b]	=100 x [a]*[b]/100-100
BEL	(1)	**Belgium / Luxembourg**	**Brussels / Luxembourg**	-1.8	4.6	**2.7**
AFG	(5)	Afghanistan	Kabul	-1.8		
AGO		Angola	Luanda	-1.8	11.9	9.9
ALB	(9)	Albania	Tirana	-1.8	8.4	6.4
ARE	(6)	United Arab Emirates	Abu Dhabi	-1.8	23.2	21.0
ARG		Argentina	Buenos Aires	-1.8	123.6	119.6
ARM		Armenia	Yerevan	-1.8	7.7	5.8
AUS	(7)	Australia	Canberra	-1.8	7.9	6.0
AZE		Azerbaijan	Baku	-1.8	15.4	13.3
BDI		Burundi	Bujumbura	-1.8	19.3	17.2
BEN	(3)	Benin	Cotonou	-1.8	6.8	4.9
BFA	(3)(6)	Burkina Faso	Ouagadougou	-1.8	6.4	4.5
BGD	(6)	Bangladesh	Dhaka	-1.8	20.9	18.7
BIH	(9)	Bosnia and Herzegovina	Sarajevo	-1.8	7.2	5.3
BLR		Belarus	Minsk	-1.8	10.8	8.8
BOL		Bolivia	La Paz	-1.8	3.6	1.7
BRA		Brazil	Brasilia	-1.8	20.4	18.2
BRB		Barbados	Bridgetown	-1.8	10.4	8.4
BWA		Botswana	Gaborone	-1.8	14.6	12.5
CAF	(3)(6)	Central African Republic	Bangui	-1.8	7	5.1
CAN	(7)	Canada	Ottawa	-1.8	3.6	1.7
CHE	(8)	Switzerland	Berne	-1.8	8.4	6.4
CHE	(8)	Switzerland	Geneva	-1.8	8.4	6.4
CHL	(7)	Chile	Santiago	-1.8	10.9	8.9
CHN	(6)	China	Beijing	-1.8	10.6	8.6
CIV	(3)	Côte d'Ivoire	Abidjan	-1.8	4.9	3.0
CMR	(3)	Cameroon	Yaoundé	-1.8	8.7	6.7
COD		Democratic Republic of the Congo	Kinshasa	-1.8	29.8	27.5
COG	(3)	Congo	Brazzaville	-1.8	30.2	27.9
COL		Colombia	Bogotá	-1.8	25.8	23.5
CPV		Cabo Verde	Praia	-1.8	4.8	2.9
CRI		Costa Rica	San José	-1.8	1.8	0.0
CUB	(2)	Cuba	Havana	-1.8	41.7	39.1
DJI		Djibouti	Djibouti	-1.8	-1.1	-2.9
DOM		Dominican Republic	Santo Domingo	-1.8	4.8	2.9
DZA		Algeria	Algiers	-1.8	14.9	12.8
ECU	(2)	Ecuador	Quito	-1.8	3.1	1.2
EGY		Egypt	Cairo	-1.8	38.5	36.0
ERI		Eritrea	Asmara	-1.8	7.5	5.6
ETH		Ethiopia	Addis Ababa	-1.8	43.3	40.7
FJI	(6)	Fiji	Suva	-1.8	14.8	12.7
GAB	(3)	Gabon	Libreville	-1.8	11	9.0
GBR	(8)	United Kingdom	London	-1.8	10.2	8.2
GEO		Georgia	Tbilisi	-1.8	2.2	0.4
GHA		Ghana	Accra	-1.8	37.3	34.8
GIN		Guinea	Conakry	-1.8	9.1	7.1
GMB		The Gambia	Banjul	-1.8	20.4	18.2
GNB	(3)(6)	Guinea-Bissau	Bissau	-1.8	24.8	22.6
GRL		Greenland	Nuuk	-1.8	7.3	5.4
GTM		Guatemala	Guatemala City	-1.8	5.6	3.7
GUY		Guyana	Georgetown	-1.8	10.6	8.6
HKG		Hong Kong	Hong Kong	-1.8	5.9	4.0
HND		Honduras	Tegucigalpa	-1.8	6.8	4.9
HTI	(6)	Haiti	Port-au-Prince	-1.8	63.8	60.9
IDN		Indonesia	Jakarta	-1.8	6.7	4.8
IND		India	New Delhi	-1.8	6.7	4.8
IRN	(6)	Iran	Tehran	-1.8	1.9	0.1
IRQ	(5)	Iraq	Baghdad	-1.8		
ISL	(8)	Iceland	Reykjavik	-1.8	14	11.9
ISR	(7)	Israel	Tel-Aviv	-1.8	5.6	3.7
JAM		Jamaica	Kingston	-1.8	17.4	15.3
JOR		Jordan	Amman	-1.8	8.2	6.3
JPN	(7)	Japan	Tokyo	-1.8	7.7	5.8
KAZ		Kazakhstan	Astana	-1.8	20.4	18.2
KEN		Kenya	Nairobi	-1.8	8	6.1
KGZ		Kyrgyzstan	Bishkek	-1.8	14.1	12.0
KHM		Cambodia	Phnom Penh	-1.8	0.2	-1.6
KOR	(7)	South Korea	Seoul	-1.8	5.5	3.6
KWT		Kuwait	Kuwait City	-1.8	5.2	3.3

Table 5.3 (page 2 of 3): Annual update outside Brussels for the 12 months to 1ˢᵗ July 2023 (for staff serving in Extra-EU delegations)

Place of employment			Global specific indicator	Implicit price index	Annual update
Code		**Country**	**City**	**[a]**	**[b]**	=100 x [a]*[b]/100-100
LAO		Laos	Vientiane	-1.8	30.3	28.0
LBN	(5)(6)	Lebanon	Beirut	-1.8		
LBR		Liberia	Monrovia	-1.8	17.5	15.4
LBY	(5)	Libya	Tripoli	-1.8		
LKA		Sri Lanka	Colombo	-1.8	40.5	38.0
LSO	(6)	Lesotho	Maseru	-1.8	15.4	13.3
MAR		Morocco	Rabat	-1.8	6.2	4.3
MDA		Moldova	Chisinau	-1.8	25.9	23.6
MDG		Madagascar	Antananarivo	-1.8	15.4	13.3
MEX	(7)	Mexico	Mexico City	-1.8	8.4	6.4
MKD	(9)	North Macedonia	Skopje	-1.8	11.8	9.8
MLI	(3)	Mali	Bamako	-1.8	9.3	7.3
MMR		Myanmar/Burma	Yangon	-1.8	2.5	0.7
MNE	(4)(9)	Montenegro	Podgorica	-1.8	0.8	-1.0
MNG	(6)	Mongolia	Ulan Bator	-1.8	20.8	18.6
MOZ		Mozambique	Maputo	-1.8	7.3	5.4
MRT		Mauritania	Nouakchott	-1.8	29.6	27.3
MUS		Mauritius	Port Louis	-1.8	7.7	5.8
MWI		Malawi	Lilongwe	-1.8	23.2	21.0
MYS		Malaysia	Kuala Lumpur	-1.8	5.2	3.3
NAM		Namibia	Windhoek	-1.8	8.2	6.3
NCL	(10)	New Caledonia	Nouméa	-1.8	3.2	1.3
NER	(3)	Niger	Niamey	-1.8	29	26.7
NGA		Nigeria	Abuja	-1.8	33	30.6
NIC		Nicaragua	Managua	-1.8	9.5	7.5
NOR	(8)	Norway	Oslo	-1.8	11.6	9.6
NPL		Nepal	Kathmandu	-1.8	12.1	10.1
NZL	(7)	New Zealand	Wellington	-1.8	26.7	24.4
PAK		Pakistan	Islamabad	-1.8	44.4	41.8
PAN	(2)	Panama	Panama City	-1.8	2	0.2
PER		Peru	Lima	-1.8	6.6	4.7
PHL		Philippines	Manila	-1.8	7.2	5.3
PNG		Papua New Guinea	Port Moresby	-1.8	4.5	2.6
PRY		Paraguay	Asunción	-1.8	13.9	11.8
PSE	(12)	West Bank — Gaza Strip	East Jerusalem	-1.8	5.6	3.7
QAT		Qatar	Doha	-1.8	11.4	9.4
RUS		Russia	Moscow	-1.8	1.8	0.0
RWA		Rwanda	Kigali	-1.8	27.1	24.8
SAU		Saudi Arabia	Riyadh	-1.8	10.1	8.1
SDN	(6)	Sudan	Khartoum	-1.8		
SEN	(3)	Senegal	Dakar	-1.8	7.8	5.9
SGP	(6)	Singapore	Singapore	-1.8	16.5	14.4
SLE	(11)	Sierra Leone	Freetown	-1.8	40.8	38.3
SLV	(2)	El Salvador	San Salvador	-1.8	18	15.9
SOM	(5)	Somalia	Mogadishu	-1.8		
SRB	(9)	Serbia	Belgrade	-1.8	12.8	10.8
SSD		South Sudan	Juba	-1.8	7.3	5.4
STP		São Tomé and Príncipe	São Tomé	-1.8	13.1	11.1
SWZ		eSwatini	Mbabane	-1.8	31.4	29.0
SYR	(5)	Syria	Damascus	-1.8		
TCD	(3)	Chad	N'Djamena	-1.8	16	13.9
TGO	(3)	Togo	Lomé	-1.8	7.6	5.7
THA	(6)	Thailand	Bangkok	-1.8	13.7	11.7
TJK		Tajikistan	Dushanbe	-1.8	5.3	3.4
TKM	(6)	Turkmenistan	Ashgabat	-1.8	22.4	20.2
TLS	(2)(6)	Timor-Leste	Dili	-1.8	18.2	16.1
TTO		Trinidad and Tobago	Port-of-Spain	-1.8	7.6	5.7
TUN		Tunisia	Tunis	-1.8	11.9	9.9
TUR	(8)	Türkiye	Ankara	-1.8	45.8	43.2
TWN		Taiwan	Taipei	-1.8	4.4	2.5
TZA		Tanzania	Dar es Salaam	-1.8	4.4	2.5
UGA		Uganda	Kampala	-1.8	26.6	24.3
UKR		Ukraine	Kyiv	-1.8	27.8	25.5
URY		Uruguay	Montevideo	-1.8	6.7	4.8
USA		United States	New York	-1.8	3.5	1.6
USA		United States	San Francisco	-1.8	5.5	3.6
USA	(7)	United States	Washington DC	-1.8	5.5	3.6
UZB		Uzbekistan	Tashkent	-1.8	12.9	10.9
VEN	(5)	Venezuela	Caracas	-1.8		

Table 5.3 (page 3 of 3): Annual update outside Brussels for the 12 months to 1ˢᵗ July 2023 (for staff serving in Extra-EU delegations)

Place of employment				Global specific indicator	Implicit price index	Annual update
Code		Country	City	[a]	[b]	=100 x [a]*[b]/100-100
VNM		Vietnam	Hanoi	-1.8	2.5	0.7
XKX	(4)(9)(12)	Kosovo	Pristina	-1.8	5.4	3.5
YEM	(5)	Yemen	Sana'a	-1.8		
ZAF		South Africa	Pretoria	-1.8	7.9	6.0
ZMB		Zambia	Lusaka	-1.8	22.4	20.2
ZWE	(5)	Zimbabwe	Harare	-1.8		

In table above:

(1) Figures are stated relative to Brussels, ie. Brussels PPP = 1, ER = 1, CC = 100%

(2) 1 euro = USD (5 Duty Stations: Cuba - Ecuador - El Salvador - Panama - Timor-Leste)

(3) 1 euro = CFA (13 Duty Stations: Benin - Burkina Faso - Cameroon - Central African Republic - Chad - Congo - Gabon - Guinea-Bissau - Côte d'Ivoire - Mali - Niger - Senegal - Togo)

(4) Currency = Euro (2 Duty Stations: Kosovo - Montenegro)

(5) Not available (9 Duty Stations: Afghanistan - Iraq - Lebanon - Libya - Somalia - Syria - Venezuela - Yemen - Zimbabwe)

(6) UN P2P processed (17 Duty Stations: Bangladesh - Burkina Faso - Central African Republic - China - Fiji Island - Guinea-Bissau - Haiti - Iran - Lesotho - Lebanon - Mongolia - Singapore - Sudan - Thailand - Timor-Leste - Turkmenistan - United Arab Emirates)

(7) ISRP PPP processed (9 Duty Stations: Australia - Canada - Chile - Israel - Japan - Mexico - New Zealand - South Korea - United States (Washington DC))

(8) ECP PPP processed (6 Duty Stations: Iceland - Norway - Switzerland (Berne, Geneva) - Türkiye - United Kingdom)

(9) ECP Balkan Duty stations (6 Duty Stations: Albania - Bosnia and Herzegovina - Kosovo -North Macedonia - Montenegro - Serbia)

(10) Duty stations for which Intra-EU CC excluding rent is used (1 Duty Station: New Caledonia)

(11) Sierra Leone: SLL currency was replaced by new currency SLE with effect from 1ˢᵗ October 2022 extended until 1ˢᵗ April 2023. Three zeros were cut off the SLL rate. To establish the implicit price index for Sierra leone, the PPP at July 2022 was expressed under the new currency SLE

(12) For Kosovo, West Bank – Gaza Strip: This designation is without prejudice to positions on status and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

Table 5.3a (page 1 of 3): Residual annual update outside Brussels for the 6 months to 1st July 2023 (for staff serving in Extra-EU delegations)

Place of employment			Global specific indicator	Implicit price index	Annual update
Code		Country	City	[a]	[b]	=100 x [a]*[b]/100-100
BEL	(1)	**Belgium / Luxembourg**	**Brussels / Luxembourg**	0.1	0.9	**1.0**
AFG	(5)	Afghanistan	Kabul	0.1		
AGO		Angola	Luanda	0.1	6.3	6.4
ALB	(9)	Albania	Tirana	0.1	0.6	0.7
ARE	(6)	United Arab Emirates	Abu Dhabi	0.1	15.7	15.8
ARG		Argentina	Buenos Aires	0.1	51.2	51.4
ARM		Armenia	Yerevan	0.1	4.2	4.3
AUS	(7)	Australia	Canberra	0.1	4.3	4.4
AZE		Azerbaijan	Baku	0.1	7.1	7.2
BDI		Burundi	Bujumbura	0.1	10.5	10.6
BEN	(3)	Benin	Cotonou	0.1	1.9	2.0
BFA	(3)(6)	Burkina Faso	Ouagadougou	0.1	6.1	6.2
BGD	(6)	Bangladesh	Dhaka	0.1	11.8	11.9
BIH	(9)	Bosnia and Herzegovina	Sarajevo	0.1	-0.8	-0.7
BLR		Belarus	Minsk	0.1	-1.9	-1.8
BOL		Bolivia	La Paz	0.1	2.2	2.3
BRA		Brazil	Brasilia	0.1	4.1	4.2
BRB		Barbados	Bridgetown	0.1	6.7	6.8
BWA		Botswana	Gaborone	0.1	0.9	1.0
CAF	(3)(6)	Central African Republic	Bangui	0.1	2.2	2.3
CAN	(7)	Canada	Ottawa	0.1	-1.5	-1.4
CHE	(8)	Switzerland	Berne	0.1	3.4	3.5
CHE	(8)	Switzerland	Geneva	0.1	3.4	3.5
CHL	(7)	Chile	Santiago	0.1	2.7	2.8
CHN	(6)	China	Beijing	0.1	9.8	9.9
CIV	(3)	Côte d'Ivoire	Abidjan	0.1	2.6	2.7
CMR	(3)	Cameroon	Yaoundé	0.1	5.2	5.3
COD		Democratic Republic of the Congo	Kinshasa	0.1	17.6	17.7
COG	(3)	Congo	Brazzaville	0.1	19.9	20.0
COL		Colombia	Bogotá	0.1	8.7	8.8
CPV		Cabo Verde	Praia	0.1	0.5	0.6
CRI		Costa Rica	San José	0.1	-0.9	-0.8
CUB	(2)	Cuba	Havana	0.1	21.7	21.8
DJI		Djibouti	Djibouti	0.1	-0.4	-0.3
DOM		Dominican Republic	Santo Domingo	0.1	1.8	1.9
DZA		Algeria	Algiers	0.1	11	11.1
ECU	(2)	Ecuador	Quito	0.1	1.2	1.3
EGY		Egypt	Cairo	0.1	21.1	21.2
ERI		Eritrea	Asmara	0.1	3.8	3.9
ETH		Ethiopia	Addis Ababa	0.1	23.6	23.7
FJI	(6)	Fiji	Suva	0.1	11.8	11.9
GAB	(3)	Gabon	Libreville	0.1	3.2	3.3
GBR	(8)	United Kingdom	London	0.1	3.9	4.0
GEO		Georgia	Tbilisi		-2.3	-2.2
GHA		Ghana	Accra	0.1	7.6	7.7
GIN		Guinea	Conakry	0.1	5.4	5.5
GMB		The Gambia	Banjul	0.1	13.9	14.0
GNB	(3)(6)	Guinea-Bissau	Bissau	0.1	18.2	18.3
GRL		Greenland	Nuuk	0.1	4.6	4.7
GTM		Guatemala	Guatemala City	0.1	0	0.1
GUY		Guyana	Georgetown	0.1	0.5	0.6
HKG		Hong Kong	Hong Kong	0.1	4.6	4.7
HND		Honduras	Tegucigalpa	0.1	2.4	2.5
HTI	(6)	Haiti	Port-au-Prince	0.1	43.5	43.6
IDN		Indonesia	Jakarta	0.1	2.8	2.9
IND		India	New Delhi	0.1	2.5	2.6
IRN	(6)	Iran	Tehran	0.1	-11.6	-11.5
IRQ	(5)	Iraq	Baghdad	0.1		
ISL	(8)	Iceland	Reykjavik	0.1	7.5	7.6
ISR	(7)	Israel	Tel-Aviv	0.1	3.7	3.8
JAM		Jamaica	Kingston	0.1	0.9	1.0
JOR		Jordan	Amman	0.1	3.5	3.6
JPN	(7)	Japan	Tokyo	0.1	2.5	2.6
KAZ		Kazakhstan	Astana	0.1	9.3	9.4
KEN		Kenya	Nairobi	0.1	3.9	4.0
KGZ		Kyrgyzstan	Bishkek	0.1	7.7	7.8
KHM		Cambodia	Phnom Penh	0.1	2.2	2.3
KOR	(7)	South Korea	Seoul	0.1	0.5	0.6
KWT		Kuwait	Kuwait City	0.1	3.2	3.3

Table 5.3a (page 2 of 3): Residual annual update outside Brussels for the 6 months to 1st July 2023 (for staff serving in Extra-EU delegations)

Place of employment				Global specific indicator	Implicit price index	Annual update
Code		Country	City	[a]	[b]	=100 x [a]*[b]/100-100
LAO		Laos	Vientiane	0.1	12.4	12.5
LBN	(5)(6)	Lebanon	Beirut	0.1		
LBR		Liberia	Monrovia	0.1	0.9	1.0
LBY	(5)	Libya	Tripoli	0.1		
LKA		Sri Lanka	Colombo	0.1	-6.3	-6.2
LSO	(6)	Lesotho	Maseru	0.1	9.5	9.6
MAR		Morocco	Rabat	0.1	5.1	5.2
MDA		Moldova	Chisinau	0.1	4	4.1
MDG		Madagascar	Antananarivo	0.1	5.4	5.5
MEX	(7)	Mexico	Mexico City	0.1	1.4	1.5
MKD	(9)	North Macedonia	Skopje	0.1	1.8	1.9
MLI	(3)	Mali	Bamako	0.1	-1.1	-1.0
MMR		Myanmar/Burma	Yangon	0.1	-7.2	-7.1
MNE	(4)(9)	Montenegro	Podgorica	0.1	1.1	1.2
MNG	(6)	Mongolia	Ulan Bator	0.1	12.5	12.6
MOZ		Mozambique	Maputo	0.1	4.7	4.8
MRT		Mauritania	Nouakchott	0.1	12.8	12.9
MUS		Mauritius	Port Louis	0.1	3.4	3.5
MWI		Malawi	Lilongwe	0.1	7.8	7.9
MYS		Malaysia	Kuala Lumpur	0.1	2	2.1
NAM		Namibia	Windhoek	0.1	3.5	3.6
NCL	(10)	New Caledonia	Nouméa	0.1	1.5	1.6
NER	(3)	Niger	Niamey	0.1	15.9	16.0
NGA		Nigeria	Abuja	0.1	13.6	13.7
NIC		Nicaragua	Managua	0.1	4.9	5.0
NOR	(8)	Norway	Oslo	0.1	5.8	5.9
NPL		Nepal	Kathmandu	0.1	4.7	4.8
NZL	(7)	New Zealand	Wellington	0.1	10.9	11.0
PAK		Pakistan	Islamabad	0.1	19.1	19.2
PAN	(2)	Panama	Panama City	0.1	2.5	2.6
PER		Peru	Lima	0.1	2.3	2.4
PHL		Philippines	Manila	0.1	2.6	2.7
PNG		Papua New Guinea	Port Moresby	0.1	2.4	2.5
PRY		Paraguay	Asunción	0.1	2.8	2.9
PSE	(12)	West Bank — Gaza Strip	East Jerusalem	0.1	3.7	3.8
QAT		Qatar	Doha	0.1	6	6.1
RUS		Russia	Moscow	0.1	3.6	3.7
RWA		Rwanda	Kigali	0.1	5.6	5.7
SAU		Saudi Arabia	Riyadh	0.1	1.2	1.3
SDN	(6)	Sudan	Khartoum	0.1		
SEN	(3)	Senegal	Dakar	0.1	2.7	2.8
SGP	(6)	Singapore	Singapore	0.1	5.2	5.3
SLE	(11)	Sierra Leone	Freetown	0.1	21.0	21.1
SLV	(2)	El Salvador	San Salvador	0.1	4.2	4.3
SOM	(5)	Somalia	Mogadishu	0.1		
SRB	(9)	Serbia	Belgrade	0.1	5.8	5.9
SSD		South Sudan	Juba	0.1	22.7	22.8
STP		São Tomé and Príncipe	São Tomé	0.1	6.9	7.0
SWZ		eSwatini	Mbabane	0.1	14.3	14.4
SYR	(5)	Syria	Damascus	0.1		
TCD	(3)	Chad	N'Djamena	0.1	8.5	8.6
TGO	(3)	Togo	Lomé	0.1	3.7	3.8
THA	(6)	Thailand	Bangkok	0.1	12.4	12.5
TJK		Tajikistan	Dushanbe	0.1	3.8	3.9
TKM	(6)	Turkmenistan	Ashgabat	0.1	12.4	12.5
TLS	(2)(6)	Timor-Leste	Dili	0.1	16.3	16.4
TTO		Trinidad and Tobago	Port-of-Spain	0.1	3.6	3.7
TUN		Tunisia	Tunis	0.1	5.9	6.0
TUR	(8)	Türkiye	Ankara	0.1	20.7	20.8
TWN		Taiwan	Taipei	0.1	4.3	4.4
TZA		Tanzania	Dar es Salaam	0.1	3.1	3.2
UGA		Uganda	Kampala	0.1	8.8	8.9
UKR		Ukraine	Kyiv	0.1	4.9	5.0
URY		Uruguay	Montevideo	0.1	2.9	3.0
USA		United States	New York	0.1	3.2	3.3
USA		United States	San Francisco	0.1	2.2	2.3
USA	(7)	United States	Washington DC	0.1	2.2	2.3
UZB		Uzbekistan	Tashkent	0.1	6.9	7.0
VEN	(5)	Venezuela	Caracas	0.1		

Table 5.3a (page 3 of 3): Residual annual update outside Brussels for the 6 months to 1st July 2023 (for staff serving in Extra-EU delegations)

Place of employment				Global specific indicator	Implicit price index	Annual update
Code		Country	City	[a]	[b]	=100 x [a]*[b]/100-100
VNM		Vietnam	Hanoi	0.1	2.6	2.7
XKX	(4)(9)(12)	Kosovo	Pristina	0.1	2.1	2.2
YEM	(5)	Yemen	Sana'a	0.1		
ZAF		South Africa	Pretoria	0.1	3.3	3.4
ZMB		Zambia	Lusaka	0.1	9.2	9.3
ZWE	(5)	Zimbabwe	Harare	0.1		

In table above:

(1) Figures are stated relative to Brussels, ie. Brussels PPP = 1, ER = 1, CC = 100%

(2) 1 euro = USD (5 Duty Stations: Cuba - Ecuador - El Salvador - Panama - Timor-Leste)

(3) 1 euro = CFA (13 Duty Stations: Benin - Burkina Faso - Cameroon - Central African Republic - Chad - Congo - Gabon - Guinea-Bissau - Côte d'Ivoire - Mali - Niger - Senegal - Togo)

(4) Currency = Euro (2 Duty Stations: Kosovo - Montenegro)

(5) Not available (9 Duty Stations: Afghanistan - Iraq - Lebanon - Libya - Somalia - Syria - Venezuela - Yemen - Zimbabwe)

(6) UN P2P processed (17 Duty Stations: Bangladesh - Burkina Faso - Central African Republic - China - Fiji Island - Guinea-Bissau - Haiti - Iran - Lesotho - Lebanon - Mongolia - Singapore - Sudan - Thailand - Timor-Leste - Turkmenistan - United Arab Emirates)

(7) ISRP PPP processed (9 Duty Stations: Australia - Canada - Chile - Israel - Japan - Mexico - New Zealand - South Korea - United States (Washington DC))

(8) ECP PPP processed (6 Duty Stations: Iceland - Norway - Switzerland (Berne, Geneva) - Türkiye - United Kingdom)

(9) ECP Balkan Duty stations (6 Duty Stations: Albania - Bosnia and Herzegovina - Kosovo -North Macedonia - Montenegro - Serbia)

(10) Duty stations for which Intra-EU CC excluding rent is used (1 Duty Station: New Caledonia)

(11) Sierra Leone: SLL currency was replaced by new currency SLE with effect from 1st October 2022 extended until 1st April 2023. Three zeros were cut off the SLL rate. To establish the implicit price index for Sierra leone, the PPP at January 2023 was expressed under the new currency SLE

(12) For Kosovo, West Bank – Gaza Strip: This designation is without prejudice to positions on status and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.