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COMMISSION STAFF WORKING PAPER

Eurostat Report on the 2020 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 2020 the remuneration of active staff and the pensions
of retired staff,**

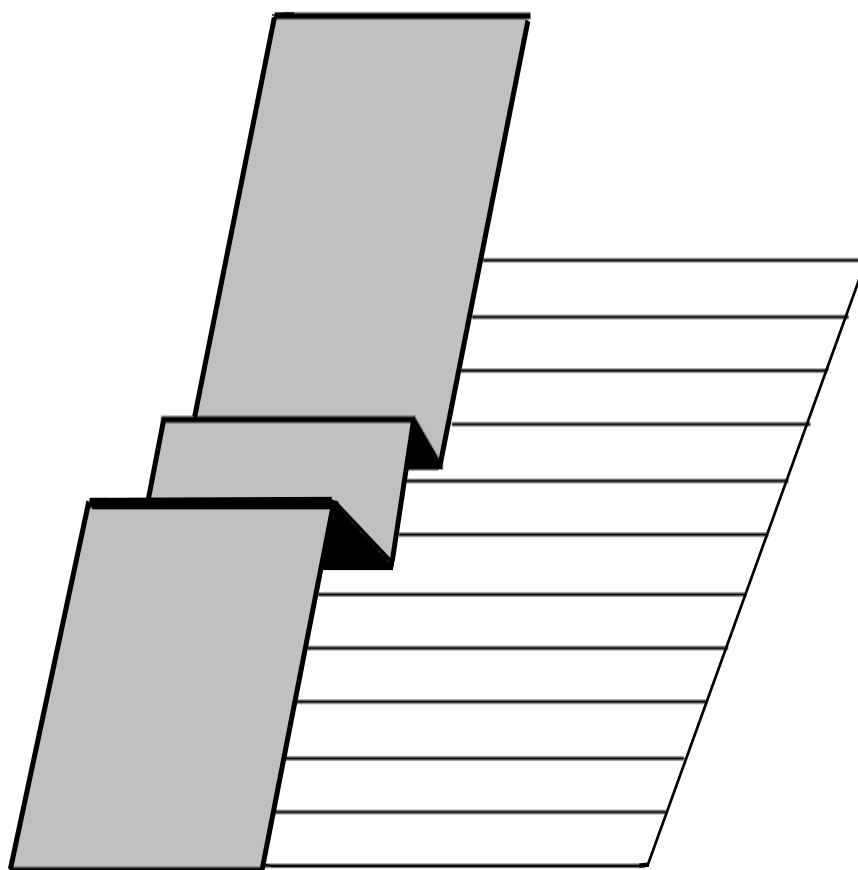
**and updating with effect from 1 July 2020 the correction coefficients applied to the
remuneration of active staff serving in Intra-EU and Extra-EU duty stations, to the
pensions of retired staff according to their country of residence, and for pension
transfers.**

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

Global specific indicator; control indicators;
changes in the cost of living;
correction coefficients

Reference period:
Year to 1 July 2020

main text



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EXECUTIVE SUMMARY

In accordance with the Articles 64 and 65 and Annex XI of the Staff Regulations applicable to officials and other servants of the European Union and the special provisions in Annex X applicable to officials serving in a third country, as supplemented by procedural manuals adopted by the Working Group on Articles 64 & 65 of the Staff Regulations which meets annually in Luxembourg, and with other applicable legislation and international agreements, Eurostat hereby presents its report for the twelve months to July 2020.

This is the seventh annual report submitted in accordance with the EU Staff Regulations as amended by Regulation 1023/2013.

Since the previous annual report, an interim report was submitted for Intra-EU staff and pensioners in April 2020 and interim reports for Extra-EU staff were submitted in May 2020 and October 2020.

This annual report presents the following information for the period July 2019 – July 2020:

- specific indicators of the evolution of the purchasing power of salaries of national officials;
- average change in the purchasing power of salaries of national officials (global specific indicator);
- control indicators, for comparative purposes;
- change in the cost of living in Belgium and Luxembourg (Joint Index);
- correction coefficients for staff working outside Brussels in Intra-EU duty stations;
- correction coefficients for pensioners living outside Belgium;
- correction coefficients for staff working outside Brussels in Extra-EU duty stations.

The specific indicators of the evolution of the purchasing power of national officials in the 11 sample Member States for the period July 2019 – July 2020 are provided in **Table 1**.

On this basis, the global specific indicator in real terms (weighted average using percentage share of EU GDP expressed in PPS terms) for the period July 2019 – July 2020 is 102.5 (+2.5%).

As the global specific indicator is positive whilst the forecast evolution of GDP in real terms is negative, the exception clause does apply. As the decrease is more than -3.0%, the global specific indicator component of the annual adjustment is therefore postponed until cumulative GDP is again positive.

The global specific indicator is above the threshold required to trigger the moderation clause, however this does not apply because the exception clause has been triggered.

For the same period, the Joint Belgium-Luxembourg Index (used to measure the change in the cost of living for the EU officials in Brussels) is 100.7 (+0.7%). Details are provided in **Table 3**.

Consequently, the adjustment of the nominal net remuneration of active European officials in Brussels and Luxembourg, and of the nominal pensions of retired European officials in Belgium and Luxembourg, which is necessary to maintain a parallel development of purchasing power with the national civil servants in the Member States is equal to +0.7% (100.7).

The correction coefficients which apply to remuneration outside Brussels and Luxembourg with effect from 1 July 2020 in order to maintain equality of purchasing power, are provided in **Tables 5 and 9** for staff serving in Intra-EU and Extra-EU duty stations respectively.

The correction coefficients which apply to pensions outside Belgium and Luxembourg with effect from 1 July 2020 in order to maintain equality of purchasing power, are provided in **Table 7**.

All figures and calculations contained in this report relating to specific indicators are based on data supplied by the responsible authorities in the Member States. Information about the evolution of purchasing power of national officials was requested in accordance with procedures agreed at the Working Group on Articles 64 & 65 of the Staff Regulations. Data for 7 Member States was compiled in collaboration with the International Service for Remuneration and Pensions of the Coordinated Organisations, following an initial request which was issued in April 2020. Data for the remaining 21 Member States was requested during June 2020. In both cases the target reply deadline for transmission of finalised data was 31 July. In the absence of a completed 2020 remuneration questionnaire, the specific indicator was established by Eurostat using available official data and parameters from alternative sources, or the official forecast figure supplied in March 2020 was used. In the absence of comparative information for 2019, the official forecast figure supplied in March 2020 was used. For the current annual exercise, the forecast was used for 1 Member State (Romania). For the previous annual exercise, the forecast was used for 6 Member States (Ireland, Croatia, Lithuania, Hungary, Malta, Romania).

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 report relating to Intra-EU correction coefficients are based on 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 Remuneration and Pensions of the Coordinated Organisations (CO.ISRP) and the United Nations International Civil Service Commission (UN.ICSC).

Important note: the Agreement on the withdrawal of the United Kingdom from the European Union with effect from 31 January 2020 has important implications for the calculation of the global specific indicator and for the calculation of correction coefficients. For staff correction coefficient purposes, the United Kingdom is now treated as an Extra-EU country. The production and publication of correction coefficients for London and Culham according to Intra-EU methodology has ceased. Exceptionally, production and publication of correction coefficient for existing UK pensioners continues. For specific indicators, in accordance with the withdrawal agreement a transition period runs until 31 December 2020, which is after the end of the reference period for the current report. Consequently, for the purposes of this report the UK has been retained in the sample of 11 Member States.

More information about methodology, detailed results and statistical analyses is made available in the appendices to this report. Additional information can be found in detailed procedural manuals. For any information concerning this report, please contact the Eurostat Remuneration Team in Luxembourg:

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INTRODUCTION

Eurostat hereby presents its report for the twelve months to July 2020. This is the seventh annual report submitted in accordance with the EU Staff Regulations as amended by Regulation 1023/2013¹.

Annex XI of the Staff Regulations describes rules for implementing Articles 64 and 65 of the Staff Regulations, i.e. the method for the annual adjustment of remuneration and pensions of European officials and other servants of the European Union. These rules are supplemented by special provisions in Annex X applicable to officials serving in a third country, and other relevant legislation and international agreements². Various procedural manuals to implement these rules have been developed by the Working Group on Articles 64 & 65 of the Staff Regulations which meets annually in Luxembourg³.

This annual report⁴ presents the following information for the period July 2019 – July 2020:

- specific indicators of the evolution of the purchasing power of salaries of national officials;
- average change in the purchasing power of salaries of national officials (global specific indicator);
- control indicators, for comparative purposes;
- change in the cost of living in Belgium and Luxembourg (Joint Index);
- correction coefficients for staff working outside Brussels in Intra-EU duty stations;
- correction coefficients for pensioners living outside Belgium;
- correction coefficients for staff working outside Brussels in Extra-EU duty stations.

¹ Regulation (EU, Euratom) No. 1023/2013 of the European Parliament and of the Council of 22 October 2013 amending the Staff Regulations of Officials of the European Union and the Conditions of Employment of Other Servants of the European Union, published in Official Journal L.287/15 dated 29.10.2013

² These include the Statistical Law (223/2009); the PPP Regulation (1445/2007); the HICP Regulation (2494/1995 et seq); the GDP Regulation (ESA95: 2223/1996, ESA2010: 549/2013); the Transparency Regulation (1049/2001); the 2009 trilateral international memorandum of understanding (Eurostat / UN International Civil Service Commission / International Service for Remuneration and Pensions of the Coordinated Organisations); the ILO 1973 Resolution on household surveys; the LFS Regulation (577/1998); the SES and LCS Regulation (530/1999).

³ These include: document A6465/14/26rev4 “Methodology for the calculation of specific indicators and control indicators” (version March 2020); document A6465/14/58rev2 “Methodology for the calculation of the Joint Index” (version March 2020); document A6465/14/59rev4 “Methodology for the calculation of Intra-EU correction coefficients” (version July 2020); document A6465/14/60rev4 “Methodology for the calculation of Extra-EU correction coefficients” (version July 2020).

Exceptionally, due to the COVID pandemic, the scheduled physical meeting in March 2020 was replaced by an electronic consultation.

⁴ Since the previous annual report, an interim report covering Intra-EU staff and pensioners for the period 1 July 2019 - 1 January 2020 was prepared in April 2020 with reference Ares(2020)26203339; an interim report covering Extra-EU staff for the six months August 2019 - January 2020 was prepared in May 2020 with reference Ares(2020)2497064. An interim report covering Extra-EU staff for the five months February 2020 - June 2020 was prepared in October 2020 with reference Ares(2020)5750668.

Chapters 1 to 6 of this report examine respectively:

- Evolution of the purchasing power of salaries of national officials in the central governments;
- Comparative information drawn from various sources;
- Changes in the cost of living in Belgium and Luxembourg;
- Update of remuneration in Brussels and Luxembourg and of pensions in Belgium and Luxembourg;
- Application of moderation and exception clauses.

Chapters 7 to 10 of this report examine respectively:

- Update of remuneration and pensions outside Belgium and Luxembourg;
- Economic parities between Brussels and other locations outside Belgium and Luxembourg, for staff (Intra-EU);
- Economic parities between Belgium and other Member States, for pensioners;
- Economic parities between Brussels and locations outside the European Union, for staff (extra-EU).

All figures and calculations contained in this report relating to **specific indicators** are based on data supplied by the responsible authorities in the Member States⁵. Information about the evolution of purchasing power of national officials was requested in accordance with procedures agreed at the Working Group on Articles 64 & 65 of the Staff Regulations. Data for 7 Member States was compiled in collaboration with the International Service for Remuneration and Pensions of the Coordinated Organisations, following an initial request which was issued in April 2020. Data for the remaining 21 Member States was requested during June 2020. In both cases the target reply deadline for transmission of finalised data was 31 July. In the absence of a completed 2020 remuneration questionnaire, the specific indicator was established by Eurostat using available official data and parameters from alternative sources, or the official forecast figure supplied in March 2020 was used. In the absence of comparative information for 2019, the official forecast figure supplied in March 2020 was used. For the current annual exercise, the forecast was used for 1 Member State (Romania). For the previous annual exercise, the forecast was used for 6 Member States (Ireland, Croatia, Lithuania, Hungary, Malta, Romania).

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 report 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 Remuneration and Pensions of the Coordinated Organisations (CO.ISRP) and the United Nations International Civil Service Commission (UN.ICSC).

Important note: the Agreement on the withdrawal of the United Kingdom from the European Union with effect from 31 January 2020 has important implications for the calculation of the global specific indicator and for the calculation of correction coefficients. For staff correction

⁵ Important note: a sample of 11 Member States applies. Information for EU28 continues to be compiled for comparative purposes.

coefficient purposes, the United Kingdom is now treated as an Extra-EU country. The production and publication of correction coefficients for London and Culham according to Intra-EU methodology has ceased. Exceptionally, production and publication of correction coefficient for existing UK pensioners continues. For specific indicators, in accordance with the withdrawal agreement a transition period runs until 31 December 2020, which is after the end of the reference period for the current report. Consequently, for the purposes of this report the UK has been retained in the sample of 11 Member States.

More information on methodology, detailed results and statistical analysis is available in the appendices to this report and detailed procedural manuals. For any information concerning this report, please contact the Eurostat Remuneration Team in Luxembourg:

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1. EVOLUTION OF THE PURCHASING POWER OF SALARIES OF NATIONAL OFFICIALS

1.1. Specific Indicators

For the July 2019 – July 2020 exercise Eurostat has compiled information for the EU28 Member States. The global specific indicator is calculated for the sample of 11 EU Member States stipulated in the Staff Regulations, which represents at least 75% of the EU gross domestic product (GDP), in accordance with the approved method manual.

Table 1 therefore shows the changes in the net remuneration, both in nominal and real terms, in each of these 11 Member States⁶. Changes in the harmonized indices of consumer prices (inflation rates) during the period June 2019 to June 2020 have been used to transform nominal changes in the remunerations into movements in real terms. In order to get the global specific indicator the results per country have been weighted in proportion to their national GDP for the year 2019 expressed in purchasing power parities.

On this basis, the global specific indicator (average change in real net remuneration) for the year 2020 is **102.5 (+2.5%)**.

Table 1
Change in the net remuneration of central government civil servants
July 2019 - July 2020

Country	Weight ¹ EU28=100	Weight in sample	Nominal net specific indicator	Consumer price indices	Real net specific indicator	Effect on the total
	(%)	(%)	(%)	(%)	(%)	
BE	2.6	3.1	1.8	0.2	1.6	0.05
DE	19.4	23.3	2.3	0.8	1.5	0.35
ES	8.2	9.9	2.2	-0.3	2.5	0.25
FR	13.8	16.6	0.3	0.2	0.1	0.02
IT	11.1	13.3	3.9	-0.4	4.3	0.57
LU	0.3	0.4	1.8	-0.4	2.2	0.01
NL	4.3	5.2	4.0	1.7	2.3	0.12
AT	2.2	2.6	6.9	1.1	5.7	0.15
PL	5.4	6.5	11.3	3.8	7.2	0.47
SE	2.4	2.9	2.1	0.9	1.2	0.03
UK	13.5	16.2	3.8	0.6	3.2	0.52
Total	83.2	100.0	3.2	0.6	2.5	2.5

¹ Basis: GDP expressed in PPP, 2019

⁶ Information for the EU28 is included in Appendix 1a.

2. CONTROL INDICATORS

In accordance with Article 1.4 (c) of Annex XI of the Staff Regulations, Eurostat also compiles comparative information for control purposes.

There is no direct equivalent of the net specific indicator. Control indicators are provided for comparison with the gross specific indicator in real and nominal terms.

2.1. Compensation of employees in central government

Eurostat compiles data concerning the real per capita emoluments in central government (ESA s.1311 expenditure on compensation of employees, divided by ESA s.1311 employee numbers⁷). These data serve as control indicators for individual countries and a weighted average is also calculated. As this control indicator is expressed in constant prices, it is compared with the gross specific indicator in real terms.

Table 2a compares the changes in real gross specific indicator for the twelve months to July 2020 with the control indicator (compensation of employees) for the calendar year 2020, where the respective values for 2019 are taken as 100. The table also shows the differences (in percent) between these two indicators.

The global compensation of employees control indicator (weighted average of individual country values) for 2020 is 103.6 (+3.6%).

Relatively big differences are apparent for some Member States. They result from conceptual and statistical differences between the gross specific indicator in real terms and the control indicator.

2.2. Labour cost index for total public administration

A control indicator of the movement in total labour cost in public administrations of the Member States (NACE group 'O') is also calculated. These data serve as control indicators for individual countries and a weighted average is also calculated. As this control indicator is expressed in nominal terms, it is compared with the nominal specific indicator of gross salaries.

Table 2b compares the changes in nominal gross specific indicator for the twelve months to July 2020 with the control indicator (labour cost index) for calendar year 2020, where the respective values for 2019 are taken as 100. The table also shows the differences (in percent) between these two indicators.

The global labour cost index control indicator (weighted average of individual country values) for 2020 is 103.3 (+3.3%).

The labour cost index control indicator is not available for all Member States. Relatively big differences are apparent for some Member States. They result from conceptual and statistical differences between the nominal gross specific indicator and the control indicator.

⁷ Where the ESA 2010 central public administration (s.1311) figure was not supplied to Eurostat by Member States, the number of employees in total public administration (= NACE Rev.2 group 'O': central public administration/defence/social security) was used instead.

Table 2a**Comparison of the gross specific indicator and the control indicator in real terms**

Country	Real gross specific indicator 2020 (2019 = 100)	Control indicator * 2020 (2019= 100)	Difference (%)
BE	101.8	102.6	0.8
DE	101.8	104.3	2.4
ES	102.9	103.8	0.9
FR	99.6	101.2	1.6
IT	100.2	100.1	-0.1
LU	102.7	107.7	4.8
NL	99.5	103.4	3.9
AT	101.2	114.3	13.0
PL	101.4	104.6	3.2
SE	101.6	105.9	4.3
UK	101.8	105.6	3.7
Total	101.2	103.6	2.4

* Compensation of employees in central government; Eurostat estimates.

Table 2b

Comparison of the gross specific indicator and the control indicator in nominal terms

Country	Nominal gross specific indicator 2020 (2019 = 100)	Control indicator * 2020 (2019 = 100)	Difference (%)
BE	102.0	102.9	0.9
DE	102.6	103.9	1.3
ES	102.6	103.8	1.2
FR	99.8	:	:
IT	99.8	99.7	-0.1
LU	102.3	102.6	0.3
NL	101.2	103.0	1.7
AT	102.3	97.4	-4.8
PL	105.3	107.2	1.8
SE	102.5	102.4	-0.1
UK	102.4	105.0	2.5
Total	101.8	103.3	1.5

* Labour Cost Index: Eurostat estimates.

3. CHANGES IN THE COST OF LIVING IN BRUSSELS AND LUXEMBOURG

For the July 2019 – July 2020 exercise Eurostat has calculated the Joint Belgium-Luxembourg Index ("JBLI") as stipulated by the Staff Regulations, in accordance with the approved method manual, by weighting national consumer price inflation as measured by the Belgium HICP and Luxembourg CPI according to the distribution of EU staff serving in those Member States.

At the start of the period under review the ratio between EU officials working in Brussels and in Luxembourg was 81.2% : 18.8%. This represents almost the same ratio as for the previous year.

The detailed breakdown of this index corresponding to the 2020 annual salary adjustment is set out in **Table 3**. The table shows that the cost of living for the EU officials in Brussels and Luxembourg during the period June 2019 – June 2020 has increased, on average by 100.7 (+0.7%).

Table 3
Change in the Joint Belgium-Luxembourg Index
June 2019 - June 2020

Groups of consumption	Weight	Index
1. Food and non-alcoholic beverages	125.9	103.00
2. Alcoholic beverages and tobacco	13.9	102.00
3. Clothing and footwear	43.1	100.10
4. Housing, water, electricity, gas and other fuels	344.2	100.10
5. Furnishings, household equipment and maintenance of house	64.5	102.10
6. Health	12.7	100.70
7. Transport	130.0	98.40
8. Communications	19.8	99.70
9. Recreation and culture	79.6	102.00
10. Education	26.7	101.40
11. Hotels, cafes and restaurants	81.1	100.50
12. Miscellaneous goods and services	58.6	101.70
Global index without rents	721.4	100.00
Rents index	278.5	102.40
Global index	1000.0	100.70

4. **UPDATE OF REMUNERATION AND PENSIONS IN BELGIUM AND LUXEMBOURG**

Taking into account the figures reported in chapters 1 and 3, and before consideration of the moderation and exception clauses in chapters 4 and 5, the adjustment of the nominal net remuneration of EU officials in Brussels and Luxembourg with effect from July 2020, which is necessary to maintain a parallel development of purchasing power with the civil servants in the Member States, is equal to:

$$\begin{array}{r} \text{Annual update} \\ 102.5 \times 100.7 \\ \hline 100 \end{array} - 100 = +3.2\%$$

The same adjustment applies to the nominal pensions of retired EU officials in Belgium and Luxembourg.

5. **MODERATION CLAUSE**

In accordance with Article 10 of Annex XI to the Staff Regulations, if the value of the specific indicator exceeds an upper limit of +2% or is below a lower limit of -2%, then the value of the limit shall instead be used to establish the annual update which applies with effect from 1 July – and the remainder of the annual update shall be applied with effect from 1 April.

As the calculated global specific indicator value for the current exercise which is reported in Chapter 1 falls outside these boundaries, this moderation clause would normally be triggered. However, because the exception clause described in Chapter 6 applies, the moderation clause does not apply for the adjustment of the nominal net remuneration of EU officials in Brussels and Luxembourg with effect from 1 July 2020.

6. **EXCEPTION CLAUSE**

In accordance with Article 11 of Annex XI to the Staff Regulations, if the value of the specific indicator is positive, but there is a decrease in the EU total gross domestic product for the current year according to the latest available forecast produced by the Commission, then only part of the specific indicator shall be used to calculate the annual update and the remainder shall be delayed.

Four scenarios are therefore possible:

	GDP evolution	1 July	1 April	Cumulative*
1	$0\% \leq X$	100%	0%	0%
2	$-1.0\% \leq X < 0\%$	33%	67%	0%
3	$-3.0\% \leq X < -1.0\%$	0%	100%	0%
4	$X < -3.0\%$	0%	0%	100%
* 1 July in year when cumulative GDP is again positive				

The European Economic Forecast issued by DG ECFIN on 7 July 2020 estimated that GDP for the EU as a whole in real terms will decrease by -8.3% for 2020, and growth of +5.8% is foreseen for 2021⁸.

As GDP evolution for the EU in real terms for 2020 is forecast to be negative, and the global specific indicator for the current exercise which is reported in Chapter 1 is positive, the exception clause does apply. As the forecast decrease is more than -3.0%, the calculated value of the specific indicator component should be postponed until cumulative GDP for the EU is again positive, and only the cost of living component of the proposed update for the current exercise which is reported in chapter 3 should be used with effect from 1 July 2020. Eurostat will monitor the evolution of GDP to establish when it becomes positive again⁹.

Consequently, the annual update of remuneration and pensions in Belgium and Luxembourg which should apply from 1 July 2020 is equal to:

$$\frac{100.0 \times 100.7}{100} - 100 = +0.7\%$$

⁸ https://ec.europa.eu/info/publications/european-economic-forecast-summer-2020_en

⁹ The A65 methodology manual foresees that if forecast data is not used, the assessment of such a GDP evolution can be done using GDP values which are supplied by Member States in accordance with the ESA 2010 transmission table.

Review of previous year

In accordance with Article 11 of Annex XI to the Staff regulations, if there is a gap between the forecast used in the Annual Report for the previous year and the final GDP data for that calendar year, which would modify the original assessment whether the exception clause should have applied, a retroactive adjustment should take place.

The published real GDP growth rate (percentage change on previous year) for the EU as a whole for calendar year 2019 is +1.5%¹⁰. This confirms the positive GDP forecast which was used in the previous Annual Report. Consequently, no retroactive correction is required to the annual update which was established at 1 July 2019.

7. ADJUSTMENT OF REMUNERATION AND PENSIONS OUTSIDE BELGIUM AND LUXEMBOURG

The value of the annual update for duty station locations outside Brussels (active staff) and places of residence outside Belgium (pensioners) is equal to the product of the annual update for Brussels (active staff) or Belgium (pensioners) multiplied by the change in the economic parities between Brussels and the duty station (active staff) or Belgium and the country of residence (pensioners).

In accordance with Article 3(5) of Annex XI no correction coefficient is applicable in Luxembourg.

8. CORRECTION COEFFICIENTS FOR STAFF OUTSIDE BELGIUM AND LUXEMBOURG IN INTRA-EU DUTY STATIONS¹¹

This section presents the values of the economic parities and correction coefficients for staff, calculated in accordance with the approved method manual.

The object of the economic parities is to compare the relative costs of living of EU officials in Brussels (reference city) with each of the European capitals and other places of employment in the European Union for which a correction coefficient has been set. The method used is to compare the price of a "basket" of goods and services in Brussels with the prices of similar goods and services in each of the other places of employment. The weighted average of all the price ratios is the "economic parity". The average consumption expenditure patterns of EU officials are used as weights, identified by means of periodic surveys of household expenditure. In places of employment outside Brussels with very few officials, a common structure pooling all the questionnaires from similar locations is derived instead.

The changes in the cost of living in the places of employment outside Belgium and Luxembourg are measured by the implicit price indices which are calculated as the

¹⁰ Source: Eurostat Free Data Table tec00115 (extracted 19.10.2020)¹¹ A separate chapter is prepared concerning correction coefficients for duty stations outside the European Union, to which the additional provisions of Annex X to the Staff Regulations also apply.

¹¹ A separate chapter is prepared concerning correction coefficients for duty stations outside the European Union, to which the additional provisions of Annex X to the Staff Regulations also apply.

product of the Joint Belgium-Luxembourg Index of consumer prices (JBLI) and the changes in the economic parities between Brussels and those other places. **Table 4** shows these changes for the year to July 2020.

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 are determined on the basis of the relationships between the economic parities and the exchange rates for the month of July.

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.

Table 5 shows the calculation of the correction coefficients at July 2020 for places of employment situated in the European Union territory for which correction coefficients have been set.

Table 4

**Changes in the economic parities in the twelve months to 1st July 2020
(for staff)**

Country Place of employment	Parity 1.7.2019	Parity 1.7.2020	Change (%)	Implicit price index
BE/LU Brussels/Luxembourg	1.000	1.000	0.0	0.7
BG Sofia	1.124	1.157	2.9	3.6
CZ Prague	21.74	22.87	5.2	5.9
DK Copenhagen	9.648	9.786	1.4	2.1
DE Berlin	0.994	1.019	2.5	3.2
Bonn	0.951	0.958	0.7	1.4
Karlsruhe	0.965	0.980	1.6	2.3
Munich	1.103	1.139	3.3	4.0
EE Tallinn	0.833	0.823	-1.1	-0.4
IE Dublin	1.192	1.290	8.2	9.0
EL Athens	0.818	0.814	-0.5	0.2
ES Madrid	0.916	0.942	2.9	3.6
FR Paris	1.177	1.205	2.4	3.1
HR Zagreb	5.612	5.738	2.2	3.0
IT Rome	0.952	0.950	-0.2	0.5
Varese	0.900	0.907	0.7	1.5
CY Nicosia	0.789	0.782	-0.9	-0.2
LV Riga	0.787	0.775	-1.5	-0.8
LT Vilnius	0.751	0.766	2.0	2.7
HU Budapest	243.8	256.2	5.1	5.8
MT Valletta	0.920	0.947	2.9	3.7
NL The Hague	1.115	1.139	2.2	2.9
AT Vienna	1.060	1.079	1.8	2.5
PL Warsaw	3.023	3.168	4.8	5.5
PT Lisbon	0.886	0.911	2.9	3.6
RO Bucharest	3.082	3.227	4.7	5.5
SI Ljubljana	0.846	0.861	1.9	2.6
SK Bratislava	0.790	0.806	2.0	2.7
FI Helsinki	1.181	1.184	0.3	1.0
SE Stockholm	12.71	13.02	2.5	3.2

Note: For each duty station, implicit index = parity change (%) x joint BE/LU index

Table 5
Calculation of correction coefficients at 1st July 2020
(for staff)

Country Place of employment	Parity [1]	Exchange rate [2]	Correction coefficient 100 * [1] / [2]
BE/LU Brussels/Luxembourg	1.000	1.000	100.0
BG Sofia	1.157	1.956	59.1
CZ Prague	22.87	26.85	85.2
DK Copenhagen	9.786	7.453	131.3
DE Berlin	1.019	1.000	101.9
Bonn	0.958	1.000	95.8
Karlsruhe	0.980	1.000	98.0
Munich	1.139	1.000	113.9
EE Tallinn	0.823	1.000	82.3
IE Dublin	1.290	1.000	129.0
EL Athens	0.814	1.000	81.4
ES Madrid	0.942	1.000	94.2
FR Paris	1.205	1.000	120.5
HR Zagreb	5.738	7.569	75.8
IT Rome	0.950	1.000	95.0
Varese	0.907	1.000	90.7
CY Nicosia	0.782	1.000	78.2
LV Riga	0.775	1.000	77.5
LT Vilnius	0.766	1.000	76.6
HU Budapest	256.2	356.3	71.9
MT Valletta	0.947	1.000	94.7
NL The Hague	1.139	1.000	113.9
AT Vienna	1.079	1.000	107.9
PL Warsaw	3.168	4.466	70.9
PT Lisbon	0.911	1.000	91.1
RO Bucharest	3.227	4.844	66.6
SI Ljubljana	0.861	1.000	86.1
SK Bratislava	0.806	1.000	80.6
FI Helsinki	1.184	1.000	118.4
SE Stockholm	13.02	10.48	124.3

9. CORRECTION COEFFICIENTS FOR PENSIONERS OUTSIDE BELGIUM AND LUXEMBOURG

This section presents the values of the economic parities and the correction coefficients for pensioners, calculated in accordance with the approved method manual.

The Staff Regulations stipulate the creation of correction coefficients for pensioners separate from those used for adjusting the remuneration of active staff¹². The difference is that instead of being based on capital city price comparisons they relate to national comparisons, with Belgium as the base country.

Their use is subject to specific rules set out in the Staff Regulations.

The changes in the cost of living in Member States other than Belgium and Luxembourg are measured by the implicit indices which are calculated as the product of the Joint Belgium-Luxembourg Index of consumer prices (JBLI) and the changes in the economic parities between Belgium and the Member States.

Table 6 shows these changes for the year to July 2020.

Table 7 shows the correction coefficients calculated for pensioners for all Member States (relative to Belgium) at July 2020.

¹² This requirement was first introduced by Council Regulation 723/2004

Table 6
Changes in the economic parities in the twelve months to 1st July 2020
(for pensioners)

Country	Parity 1.7.2019	Parity 1.7.2020	Change (%)	Implicit price index
BE/LU	1.000	1.000	0.0	0.7
BG	1.090	1.106	1.5	2.2
CZ	18.82	19.27	2.4	3.1
DK	9.865	9.895	0.3	1.0
DE	1.005	1.012	0.8	1.5
EE	0.860	0.851	-1.0	-0.3
IE	1.233	1.207	-2.1	-1.4
EL	0.790	0.791	0.1	0.8
ES	0.892	0.907	1.7	2.4
FR	1.100	1.103	0.3	1.0
HR	4.974	5.054	1.6	2.3
IT	0.955	0.962	0.7	1.4
CY	0.824	0.812	-1.5	-0.8
LV	0.731	0.723	-1.1	-0.4
LT	0.677	0.687	1.5	2.2
HU	207.2	213.6	3.1	3.8
MT	0.953	0.979	2.7	3.4
NL	1.113	1.116	0.3	1.0
AT	1.082	1.099	1.5	2.3
PL	2.584	2.727	5.5	6.3
PT	0.867	0.872	0.6	1.3
RO	2.641	2.763	4.6	5.4
SI	0.822	0.822	0.0	0.7
SK	0.692	0.743	7.3	8.0
FI	1.203	1.203	0.0	0.7
SE	11.66	11.86	1.7	2.4
UK	1.085	1.091	0.6	1.3

Note: For each country, implicit index = parity change (%) x joint BE/LU index

Table 7
Calculation of correction coefficients at 1st July 2020
(for pensioners)

Country	Parity [1]	Exchange rate [2]	Correction coefficient 100 * [1] / [2]
BE/LU	1.000	1.000	100.0
BG	1.106	1.956	56.6
CZ	19.27	26.85	71.8
DK	9.895	7.453	132.8
DE	1.012	1.000	101.2
EE	0.851	1.000	85.1
IE	1.207	1.000	120.7
EL	0.791	1.000	79.1
ES	0.907	1.000	90.7
FR	1.103	1.000	110.3
HR	5.054	7.569	66.8
IT	0.962	1.000	96.2
CY	0.812	1.000	81.2
LV	0.723	1.000	72.3
LT	0.687	1.000	68.7
HU	213.6	356.3	60.0
MT	0.979	1.000	97.9
NL	1.116	1.000	111.6
AT	1.099	1.000	109.9
PL	2.727	4.466	61.1
PT	0.872	1.000	87.2
RO	2.763	4.844	57.0
SI	0.822	1.000	82.2
SK	0.743	1.000	74.3
FI	1.203	1.000	120.3
SE	11.86	10.48	113.2
UK	1.091	0.9154	119.2

10. CORRECTION COEFFICIENTS FOR STAFF SERVING OUTSIDE THE EUROPEAN UNION

The Staff Regulations stipulate the creation of correction coefficients for staff serving in duty stations outside the European Union separate from those used for adjusting the remuneration of active staff within the European Union¹³.

This section presents the values of the economic parities and the correction coefficients for Extra-EU staff, calculated in accordance with the approved method manual.

An important difference from the values established for Intra-EU locations is that expenditure on housing is not taken into account because Annex X makes specific arrangements for these¹⁴. Price data for remaining consumption items is taken from “place-to-place” (P2P) surveys undertaken in collaboration with the United Nations International Civil Service Commission (UN.ICSC) and the International Service for Remuneration and Pensions of the Coordinated Organisations (CO.ISRP). This data is used to establish economic parities with Brussels, which are subsequently updated using published national consumer price indices (CPI), relative to the Joint Belgium-Luxembourg Index of consumer prices (JBLI). Basic heading parities are aggregated using consumption expenditure weights derived from periodic family budget surveys conducted amongst EU staff.

Another important difference is that in accordance with Annex X of the Staff Regulations, correction coefficients are only applied at the specific request of the EU official, irrespective whether they are above or below 100.

Information is compiled for a list of 147¹⁵ Extra-EU duty stations, however economic parities are not presented where data is unavailable or unreliable due to local instability or other reasons. The total changes in the cost of living are measured by the implicit indices which are calculated as the product of the Joint Belgium-Luxembourg Index of consumer prices (JBLI) and the changes in the economic parities between Brussels and the duty station concerned.

Table 8 shows these changes for the year to July 2020.

Table 9 shows the correction coefficients for all extra-EU duty stations (relative to Brussels) calculated at July 2020.

¹³ This requirement was first introduced by Council Regulation 3019/87

¹⁴ With effect from 2016, education and healthcare prices and consumption expenditure are taken into account when available. In accordance with decision at March 2016 meeting of Working Group on Articles 64&65, and agreement with international partner organisations, Extra-EU PPP are now established using the same classification of 80 basic headings as employed for Intra-EU purposes (sole exception: housing).

¹⁵ Two Extra-EU duty station added since July 2019. None deleted.

Table 8 (page 1 of 3)

Changes in the economic parities in the 12 months to 1st July 2020
(for staff serving in Extra- EU delegations)

Place of employment				Economic Parities	Economic Parities	CHANGE (in %)	Implicit Index
Code		Country	City	Jul-2020	Jul-2019	Jul-2020 - Jul-2019	Jul-2020 - Jul-2019
BE	(1)	Belgium / Luxembourg	Brussels / Luxembourg	1.000	1.000	0.0	0.7
AF	(5)	Afghanistan	Kabul	0	0		
AL	(8)	Albania	Tirana	66.44	77.27	-14.0	-13.4
DZ	(6)	Algeria	Algiers	96.22	87.59	9.9	10.6
AO	(6)	Angola	Luanda	486.2	398.2	22.1	23
AR	(6)	Argentina	Buenos Aires	44.00	23.65	86.0	87.3
AM		Armenia	Yerevan	409.5	409.9	-0.1	0.6
AU	(7)	Australia	Canberra	1.610	1.544	4.3	5
AZ		Azerbaijan	Baku	1.740	1.680	3.6	4.3
BD	(6)	Bangladesh	Dhaka	80.17	79.94	0.3	1
BB		Barbados	Bridgetown	2.445	2.371	3.1	3.8
BY		Belarus	Minsk	1.932	1.883	2.6	3.3
BZ	(6)	Belize	Belize (Belmopan)	1.918	1.779	7.8	8.6
BJ	(3)	Benin	Cotonou	524.3	506.1	3.6	4.3
BO		Bolivia	La Paz	6.508	6.563	-0.8	-0.1
BA-BL	(5)	Bosnia and Herzegovina	Banja Luka	0	0		
BA-SA	(8)	Bosnia and Herzegovina	Sarajevo	1.052	1.204	-12.6	-12
BW		Botswana	Gaborone	8.186	8.008	2.2	2.9
BR		Brazil	Brasilia	3.123	3.165	-1.3	-0.6
BF	(3)(6)	Burkina Faso	Ouagadougou	608.8	608.1	0.1	0.8
BI		Burundi	Bujumbura	1781	1755	1.5	2.2
KH		Cambodia	Phnom Penh	3589	3542	1.3	2
CM	(3)	Cameroon	Yaounde	621.3	557.9	11.4	12.1
CA	(7)	Canada	Ottawa	1.460	1.412	3.4	4.1
CV		Cape Verde	Praia	76.70	77.75	-1.4	-0.7
CF	(3)	Central African Republic	Bangui	714.2	717.1	-0.4	0.3
TD	(3)(6)	Chad	Ndjamena	615.1	559.4	10.0	10.7
CL	(7)	Chile	Santiago	592.0	658.1	-10.0	-9.4
CN		China	Beijing	6.560	6.606	-0.7	0
CO		Colombia	Bogota	2246	2222	1.1	1.8
KM	(6)	Comoros	Moroni	465.7	368.6	26.3	27.2
CG	(3)	Congo	Brazzaville	778.9	782.5	-0.5	0.2
CR	(6)	Costa Rica	San Jose	526.3	483.5	8.9	9.6
CU	(2)(6)	Cuba	Havana	0.9422	0.9512	-0.9	-0.3
CD		Democratic Republic of the Congo	Kinshasa	2748	1978	38.9	39.9
DJ	(6)	Djibouti	Djibouti	190.6	175.5	8.6	9.4
DO	(6)	Dominican Republic	Santo Domingo	35.10	32.24	8.9	9.6
EC	(2)	Ecuador	Quito	0.8213	0.8419	-2.4	-1.8
EG		Egypt	Cairo	15.48	14.42	7.4	8.1
SV	(2)	El Salvador	San Salvador	0.7828	0.7978	-1.9	-1.2
ER	(6)	Eritrea	Asmara	19.94	20.37	-2.1	-1.4
SZ		eSwatini	Mbabane	10.35	10.25	1.0	1.7
ET		Ethiopia	Addis Ababa	31.75	30.17	5.2	6
FJ		Fiji	Suva	1.788	1.799	-0.6	0.1
GA	(3)	Gabon	Libreville	692.4	678.7	2.0	2.7
GM	(6)	Gambia	Banjul	42.77	35.53	20.4	21.2
GE		Georgia	Tbilisi	2.070	1.976	4.8	5.5
GH		Ghana	Accra	5.407	5.010	7.9	8.7
GT		Guatemala	Guatemala City	7.336	7.450	-1.5	-0.8
GN		Guinea	Conakry	10001	9482	5.5	6.2
GW	(3)	Guinea-Bissau	Bissau	491.7	498.7	-1.4	-0.7
GY		Guyana	Georgetown	165.6	169.2	-2.1	-1.4

Table 8 (page 2 of 3)

**Changes in the economic parities in the 12 months to 1st July 2020
(for staff serving in Extra- EU delegations)**

Place of employment				Economic Parities	Economic Parities	CHANGE (in %)	Implicit Index
Code		Country	City	Jul-2020	Jul-2019	Jul-2020 - Jul-2019	Jul-2020 - Jul-2019
HT		Haiti	Port-au-Prince	99.30	82.64	20.2	21
HN		Honduras	Tegucigalpa	19.80	19.54	1.3	2
HK		Hong Kong	Hong Kong	9.964	10.12	-1.5	-0.9
IS	(8)	Iceland	Reykjavik	179.7	176.9	1.6	2.3
IN		India	New Delhi	61.60	59.22	4.0	4.7
ID-AC	(5)	Indonesia	Banda Aceh	0	0		
ID-JK	(6)	Indonesia	Jakarta	12198	11299	8.0	8.7
IR	(6)	Iran	Teheran	55018	0		
IQ	(5)	Iraq	Baghdad	0	0		
IL	(7)	Israel	Tel-Aviv	4.352	4.323	0.7	1.4
CI	(3)	Ivory Coast	Abidjan	589.4	587.9	0.3	1
JM		Jamaica	Kingston	122.8	119.2	3.0	3.7
JP	(7)	Japan	Tokyo	135.4	124.1	9.1	9.9
JO	(6)	Jordan	Amman	0.7524	0.8007	-6.0	-5.4
KZ	(6)	Kazakhstan	Nur-Sultan	303.6	265.0	14.6	15.4
KE		Kenya	Nairobi	97.80	98.21	-0.4	0.3
XK	(4)	Kosovo	Pristina	0.6817	0.7015	-2.8	-2.1
KW	(6)	Kuwait	Kuwait City	0.2959	0		
KG		Kyrgyzstan	Bichkek	61.21	55.71	9.9	10.6
LA		Laos	Vientiane	8240	7658	7.6	8.4
LB		Lebanon	Beirut	4040	1671	141.8	143.5
LS		Lesotho	Maseru	10.50	10.44	0.6	1.3
LR	(6)(9)	Liberia	Monrovia	405.2	427.4	-5.2	-4.5
LY	(5)	Libya	Tripoli	0	0		
MG		Madagascar	Antananarivo	3272	3308	-1.1	-0.4
MW	(6)	Malawi	Lilongwe	544.5	474.8	14.7	15.5
MY	(6)	Malaysia	Kuala Lumpur	3.056	2.986	2.3	3.1
ML	(3)	Mali	Bamako	486.7	483.8	0.6	1.3
MR		Mauritania	Nouakchott	31.03	29.26	6.0	6.8
MU	(6)	Mauritius	Port Louis	32.57	28.63	13.8	14.6
MX	(7)	Mexico	Mexico City	13.31	13.39	-0.6	0.1
MD	(6)	Moldova	Chisinau	14.12	13.31	6.1	6.8
MN		Mongolia	Ulan Bator	2157	2051	5.2	5.9
ME	(4)(8)	Montenegro	Podgorica	0.5378	0.6288	-14.5	-13.9
MA	(6)	Morocco	Rabat	8.854	7.754	14.2	15
MZ		Mozambique	Maputo	55.07	55.54	-0.8	-0.2
MM	(6)	Myanmar	Yangon	1181	1088	8.5	9.3
NA		Namibia	Windhoek	12.70	12.50	1.6	2.3
NP	(6)	Nepal	Kathmandu	104.4	113.5	-8.0	-7.4
NC		New Caledonia	NouMea	124.2	127.7	-2.7	-2.1
NZ	(7)	New Zealand	Wellington	1.352	1.632	-17.2	-16.6
NI		Nicaragua	Managua	29.15	28.94	0.7	1.4
NE	(3)	Niger	Niamey	497.5	488.8	1.8	2.5
NG	(6)	Nigeria	Abuja	353.7	307.1	15.2	16
MK	(8)	North Macedonia	Skopje	26.37	32.08	-17.8	-17.2
NO	(8)	Norway	Oslo	12.92	12.51	3.3	4
PK	(6)	Pakistan	Islamabad	102.5	77.88	31.6	32.5
PA	(2)	Panama	Panama City	0.9345	0.9641	-3.1	-2.4
PG	(6)	Papua New Guinea	Port Moresby	3.678	3.485	5.5	6.3
PY		Paraguay	Asuncion	4095	4146	-1.2	-0.5
PE		Peru	Lima	3.258	3.284	-0.8	-0.1
PH		Philippines	Manilla	52.09	51.90	0.4	1.1
RU	(6)	Russia	Moscow	73.12	72.29	1.1	1.9
RW		Rwanda	Kigali	878.1	812.0	8.1	8.9

Table 8 (page 3 of 3)
Changes in the economic parities in the 12 months to 1st July 2020
(for staff serving in Extra- EU delegations)

Place of employment				Economic Parities	Economic Parities	CHANGE (in %)	Implicit Index
Code		Country	City	Jul-2020	Jul-2019	Jul-2020 - Jul-2019	Jul-2020 - Jul-2019
WS		Samoa	Apia	2.259	2.184	3.4	4.2
SA		Saudi Arabia	Riyadh	3.638	3.695	-1.5	-0.9
SN	(3)(6)	Senegal	Dakar	573.1	625.2	-8.3	-7.7
RS	(8)	Serbia	Belgrade	66.14	64.58	2.4	3.1
SL		Sierra Leone	Freetown	10430	9759	6.9	7.6
SG		Singapore	Singapore	1.870	1.906	-1.9	-1.2
SB	(6)	Solomon Islands	Honiara	9.314	9.738	-4.4	-3.7
SO	(5)	Somalia	Mogadishu	0	0		
ZA	(6)	South Africa	Pretoria	10.11	9.058	11.6	12.4
KR	(7)	South Korea	Seoul	1249	1242	0.6	1.3
SS	(6)	South-Sudan	Juba	461.6	366.5	25.9	26.8
LK		Sri Lanka	Colombo	157.1	156.4	0.4	1.2
SD	(6)	Sudan	Khartoum	69.51	34.97	98.8	100.2
SR	(6)	Suriname	Paramaribo	8.306	5.806	43.1	44.1
CH-BE	(8)	Switzerland	Bern	1.378	1.412	-2.4	-1.7
CH-GE	(8)	Switzerland	Geneva	1.378	1.412	-2.4	-1.7
SY	(5)	Syria	Damascus	0	0		
TW		Taiwan	Taipei	27.69	28.61	-3.2	-2.5
TJ		Tajikistan	Dushanbe	7.589	5.765	31.6	32.6
TZ		Tanzania	Dar es Salaam	1992	1977	0.8	1.5
TH		Thailand	Bangkok	26.79	28.68	-6.6	-5.9
TP	(2)	Timor Leste	Dili	0.8885	0.9008	-1.4	-0.7
TG	(3)(6)	Togo	Lome	624.4	519.1	20.3	21.1
TT		Trinidad and Tobago	Port-of-Spain	5.887	5.955	-1.1	-0.4
TN	(6)	Tunisia	Tunis	2.360	2.132	10.7	11.5
TR	(8)	Turkey	Ankara	3.737	3.332	12.2	12.9
TM	(6)	Turkmenistan	Ashkhabad	4.785	4.472	7.0	7.7
UG		Uganda	Kampala	2742	2681	2.3	3
UA		Ukraine	Kiev	24.74	24.45	1.2	1.9
AE		United Arab Emirates	Abu Dhabi	3.827	4.179	-8.4	-7.8
GB	(8)	United Kingdom	London	0.8936	0		
US-NY		United States	New York	1.144	1.165	-1.8	-1.1
US-WA	(7)	United States	Washington	1.021	0.9866	3.5	4.2
UY		Uruguay	Montevideo	37.06	34.94	6.1	6.8
UZ		Uzbekistan	Tachkent	6962	4701	48.1	49.1
VU		Vanuatu	Port Vila	131.3	129.5	1.4	2.1
VE	(5)	Venezuela	Caracas	0	0		
VN		Vietnam	Hanoi	18912	16570	14.1	14.9
PS-GZA		West Bank — Gaza Strip	East Jerusalem	4.352	4.323	0.7	1.4
YE	(5)	Yemen	Sana'a	0	0		
ZM		Zambia	Lusaka	10.50	9.135	14.9	15.7
ZW	(2)	Zimbabwe	Harare	1.297	1.310	-1.0	-0.3

In the table above:

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

(2) 1 euro = USD (6 Duty Station(s): Cuba, Ecuador, El Salvador, Panama, Timor Leste, Zimbabwe)

(3) 1 euro = CFA (13 Duty Station(s): Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Congo, Gabon, Guinea-Bissau, Ivory Coast, Mali, Niger, Senegal, Togo)

(4) Currency = Euro (2 Duty Station(s) : Kosovo, Montenegro)

(5) Not available (9 Duty Station(s): Afghanistan, Bosnia and Herzegovina (Banja Luka), Indonesia (Banda Aceh), Iraq, Libya, Somalia, Syria, Venezuela, Yemen)

(6) UN P2P processed (42 Duty Station(s): 11 in the first interim report and 31 in the second interim report)

(7) ISRP ECP PPP processed (9 Duty Station(s) : Australia, Canada, Chile, Israel, Japan, Mexico, New Zealand, South Korea, United States (Washington))

(8) ESTAT ECP PPP processed (11 Duty Station(s): 14 in the first interim report (Iceland, Norway, Switzerland (Bern, Geneva), Turkey, Albania, Bosnia & Herzegovina-Sarajevo, North Macedonia, Montenegro, Serbia) and 1 in the second interim report (United Kingdom)

(9) For Liberia, the PPP at July 2019 is re-expressed in LRD for comparison purpose with July 2020. Originally the PPP at July 2019 was expressed in USD

Table 9 (page 1 of 3)
Calculation of correction coefficients at 1st July 2020
(for staff serving in Extra- EU delegations)

Code		Country	City	Parity	Exchange rate	Correction coefficients
				[1]	[2]	100 * [1] / [2]
BE	(1)	Belgium / Luxembourg	Brussels / Luxembourg	1.000	1.00000	100.0
AF	(5)	Afghanistan	Kabul	0	0	0
AL	(8)	Albania	Tirana	66.44	124.140	53.5
DZ	(6)	Algeria	Algiers	96.22	145.530	66.1
AO	(6)	Angola	Luanda	486.2	656.011	74.1
AR	(6)	Argentina	Buenos Aires	44.00	79.1685	55.6
AM		Armenia	Yerevan	409.5	542.730	75.5
AU	(7)	Australia	Canberra	1.610	1.64060	98.1
AZ		Azerbaijan	Baku	1.740	1.91828	90.7
BD	(6)	Bangladesh	Dhaka	80.17	95.7447	83.7
BB		Barbados	Bridgetown	2.445	2.26889	107.8
BY		Belarus	Minsk	1.932	2.68050	72.1
BZ	(6)	Belize	Belize (Belmopan)	1.918	2.25680	85.0
BJ	(3)	Benin	Cotonou	524.3	655.957	79.9
BO		Bolivia	La Paz	6.508	7.79724	83.5
BA-BL	(5)	Bosnia and Herzegovina	Banja Luka	0	0	0
BA-SA	(8)	Bosnia and Herzegovina	Sarajevo	1.052	1.95583	53.8
BW		Botswana	Gaberone	8.186	13.2802	61.6
BR		Brazil	Brasilia	3.123	6.11050	51.1
BF	(3)(6)	Burkina Faso	Ouagadougou	608.8	655.957	92.8
BI		Burundi	Bujumbura	1781	2154.29	82.7
KH		Cambodia	Phnom Penh	3589	4608.00	77.9
CM	(3)	Cameroon	Yaounde	621.3	655.957	94.7
CA	(7)	Canada	Ottawa	1.460	1.54090	94.7
CV		Cape Verde	Praia	76.70	110.265	69.6
CF	(3)(6)	Central African Republic	Bangui	714.2	655.957	108.9
TD	(3)(6)	Chad	Ndjamena	615.1	655.957	93.8
CL	(7)	Chile	Santiago	592.0	926.055	63.9
CN		China	Beijing	6.560	7.98410	82.2
CO		Colombia	Bogota	2246	4200.21	53.5
KM	(6)	Comoros	Moroni	465.7	491.968	94.7
CG	(3)	Congo	Brazzaville	778.9	655.957	118.7
CR	(6)	Costa Rica	San Jose	526.3	653.676	80.5
CU	(2)(6)	Cuba	Havana	0.9422	1.12840	83.5
CD		Democratic Republic of the Congo	Kinshasa	2748	2139.67	128.4
DJ	(6)	Djibouti	Djibouti	190.6	201.938	94.4
DO	(6)	Dominican Republic	Santo Domingo	35.10	65.6050	53.5
EC	(2)	Ecuador	Quito	0.8213	1.12840	72.8
EG		Egypt	Cairo	15.48	18.2321	84.9
SV	(2)	El Salvador	San Salvador	0.7828	1.12840	69.4
ER	(6)	Eritrea	Asmara	19.94	17.1391	116.3
SZ		eSwatini	Mbabane	10.35	19.4262	53.3
ET		Ethiopia	Addis Ababa	31.75	38.8541	81.7
FJ		Fiji	Suva	1.788	2.45098	73.0
GA	(3)	Gabon	Libreville	692.4	655.957	105.6
GM	(6)	Gambia	Banjul	42.77	57.3400	74.6
GE		Georgia	Tbilisi	2.070	3.45280	60.0
GH		Ghana	Accra	5.407	6.37030	84.9
GT		Guatemala	Guatemala City	7.336	8.68900	84.4
GN		Guinea	Conakry	10001	10838.40	92.3
GW	(3)	Guinea-Bissau	Bissau	491.7	655.957	75.0
GY		Guyana	Georgetown	165.6	236.270	70.1

Table 9 (page 2 of 3)
Calculation of correction coefficients at 1st July 2020
(for staff serving in Extra- EU delegations)

Code		Country	City	Parity [1]	Exchange [2]	Correction 100 * [1] / [2]
HT		Haiti	Port-au-Prince	99.30	127.098	78.1
HN		Honduras	Tegucigalpa	19.80	27.8857	71.0
HK		Hong Kong	Hong Kong	9.964	8.74560	113.9
IS	(8)	Iceland	Reykjavik	179.7	155.400	115.6
IN		India	New Delhi	61.60	85.1920	72.3
ID-AC	(5)	Indonesia	Banda Aceh	0	0	0
ID-JK	(6)	Indonesia	Jakarta	12198	16213.10	75.2
IR	(6)	Iran	Teheran	55018	47392.80	116.1
IQ	(5)	Iraq	Baghdad	0	0	0
IL	(7)	Israel	Tel-Aviv	4.352	3.87450	112.3
CI	(3)	Ivory Coast	Abidjan	589.4	655.957	89.9
JM		Jamaica	Kingston	122.8	156.254	78.6
JP	(7)	Japan	Tokyo	135.4	121.070	111.8
JO	(6)	Jordan	Amman	0.7524	0.800040	94.0
KZ	(6)	Kazakhstan	Nur-Sultan	303.6	453.790	66.9
KE		Kenya	Nairobi	97.80	120.044	81.5
XK	(4)	Kosovo	Pristina	0.6817	1.00000	68.2
KW	(6)	Kuwait	Kuwait City	0.2959	0.347210	85.2
KG		Kyrgyzstan	Bichkek	61.21	84.7680	72.2
LA		Laos	Vientiane	8240	10181.00	80.9
LB		Lebanon	Beirut	4040	1701.06	237.5
LS		Lesotho	Maseru	10.50	19.4262	54.1
LR	(6)(9)	Liberia	Monrovia	405.2	224.875	180.2
LY	(5)	Libya	Tripoli	0	0	0
MG		Madagascar	Antananarivo	3272	4317.50	75.8
MW	(6)	Malawi	Lilongwe	544.5	828.012	65.8
MY	(6)	Malaysia	Kuala Lumpur	3.056	4.83520	63.2
ML	(3)	Mali	Bamako	486.7	655.957	74.2
MR		Mauritania	Nouakchott	31.03	42.1950	73.5
MU	(6)	Mauritius	Port Louis	32.57	45.0114	72.4
MX	(7)	Mexico	Mexico City	13.31	25.9230	51.3
MD	(6)	Moldova	Chisinau	14.12	19.6089	72.0
MN		Mongolia	Ulan Bator	2157	3182.73	67.8
ME	(4)(8)	Montenegro	Podgorica	0.5378	1.00000	53.8
MA	(6)	Morocco	Rabat	8.854	10.8717	81.4
MZ		Mozambique	Maputo	55.07	78.9800	69.7
MM	(6)	Myanmar	Yangon	1181	1586.53	74.4
NA		Namibia	Windhoek	12.70	19.4262	65.4
NP	(6)	Nepal	Kathmandu	104.4	136.860	76.3
NC		New Caledonia	NouMea	124.2	119.332	104.1
NZ	(7)	New Zealand	Wellington	1.352	1.75330	77.1
NI		Nicaragua	Managua	29.15	38.7482	75.2
NE	(3)	Niger	Niamey	497.5	655.957	75.8
NG	(6)	Nigeria	Abuja	353.7	434.166	81.5
MK	(8)	North Macedonia	Skopje	26.37	61.6950	42.7
NO	(8)	Norway	Oslo	12.92	10.9013	118.5
PK	(6)	Pakistan	Islamabad	102.5	187.818	54.6
PA	(2)	Panama	Panama City	0.9345	1.12840	82.8
PG	(6)	Papua New Guinea	Port Moresby	3.678	3.90450	94.2
PY		Paraguay	Asuncion	4095	7599.74	53.9
PE		Peru	Lima	3.258	3.97310	82.0
PH		Philippines	Manilla	52.09	56.2580	92.6
RU	(6)	Russia	Moscow	73.12	78.9169	92.7
RW		Rwanda	Kigali	878.1	1053.30	83.4

Table 9 (page 3 of 3)
Calculation of correction coefficients at 1st July 2020
(for staff serving in Extra- EU delegations)

Code		Country	City	Parity [1]	Exchange [2]	Correction 100 * [1] / [2]
WS		Samoa	Apia	2.259	3.02309	74.7
SA		Saudi Arabia	Riyadh	3.638	4.23150	86.0
SN	(3)(6)	Senegal	Dakar	573.1	655.957	87.4
RS	(8)	Serbia	Belgrade	66.14	117.583	56.2
SL		Sierra Leone	Freetown	10430	10992.30	94.9
SG		Singapore	Singapore	1.870	1.57080	119.0
SB	(6)	Solomon Islands	Honiara	9.314	9.24916	100.7
SO	(5)	Somalia	Mogadishu	0	0	0
ZA	(6)	South Africa	Pretoria	10.11	19.4262	52.0
KR	(7)	South Korea	Seoul	1249	1352.81	92.3
SS	(6)	South-Sudan	Juba	461.6	184.629	250.0
LK		Sri Lanka	Colombo	157.1	209.823	74.9
SD	(6)	Sudan	Khartoum	69.51	62.0242	112.1
SR	(6)	Suriname	Paramaribo	8.306	8.41561	98.7
CH-BE	(8)	Switzerland	Bern	1.378	1.06690	129.2
CH-GE	(8)	Switzerland	Geneva	1.378	1.06690	129.2
SY	(5)	Syria	Damascus	0	0	0
TW		Taiwan	Taipei	27.69	33.0749	83.7
TJ		Tajikistan	Duschanbe	7.589	11.6318	65.2
TZ		Tanzania	Dar es Salaam	1992	2589.76	76.9
TH		Thailand	Bangkok	26.79	34.8450	76.9
TP	(2)	Timor Leste	Dili	0.8885	1.12840	78.7
TG	(3)(6)	Togo	Lome	624.4	655.957	95.2
TT		Trinidad and Tobago	Port-of-Spain	5.887	7.88420	74.7
TN	(6)	Tunisia	Tunis	2.360	3.23110	73.0
TR	(8)	Turkey	Ankara	3.737	7.73510	48.3
TM	(6)	Turkmenistan	Ashkhabad	4.785	3.94940	121.2
UG		Uganda	Kampala	2742	4236.49	64.7
UA		Ukraine	Kiev	24.74	30.0729	82.3
AE		United Arab Emirates	Abu Dhabi	3.827	4.11470	93.0
GB	(8)	United Kingdom	London	0.8936	0.915400	97.6
US-NY		United States	New York	1.144	1.12840	101.4
US-WA	(7)	United States	Washington	1.021	1.12840	90.5
UY		Uruguay	Montevideo	37.06	47.5542	77.9
UZ		Uzbekistan	Tachkent	6962	11478.90	60.7
VU		Vanuatu	Port Vila	131.3	130.822	100.4
VE	(5)	Venezuela	Caracas	0	0	0
VN		Vietnam	Hanoi	18912	26190.20	72.2
PS-GZA		West Bank — Gaza Strip	East Jerusalem	4.352	3.87450	112.3
YE	(5)	Yemen	Sana a	0	0	0
ZM		Zambia	Lusaka	10.50	20.2711	51.8
ZW	(2)	Zimbabwe	Harare	1.297	1.12840	114.9

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

(2) 1 euro = USD (6 Duty Station(s): Cuba, Ecuador, El Salvador, Panama, Timor Leste, Zimbabwe)

(3) 1 euro = CFA (13 Duty Station(s): Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Congo, Gabon, Guinea-Bissau, Ivory Coast, Mali, Niger, Senegal, Togo)

(4) Currency = Euro (2 Duty Station(s) : Kosovo, Montenegro)

(5) Not available (9 Duty Station(s): Afghanistan, Bosnia and Herzegovina (Banja Luka), Indonesia (Banda Aceh), Iraq, Libya, Somalia, Syria, Venezuela, Yemen)

(6) UN P2P processed (42 Duty Station(s): 11 in the first interim report and 31 in the second interim report)

(7) ISRP ECP PPP processed (9 Duty Station(s) : Australia, Canada, Chile, Israel, Japan, Mexico, New Zealand, South Korea, United States (Washington))

(8) ESTAT ECP PPP processed (11 Duty Station(s): 14 in the first interim report (Iceland, Norway, Switzerland (Bern, Geneva), Turkey, Albania, Bosnia & Herzegovina-Sarajevo, North Macedonia, Montenegro, Serbia) and 1 in the second interim report (United Kingdom))

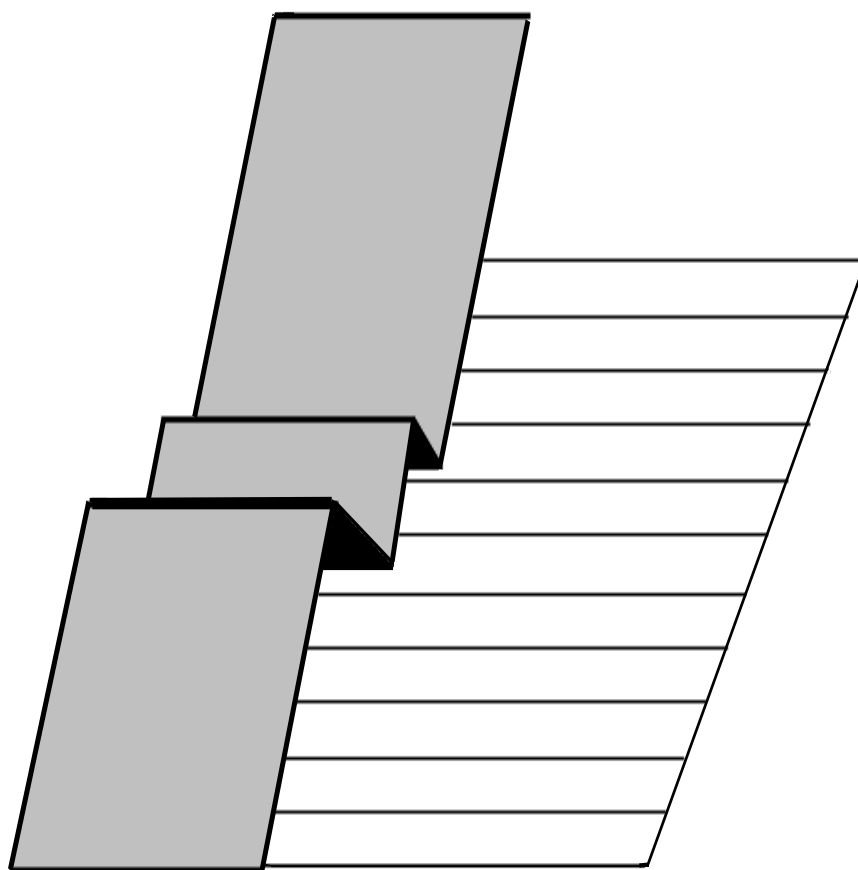
(9) For Liberia, the PPP at July 2019 is re-expressed in LRD for comparison purpose with July 2020. Originally the PPP at July 2019 was expressed in USD.

Appendix 1a

Appendix 1a to the Eurostat Report on the Annual Adjustment of Remuneration and Pensions

Explanations and statistical analyses:
specific indicators, control indicators, worktime

Reference period:
Year to 1 July 2020



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INTRODUCTION

This document is an appendix to the 2020 Eurostat report on the annual adjustment of remuneration and pensions. While the principal results concerning specific 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.

Chapter 1 of this document examines the changes in the purchasing power of salaries of central government civil servants in the Member States (specific indicator).

In Chapter 2 information is provided about control indicators (compensation of employees in central government; labour cost index for total public administration).

In Chapter 3 information about working time in central governments of the Member States is given.

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. In the absence of a correctly completed remuneration questionnaire from a Member State, the forecast figure they supplied in March 2020 was used, or a more recent estimate.

Important note: the Agreement on the withdrawal of the United Kingdom from the European Union with effect from 31 January 2020 has important implications for the calculation of the global specific indicator. In accordance with the withdrawal agreement a transition period runs until 31 December 2020, which is after the end of the reference period for the current report. Consequently, for the purposes of this report the UK has been retained in the sample of 11 Member States.

More information about methodology can be found in the detailed procedural manual¹⁶.

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¹⁶ Op cit (3) Doc.A6465/14/26rev4 (version March 2020)

1. PARALLELISM WITH EVOLUTION OF PURCHASING POWER OF NATIONAL OFFICIALS

1.1. 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 procedures¹⁷. 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.

1.1.1. 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 (e.g. general premiums, child benefit and family allowances¹⁸);
- non-pensionable lump-sum payments (e.g. 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.

1.1.2. 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 and occupational pension scheme contributions);
- general taxes on income;
- other compulsory deductions (mutual assistance contribution, temporary contribution, etc.).

Not to be included:

- voluntary contributions.

¹⁷ For full details, see the latest version of the methodology manual.

¹⁸ Where national civil servants are also eligible for state benefits (family allowances) these are included.

1.1.3. 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 2019 sent in 2019 and re-sent in 2020), 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.

1.1.4. 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.

1.1.5. 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.

1.1.6. 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.

1.1.7. 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%.

1.1.8. 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.

1.1.9. Calculation of country specific indicators

On receipt of the data from the Member States, Eurostat calculates specific indicators for each of the countries separately¹⁹. 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:
 - Gross nominal
 - Net nominal
 - Gross real
 - 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**.

¹⁹ With effect from 2018, Eurostat and the International Service for Remuneration and Pensions of the Coordinated Organisations compile harmonised data for the following 7 Member States: Belgium, Germany, Spain, France, Italy, Luxembourg and Netherlands.

1.2. Specific indicators - results by functional groups

Table 1.1 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 1.1

**Nominal and real changes in the remuneration of national civil servants
in the twelve-month period to 1st July 2020 (1.7.2019 = 100)**

Country		Nominal change				Real change			
		AD	AST	SC	Total	AD	AST	SC	Total
BE	Gross	102.0	102.0		102.0	101.8	101.8		101.8
	Net	101.8	101.8		101.8	101.6	101.6		101.6
DE	Gross	102.3	102.9	104.1	102.6	101.5	102.1	103.3	101.8
	Net	102.0	102.5	103.6	102.3	101.2	101.7	102.8	101.5
ES	Gross	102.6	102.3	102.9	102.6	102.9	102.6	103.2	102.9
	Net	102.2	102.0	102.5	102.2	102.5	102.3	102.8	102.5
FR	Gross	100.6	99.5		99.8	100.4	99.3		99.6
	Net	101.5	99.9		100.3	101.3	99.7		100.1
IT	Gross	100.0	99.7	99.7	99.8	100.4	100.1	100.1	100.2
	Net	105.1	103.5	101.1	103.9	105.6	103.9	101.5	104.3
LU	Gross	102.4	102.3		102.3	102.8	102.7		102.7
	Net	101.8	101.8		101.8	102.2	102.2		102.2
NL	Gross	101.3	100.9	100.5	101.2	99.6	99.2	98.8	99.5
	Net	103.7	104.5	103.7	104.0	102.0	102.8	102.0	102.3
AT	Gross	102.3	102.3		102.3	101.2	101.2		101.2
	Net	107.8	106.6		106.9	106.6	105.4		105.7
PL	Gross	105.3		105.7	105.3	101.4		101.8	101.4
	Net	111.1		114.2	111.3	107.0		110.0	107.2
SE	Gross	102.6	101.4	103.1	102.5	101.7	100.5	102.2	101.6
	Net	102.2	101.1	102.5	102.1	101.3	100.2	101.6	101.2
UK	Gross	102.3	102.3	102.5	102.4	101.7	101.7	101.9	101.8
	Net	101.8	103.6	104.7	103.8	101.2	103.0	104.1	103.2
Total	Gross	101.9	101.5	102.7	101.8	101.3	101.1	102.0	101.2
	Net	103.2	102.5	104.1	103.2	102.5	102.1	103.4	102.5

Table 1.1a presents the corresponding information for the remaining countries.

Table 1.1a

**Nominal and real changes in the remuneration of national civil servants
in the twelve-month period to 1st July 2020 (1.7.2019 = 100)**

Country		Nominal change				Real change			
		AD	AST	SC	Total	AD	AST	SC	Total
BG	Gross	106.5	99.6		105.4	105.6	98.7		104.5
	Net	106.5	99.6		105.6	105.6	98.7		104.7
CZ	Gross	103.4	107.6	110.8	103.6	100.0	104.1	107.2	100.2
	Net	102.7	106.1	108.4	102.9	99.3	102.6	104.8	99.5
DK	Gross	101.8	102.1		101.8	101.6	101.9		101.6
	Net	101.8	102.2		101.9	101.6	102.0		101.7
EE	Gross	100.6	100.6		100.6	102.2	102.2		102.2
	Net	100.5	100.5		100.5	102.1	102.1		102.1
IE	Gross	101.8	101.8	102.1	101.9	102.4	102.4	102.7	102.5
	Net	101.5	101.5	101.7	101.6	102.1	102.1	102.3	102.2
EL	Gross	100.0	100.0		100.0	101.9	101.9		101.9
	Net	100.8	101.0		100.9	102.8	103.0		102.9
HR	Gross	104.3	104.3	104.1	104.2	104.7	104.7	104.5	104.6
	Net	104.3	104.5	104.2	104.3	104.7	104.9	104.6	104.7
CY	Gross	100.2	100.2	100.2	100.2	102.5	102.5	102.5	102.5
	Net	101.1	100.9	100.2	100.9	103.4	103.2	102.5	103.2
LV	Gross	102.7	102.8	102.2	102.7	103.8	103.9	103.3	103.8
	Net	103.0	103.2	103.3	103.0	104.1	104.3	104.4	104.1
LT	Gross	107.2	117.6		107.3	106.2	116.6		106.3
	Net	108.2	118.4		108.3	107.2	117.3		107.3
HU	Gross	105.6	106.6	100.1	105.6	102.6	103.6	97.3	102.6
	Net	105.1	105.9	100.1	105.1	102.1	102.9	97.3	102.1
MT	Gross	102.4	102.4	102.2	102.4	101.4	101.4	101.2	101.4
	Net	101.8	104.0	107.7	103.0	100.8	103.0	106.6	102.0
PT	Gross	100.3	100.3	100.6	100.4	100.1	100.1	100.4	100.2
	Net	100.4	100.4	100.2	100.4	100.2	100.2	100.0	100.2
RO	Gross	100.3	100.3		100.3	98.1	98.1		98.1
	Net	100.3	100.3		100.3	98.1	98.1		98.1
SI	Gross	104.5	103.6	103.2	104.3	105.3	104.4	104.0	105.1
	Net	104.9	103.7	103.2	104.6	105.7	104.5	104.0	105.4
SK	Gross	117.3	121.6	118.5	118.0	115.2	119.4	116.4	115.9
	Net	116.5	120.1	117.2	117.1	114.4	118.0	115.1	115.0
FI	Gross	101.7	101.5		101.7	101.6	101.4		101.6
	Net	101.2	101.4		101.2	101.1	101.3		101.1

1.3. Ratio of AD-equivalent to AST-equivalent and to AST/SC-equivalent personnel

Table 1.2 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.

Table 1.2

Central government personnel ratios (total population)

July 2020

Country	Percentage			
	AD	AST	SC	Total
BE	40.7	59.3		100.0
DE	49.6	41.9	8.5	100.0
ES	44.8	34.9	20.4	100.0
FR	18.0	82.0		100.0
IT	32.9	61.2	5.9	100.0
LU	36.8	63.2		100.0
NL	52.6	43.2	4.2	100.0
AT	19.6	80.4		100.0
PL	90.3		9.7	100.0
SE	83.2	12.6	4.2	100.0
UK	13.1	26.4	60.5	100.0

Table 1.2a presents the corresponding information for the remaining Member States.

Table 1.2a

**Central government personnel ratios
(total population)**

July 2020

Country	Percentage			
	AD	AST	SC	Total
BG	76.2	23.8		100.0
CZ	93.4	4.4	2.2	100.0
DK	86.7	13.3		100.0
EE	75.0	25.0		100.0
IE	79.8	16.5	3.7	100.0
EL	53.0	47.0		100.0
HR	66.6	4.3	29.1	100.0
CY	41.4	35.7	22.9	100.0
LV	77.2	12.2	10.5	100.0
LT	99.3	0.7		100.0
HU	79.8	16.5	3.7	100.0
MT	53.8	34.5	11.6	100.0
PT	41.8	11.8	46.4	100.0
RO	5.6	94.4		100.0
SI	72.7	6.9	20.4	100.0
SK	73.3	20.4	6.3	100.0
FI	72.0	28.0		100.0

1.4. The evolution of gross and net remuneration

Table 1.3 provides comparative information on the evolution of gross and net nominal remuneration for the sample of countries specified in the Staff Regulations.

Table 1.3

Changes in the nominal gross and nominal net specific indicators for the twelve-month period to 1st July 2020

Country	Gross remuneration	Net remuneration	Difference
BE	102.0	101.8	-0.2
DE	102.6	102.3	-0.3
ES	102.6	102.2	-0.4
FR	99.8	100.3	0.5
IT	99.8	103.9	4.1
LU	102.3	101.8	-0.5
NL	101.2	104.0	2.8
AT	102.3	106.9	4.6
PL	105.3	111.3	6.0
SE	102.5	102.1	-0.4
UK	102.4	103.8	1.4
Total	101.8	103.2	1.4

The movements in nominal gross remuneration and nominal net remuneration are summarised below for the countries in the sample:

Range (GROSS)	Member States	
$x < 0\%$	2	FR, IT
$0\% \leq x < 2\%$	1	NL
$2\% \leq x < 4\%$	7	BE, DE, ES, LU, AT, SE, UK
$4\% \leq x$	1	PL
Total	11	
Range (NET)	Member States	
$x < 0\%$	0	
$0\% \leq x < 2\%$	3	BE, FR, LU
$2\% \leq x < 4\%$	5	DE, ES, IT, SE, UK
$4\% \leq x$	3	NL, AT, PL
Total	11	

Table 1.3a presents the corresponding information for the remaining Member States.

Table 1.3a

Changes in the nominal gross and nominal net specific indicators for the twelve-month period to 1st July 2020

Country	Gross remuneration	Net remuneration	Difference
BG	105.4	105.6	0.2
CZ	103.6	102.9	-0.7
DK	101.8	101.9	0.1
EE	100.6	100.5	-0.1
IE	101.9	101.6	-0.3
EL	100.0	100.9	0.9
HR	104.2	104.3	0.1
CY	100.2	100.9	0.7
LV	102.7	103.0	0.3
LT	107.3	108.3	1.0
HU	105.6	105.1	-0.5
MT	102.4	103.0	0.6
PT	100.4	100.4	0.0
RO	100.3	100.3	0.0
SI	104.3	104.6	0.3
SK	118.0	117.1	-0.9
FI	101.7	101.2	-0.5

The movements in nominal gross remuneration and nominal net remuneration are summarised below for the remaining countries:

Range (GROSS)	Member States	
$x < 0\%$	0	
$0\% \leq x < 2\%$	8	DK, EE, IE, EL, CY, PT, RO, FI
$2\% \leq x < 4\%$	3	CZ, LV, MT
$4\% \leq x$	6	BG, HR, LT, HU, SI, SK
Total	17	
Range (NET)	Member States	
$x < 0\%$	0	
$0\% \leq x < 2\%$	8	DK, EE, IE, EL, CY, PT, RO, FI
$2\% \leq x < 4\%$	3	CZ, LV, MT
$4\% \leq x$	6	BG, HR, LT, HU, SI, SK
Total	17	

1.5. The impact of statutory deductions

Table 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 1.4** below.

Table 1.4

**Change in the net remuneration of central government civil servants
July 2019 - July 2020**

Country	Weight ¹ EU28=100	Nominal net specific indicator	Consumer price indices	Real net specific indicator
	(%)	(%)	(%)	(%)
BG	0.7	5.6	0.9	4.7
CZ	1.9	2.9	3.4	-0.5
DK	1.5	1.9	0.2	1.7
EE	0.2	0.5	-1.6	2.1
IE	1.9	1.6	-0.6	2.2
EL	1.4	0.9	-1.9	2.9
HR	0.5	4.3	-0.4	4.7
CY	0.2	0.9	-2.2	3.2
LV	0.3	3.0	-1.1	4.1
LT	0.4	8.3	0.9	7.3
HU	1.4	5.1	2.9	2.1
MT	0.1	3.0	1.0	2.0
PT	1.6	0.4	0.2	0.2
RO	2.6	0.3	2.2	-1.9
SI	0.4	4.6	-0.8	5.4
SK	0.8	17.1	1.8	15.0
FI	1.2	1.2	0.1	1.1

¹ Basis: GDP expressed in PPP, 2019

Global specific indicator for the EU28

Combining the information in Table 1.4 with the information in Table 1 of the main report, it is possible to calculate a hypothetical global specific indicator for the EU28 as a whole. For the year to July 2020, this would be 103.1 (+3.1%) in nominal terms, and 102.4 (+2.4%) in real terms.

1.6. Changes in the specific indicators (countries in the sample)

With effect from 2018, joint data compilation and validation with ISRP for Belgium, Germany, Spain, France, Italy, Luxembourg and Netherlands.

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

<u>1</u>	<u>Belgium:</u> Figures are supplied in accordance with a country manual validated in November 2015 and subsequent bilateral correspondence. Increase of staff of +2,932. The index on which the calculation of gross salaries as well as certain fixed amounts are based has been increased once by +2.0% in April 2020. Changes in professional tax and tax deductions made the nominal net salaries change by +1.8%.
<u>2</u>	<u>Germany:</u> Figures are supplied in accordance with a country manual validated in September 2016 and subsequent bilateral correspondence. Increase of staff (+986), especially in AD equivalent grades. Increase of child benefit. The gross salary increased by +2.6%. With only slight modifications of some parameters used for taxation and calculation of social contributions overall, nominal net remuneration has increased by +2.3%.
<u>3</u>	<u>Spain:</u> Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence. Small increase of staff (+293). Again a salary increase for 2020. The gross remuneration gives a +2.6% change. Statutory deductions reflect the annual Budget Law and are largely unchanged. Overall, nominal net remuneration has increased by +2.2%.
<u>4</u>	<u>France:</u> Figures are supplied in accordance with country manual validated in April 2010 and subsequent bilateral correspondence. Staff increased by +255 (very big changes for AD <i>att. princ.</i> +2,214, AST <i>adj. adm.</i> -3,244). The government did not raise the "point de l'indice" which remains at 56.2323 from February 2017. Nominal gross remuneration decreased by -0.2%. Pension contributions increased from 10.83% to 11.10%. Overall, the nominal change in net remuneration was +0.3%.
<u>5</u>	<u>Italy:</u> Figures are supplied in accordance with country manual validated in March 2016 and subsequent bilateral correspondence. Again a big decrease in staff (-2,094), especially in AST equivalents. Gross remuneration evolution is -0.2%. The level of remuneration required to calculate the surcharge social security contributions has changed. There were no structural changes to statutory deductions. The nominal change in net remuneration is +3.9%.

<u>6</u>	<u>Luxembourg:</u> 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 +2,515. This high figure is explained by the gradually transition of all civil servants into the country's new career system. The index on which gross salaries are based has been increased by +2.5% in January 2020. The result is an increase of gross salaries by +2.3%. Some changes in tax and social contributions led to an increase of net salaries by +1.8%.
<u>7</u>	<u>Netherlands:</u> Figures are supplied in accordance with country manual validated in December 2015 and subsequent bilateral correspondence. Big increase of staff (+5,782). Basic salary increase of +2% per January 2020. Minor increases in min. holiday allowance, percentage end of year allowance and child benefit. The total increase of nominal gross remuneration was +1.2%. Increase invalidity pension contribution rate from 0.12% to 0.21%. Small decrease in health insurance contribution. Various changes to personal income tax rates and deductions. As a result of all these changes, nominal net remuneration increased by +4.0%.
<u>8</u>	<u>Austria:</u> Figures are supplied in accordance with a country manual validated in December 2015 and subsequent bilateral correspondence. Decrease of -1,173 in staff, for all grades. The average salary increase across all public employees at Federal Level amounts to +2.3%. The family bonus and the reduction of the income tax have a strong influence on the increase of the net salary, resulting in a nominal net increase of +6.9%.
<u>9</u>	<u>Poland:</u> Figures are supplied in accordance with country manual validated in September 2015 and subsequent bilateral correspondence. Staff increase of +1,347. Increase in 2019 of the minimum average salary and the base amount of wages in the civil service. This gives a nominal gross remuneration increase of +5.3%. Child allowance of 500 PLN no longer only for the 2nd child, but also for the 1st born, without conditions of earning. The 'good start' benefit for children (+25 PLN) continues to be applied. There were changes in pension scheme and income taxes. The nominal net remuneration increased by +11.3%.
<u>10</u>	<u>Sweden:</u> Figures are supplied in accordance with a country manual validated in February 2018 and subsequent bilateral correspondence. Big increase in staff (+1,949), especially for grade AD 'others'. The reported evolution in nominal gross remuneration (average of a variety of contractual arrangements) is +2.5%. Small changes in taxes and deductions result in increase of nominal net remuneration by +2.1%.
<u>11</u>	<u>United Kingdom:</u> By mutual agreement, the calculation is now done for 5 major departments representing approximately 80% of the UK civil service. This updates the approach described in country manual validated June 2015. Overall staff increase of +1,585, but big decrease for SC AO (-3,638). Decentralised pay awards within Treasury guidelines for reference period. Gross salary shows +2.4% evolution for the year. No changes to the income tax rates or thresholds, but increases in child tax credit and working tax credit. Also changes in thresholds and limits for pension contributions and social security contributions. As a consequence the nominal net remuneration increased by +3.8%.

1.7. Changes in the specific indicators (countries not in the sample)

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

<u>1</u>	<u>Bulgaria:</u> Figures are supplied in accordance with draft country manual and subsequent bilateral correspondence. Staff decrease of -1,540, especially for AD senior expert. Updated ESA2010 figures for 2018 and 2019. As in previous years there are reported salary increases and decreases for almost all grades. On average, nominal gross remuneration increased by +5.4%. No changes in statutory deductions. The nominal net remuneration increased by +5.6%.
<u>2</u>	<u>Czech Republic:</u> Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence. Staff numbers increased by +279, especially in AD 13 category grade. There was an increase in basic salaries of +6.9%. As in previous years there was volatility in reported values. On average, nominal gross remuneration increased by +3.6%. There were slight changes to statutory deductions and tax credits; in consequence the increase in nominal net remuneration was +2.9%.
<u>3</u>	<u>Denmark:</u> Figures are supplied according to approach agreed bilaterally in 2017. Staff numbers increased by +704. Basic salary increase of +1.7% for all staff categories. Additional raise for AST and AD 01116 following agreement, ranging from +0.3% to +2.7%. The nominal gross remuneration is therefore +1.8%. Minor changes to income tax arrangements and total contribution to a general pension scheme (latter only for AD) are reflected in the calculation of nominal net remuneration, which increased by +1.9%.
<u>4</u>	<u>Estonia:</u> Figures are reported here in accordance with bilateral discussions December 2014 and subsequent correspondence. Very small decrease in staff (-35). Nominal gross salary has increased on average by +0.6%. No changes in tax exemptions. No change in child allowance. In consequence, the nominal net remuneration increased by +0.5%.
<u>5</u>	<u>Ireland:</u> Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence. Total staff decrease of -51, but very big decrease for grade SC clerical officer = -1,161. Public Service Stability Agreement 2018 to 2020 (successor to "Lansdowne Road Agreement") sets salary framework. General salary increase of +1.75% as from September 2019, another increase on 1st January 2020 of +0.5% for all general service grades up to and including €32,000. The nominal gross salary has increased by +1.9%. Change in thresholds both for the Universal Social Charge (USC) and the additional superannuation contribution. Consequently, the increase of the nominal net remuneration amounts to +1.6%.

6	<u>Greece</u>: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence. Staff decreased by -451. No increase of the gross salary, as no change to basic salary and family allowance. The compulsory deductions have not changed. According to Law 4646/2019, there are changes to the income tax, both in rates and deductions. The movement in nominal net remuneration is +0.9%.
7	<u>Croatia</u>: Figures are supplied according to bilateral correspondence in 2020. The basis for salary calculations has increased since 1 January 2020. Increases in Christmas bonus and holiday allowance. Nominal gross salary has increased on average by +4.2%. Non-taxable income increased from 3,800 to 4,000 HRK since 1 January 2020. The increase of the nominal net remuneration is +4.3%.
8	<u>Cyprus</u>: Figures are supplied in accordance with country manual validated in April 2015 and subsequent bilateral correspondence. Staff increase of +113. Like in 2019 an increase in COLA (cost of living allowance). Nominal gross remuneration increased by +0.2%. Increase in contribution fee for health care. Earnings reductions going down in order to be completely abolished in 2023. The movement in net remuneration is +0.9%.
9	<u>Latvia</u>: Figures are reported here in accordance with bilateral correspondence. For this exercise much smaller decrease in staff (-171) compared to 2019 (-2,721). Reported average nominal gross remuneration increased by +2.7%. Slight changes in ceilings for PIT (personal income tax) and tax-relief for dependent persons. Therefore the average nominal net remuneration increased by +3.0%.
10	<u>Lithuania</u>: Figures are reported here in accordance with bilateral correspondence. Staff decreased by -336. Basic salary increase from 173 eur to 176 eur as from 1 January 2020. Increase in child allowance from 50 to 60 eur p. child. The nominal gross remuneration increased with +7.3%. In 2020 there were some new changes in the remuneration system, and the gross and net salary grew faster than was expected. The minimum monthly wage used to determine non-taxable income rose from 555 eur to 607 eur (+9.4%). The change in nominal net remuneration: +8.3%.
11	<u>Hungary</u>: Figures are supplied in accordance with country manual validated in May 2017 and subsequent correspondence. Decrease in staff: -421. In 2019 the key number system of budgetary institution employees changed significantly. There was big increase in salary for some grades. Average increase in gross remuneration: +5.6%. No real change in statutory deductions. Nominal net remuneration amounts to +5.1%.

12	Malta: Figures are supplied in accordance with a draft country manual and subsequent updates. Staff increased by +410. Increase in basic salary. The nominal gross indicator increased on average by +2.4%. Child allowance threshold increased slightly. No change in personal income tax (only in thresholds and reliefs) and social security contributions. Nominal net remuneration increased by +3.0%.
13	Portugal: Figures are supplied in accordance with country manual validated in August 2014 and subsequent bilateral correspondence. Increase in staff numbers: +1,390. Average increase of the nominal gross remuneration: +0.4%. Minor reduction in income tax for lower grades. Consequently the nominal net remuneration increased also by +0.4%.
14	Romania: Figures are requested in accordance with bilateral correspondence, pending implementation of methodology discussed during 2018 meeting. In the absence of data transmission by the delivery deadline, the Spring 2020 forecast figure is taken for this report. This shows a +0.3% increase in nominal net remuneration. The planned reform of the civil service has been finalised: Framework law no. 153/2017 on wages system/ Government Decision no. 29/2018. A new National Electronic System for recording employment in the public sector is being developed.
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 +425. Basic salary increased by approx. 4% from grade 27 onwards. Minor changes in allowance for holidays, children and meals, resulting in a nominal gross increase of +4.3%. Changes in personal income tax (increase of taxable amounts, changes in tax rates and general tax relief system-from 3 to 2 income brackets- and increase of values). The nominal net remuneration increased by +4.6%.
16	Slovak Republic: Figures are supplied in accordance with bilateral correspondence. Small increase of staff numbers (+73). Structural reform implemented since 2018. As in previous years, big reported changes in salaries for a lot of grades. Average increase in gross remuneration +18.0%. Statutory deductions are largely unchanged by comparison with previous year. Small increase of child benefit, child tax bonus and dependent spouse allowance. In consequence, nominal net remuneration increased by +17.1%.
17	Finland: Figures are supplied in accordance with approach adopted in 2016 and subsequent correspondence. Minor change to staff numbers (increase: +142). Holiday pay: 30% cut in years 2017-19, full pay in 2020. Average gross remuneration increased by +1.7%. Slight increase to pension fees and income taxes. Decreased unemployment insurance premium. As a result, the average nominal net remuneration increased by +1.2%.

1.8. Comparison with forecast

An initial forecast about the expected changes in net remuneration in nominal terms during the period 1 July 2019 – 1 July 2020 was compiled from Member States. Where these forecasts were not available, Eurostat or DG ECFIN estimates were used instead.

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.

Values were confirmed by national delegates at the March 2020 meeting of the Working Group on Articles 64 & 65 of the Staff Regulations, and published in the Intermediate Report²⁰.

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 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 1.5 provides comparative information on the evolution of net remuneration in nominal and real terms for the countries in the sample.

Table 1.5
Comparison of the net specific indicator and the forecast in nominal and real terms
for the twelve-month period to 1st July 2020

Country	Net specific indicator in nominal terms			Net specific indicator in real terms		
	Actual	Forecast *	Difference %	Actual	Forecast *	Difference %
BE	101.8	100.6	-1.2	101.6	100.4	-1.2
DE	102.3	102.2	-0.1	101.5	100.6	-0.9
ES	102.2	102.2	0.0	102.5	101.3	-1.2
FR	100.3	101.4	1.1	100.1	100.3	0.2
IT	103.9	102.0	-1.8	104.3	101.9	-2.3
LU	101.8	102.6	0.8	102.2	100.2	-2.0
NL	104.0	103.8	-0.2	102.3	102.4	0.1
AT	106.9	102.3	-4.3	105.7	100.7	-4.7
PL	111.3	106.0	-4.8	107.2	103.5	-3.5
SE	102.1	102.3	0.2	101.2	100.9	-0.3
UK	103.8	102.3	-1.4	103.2	100.7	-2.5
Total	103.2	102.3	-0.9	102.5	101.1	-1.4

* Per Intermediate Report.

²⁰ Op. cit. (4) Ares(2020)2620339

Table 1.5a presents the corresponding information for the remaining Member States.

Table 1.5a

**Comparison of the net specific indicator and the forecast in nominal and real terms
for the twelve-month period to 1st July 2020**

Country	Net specific indicator in nominal terms			Net specific indicator in real terms		
	Actual	Forecast *	Difference %	Actual	Forecast *	Difference %
BG	105.6	110.0	4.2	104.7	107.6	2.8
CZ	102.9	106.0	3.0	99.5	102.9	3.4
DK	101.9	101.8	-0.1	101.7	100.6	-1.1
EE	100.5	105.9	5.4	102.1	104.0	1.9
IE	101.6	101.5	-0.1	102.2	102.1	-0.1
EL	100.9	101.8	0.9	102.9	100.9	-1.9
HR	104.3	104.5	0.2	104.7	103.4	-1.3
CY	100.9	100.6	-0.3	103.2	99.6	-3.5
LV	103.0	106.2	3.1	104.1	105.7	1.5
LT	108.3	104.0	-4.0	107.3	102.5	-4.5
HU	105.1	100.0	-4.9	102.1	95.5	-6.5
MT	103.0	103.7	0.7	102.0	102.2	0.2
PT	100.4	100.4	0.0	100.2	99.6	-0.6
RO	100.3	100.3	0.0	98.1	97.3	-0.8
SI	104.6	104.2	-0.4	105.4	102.2	-3.1
SK	117.1	111.0	-5.2	115.0	108.0	-6.1
FI	101.2	101.3	0.1	101.1	100.1	-1.0

* Per Intermediate Report.

2. CONTROL INDICATORS

2.1. Compensation of employees in central government

Table 1.6 shows the calculation of this control indicator for the countries in the sample specified in the Staff Regulations.

Table 1.6

Control indicator: compensation of employees in central government

2019-2020 Eurostat estimates based on data supplied by Member States

Country	Compensation of employees ¹		Number of employees ² 2020	Nominal change (%)	HICP ³ (%)	Change in real terms (%)	GDP in PPS ⁴ (%)
	2019	2020					
BE	10.546.3	10.843.0	435.500	2.8	0.2	2.6	2.6
DE	35.081.0	36.878.0	2.643.000	5.1	0.8	4.3	19.4
ES	25.072.0	26.202.0	473.711	3.5	-0.3	3.8	8.2
FR	147.043.0	149.060.0	2.434.000	1.4	0.2	1.2	13.8
IT	103.092.0	102.773.0	1.217.400	-0.3	-0.4	0.1	11.1
LU	4.535.2	4.863.0	25.690	7.2	-0.4	7.7	0.3
NL	25.217.0	26.508.0	490.000	5.1	1.7	3.4	4.3
AT	16.620.3	17.008.0	17.122	15.6	1.1	14.3	2.2
PL	103.813.0	112.749.0	1.093.600	8.6	3.8	4.6	5.4
SE	147.166.0	153.665.0	85.050	6.9	0.9	5.9	2.4
UK	135.609.0	144.124.0	430.190	6.3	0.6	5.6	13.5
Global	-	-	-	4.3	0.6	3.6	83.2

¹ Numerator: ESA 2010 expenditure on compensation of employees in Central Government (NAC million) per Eurostat website 02.09.2020

² Denominator: ESA 2010 employment in Central Government (thousand persons) per SRQ.
If no figure supplied then NACE R2 employment in Public administration; defence; social security (thousand persons) per Eurostat website 02.09.2020
Not supplied: BE, DE, FR, IT, LU, NL, PL

³ HICP June 2019 - June 2020 per Eurostat website 06.10.2020

⁴ GDP 2019 in PPS per Eurostat website 06.10.2020

Table 1.6a shows the corresponding figures for the remaining Member States.

Table 1.6a

Control indicator: compensation of employees in central government

2019-2020 Eurostat estimates based on data supplied by Member States

Country	Compensation of employees ¹		Number of employees ²	Nominal change (%)	HICP ³ (%)	Change in real terms (%)	GDP in PPS ⁴ (%)
	2019	2020					
BG	7.828.5	9.383.0	309.884	19.1	0.9	18.1	0.7
CZ	279.194.0	302.165.0	386.945	7.5	3.4	4.0	1.9
DK	94.042.0	97.145.0	153.000	3.3	0.2	3.1	1.5
EE	1.795.9	1.949.0	53.467	8.3	-1.6	10.1	0.2
IE	21.992.4	23.618.0	128.930	7.4	-0.6	8.0	1.9
EL	19.050.0	19.150.0	370.580	0.5	-1.9	2.5	1.4
HR	24.073.5	25.206.0	129.140	4.7	-0.4	5.1	0.5
CY	2.589.0	2.859.0	59.642	6.9	-2.2	9.3	0.2
LV	1.794.5	1.963.0	33.869	10.5	-1.1	11.7	0.3
LT	2.674.5	2.986.0	138.338	13.0	0.9	12.0	0.4
HU	3.719.596.5	3.943.083.0	601.704	6.9	2.9	3.8	1.4
MT	1.475.5	1.597.0	17.750	8.2	1.0	7.2	0.1
PT	18.401.2	19.135.0	527.766	2.6	0.2	2.4	1.6
RO	85.153.8	99.801.0	429.400	17.2	2.2	14.7	2.6
SI	3.516.4	3.798.0	103.489	6.2	-0.8	7.0	0.4
SK	5.790.0	6.617.0	235.684	12.8	1.8	10.8	0.8
FI	6.987.0	7.175.0	136.400	-0.6	0.1	-0.7	1.2

¹ Numerator: ESA 2010 expenditure on compensation of employees in Central Government (NAC million) per Eurostat website 02.09.2020, extrapolated to 2020 using growth rate 2018-2019

² Denominator: ESA 2010 employment in Central Government (thousand persons) per SRQ.

If no figure supplied then NACE R2 employment in Public administration; defence; social security (thousand persons) per Eurostat website 02.09.2020

Not supplied: DK, IE, EL, HR, MT, RO, FI.

³ HICP June 2019 - June 2020 per Eurostat website 06.10.2020

⁴ GDP 2019 in PPS per Eurostat website 06.10.2020

Table 2a in the main report compares the gross specific indicator and the control indicator in real terms (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 2a** below.

Table 2a
Comparison of the gross specific indicator and the control indicator in real terms

Country	Real gross specific indicator 2020 (2019 = 100)	Control indicator * 2020 (2019 = 100)	Difference (%)
BG	104.5	118.1	13.0
CZ	100.2	104.0	3.7
DK	101.6	103.1	1.5
EE	102.2	110.1	7.7
IE	102.5	108.0	5.4
EL	101.9	102.5	0.6
HR	104.6	105.1	0.5
CY	102.5	109.3	6.7
LV	103.8	111.7	7.6
LT	106.3	112.0	5.4
HU	102.6	103.8	1.2
MT	101.4	107.2	5.7
PT	100.2	102.4	2.2
RO	98.1	114.7	16.9
SI	105.1	107.0	1.8
SK	115.9	110.8	-4.4
FI	101.6	99.3	-2.3

* Compensation of employees in central government: Eurostat estimates.

2.2. Labour cost index for total public administration

Table 1.7 shows the calculation of this control indicator for the countries in the sample specified in the Staff Regulations.

Table 1.7

Control indicator: labour cost index for total public administration

2019-2020 Eurostat estimates based on data supplied by Member States

Country	Labour cost index ¹		Nominal change	HICP ²	Change in real terms	GDP in PPS ³
	2019	2020	(%)	(%)	(%)	(%)
BE	105.9	109.0	2.9	0.2	2.7	2.6
DE	109.6	113.9	3.9	0.8	3.1	19.4
ES	104.0	107.9	3.8	-0.3	4.1	8.3
FR	:	:	:	:	:	:
IT	108.1	107.8	-0.3	-0.4	0.1	11.1
LU	109.7	112.6	2.6	-0.4	3.0	0.3
NL	108.1	111.3	3.0	1.7	1.2	4.3
AT	102.6	100.0	-2.6	1.1	-3.6	2.2
PL	118.9	127.5	7.2	3.8	3.3	5.4
SE	107.5	110.1	2.4	0.9	1.5	2.4
UK	107.5	112.9	5.0	0.6	4.4	13.5
Global	-	-	3.3	0.7	2.6	69.5

1 Labour cost index (nominal value, annual data, wages and salaries component) NACE Rev.2 group O per Eurostat website 02.09.2020, 2019 extrapolated to 2020 using growth rate 2018-2019

2 HICP June 2019 - June 2020 per Eurostat website 06.10.2020

3 GDP 2019 in PPS per Eurostat website 06.10.2020

4 In the absence of Labour cost index data for France, French data for HICP and GDP in PPS is excluded

Table 1.7a shows the corresponding figures for the remaining Member States.

Table 1.7a

Control indicator: labour cost index for total public administration

2019-2020 Eurostat estimates based on data supplied by Member States

Country	Labour cost index ¹		Nominal change	HICP ²	Change in real terms	GDP in PPS ³
	2019	2020	(%)	(%)	(%)	(%)
BG	133.3	149.3	12.0	0.9	11.0	0.7
CZ	128.8	136.7	6.1	3.4	2.6	1.9
DK	105.9	108.3	2.2	0.2	2.0	1.4
EE	130.8	144.5	10.5	-1.6	12.3	0.2
IE	103.9	104.8	0.9	-0.6	1.5	1.9
EL	106.0	107.5	1.4	-1.9	3.4	1.4
HR	117.0	124.1	6.1	-0.4	6.5	0.5
CY	107.3	112.5	4.9	-2.2	7.2	0.2
LV	126.0	133.4	5.9	-1.1	7.1	0.3
LT	167.3	239.8	43.4	0.9	42.1	0.4
HU	140.4	155.7	10.9	2.9	7.8	1.4
MT	122.2	136.2	11.5	1.0	10.4	0.1
PT	108.8	111.4	2.4	0.2	2.1	1.6
RO	200.2	225.4	12.6	2.2	10.2	2.6
SI	117.5	128.3	9.2	-0.8	10.1	0.4
SK	132.6	153.0	15.4	1.8	13.4	0.8
FI	102.7	105.3	2.5	0.1	2.4	1.2

1 Labour cost index (nominal value, annual data, wages and salaries component) NACE Rev.2 group O per Eurostat website 02.09.2020, 2019 extrapolated to 2020 using growth rate 2018-2019

2 HICP June 2019 - June 2020 per Eurostat website 06.10.2020

3 GDP 2019 in PPS per Eurostat website 06.10.2020

Table 2b in the main report compares the gross specific indicator and the control indicator in real 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 2b** below.

Table 2b

Comparison of the gross specific indicator and the control indicator in nominal terms

Country	Nominal gross specific indicator 2020 (2019 = 100)	Control indicator * 2020 (2019 = 100)	Difference (%)
BG	105.4	112.0	6.3
CZ	103.6	106.1	2.4
DK	101.8	102.2	0.4
EE	100.6	110.5	9.8
IE	101.9	100.9	-1.0
EL	100.0	101.4	1.4
HR	104.2	106.1	1.8
CY	100.2	104.9	4.7
LV	102.7	105.9	3.1
LT	107.3	143.4	33.6
HU	105.6	110.9	5.0
MT	102.4	111.5	8.9
PT	100.4	102.4	1.9
RO	100.3	112.6	12.3
SI	104.3	109.2	4.7
SK	118.0	115.4	-2.2
FI	101.7	102.5	0.8

* Labour Cost Index: Eurostat estimates.

3. 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 10.1**), number of days of annual leave (**Table 10.2**) and number of public holidays per year (**Table 10.3**) are shown below for the Member States in the sample. In all these tables the situation in July 2020 has been compared with that in July 2019. Similarly, information is also collected about retirement age in central government. The situation at July 2020 is shown in **Table 10.4**.

Corresponding information is presented separately for the remaining Member States in **Table 10.1a** (working hours), **Table 10.2a** (annual leave), **Table 10.3a** (public holidays) and **Table 10.4a** (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 10.1

Statutory or contractual weekly working hours in central governments

Country	Weekly working hours		Remarks
	July 2019	July 2020	
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	
UK (London)	36	36	
UK (Country)	37	37	

Table 10.1a

Statutory or contractual weekly working hours in central governments

Country	Weekly working hours		Remarks
	July 2019	July 2020	
BG	40	40	
CZ	40	40	
DK	35	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	no country info for both years
SI	37.30	37.30	
SK	38	38	
FI	36.45	36.45	

Table 10.2
Number of days annual leave

Country	Number of days		Remarks - 2020
	July 2019	July 2020	
BE	26 - 33	26 - 33	Depends on age
DE	30	30	
ES	29	29	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 (age 45:24, 50:25, 55:26, 60:27)
AT	25-30	25-30	Depends on age
PL	26-38	26-38	Depends on age
SE	28-35	28-35	Depends on age
UK	25-30	25-30	Some variation in senior grades

Table 10.2a
Number of days annual leave

Country	Number of days		Remarks - 2020
	July 2019	July 2020	
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	25	25	Additional days by length of service (3-10 days)
MT	26	27	
PT	22	22	
RO	21-25	21-25	Depends on years of service (no updated info since 2013)
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 10.3

Number of public holidays per year (statutory, contractual, etc)

Country	Number of days		Remarks - 2020
	July 2019	July 2020	
BE	13	13	
DE	9	10	Berlin
ES	13	13	Time off when the public holiday falls on Sunday
FR	10	10	
IT	11	11	
LU	11	12	
NL	6	8	
AT	12	12	
PL	9	10	Compensation when public holiday falls on Saturday or Sunday (2019: 2x, 2020:0x)
SE	13	13	Time off when the public holiday falls on Saturday or Sunday
UK	8	8	Additional statutory PH where Christmas Day, Boxing Day or New Years Day falls at a weekend.

Table 10.3a

Number of public holidays per year (statutory, contractual, etc)

Country	Number of days		Remarks - 2020
	July 2019	July 2020	
BG	11	11	Time off when the public holiday falls on Saturday or Sunday
CZ	11	10	
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**	*1 Saturday and 14 working days **2 Saturdays and 13 working days
LV	15	15	
LT	15	16	
HU	11	8	
MT	14	14	
PT	10	9	
RO	12	12	
SI	12	7	Public holidays on Saturday/Sunday not included in this number
SK	11	11	No compensation
FI	9	10	

Table 10.4
Age of retirement and early retirement

Country	Age		Remarks - 2020
	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	66	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	
UK	67	yes*	* dependent on individual choice and entitlements

Table 10.4a

Age of retirement and early retirement

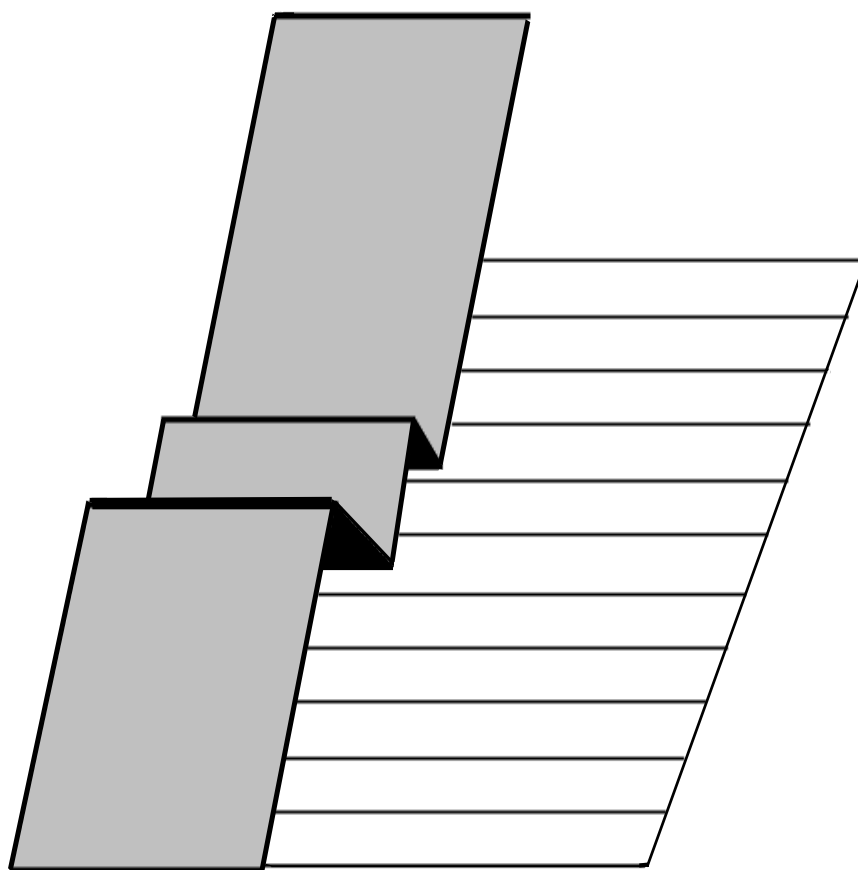
Country	Age		Remarks - 2020
	Retirement	Early retirement	
BG	Men: 63 y and 10 m, Women: 60 y and 10 m	yes*	* depends on job
CZ	Men 63 y and 6 m, Women 63 y and 2 m*	yes**	* age lowers when having brought up child ** first 3 years before pensionable age
DK	65 - 68*	60.5-65	* both depending on age, no longer on grade
EE	65	57 y 6 m - 60*	* men 60, women 57y6m-60, depends on age
IE	60-66*	50-65*	* depends on years of service
EL	67*	62	* depends on age
HR	65*	60*	* both under conditions
CY	65	45*	* 45 y with 3 y in Government Post. Lump sum received immediately while monthly pension at 55 y
LV	63 y and 9 m	61 y and 9 m	* both depending on age
LT	Men 64, Women 63*	5 years till the set age of retirement*	* both depending on sex and age
HU	64,5	60-65*	* depends on age
MT	63-65*	Any age on medical grounds/ early retirement schemes	* depends on age
PT	66 y and 5 m*	55**	* depends on age and grade ** depends on age/grade, with min. 30 y of service
RO	:	:	2013: "according to public pensions systems"
SI	60	60	depending on age and contributions/conditions no longer depending on sex
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

Appendix 1b

Appendix 1b to the Eurostat Report on the Annual Adjustment of Remuneration and Pensions

Explanations and statistical analyses:
the cost of living in Brussels and Luxembourg

Reference period:
Year to 1 July 2020



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INTRODUCTION

This document is an appendix to the 2020 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 1 to 4 of this document examine respectively:

- the evolution of the Joint Index;
- the evolution of the Belgium HICP;
- the evolution of the Luxembourg CPI;
- staff numbers

With the exception of the information about staff numbers which is obtained from internal Commission services, and the information about consumption expenditure pattern 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 manual²¹.

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

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²¹ Op cit (3) Doc.A6465/14/58rev2 (version March 2020)

1. 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 Luxembourg²². This index, known as the Joint Belgium-Luxembourg Index of consumer prices (JBLI) is calculated by weighting national inflation as measured by the Harmonised Index of Consumer Prices (HICP) for Belgium, and the Consumer Prices Index (CPI) for Luxembourg, between June of the previous year and June of the current year, 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 & 65 of the Staff Regulations.

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 in chapters 2 and 3, 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.

2. BELGIUM HICP

Table 3.1 presents the published HICP values for June 2019 and June 2020, base 2015 = 100, and the final figure in the right-hand column shows the variation for the period at global level, 100.2 (+0.2%).

Table 3.1
Change in the Belgian HICP (HICP weights)
June 2019 - June 2020

Groups of consumption	Weight 2019	Index 2019	Weight 2020	Index 2020	Index change
1. Food and non-alcoholic beverages	165.0	106.25	157.1	109.41	103.00
2. Alcoholic beverages and tobacco	49.7	120.29	49.8	122.51	101.80
3. Clothing and footwear	53.2	106.02	62.2	106.19	100.20
4. Housing, water, electricity, gas and other fuels	162.8	110.02	155.0	105.44	95.80
5. Furnishings, household equipment and maintenance of house	74.1	103.25	74.0	104.69	101.40
6. Health	81.5	105.32	82.4	105.90	100.60
7. Transport	123.6	109.68	124.8	107.71	98.20
8. Communications	32.9	106.47	31.4	106.82	100.30
9. Recreation and culture	87.8	105.69	92.9	107.40	101.60
10. Education	5.0	123.75	5.0	125.56	101.50
11. Hotels, cafes and restaurants	80.7	111.09	82.8	112.08	100.90
12. Miscellaneous goods and services	83.7	106.90	82.8	108.69	101.70
Global index without rents	937.3	108.35	928.9	108.43	100.10
Rents index	62.7	104.14	71.1	106.96	102.70
Global index	1000.0	108.09	1000.0	108.33	100.20

²² This definition was introduced by Regulation 1023/2013 and applies with effect from 1.1.2014. Alternative definitions applied for earlier reporting periods.

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 3.1a below shows the revised Belgium HICP variation for the period June 2019 to June 2020, 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, 100.7 (+0.7%).

Table 3.1a
Change in the Belgian HICP (rev. weights)
June 2019 - June 2020

Groups of consumption	Weight	Index
1. Food and non-alcoholic beverages	125.9	102.90
2. Alcoholic beverages and tobacco	13.9	102.10
3. Clothing and footwear	43.1	100.20
4. Housing, water, electricity, gas and other fuels	344.2	100.00
5. Furnishings, household equipment and maintenance of house	64.5	102.20
6. Health	12.7	100.60
7. Transport	130.0	99.10
8. Communications	19.8	100.60
9. Recreation and culture	79.6	102.00
10. Education	26.7	101.50
11. Hotels, cafes and restaurants	81.1	99.80
12. Miscellaneous goods and services	58.6	101.80
Global index without rents	721.4	100.00
Rents index	278.5	102.70
Global index	1000.0	100.70

3. LUXEMBOURG CPI

Table 3.2 presents the published CPI values for June 2019 and June 2020, base 2015 = 100, and the final figure in the right-hand column again shows the variation for the period at global level, 100.7 (+0.7%).

Table 3.2

**Change in the Luxembourg CPI (CPI weights)
June 2019 - June 2020**

Groups of consumption	Weight 2019	Index 2019	Weight 2020	Index 2020	Index change
1. Food and non-alcoholic beverages	112.2	108.46	115.9	112.13	103.40
2. Alcoholic beverages and tobacco	33.7	107.18	32.9	108.82	101.50
3. Clothing and footwear	59.6	106.99	60.2	106.82	99.80
4. Housing, water, electricity, gas and other fuels	157.7	104.89	161.1	103.84	99.00
5. Furnishings, household equipment and maintenance of house	82.5	103.80	79.3	105.49	101.60
6. Health	28.9	101.86	28.9	102.96	101.10
7. Transport	170.8	104.46	163.1	101.66	97.30
8. Communications	24.0	95.90	24.2	91.95	95.90
9. Recreation and culture	73.7	106.89	78.9	110.27	103.20
10. Education	19.6	114.91	17.0	116.06	101.00
11. Hotels, cafes and restaurants	72.8	108.51	73.9	111.57	102.80
12. Miscellaneous goods and services	164.5	105.02	164.5	107.35	102.20
Global index without rents	933.8	105.61	931.2	106.38	100.70
Rents index	66.2	104.69	68.8	105.79	101.10
Global index	1000.0	105.55	1000.0	106.34	100.70

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 Luxembourg CPI and the Luxembourg 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 3.2a below shows the revised Luxembourg CPI variation for the period June 2019 to June 2020, 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, 100.3 (+0.3%).

Table 3.2a
Change in the Luxembourg CPI (rev. weights)
June 2019 - June 2020

Groups of consumption	Weight	Index
1. Food and non-alcoholic beverages	125.9	103.20
2. Alcoholic beverages and tobacco	13.9	101.80
3. Clothing and footwear	43.1	99.80
4. Housing, water, electricity, gas and other fuels	344.2	99.80
5. Furnishings, household equipment and maintenance of house	64.5	101.70
6. Health	12.7	101.10
7. Transport	130.0	95.10
8. Communications	19.8	96.30
9. Recreation and culture	79.6	102.40
10. Education	26.7	101.00
11. Hotels, cafes and restaurants	81.1	102.60
12. Miscellaneous goods and services	58.6	101.50
Global index without rents	721.4	100.00
Rents index	278.5	101.10
Global index	1000.0	100.30

4. 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 has almost remained stable by comparison to the previous period.

**Number of permanent officials and other servants in active service
at July 2019 (i.e. December 2018)**

Duty station	No.	%
Brussels	38,053	81.2
Luxembourg	8,814	18.8
Total	46,867	100.0

Source: PMO, as included in PSEO database (Eurostat)

5. IMPACT OF CHANGES IN THE EXPENDITURE WEIGHTS

In order to calculate the overall index, weights have to be applied to the sub-index for 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. In accordance with the agreed methodology, the staff weights available for the base period are used, and the index is calculated as a type of Laspeyres index.

For the July 2020 calculation exercise, data from the 2017-2018 surveys amongst staff in Brussels is now introduced, replacing the weights derived from previous survey. Survey participation was open to all staff working in Brussels for EU institutions (Commission, Parliament, Council, External Action Service) and EU agencies, and to staff of partner organisations (European Schools, EuroControl, EFTA, NATO). The profile of respondents reflects that of the target population.

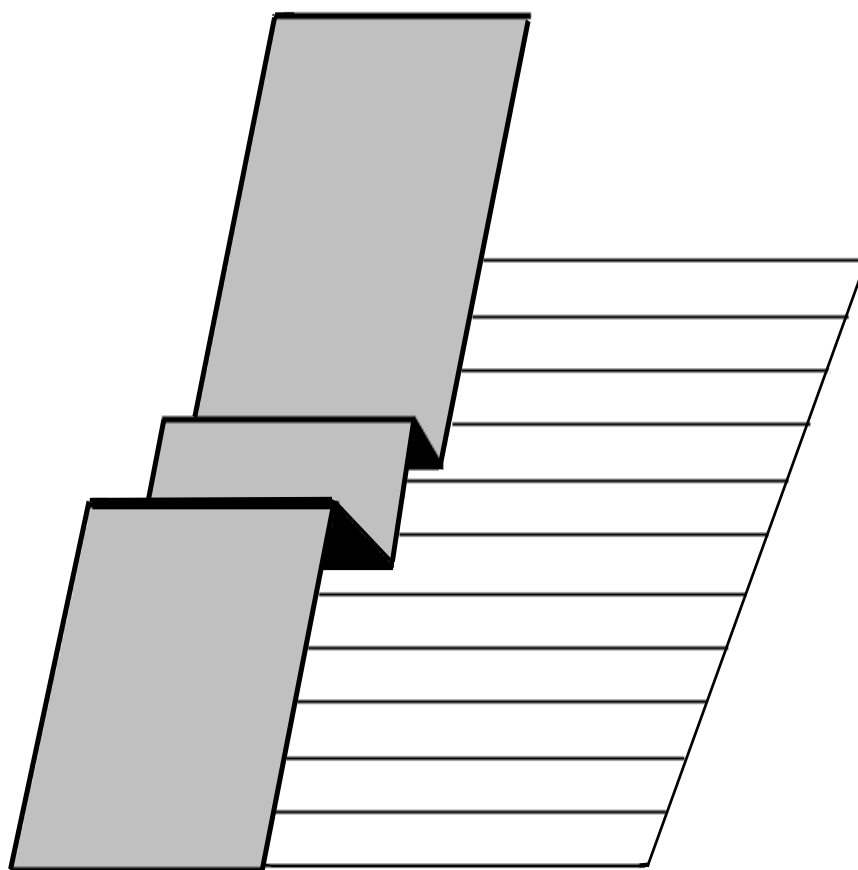
The new expenditure structure updates the relative importance of the sub-index for every basic heading, which could therefore have a potentially important impact on the global aggregate. The principal differences identified by comparison to the previous structure included increases in the proportion of total expenditure spent on certain categories (rent; education, miscellaneous goods and services), and decreases in spending on other categories (alcohol and tobacco; clothing and footwear; health; recreation and culture; hotels, cafes and restaurants), with spending on remaining categories (food and non-alcoholic beverages; furniture and furnishings; transport; communications) relatively unchanged. The changes are considered consistent with changes identified for other duty stations when those were last updated. Despite the changes identified, the impact on the global index of introducing the new Brussels weighting structure was 0.0%.

Appendix 1c

Appendix 1c to the Eurostat Report on the Annual Adjustment of Remuneration and Pensions

Explanations and statistical analyses:
correction coefficients

Reference period:
Year to 1 July 2020



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INTRODUCTION

This document is an appendix to the 2020 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 1, 2 and 3 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).

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 Remuneration and Pensions of the Coordinated Organisations (CO.ISRP) and the United Nations International Civil Service Commission (UN.ICSC).

Important note: the Agreement on the withdrawal of the United Kingdom from the European Union with effect from 31 January 2020 has an important implication for the calculation of correction coefficients. For staff, the United Kingdom is now treated as an Extra-EU country and the production and publication of correction coefficients for London and Culham 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-EU²³ and Extra-EU²⁴.

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²³ Op cit (3) Doc.A6465/14/59rev4 (version July 2020)

²⁴ Op cit (3) Doc.A6465/14/60rev4 (version July 2020)

1. EQUIVALENCE OF PURCHASING POWER OF EU OFFICIALS IN THE MEMBER STATES

1.1 Economic parities, exchange rates and correction coefficients

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

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

* t_0 = actual Sweden CC 2016, t_1 = hypothetical CC using actual ER 2017 but constant PPP

1.1.1 Changes in the correction coefficients from July 2019 to July 2020

The simple average change for all duty stations in the correction coefficient for the period under review was +1.3%, with standard deviation 2.2%. The maximum increase was +8.2% (IE-Dublin). The maximum decrease was -4.5% (HU-Budapest). For 20 locations there was an increase and for 9 locations there was a decrease. The movement in correction coefficients of EU officials for the period July 2019 - July 2020 are summarised in the table below²⁵:

²⁵ Note: For this analysis, a full table is not included in the report.

Range		Duty stations
$X < -3.1\%$	1	HU
$-3.1\% \leq X < -0.9\%$	2	EE, LV
$-0.9\% \leq X < 1.3\%$	9	CZ, DE ^{Bon} , EL, HR, IT ^{Rom} , IT ^{Var} , CY, PL, FI
$1.3\% \leq X < 3.5\%$	16	BG, DK, DE ^{Ber} , DE ^{Kar} , DE ^{Mun} , ES, FR, LT, MT, NL, AT, PT, RO, SI, SK, SE
$3.5\% \leq X < 5.7\%$	0	
$5.7\% \leq X$	1	IE
Total	29	excluding Brussels and Luxembourg ²⁶

1.1.2 Changes in exchange rates from July 2019 to July 2020

For those duty stations in 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 were as follows for the period July 2019 - July 2020: BG 0.0%, CZ +5.6%, DK -0.1%, HR +2.3%, HU +10.1%, PL +5.1%, RO +2.6% and SE -0.7%.

1.2 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.

²⁶ Brussels is the reference city for the bilateral comparisons (CC for staff). In accordance with Article 3(5) of Annex XI to the Staff Regulations, Luxembourg CC = Brussels CC

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 4.1** for all capitals and other places apart from Brussels and Luxembourg.

In recent years there has been repeated discussion about greater access to detailed information below the level of the 12 main consumption groups. An approved list of analytical categories has been developed for Article 64 correction coefficient 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. Following a decision at the 2017 meeting of the Working Group on Articles 64 & 65 of the Staff Regulations, this information is made available in a separate report.

Table 4.1 (page 1 of 3)
Economic parities of the 12 main expenditure groups for each duty station
at 1st July 2020
(for staff)

Expenditure Groups	BE	BG-Sofia		CZ-Prague		DK-Copenhagen		DE-Berlin		DE-Bonn		DE-Karlsruhe	
	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	125.9	160.1	1.526	92.8	20.05	129.6	8.258	108.8	0.918	108.8	0.956	108.8	0.934
2	13.9	17.5	1.183	13.6	20.05	17.4	8.192	17.7	0.821	17.7	0.828	17.7	0.825
3	43.1	80.2	1.513	53.9	25.04	51.6	8.892	53.6	0.893	53.6	0.896	53.6	0.899
4	344.2	240.4	1.023	413.1	30.04	299.6	12.68	272.5	1.242	272.5	0.992	272.5	1.040
5	64.5	53.6	1.093	71.9	19.29	56.0	7.998	85.6	0.966	85.6	0.958	85.6	0.972
6	12.7	15.8	0.7066	13.4	11.80	16.2	8.614	16.8	0.951	16.8	0.955	16.8	0.953
7	130.0	131.0	1.443	110.3	21.79	148.2	9.387	156.0	1.055	156.0	1.098	156.0	1.058
8	19.8	24.0	1.031	15.6	19.38	18.9	5.472	15.8	0.803	15.8	0.784	15.8	0.785
9	79.6	102.0	1.352	81.0	20.24	103.9	9.360	110.4	0.962	110.4	0.965	110.4	0.949
10	26.7	30.4	0.3709	19.5	11.88	21.9	4.902	19.8	0.635	19.8	0.611	19.8	1.087
11	81.1	76.3	0.9352	69.5	14.51	86.1	9.599	94.4	0.888	94.4	0.901	94.4	0.899
12	58.6	68.8	1.268	45.3	22.06	50.6	9.655	48.6	0.905	48.6	0.868	48.6	0.916
Rents	278.5	188.5	1.047	358.4	31.19	246.9	13.53	211.2	1.256	211.2	0.939	211.2	0.996
Total without rents	721.4	811.5	1.195	641.6	19.85	753.1	8.727	788.8	0.952	788.8	0.966	788.8	0.975
Global parity	1000.0	1000.0	1.157	1000.0	22.87	1000.0	9.786	1000.0	1.019	1000.0	0.958	1000.0	0.980
Exchange rate			1.956		26.85		7.453		1		1		1

Expenditure Groups	BE	DE-Munich		EE-Tallinn		IE-Dublin		EL-Athens		ES-Madrid		FR-Paris	
	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	125.9	108.8	0.948	135.9	0.862	101.4	0.973	124.7	0.940	113.0	0.823	123.1	1.042
2	13.9	17.7	0.829	15.8	0.942	15.6	1.662	19.2	1.027	14.3	0.774	18.7	1.046
3	43.1	53.6	0.913	77.6	0.975	39.5	0.916	61.2	0.941	49.2	0.940	57.9	1.000
4	344.2	272.5	1.579	250.5	0.847	360.9	2.008	229.6	0.776	287.4	1.127	294.4	1.697
5	64.5	85.6	0.985	65.7	0.757	57.1	0.838	86.9	0.737	71.0	0.922	69.3	1.035
6	12.7	16.8	0.954	16.7	0.568	9.7	1.753	16.7	0.757	17.6	0.987	9.0	0.820
7	130.0	156.0	1.075	139.8	0.842	158.5	1.087	168.1	0.894	148.4	0.900	131.3	1.079
8	19.8	15.8	0.794	18.8	0.510	18.8	1.000	25.1	1.062	22.5	0.973	16.5	0.685
9	79.6	110.4	1.003	108.8	0.910	81.0	1.043	95.7	0.847	89.1	0.917	90.2	1.084
10	26.7	19.8	0.816	26.9	0.480	34.1	0.564	28.6	0.426	44.7	0.645	30.4	0.636
11	81.1	94.4	0.999	90.1	0.783	69.6	1.192	89.2	0.735	91.5	0.831	107.5	1.080
12	58.6	48.6	0.997	53.5	0.812	53.9	1.027	55.2	0.771	51.3	0.844	51.7	1.069
Rents	278.5	211.2	1.693	193.0	0.906	319.1	2.232	160.9	0.824	237.2	1.232	244.2	1.878
Total without rents	721.4	788.8	0.999	807.0	0.800	680.9	1.022	839.1	0.814	762.8	0.859	755.8	1.027
Global parity	1000.0	1000.0	1.139	1000.0	0.823	1000.0	1.290	1000.0	0.814	1000.0	0.942	1000.0	1.205
Exchange rate			1		1		1		1		1		1

Table 4.1 (page 2 of 3)
Economic parities of the 12 main expenditure groups for each duty station
at 1st July 2020
(for staff)

Expenditure Groups	BE	HR-Zagreb		IT-Rome		IT-Varese		CY-Nicosia		LV-Riga		LT-Vilnius	
	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	125.9	135.7	6.261	110.1	1.010	117.7	1.049	154.6	0.915	136.6	0.833	137.1	0.754
2	13.9	15.3	6.701	13.2	0.958	12.4	0.852	16.9	0.849	15.9	0.889	15.9	0.816
3	43.1	60.9	6.088	56.7	0.982	55.2	1.025	77.4	0.878	78.0	0.973	78.2	0.989
4	344.2	259.1	6.280	268.7	1.001	300.0	0.793	266.3	0.623	246.7	0.763	244.1	0.834
5	64.5	51.1	5.131	72.0	0.932	74.4	0.989	51.8	0.729	66.0	0.722	66.2	0.772
6	12.7	16.9	3.684	21.5	1.070	19.6	1.203	15.3	1.040	16.8	0.577	16.8	0.580
7	130.0	169.5	6.441	161.5	0.979	153.6	1.022	126.5	0.981	140.5	0.824	141.0	0.829
8	19.8	24.5	5.517	18.2	0.824	16.8	0.845	23.2	0.758	18.9	0.621	19.0	0.537
9	79.6	91.8	5.544	93.9	0.953	85.4	0.967	98.5	0.974	109.4	0.849	109.7	0.784
10	26.7	25.6	2.676	29.0	0.615	34.2	1.080	29.3	0.586	27.0	0.375	27.1	0.347
11	81.1	98.1	4.497	85.1	0.801	73.4	0.753	73.7	0.777	90.6	0.721	90.9	0.589
12	58.6	51.6	5.630	70.1	0.911	57.4	0.883	66.5	0.777	53.7	0.818	53.9	0.799
Rents	278.5	198.6	6.697	205.7	1.046	230.0	0.773	216.2	0.609	189.0	0.798	186.2	0.929
Total without rents	721.4	801.4	5.478	794.3	0.923	770.0	0.957	783.8	0.848	811.0	0.769	813.8	0.724
Global parity	1000.0	1000.0	5.738	1000.0	0.950	1000.0	0.907	1000.0	0.782	1000.0	0.775	1000.0	0.766
Exchange rate			7.569		1		1		1		1		1

Expenditure Groups	BE	HU-Budapest		MT-Valletta		NL-TheHague		AT-Vienna		PL-Warsaw		PT-Lisbon	
	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	125.9	124.6	265.4	144.9	0.994	113.5	0.910	109.7	1.073	110.7	2.885	103.0	0.884
2	13.9	19.2	214.3	27.1	0.938	19.1	0.989	9.9	0.899	13.7	3.371	11.0	0.906
3	43.1	59.3	275.7	57.8	0.976	45.1	0.972	63.9	0.959	62.1	3.508	49.0	0.837
4	344.2	328.7	315.3	302.0	1.070	292.1	1.346	292.4	1.227	308.9	3.689	268.3	1.123
5	64.5	60.7	219.4	70.3	0.844	76.0	0.958	71.9	0.991	69.5	2.801	96.5	0.794
6	12.7	9.7	197.6	16.2	0.834	7.5	1.189	14.7	1.076	11.8	2.448	17.2	0.898
7	130.0	129.2	260.4	116.4	1.006	164.1	1.221	149.3	1.065	132.2	3.551	152.1	1.049
8	19.8	17.6	193.1	17.9	0.805	15.5	0.895	18.2	0.669	12.9	1.603	16.9	0.928
9	79.6	82.4	231.0	80.4	0.880	99.5	1.073	90.0	1.067	98.1	3.104	86.4	0.937
10	26.7	23.6	100.0	14.8	0.553	26.2	1.154	32.0	1.003	39.7	1.591	60.9	0.455
11	81.1	92.7	197.1	113.2	0.773	88.2	1.068	75.0	0.939	89.3	2.829	86.0	0.677
12	58.6	52.2	235.1	38.9	0.846	53.2	1.072	72.9	1.048	51.0	3.071	52.9	0.795
Rents	278.5	267.6	361.7	256.7	1.116	238.7	1.436	223.5	1.287	252.6	3.915	217.0	1.179
Total without rents	721.4	732.4	225.7	743.3	0.894	761.3	1.053	776.5	1.018	747.4	2.944	783.0	0.843
Global parity	1000.0	1000.0	256.2	1000.0	0.947	1000.0	1.139	1000.0	1.079	1000.0	3.168	1000.0	0.911
Exchange rate			356.3		1		1		1		4.466		1

Table 4.1 (page 3 of 3)
Economic parities of the 12 main expenditure groups for each duty station
at 1st July 2020
(for staff)

Expenditure Groups	BE	RO-Bucharest		SI-Ljubljana		SK-Bratislava		FI-Helsinki		SE-Stockholm	
	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	125.9	132.4	3.261	135.5	0.845	98.1	0.853	128.1	1.077	126.6	10.63
2	13.9	14.5	3.177	15.3	0.824	14.4	0.789	17.2	1.545	17.0	13.20
3	43.1	66.3	3.666	60.8	0.894	57.0	0.951	51.0	1.070	50.4	11.46
4	344.2	371.7	3.786	259.8	0.899	379.8	0.902	307.8	1.386	315.9	17.68
5	64.5	44.3	2.702	51.1	0.801	76.0	0.712	55.3	1.009	54.7	11.49
6	12.7	13.1	1.866	16.9	0.734	14.2	0.544	16.0	1.495	15.8	15.50
7	130.0	108.3	3.155	169.4	0.929	116.5	0.712	146.5	1.143	144.8	10.85
8	19.8	19.8	2.218	24.5	0.933	16.5	0.612	18.7	0.726	18.5	8.772
9	79.6	84.4	3.239	91.7	0.936	85.6	0.783	102.7	1.164	101.5	11.48
10	26.7	25.1	1.545	25.5	0.618	20.6	0.514	21.7	0.792	21.4	7.794
11	81.1	63.1	2.415	98.0	0.712	73.4	0.718	85.1	1.076	84.1	11.66
12	58.6	56.9	3.304	51.6	0.875	47.9	0.816	50.0	1.191	49.4	12.22
Rents	278.5	328.7	4.071	199.4	0.903	322.0	0.928	255.7	1.500	264.4	19.16
Total without rents	721.4	671.3	2.926	800.6	0.850	678.0	0.759	744.3	1.087	735.6	11.29
Global parity	1000.0	1000.0	3.227	1000.0	0.861	1000.0	0.806	1000.0	1.184	1000.0	13.02
Exchange rate			4.844		1		1		1		10.48

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

1.3 Purchasing power parities – analysis of results

1.3.1 Changes in the economic parities from July 2019 to July 2020

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 2019 - July 2020, is given in **Table 4.2**.

The simple average change in the global economic parity for all duty stations for the period under review was +2.2% with standard deviation 2.1%. The maximum increase was +8.1% (IE-Dublin). The maximum decrease was -1.4% (LV-Riga). For 24 locations there was an increase and for 5 locations there was a decrease. The movements in the global economic parities for the period are summarised in the table below:

Range		Duty stations
$X < -2.0\%$	0	
$-2.0\% \leq X < 0.1\%$	5	EE, IT ^{Rom} , EL, CY, LV
$0.1\% \leq X < 2.2\%$	9	DK, DE ^{Bon} , DE ^{Kar} , IT ^{Var} , LT, AT, SI, SK, FI
$2.2\% \leq X < 4.3\%$	10	BG, DE ^{Ber} , DE ^{Mun} , ES, FR, HR, MT, NL, PT, SE
$4.3\% \leq X < 6.4\%$	4	CZ, HU, PL, RO
$6.4\% \leq X$	1	IE
Total	29	excluding Brussels and Luxembourg ²⁷

1.3.2 Impact of changes in the expenditure weights

Consumption weighting structures are used to aggregate the basic heading parities to produce the global economic parity. Two structures were updated during the period under review.

- Data from the autumn 2017 survey in **Brussels** is now introduced in the July 2020 calculation exercise, replacing the weights derived from previous survey. Survey participation was open to all staff working in Brussels for EU institutions (Commission, Parliament, Council) and EU agencies, and to staff of partner organisations (European Schools, EuroControl, EFTA, NATO). The profile of respondents reflects that of the target population. The updated consumption structure will affect all duty stations, as Brussels is the reference city for parity calculation.
- Data from the autumn 2018 survey in **Ireland** is also being integrated in the July 2020 calculation exercise. The new structure only affects parity calculation for Ireland.

²⁷ Op cit (25) Brussels is the reference city. Luxembourg = Brussels.

The new expenditure structures update the relative importance of the parities for every basic heading, and can therefore have a potentially important impact on the global aggregate parity. The principal differences identified by comparison to the previous structure included increases in the proportion of total expenditure spent on certain categories (rent; education; miscellaneous goods and services), and decreases in spending on other categories (alcohol and tobacco; clothing and footwear; health; recreation and culture; hotels, cafes and restaurants), with spending on remaining categories (food and non-alcoholic beverages; furniture and furnishings; transport; communications) relatively unchanged.. The changes are considered consistent with changes identified for other duty stations when those were last updated.

The impact on global parity of introducing the new Brussels weights generated an increase for 19 duty stations, a decrease for 7 duty stations, and no change for 3 duty stations – with the impact ranging between +1.5% (FR-Paris) and -1.2% (CY-Nicosia). The average change was +0.4%, with standard deviation 0.6%.

The impact of introducing the new Ireland weights generated an increase in global parity for Ireland of +5.5%.

Updated structures for 22 other duty stations were introduced for the July 2018 calculation exercise, based on family budget surveys conducted amongst staff of EU institutions and EU agencies as indicated below:

- (2) Bulgaria and Croatia: spring 2016.
- (6) Greece, Spain, Italy (incl. Italy-Varese), Austria and Portugal: autumn 2016.
- (14) Czech Republic, Denmark, Estonia, Cyprus, Lithuania, Latvia, Hungary, Malta, Poland, Romania, Slovenia, Slovakia, Finland, Sweden: spring 2017.

Updating surveys amongst staff in remaining Intra-EU duty stations are currently planned during autumn 2020 - spring 2021 in 5 locations: France; Germany-Karlsruhe; Germany-Munich; Germany-Berlin/other; Netherlands. The existing weighting structures for these places are based on surveys conducted between 2011 and 2013.

Other things being equal, the next round of family budget surveys amongst Intra-EU staff will commence in 2022, after surveys have been conducted amongst Pensioners in EU27 Member States and amongst Extra-EU staff (147 delegations around the world).

1.3.3 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 2019)
- Transport HORECA (survey conducted in autumn 2019)

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 (Bonn, Karlsruhe, Munich).

The introduction of price data from the spring 2019 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 115.4‰ on average in other EU duty stations with range between 103.4‰ and 138.4‰ and standard deviation 8.8‰. Introduction of these various results has led to an increase in the overall parity for 21 locations, a decrease in the parity for 2 locations and no change in the parity for 6 locations - with the impact ranging between +1.3% (IE-Dublin) and -0.1% (DK-Copenhagen and DE-Bonn). The average impact was +0.3%, with standard deviation 0.3%.

The introduction of the price data from the autumn 2019 ECP survey on Transport 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 179.7‰ on average in other EU duty stations with range between 137.0‰ and 208.8‰ and standard deviation 21.8‰. Introduction of these results has generated an increase in the overall parity for 24 locations, no change for 1 location and negative change for 4 locations - with the impact ranging between +1.4% (EL-Athens) and -0.7% (NL-The Hague). The average impact was +0.4%, with standard deviation 0.5%.

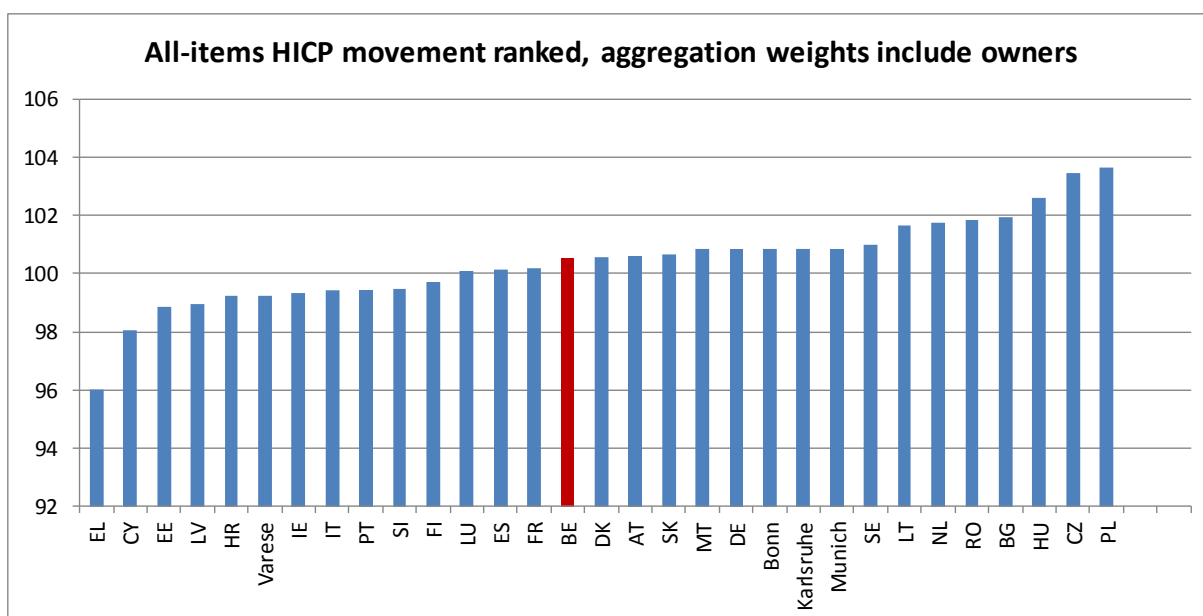
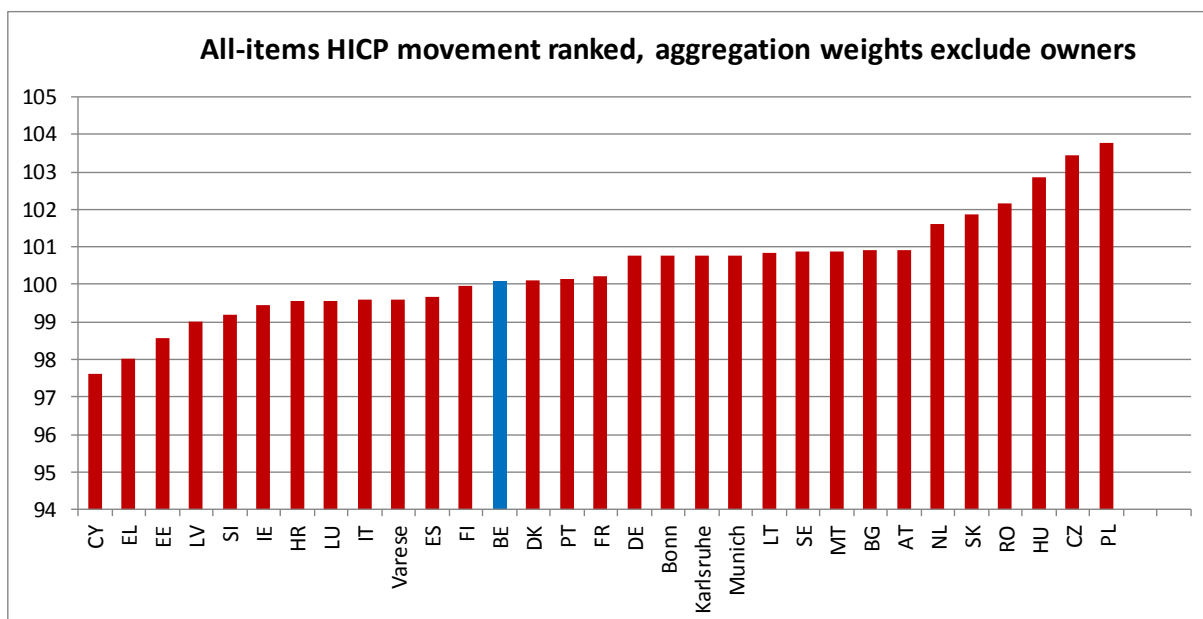
1.3.4 Impact of indexation

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 Brussels²⁸.

The impact on the overall parity of applying detailed sub-indices at basic heading level for the year to July 2020 generated a decrease (i.e. inflation was lower than in Brussels) in 14 places and an increase (i.e. inflation was higher than Brussels) in the remaining 15 places - with the impact ranging between +3.6% (PL-Warsaw) and -4.3% (EE-Tallinn). The average impact was +0.0% and standard deviation 1.7%.

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). 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 HICP have developed relative to Belgium during the year to July 2020. It is clear from both graphs that the overall price index has risen more quickly in a little more than half of the duty station countries and less quickly in the remaining ones.

²⁸ See appendix 1b for details of the movement in the Joint Belgium-Luxembourg Index (JBLI).



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. For the new base period July 2019 (December 2018) compared with the previous base period July 2018 (December 2017) the ratio remained broadly stable²⁹.

1.3.5 Impact of new rent parities

Estate Agency Rent Surveys are 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

²⁹ See appendix 1b

for 2020 are based on the relative trend in the real-estate markets in Brussels and other places of employment between 2014 and 2020.

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

- introduction of rent data for each dwelling type for year 2020³⁰;
- deletion of the rent data for 2014;
- price indices used for updating the rents for 2015 - 2019 to price level of 2020;
- relative weighting of rents data for each of the years 2015 – 2020 (“taper weights” *)
- relative weighting of rents data for each dwelling type (*).

(*) relative weighting structure is derived from the 2016 housing surveys conducted amongst active staff in all Intra-EU duty stations in collaboration with other international organisations. Dwelling type weights were introduced for 2016 exercise; taper weights were introduced for 2017 exercise. No further changes for 2020.

Details of the average rent values by type of dwelling are provided in **Table 4.3** at July 2020, together with comparative information for July 2019.

Details of the changes in the rent parities from July 2019 to July 2020, including a decomposition of all the effects, are given in **Table 5.4** and **Table 5.4a**.

The simple average change in the rent parity for all duty stations was +2.1%. There were increases in the rent parity for 25 duty stations and decreases for 4 locations (EE-Tallinn, IE-Dublin, IT-Rome, LV-Riga). Movements in the rent parity in absolute terms of 5% or more could be observed in 4 places: Lisbon (+9.4%), Prague (+5.7), Valletta (+5.2%) and Zagreb (+5.1%).

The rents basic headings account for 278.5‰ of the total consumption weight in Brussels and 236.0‰ on average in other EU duty stations with range between 160.9‰ and 358.4‰ and standard deviation 46.4‰. 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 27 locations and decreases for 2 locations with the impact ranging between +2.8% (EE-Tallinn) and -0.6% (PL-Warsaw). The average impact on the overall parity was +0.9% with standard deviation 0.7%.

1.3.6 Impact of rents on the overall parity for staff

In **Table 5.5** and **Table 5.6**, 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 2020, for 14 out of the 29 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 15 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 (223.2), FR-Paris (187.8), SE-Stockholm (182.9), DK-Copenhagen (181.5) and DE-Munich

³⁰ Exceptionally for the 2020 calculation exercise, due to practical constraints from national restrictions imposed in connection with the COVID-19 pandemic, 2020 rent data for each dwelling type were derived by updating corresponding 2019 data using the appropriate national index for period 2019m06-2020m06.

(169.3), whereas they are quite low in BG-Sofia (53.5), CY-Nicosia (60.9), IT-Varese (77.3) and LV-Riga (79.8).

In 2020, the rent correction coefficient is lower than the correction coefficient without rent in 4 of the duty stations (BG, DE^{Bon}, IT^{Var} 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 (+26.2%), FR-Paris (+17.3%), SE-Stockholm (+15.4%), CZ-Prague (+15.3%), DE-Munich (+14.0%), HU-Budapest (+13.6%), DK-Copenhagen (+12.1%) and RO-Bucharest (+10.3%). By contrast, the impact is quite negative in CY-Nicosia (-7.8%), IT-Varese (-5.2%) and BG-Sofia (-3.3%). The average rent effect is +6.7% with standard deviation 7.3%.

1.3.7 Summary of component impacts on global parity

The tables below summarise the impact of the various components on the global parity, which are discussed in the preceding paragraphs:

Component	BH	Expenditure weight %				
		BE	Other (Avg.)	Other (St.Dev)	Other (Min.)	Other (Max.)
FBS Brussels	80	1000.0	1000.0	0	1000.0	1000.0
E19-1 House and garden	20	99.6	115.4	8.8	103.4	138.4
E19_2 Transport HORECA	8	166.9	179.7	21.8	137.0	208.8
HICP relative to JBLI	80	1000.0	1000.0	0	1000.0	1000.0
Rent	2	278.5	236.0	46.4	160.9	358.4

Component	BH	Impact on Global PPP					
		Avg.	St.Dev	Max.	Min.	+ve or 0	-ve
FBS Brussels	80	+0.4%	0.6%	+1.5%	-1.2%	22	7
E19-1 House and garden	20	+0.3%	0.3%	+1.3%	-0.1%	27	2
E19_2 Transport HORECA	8	+0.4%	0.5%	+1.4%	-0.7%	25	4
HICP relative to JBLI	80	+0.0%	1.7%	+3.6%	-4.3%	15	14
Rent	2	+0.9%	0.7%	+2.8%	-0.6%	27	2
GLOBAL	80	+2.2%	2.1%	+8.2%	-1.4%	24	5

Table 4.2
Changes in the economic parities in the twelve months to 1st July 2020
Decomposition of the effects
(for staff)

Place of employment		Introduction of new price data					
		New FBS weights	Introduction of new price data				Total
			E19-1 House and garden	E19-2 Transport HORECA	Indexation (HICP relative to JBLI)	2019 Rents	
BG	Sofia	-0.3	0.4	1.1	0.8	1.0	3.0
CZ	Prague	1.2	0.2	-0.5	2.7	1.5	5.1
DK	Copenhagen	0.9	-0.1	0.3	-0.3	0.7	1.5
DE	Berlin	0.6	0.0	0.3	0.6	1.1	2.6
	Bonn	-0.1	-0.1	0.0	0.6	0.3	0.7
	Karlsruhe	0.3	0.0	0.1	0.6	0.6	1.6
	Munich	1.3	0.0	0.3	0.5	1.1	3.2
EE	Tallinn	-0.2	0.2	0.5	-4.3	2.8	-1.0
IE	Dublin	7.0	1.3	0.7	-1.5	0.6	8.1
EL	Athens	-0.5	0.4	1.4	-2.7	0.9	-0.5
ES	Madrid	0.7	0.3	1.0	-0.5	1.3	2.8
FR	Paris	1.5	0.2	0.3	-0.5	1.0	2.5
HR	Zagreb	0.0	0.6	0.6	-0.2	1.2	2.2
IT	Rome	0.2	0.0	0.1	-0.7	0.2	-0.2
	Varese	-0.4	0.6	0.6	-0.7	0.7	0.8
CY	Nicosia	-1.2	0.6	0.7	-2.0	1.0	-0.9
LV	Riga	-0.3	0.0	0.8	-2.8	0.9	-1.4
LT	Vilnius	0.0	0.4	-0.1	0.9	0.8	2.0
HU	Budapest	0.9	0.7	0.3	2.5	0.6	5.0
MT	Vallette	0.3	0.3	0.6	1.2	0.6	3.0
NL	The Hague	1.1	0.3	-0.7	1.1	0.3	2.1
AT	Vienna	0.7	0.0	0.5	0.9	-0.2	1.9
PL	Warsaw	0.4	0.7	0.6	3.6	-0.6	4.7
PT	Lisbon	0.5	0.6	0.3	-0.7	2.2	2.9
RO	Bucharest	0.5	0.4	1.0	1.3	1.4	4.6
SI	Ljubljana	0.0	0.4	0.8	-1.2	1.9	1.9
SK	Bratislava	0.4	0.3	0.3	0.5	0.4	1.9
FI	Helsinki	0.3	0.4	-0.2	-0.6	0.3	0.2
SE	Stockholm	0.8	0.8	0.1	0.5	0.3	2.5

Table 4.3 (page 1 of 4)
Changes in the average rents of accommodation in the twelve months to 1st July 2020
 (Values expressed in Euro, except local currencies: BG*, CZ, DK, HR*, HU, PL, RO*, SE, UK) ¹

Country			3 bedroom flat			2 bedroom flat		1 bedroom flat	
Place of employment			(140-160m ²)	(110-130m ²)	(80-100m ²)	(80-100m ²)	(60-80m ²)	(60-80m ²)	(40-60m ²)
BE	Brussels	2019	1,662	1,321	1,098	1,063	894	848	725
		2020	1,706	1,356	1,127	1,091	918	870	744
BG	Sofia	2019	1,792	-	-	1,154	-	814	-
		2020	1,833	-	-	1,181	-	833	-
CZ	Prague	2019	-	43,750	-	31,972	-	23,611	-
		2020	-	43,000	-	32,778	-	23,444	-
DK	Copenhagen	2019	-	18,653	-	-	14,184	-	10,421
		2020	-	18,830	-	-	14,319	-	10,520
DE	Berlin	2019	-	1,822	-	1,360	-	1,058	-
		2020	-	1,850	-	1,381	-	1,074	-
	Bonn	2019	-	1,311	-	981	-	788	-
		2020	-	1,331	-	996	-	800	-
	Karlsruhe	2019	-	1,384	-	1,062	-	830	-
		2020	-	1,405	-	1,078	-	843	-
	Munich	2019	-	2,232	-	1,719	-	1,344	-
		2020	-	2,266	-	1,745	-	1,364	-
EE	Tallin	2019	-	-	1,341	-	904	-	629
		2020	-	-	1,184	-	798	-	555
IE	Dublin	2019	-	2,798	-	-	2,168	-	1,759
		2020	-	2,787	-	-	2,160	-	1,752
EL	Athens	2019	1,471	-	-	1,011	-	791	-
		2020	1,471	-	-	1,011	-	791	-
ES	Madrid	2019	-	1,834	-	-	1,354	-	1,004
		2020	-	1,855	-	-	1,369	-	1,015
FR	Paris	2019	-	2,900	-	2,182	-	-	1,236
		2020	-	2,909	-	2,189	-	-	1,240
HR	Zagreb	2019	-	10,309	-	7,004	-	5,258	-
		2020	-	10,786	-	7,327	-	5,503	-
IT	Rome	2019	-	1,663	-	1,237	-	951	-
		2020	-	1,670	-	1,242	-	955	-
	Varese	2019	-	1,020	-	750	-	574	-
		2020	-	1,024	-	753	-	576	-
CY	Nicosia	2019	-	921	-	719	-	597	-
		2020	-	941	-	735	-	610	-

¹ Rent value for dwelling type for year in question is average of reported values.

* BG, HR, RO collected in Euros. Values converted to national currency

Table 4.3 (page 2 of 4)
Changes in the average rents of accommodation in the twelve months to 1st July 2020
 (Values expressed in Euro, except local currencies: BG*, CZ, DK, HR*, HU, PL, RO*, SE, UK) ¹

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	2019	1,662	1,321	1,098	1,063	894	848	725
		2020	1,706	1,356	1,127	1,091	918	870	744
LV	Riga	2019	-	1,266	-	886	-	642	-
		2020	-	1,195	-	837	-	606	-
LT	Vilnius	2019	-	-	1,099	-	822	-	597
		2020	-	-	1,114	-	833	-	605
HU	Budapest	2019	-	508,333	-	-	343,889	-	257,625
		2020	-	531,106	-	-	359,295	-	269,167
MT	Valletta	2019	-	1,451	-	1,115	-	-	847
		2020	-	1,529	-	1,175	-	-	892
NL	The Hague	2019	-	2,021	-	1,455	-	1,080	-
		2020	-	2,072	-	1,492	-	1,107	-
AT	Vienna	2019	-	1,632	-	1,224	-	959	-
		2020	-	1,693	-	1,270	-	995	-
PL	Warsaw	2019	-	4,890	-	3,546	-	-	2,386
		2020	-	5,175	-	3,753	-	-	2,525
PT	Lisbon	2019	1,948	-	-	1,483	-	1,055	-
		2020	1,994	-	-	1,518	-	1,080	-
RO	Bucharest	2019	-	5,327	-	3,957	-	-	2,503
		2020	-	5,580	-	4,146	-	-	2,621
SI	Ljubljana	2019	-	1,500	-	1,013	-	-	683
		2020	-	1,458	-	984	-	-	664
SK	Bratislava	2019	-	1,213	-	930	-	675	-
		2020	-	1,238	-	949	-	689	-
FI	Helsinki	2019	-	2,217	-	-	1,508	-	1,178
		2020	-	2,247	-	-	1,529	-	1,194
SE	Stockholm	2019	-	30,213	-	21,267	-	15,987	-
		2020	-	30,763	-	21,654	-	16,278	-

¹ Rent value for dwelling type for year in question is average of reported values.

* BG, HR, RO collected in Euros. Values converted to national currency

Table 4.3 (page 3 of 4)
Changes in the average rents of accommodation in the twelve months to 1st July 2020
(Values expressed in Euro, except local currencies: BG*, CZ, DK, HR*, HU, PL, RO*, SE, UK) ¹

Country			Non-detached houses			Detached houses			Rent Parity ²
Place of employment			(140-160m ²)	(110-130m ²)	(80-100m ²)	(190-220m ²)	(150-180m ²)	(110-140m ²)	
BE	Brussels	2019	1,750	1,434	1,211	2,494	1,986	1,589	1.000
		2020	1,796	1,472	1,243	2,560	2,038	1,631	1.000
BG	Sofia	2019	-	-	-	2,879	-	-	1.0027
		2020	-	-	-	2,945	-	-	1.047
CZ	Prague	2019	-	44,722	-	-	72,611	-	29.52
		2020	-	45,375	-	-	67,625	-	31.19
DK	Copenhagen	2019	-	19,650	-	-	23,700	-	13.37
		2020	-	19,837	-	-	23,925	-	13.53
DE	Berlin	2019	-	1,853	-	-	2,639	-	1.217
		2020	-	1,881	-	-	2,679	-	1.256
	Bonn	2019	-	1,368	-	-	1,783	-	0.936
		2020	-	1,389	-	-	1,810	-	0.939
	Karlsruhe	2019	-	1,469	-	-	2,011	-	0.982
		2020	-	1,491	-	-	2,041	-	0.996
	Munich	2019	-	2,609	-	-	3,916	-	1.641
		2020	-	2,648	-	-	3,975	-	1.693
EE	Tallin	2019	-	1,311	-	-	1,806	-	0.935
		2020	-	1,157	-	-	1,595	-	0.906
IE	Dublin	2019	-	-	2,809	-	-	3,571	2.251
		2020	-	-	2,798	-	-	3,557	2.232
EL	Athens	2019	1,623	-	-	2,203	-	-	0.808
		2020	1,623	-	-	2,203	-	-	0.824
ES	Madrid	2019	2,159	-	-	3,116	-	-	1.188
		2020	2,183	-	-	3,151	-	-	1.232
FR	Paris	2019	-	2,679	-	-	3,603	-	1.848
		2020	-	2,687	-	-	3,614	-	1.878
HR	Zagreb	2019	11,626	-	-	18,444	-	-	6.374
		2020	12,163	-	-	19,293	-	-	6.697
IT	Rome	2019	-	1,453	-	1,987	-	-	1.060
		2020	-	1,459	-	1,995	-	-	1.046
	Varese	2019	-	1,319	-	2,047	-	-	0.767
		2020	-	1,324	-	2,055	-	-	0.773
CY	Nicosia	2019	1,146	-	-	1,729	-	-	0.587
		2020	1,171	-	-	1,767	-	-	0.609

¹ Rent value for dwelling type for year in question is average of reported values.

* BG, HR, 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 4.3 (page 4 of 4)

Changes in the average rents of accommodation in the twelve months to 1st July 2020

(Values expressed in Euro, except local currencies: BG*, CZ, DK, HR*, HU, PL, RO*, SE, UK) ¹

Country			Non-detached houses			Detached houses			Rent Parity ²
Place of employment			(140-160m ²)	(110-130m ²)	(80-100m ²)	(190-220m ²)	(150-180m ²)	(110-140m ²)	
BE	Brussels	2019	1,750	1,434	1,211	2,494	1,986	1,589	1.000
		2020	1,796	1,472	1,243	2,560	2,038	1,631	1.000
LV	Riga	2019	1,440	-	-	1,981	-	-	0.832
		2020	1,360	-	-	1,871	-	-	0.798
LT	Vilnius	2019	-	1,493	-	-	2,092	-	0.908
		2020	-	1,513	-	-	2,121	-	0.929
HU	Budapest	2019	605,714	-	-	830,071	-	-	347.1
		2020	632,850	-	-	867,258	-	-	361.7
MT	Valletta	2019	-	1,860	-	2,925	-	-	1.060
		2020	-	1,960	-	3,082	-	-	1.116
NL	The Hague	2019	2,424	-	-	-	3,216	-	1.417
		2020	2,485	-	-	-	3,297	-	1.436
AT	Vienna	2019	-	1,956	-	-	3,383	-	1.281
		2020	-	2,029	-	-	3,510	-	1.287
PL	Warsaw	2019	-	5,485	-	7,870	-	-	3.868
		2020	-	5,805	-	8,329	-	-	3.915
PT	Lisbon	2019	2,525	-	-	-	3,333	-	1.078
		2020	2,585	-	-	-	3,412	-	1.179
RO	Bucharest	2019	-	-	-	-	7,839	-	3.895
		2020	-	-	-	-	8,215	-	4.071
SI	Ljubljana	2019	-	1,330	-	-	2,010	-	0.879
		2020	-	1,292	-	-	1,953	-	0.903
SK	Bratislava	2019	-	1,397	-	-	1,949	-	0.917
		2020	-	1,425	-	-	1,989	-	0.928
FI	Helsinki	2019	-	2,131	-	3,139	-	-	1.498
		2020	-	2,160	-	3,182	-	-	1.500
SE	Stockholm	2019	-	25,167	-	-	33,000	-	19.07
		2020	-	25,625	-	-	33,601	-	19.16

¹ Rent value for dwelling type for year in question is average of reported values.

* BG, HR, 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 5.4
Changes in rent parities in the twelve months to 1st July 2020
Decomposition of the effects
(for staff)

Place of employment		Delete survey 2014	Introduce survey 2020	Rent index 2020	New SHS dwelling weights	New taper weights	Currency conversion *	Total change rent PPP
BG	Sofia	4.0	0.0	0.4	-	-	0.0	4.4
CZ	Prague	3.7	0.1	1.7	-	-	-	5.7
DK	Copenhagen	2.1	-0.4	-0.5	-	-	-	1.2
DE	Berlin	3.3	-0.3	0.3	-	-	-	3.3
	Bonn	0.3	-0.3	0.3	-	-	-	0.3
	Karlsruhe	1.4	-0.3	0.3	-	-	-	1.4
	Munich	3.2	-0.3	0.3	-	-	-	3.2
EE	Tallinn	2.1	-3.7	-1.4	-	-	-	-3.0
IE	Dublin	0.9	-0.8	-1.0	-	-	-	-0.9
EL	Athens	4.6	-0.7	-1.8	-	-	-	2.0
ES	Madrid	5.0	-0.4	-0.9	-	-	-	3.7
FR	Paris	2.2	-0.6	0.0	-	-	-	1.6
HR	Zagreb	3.6	-0.1	-0.8	-	-	2.3	5.1
IT	Rome	0.1	-0.6	-0.9	-	-	-	-1.3
	Varese	2.2	-0.6	-0.9	-	-	-	0.7
CY	Nicosia	6.1	-0.1	-2.1	-	-	-	3.8
LV	Riga	-0.8	-2.0	-1.2	-	-	-	-4.1
LT	Vilnius	2.6	-0.3	0.0	-	-	-	2.3
HU	Budapest	3.0	0.5	0.7	-	-	-	4.2
MT	Valletta	4.6	0.7	-0.2	-	-	-	5.2
NL	The Hague	0.9	0.0	0.5	-	-	-	1.3
AT	Vienna	0.0	0.3	0.2	-	-	-	0.4
PL	Warsaw	-1.1	0.7	1.6	-	-	-	1.2
PT	Lisbon	10.1	0.0	-0.6	-	-	-	9.4
RO	Bucharest	0.8	-0.1	1.2	-	-	2.6	4.5
SI	Ljubljana	5.2	-1.4	-0.9	-	-	-	2.8
SK	Bratislava	0.7	-0.1	0.6	-	-	-	1.1
FI	Helsinki	1.2	-0.3	-0.7	-	-	-	0.2
SE	Stockholm	0.9	-0.2	-0.2	-	-	-	0.5

* BG, HR, RO rent values are compiled in Euro and converted to local currency for PPP calculation.
Restatement of national currency values expressed at July 2019 exchange rates into July 2020 exchange rates.

Table 5.4a
Changes in rent parities in the twelve months to 1st July 2020
Decomposition of the effects (impact on global parity)
(for staff)

Place of employment	Delete survey 2014	Introduce survey 2020	Rent index 2020	New SHS dwelling weights	New taper weights	Currency conversion *	Total rent impact
BG Sofia	0.9	0.0	0.1	-	-	0.0	1.0
CZ Prague	1.0	0.0	0.5	-	-	-	1.5
DK Copenhagen	1.2	-0.3	-0.3	-	-	-	0.7
DE Berlin	1.0	-0.1	0.1	-	-	-	1.1
Bonn	0.3	-0.3	0.3	-	-	-	0.3
Karlsruhe	0.6	-0.1	0.1	-	-	-	0.6
Munich	1.1	-0.1	0.1	-	-	-	1.1
EE Tallinn	-2.0	3.4	1.3	-	-	-	2.8
IE Dublin	-0.6	0.5	0.7	-	-	-	0.6
EL Athens	2.1	-0.3	-0.9	-	-	-	0.9
ES Madrid	1.8	-0.1	-0.3	-	-	-	1.3
FR Paris	1.4	-0.4	0.0	-	-	-	1.0
HR Zagreb	0.9	0.0	-0.2	-	-	0.6	1.2
IT Rome	0.0	0.1	0.1	-	-	-	0.2
Varese	2.1	-0.5	-0.9	-	-	-	0.7
CY Nicosia	1.5	0.0	-0.5	-	-	-	1.0
LV Riga	0.2	0.5	0.3	-	-	-	0.9
LT Vilnius	0.9	-0.1	0.0	-	-	-	0.8
HU Budapest	0.4	0.1	0.1	-	-	-	0.6
MT Valletta	0.5	0.1	0.0	-	-	-	0.6
NL The Hague	0.2	0.0	0.1	-	-	-	0.3
AT Vienna	0.0	-0.1	-0.1	-	-	-	-0.2
PL Warsaw	0.5	-0.3	-0.7	-	-	-	-0.6
PT Lisbon	2.4	0.0	-0.1	-	-	-	2.2
RO Bucharest	0.2	0.0	0.4	-	-	0.8	1.4
SI Ljubljana	3.6	-1.0	-0.6	-	-	-	1.9
SK Bratislava	0.3	-0.1	0.2	-	-	-	0.4
FI Helsinki	2.4	-0.6	-1.4	-	-	-	0.3
SE Stockholm	0.5	-0.1	-0.1	-	-	-	0.3

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

Restatement of national currency values expressed at July 2019 exchange rates into July 2020 exchange rates.

Table 5.5
Effect of rent on the correction coefficients at 1st July 2020
(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	61.1	53.5	59.1	-3.3
CZ Prague	641.6	358.4	73.9	116.2	85.2	15.3
DK Copenhagen	753.1	246.9	117.1	181.5	131.3	12.1
DE Berlin	788.8	211.2	95.2	125.6	101.9	7.0
Bonn	788.8	211.2	96.6	93.9	95.8	-0.8
Karlsruhe	788.8	211.2	97.5	99.6	98.0	0.5
Munich	788.8	211.2	99.9	169.3	113.9	14.0
EE Tallinn	807.0	193.0	80.0	90.6	82.3	2.9
IE Dublin	680.9	319.1	102.2	223.2	129.0	26.2
EL Athens	839.1	160.9	81.4	82.4	81.4	0.0
ES Madrid	762.8	237.2	85.9	123.2	94.2	9.7
FR Paris	755.8	244.2	102.7	187.8	120.5	17.3
HR Zagreb	801.4	198.6	72.4	88.5	75.8	4.7
IT Rome	794.3	205.7	92.3	104.6	95.0	2.9
Varese	770.0	230.0	95.7	77.3	90.7	-5.2
CY Nicosia	783.8	216.2	84.8	60.9	78.2	-7.8
LV Riga	811.0	189.0	76.9	79.8	77.5	0.8
LT Vilnius	813.8	186.2	72.4	92.9	76.6	5.8
HU Budapest	732.4	267.6	63.3	101.5	71.9	13.6
MT Vallette	743.3	256.7	89.4	111.6	94.7	5.9
NL The Hague	761.3	238.7	105.3	143.6	113.9	8.2
AT Vienna	776.5	223.5	101.8	128.7	107.9	6.0
PL Warsaw	747.4	252.6	65.9	87.7	70.9	7.6
PT Lisbon	783.0	217.0	84.3	117.9	91.1	8.1
RO Bucharest	671.3	328.7	60.4	84.0	66.6	10.3
SI Ljubljana	800.6	199.4	85.0	90.3	86.1	1.3
SK Bratislava	678.0	322.0	75.9	92.8	80.6	6.2
FI Helsinki	744.3	255.7	108.7	150.0	118.4	8.9
SE Stockholm	735.6	264.4	107.7	182.9	124.3	15.4

Table 5.6
Effect of rent on the economic parities at 1st July 2020
(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	1.195	1.047	1.157	-3.3
CZ Prague	641.6	358.4	19.85	31.19	22.87	15.3
DK Copenhagen	753.1	246.9	8.727	13.53	9.786	12.1
DE Berlin	788.8	211.2	0.952	1.256	1.019	7.0
Bonn	788.8	211.2	0.966	0.939	0.958	-0.8
Karlsruhe	788.8	211.2	0.975	0.996	0.980	0.5
Munich	788.8	211.2	0.999	1.693	1.139	14.0
EE Tallinn	807.0	193.0	0.800	0.906	0.823	2.9
IE Dublin	680.9	319.1	1.022	2.232	1.290	26.2
EL Athens	839.1	160.9	0.814	0.824	0.814	0.0
ES Madrid	762.8	237.2	0.859	1.232	0.942	9.7
FR Paris	755.8	244.2	1.027	1.878	1.205	17.3
HR Zagreb	801.4	198.6	5.478	6.697	5.738	4.7
IT Rome	794.3	205.7	0.923	1.046	0.950	2.9
Varese	770.0	230.0	0.957	0.773	0.907	-5.2
CY Nicosia	783.8	216.2	0.848	0.609	0.782	-7.8
LV Riga	811.0	189.0	0.769	0.798	0.775	0.8
LT Vilnius	813.8	186.2	0.724	0.929	0.766	5.8
HU Budapest	732.4	267.6	225.7	361.7	256.2	13.6
MT Vallette	743.3	256.7	0.894	1.116	0.947	5.9
NL The Hague	761.3	238.7	1.053	1.436	1.139	8.2
AT Vienna	776.5	223.5	1.018	1.287	1.079	6.0
PL Warsaw	747.4	252.6	2.944	3.915	3.168	7.6
PT Lisbon	783.0	217.0	0.843	1.179	0.911	8.1
RO Bucharest	671.3	328.7	2.926	4.071	3.227	10.3
SI Ljubljana	800.6	199.4	0.850	0.903	0.861	1.3
SK Bratislava	678.0	322.0	0.76	0.93	0.81	6.2
FI Helsinki	744.3	255.7	1.0866	1.500	1.184	8.9
SE Stockholm	735.6	264.4	11.29	19.16	13.02	15.4

2. EQUIVALENCE OF PURCHASING POWER OF EU PENSIONERS IN THE MEMBER STATES

2.1 Economic parities, exchange rates and correction coefficients

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 (only for the pension rights acquired before 1 May 2004; the correction coefficient being 100% for the pension rights acquired from that date) 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 parities³¹.

2.1.1 Changes in the correction coefficients from July 2019 to July 2020

The simple average change for all Member States in the correction coefficient for the period under review was +0.4% with standard deviation 2.4%. The maximum increase was +7.4% (Slovakia); the maximum decrease was -6.3% (Hungary). For 16 Member States the change was positive, for 2 there was no change, and for 7 Member States the change was negative. The movements in pensioner correction coefficients for the period July 2019 - July 2020 are summarised in the table below³²:

Range		Duty stations
$X < -4.4\%$	1	HU
$-4.4\% \leq X < -2.0$	2	CZ, IE
$-2.0\% \leq X < 0.4\%$	9	EE, EL, FR, HR, CY, LV, NL, SI, FI
$0.4\% \leq X < 2.8\%$	12	BG, DK, DE, ES, IT, LT, MT, AT, PL, PT, RO, SE
$2.8\% \leq X < 5.2\%$	0	
$5.2\% \leq X$	1	SK
Total	25	excluding Belgium and Luxembourg ³³

For UK, the change was negative.

³¹ For a numerical example to illustrate this, see Appendix 1c Section 1.1; for details of changes in exchange rates, see Appendix 1c Section 1.1.2

³² Note: For this analysis, a full table is not included in the report.

³³ Belgium is the reference country for the bilateral comparisons (CC for pensioners). In accordance with Article 3(2) of Annex XI to the Staff Regulations, Luxembourg = Belgium.

2.1.2 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:

- a) 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 Brussels³⁴.
- b) 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)³⁵. That approach is applied for all Member States except Belgium (CPI), Estonia (1:1 ratio), Malta (1:1 ratio), Austria (microcensus).

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

2.1.3 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 2021, following completion of the current cycle of surveys amongst active staff.

2.1.4 Detailed economic parities

The details of the calculated economic parities at the level of 12 main consumption groups are shown in **Table 6.1** for all countries apart from Belgium and Luxembourg. This table also includes information about the consumption weights by country and by expenditure groups.

³⁴ For more details, see Appendix 1c Section 1.2

³⁵ 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

Table 6.1 (page 1 of 2)

Economic parities of the 12 main expenditure groups for each country
1st July 2020
(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	1.523	140.7	20.10	119.0	8.333	123.4	0.918	118.6	0.819	131.1	1.032	137.0	0.936
2	24.4	32.0	1.309	29.0	20.46	31.4	8.516	27.4	0.806	24.8	0.964	27.1	1.710	28.3	1.136
3	42.4	46.0	1.491	41.7	24.87	33.3	8.920	40.6	0.884	27.3	0.813	38.9	1.101	40.6	0.921
4	337.0	186.0	0.8085	261.1	19.61	376.4	11.96	305.5	1.194	349.8	0.991	311.4	1.469	280.8	0.694
5	70.9	92.0	1.041	83.5	17.99	60.2	8.053	74.4	0.983	67.8	0.677	77.8	0.886	81.3	0.700
6	21.7	29.5	0.7066	26.8	11.80	16.8	8.614	30.9	0.951	18.5	0.489	25.0	2.038	26.1	0.757
7	118.0	147.4	1.363	133.8	21.10	131.6	9.406	117.7	1.050	124.2	0.822	124.7	1.087	130.2	0.876
8	19.6	22.1	1.023	20.0	19.06	15.5	5.606	14.1	0.791	19.0	0.522	18.7	0.992	19.5	1.032
9	95.2	119.3	1.329	108.2	19.08	95.3	9.642	114.8	0.956	102.7	0.898	100.9	1.046	105.4	0.861
10	2.7	5.7	0.3709	5.1	11.88	4.4	4.902	7.9	0.635	6.5	0.559	4.8	0.484	5.0	0.426
11	72.2	88.0	0.9399	79.9	14.51	66.7	9.853	77.6	0.882	76.6	0.818	74.5	1.194	77.8	0.715
12	65.0	77.2	1.203	70.0	21.66	49.4	10.08	65.8	0.921	64.2	0.774	65.3	1.046	68.2	0.742
Rents	255.4	83.1	0.6890	167.8	18.25	297.2	12.64	230.1	1.192	224.5	1.046	258.0	1.747	190.0	0.703
Total without rents	744.6	916.9	1.210	832.2	19.59	702.8	9.026	769.9	0.962	775.6	0.800	742.0	1.063	810.0	0.818
Global parity	1000.0	1000.0	1.106	1000.0	19.27	1000.0	9.895	1000.0	1.012	1000.0	0.851	1000.0	1.207	1000.0	0.791
Exchange rate			1.956		26.85		7.453		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	0.821	131.6	1.041	144.8	6.299	144.9	1.004	137.7	0.912	129.7	0.829	162.6	0.751
2	24.4	25.2	0.787	23.6	1.032	29.9	7.038	21.1	0.978	28.4	0.892	26.8	0.966	33.6	0.867
3	42.4	38.4	0.929	39.8	0.996	42.9	6.044	36.4	0.958	40.8	0.868	38.4	0.959	48.2	0.989
4	337.0	259.2	0.983	313.6	1.266	239.4	4.001	351.7	1.004	276.9	0.710	319.0	0.616	146.0	0.537
5	70.9	94.3	0.910	75.0	1.041	85.9	4.626	86.3	0.914	81.7	0.703	76.9	0.686	96.5	0.755
6	21.7	35.4	0.987	21.0	0.820	27.6	3.684	41.7	1.070	26.2	1.040	24.7	0.577	31.0	0.580
7	118.0	153.2	0.897	137.1	1.063	137.7	6.179	91.6	0.970	130.9	0.909	123.3	0.800	154.6	0.786
8	19.6	17.5	0.967	19.7	0.696	20.6	5.378	18.5	0.831	19.6	0.743	18.5	0.626	23.1	0.534
9	95.2	90.2	0.916	97.4	1.080	111.4	5.682	79.3	0.922	105.9	1.015	99.8	0.814	125.1	0.753
10	2.7	9.0	0.645	7.0	0.636	5.3	2.676	1.5	0.615	5.0	0.586	4.7	0.375	5.9	0.347
11	72.2	66.6	0.834	67.2	1.088	82.3	4.574	66.3	0.826	78.2	0.779	73.6	0.730	92.4	0.613
12	65.0	63.4	0.831	67.1	1.071	72.1	5.484	60.6	0.905	68.5	0.751	64.5	0.787	80.9	0.778
Rents	255.4	178.1	1.083	232.5	1.327	143.4	3.716	253.5	1.011	185.6	0.717	233.0	0.600	38.1	0.498
Total without rents	744.6	821.9	0.865	767.6	1.040	856.6	5.445	746.5	0.946	814.4	0.841	767.0	0.767	961.9	0.724
Global parity	1000.0	1000.0	0.907	1000.0	1.103	1000.0	5.054	1000.0	0.962	1000.0	0.812	1000.0	0.723	1000.0	0.687
Exchange rate			1		1		7.569		1		1		1		1

* For explanation of codes see table 4.1

Table 6.1 (page 2 of 2)

Table 6.1 (page 2 of 2)
Economic parities of the 12 main expenditure groups for each country
1st July 2020
(for pensioners)

Expenditure Groups*	BE	HU		MT		NL		AT		PL		PT		RO	
	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	131.0	142.0	266.6	130.0	0.994	111.0	0.912	111.0	1.068	150.5	2.862	147.7	0.882	150.3	3.246
2	24.4	29.3	212.7	26.8	0.968	28.6	0.970	28.6	0.915	31.1	3.685	25.2	0.915	31.0	3.286
3	42.4	42.1	273.4	38.6	0.967	39.8	0.970	39.8	0.957	44.6	3.474	38.4	0.819	44.5	3.594
4	337.0	254.1	170.3	317.1	1.174	321.6	1.283	321.6	1.293	209.4	2.146	259.2	0.888	211.0	2.312
5	70.9	84.3	212.4	77.2	0.778	91.9	0.957	91.9	0.995	89.3	2.741	94.3	0.791	89.1	2.589
6	21.7	27.1	197.6	24.8	0.834	22.3	1.189	22.3	1.076	28.7	2.448	35.4	0.898	28.6	1.866
7	118.0	135.1	261.9	123.7	0.981	122.0	1.197	122.0	1.048	143.2	3.443	153.2	1.008	142.9	3.159
8	19.6	20.2	193.5	18.5	0.783	15.8	0.892	15.8	0.669	21.4	1.626	17.5	0.911	21.4	2.220
9	95.2	109.3	232.9	100.0	0.903	100.0	1.090	100.0	1.060	115.8	3.021	90.2	0.909	115.6	3.151
10	2.7	5.2	100.0	4.7	0.553	3.2	1.154	3.2	1.003	5.5	1.591	9.0	0.455	5.5	1.545
11	72.2	80.7	199.8	73.9	0.788	73.7	1.078	73.7	0.935	85.5	2.902	66.6	0.732	85.3	2.433
12	65.0	70.7	227.5	64.7	0.819	70.0	1.081	70.0	1.068	74.9	3.030	63.4	0.780	74.8	3.185
Rents	255.4	159.9	164.5	230.8	1.288	238.2	1.349	238.2	1.389	109.6	1.793	178.1	0.875	111.3	2.136
Total without rents	744.6	840.1	228.4	769.2	0.898	761.8	1.050	761.8	1.017	890.4	2.980	821.9	0.873	888.7	2.927
Global parity	1000.0	1000.0	213.6	1000.0	0.979	1000.0	1.116	1000.0	1.099	1000.0	2.727	1000.0	0.872	1000.0	2.763
Exchange rate			356.3		1		1		1		4.466		1		4.844

Expenditure Groups*	BE	SI		SK		FI		SE	
	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	131.0	140.8	0.840	143.1	0.855	119.0	1.080	119.0	10.66
2	24.4	29.1	0.858	29.5	0.813	31.4	1.579	31.4	13.77
3	42.4	41.7	0.890	42.4	0.937	33.3	1.086	33.3	11.51
4	337.0	260.5	0.775	248.7	0.702	376.4	1.355	376.4	12.63
5	70.9	83.5	0.764	84.9	0.674	60.2	1.012	60.2	11.54
6	21.7	26.8	0.734	27.3	0.544	16.8	1.495	16.8	15.50
7	118.0	133.9	0.881	136.0	0.748	131.6	1.114	131.6	11.25
8	19.6	20.0	0.912	20.4	0.611	15.5	0.745	15.5	8.915
9	95.2	108.3	0.945	110.1	0.750	95.3	1.168	95.3	11.32
10	2.7	5.1	0.618	5.2	0.514	4.4	0.792	4.4	7.794
11	72.2	80.0	0.725	81.2	0.727	66.7	1.137	66.7	11.74
12	65.0	70.1	0.868	71.2	0.800	49.4	1.220	49.4	12.49
Rents	255.4	167.1	0.748	153.8	0.680	297.2	1.472	297.2	12.39
Total without rents	744.6	832.9	0.844	846.2	0.761	702.8	1.115	702.8	11.66
Global parity	1000.0	1000.0	0.822	1000.0	0.743	1000.0	1.203	1000.0	11.86
Exchange rate			1		1		1		10.48

UK	
Weight	Parity
102.6	0.7203
22.4	1.183
25.5	0.7332
391.1	1.474
64.2	0.8898
13.8	1.495
120.5	0.9701
15.6	0.8415
99.8	0.9834
5.9	0.7426
77.1	0.9504
61.7	1.018
309.1	1.761
691.0	0.9050
1000.0	1.091
	0.9154

2.2 Purchasing power parities for pensioners - analysis of results

2.2.1 Changes in the economic parities from July 2019 to July 2020

A decomposition of the changes in the economic parities for the period July 2019 - July 2020 is shown in **Table 6.3**.

The simple average change across all countries in the global economic parity for pensioners for the period under review was +1.3% with standard deviation 2.2%. The maximum increase was +7.2% (Slovakia). The maximum decrease was -2.1% (Ireland). For 21 Member States the change was positive or there was no change, and for 4 Member States the change was negative. The movements in the global economic parities for the period are summarised in the table below:

Range		Duty stations
$X < -3.1\%$	0	
$-3.1\% \leq X < -0.9\%$	4	EE, IE, CY, LV
$-0.9\% \leq X < 1.3\%$	9	DK, DE, EL, FR, IT, NL, PT, SI, FI
$1.3\% \leq X < 3.5\%$	9	BG, CZ, ES, HR, LT, HU, MT, AT, SE
$3.5\% \leq X < 5.7\%$	2	PL, RO
$5.7\% \leq X$	1	SK
Total	25	excluding Belgium and Luxembourg ³⁶

For UK, the change was positive.

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 staff³⁷. 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 6.2**. For 2020 the ratio for Belgium/Brussels is 0.87 (an increase of +0.11%). The average ratio for other countries/capitals is +0.69 with standard deviation 0.21. The minimum ratio is 0.39 (HU/Hungary). The maximum ratio is 1.02 (CY/Nicosia). Excluding Belgium/Brussels, the rent ratio has decreased by comparison to the previous year for 16 countries/capitals, has remained stable for 5 countries/capitals and has increased for 4 countries/capitals. The average change is -1.3% with standard deviation 5.4%. The largest increase is +30.54% (SK/Slovakia). There were decreases of more than 5% for 7 countries/capitals: -10.30%

³⁶ 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 = Belgium.

³⁷ The most recent family budget survey amongst pensioners in EU28 Member States was conducted in 2013 and results were integrated for 2016 calculation exercise.

(IE/Ireland), -8.79% (BG/Sofia), -8.74% (CY/Nicosia), -8.53% (PT/Lisbon), -7.17% (SI/Ljubljana), -6.37% (HU/Budapest) and -5.03% (CZ/Prague).

In line with agreement at 2020 meeting of Article 64&65 Working Group, the ratio calculation method has been updated to ensure consistent reference period (six years) for both numerator and denominator.

2.2.2 Impact of rents on the overall parity for pensioners

Details of the impact of rent on the overall correction coefficient are given in **Table 7.1** and on the overall parity in **Table 7.2**.

In 2020, 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 the UK (192.4), Ireland (174.7), Denmark (169.6) and Finland (147.2), whereas they are quite low in Bulgaria (35.2), Poland (40.1), Romania (44.1) and Hungary (46.2).

Moreover, in 2020, the rent correction coefficient is lower than the correction coefficient without rent for 12 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 +1.6% with standard deviation 7.5%. The correction coefficient is increased by 10% or more in the UK (20.6%) and in Ireland (+13.6%), and between 5-10% in 8 Member States (Denmark, Germany, Estonia, France, Malta, Netherlands, Austria and Finland). By contrast, the impact is quite negative in Bulgaria (-8.6%), Poland (-8.5%), Croatia (-7.2%) and Hungary (-6.5%).

2.2.3 Summary of component impacts on global parity for pensioners

Across all Member States the simple average impact on the global parity for pensioners for the current annual exercise of the individual component factors are summarised below:

Component	BH	Expenditure weight %				
		BE	Other (Avg.)	Other (St.Dev)	Min	Max
E19-1 House and garden	20	112.7	119.4	11.1	101.9	143.3
E19-2 Transport HORECA	8	165.0	185.0	14.2	145.4	219.1
HICP relative to JBLI	80	1000.0	1000.0	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

Component	BH	Impact on Global PPP					
		Avg.	St.Dev	Max.	Min.	+ve or 0	-ve
E19-1 House and garden	20	+0.5%	0.4%	+1.4%	-0.1%	23	2
E19-2 Transport, HORECA	8	+0.3%	0.5%	+1.2%	-0.7%	20	5
HICP relative to JBLI	80	+0.5%	1.3%	+3.3%	-1.9%	17	8
Rent	2	+0.4%	0.6%	+1.9%	-1.0%	21	4
Rent ratios	2	-0.4%	1.5%	+5.3%	-2.9%	7	18
GLOBAL	80	+1.3%	2.2%	+7.3%	-2.1%	21	4

Table 6.2
Rent ratios applied for the estimation
of the pensioners rent parities

Country	Ratio applied in		Diff. (absolute)	Diff. (%)
	2019	2020		
BE ¹	0.87	0.87	0.00	0.11
BG	0.63	0.57	-0.05	-8.79
CZ	0.53	0.51	-0.03	-5.03
DK	0.81	0.81	-0.01	-0.63
DE	0.86	0.82	-0.04	-4.18
EE ²	1.00	1.00	0.00	0.00
IE	0.76	0.68	-0.08	-10.30
EL	0.72	0.74	0.02	2.25
ES	0.76	0.76	0.00	-0.31
FR	0.62	0.61	-0.01	-1.11
HR	0.49	0.48	-0.01	-1.56
IT	0.80	0.84	0.04	4.69
CY	1.12	1.02	-0.10	-8.74
LV	0.66	0.65	-0.01	-1.17
LT	0.49	0.46	-0.02	-4.69
HU	0.42	0.39	-0.03	-6.37
MT ²	1.00	1.00	0.00	0.00
NL	0.84	0.81	-0.03	-3.58
AT ¹	0.93	0.94	0.01	0.55
PL	0.39	0.40	0.00	1.24
PT	0.70	0.64	-0.06	-8.53
RO	0.46	0.45	-0.01	-1.53
SI	0.77	0.72	-0.06	-7.17
SK	0.49	0.63	0.15	30.54
FI	0.86	0.85	-0.01	-1.31
SE	0.56	0.56	0.00	-0.53
UK	0.57	0.58	0.01	2.39

Standard estimation using national (ECP) and capital (A64) rents, except:

¹ specific national source: BE (CPI database), AT (microcensus)

² no adjustment: EE, MT

Table 6.3

Changes in the economic parities in the twelve months to 1st July 2020

Decomposition of the effects

(for pensioners)

Country	Impact of component change on global PPP						
	New FBS weights	Introduction of new price data					Total
		E19-1 House and garden	E19-2 Transport HORECA	Indexation (HICP relative to JBLI)	2019 Rents	Update rent ratios	
BG	-	0.4	1.1	0.7	0.6	-1.3	1.5
CZ	-	0.2	-0.7	2.9	1.1	-1.1	2.5
DK	-	-0.1	0.2	0.1	0.3	-0.2	0.3
DE	-	0.0	0.1	0.9	0.8	-1.1	0.8
EE	-	0.3	0.1	-0.7	-0.7	0.0	-1.0
IE	-	1.4	0.4	-0.7	-0.2	-2.9	-2.1
EL	-	0.4	0.8	-1.9	0.4	0.5	0.1
ES	-	0.3	1.0	-0.3	0.8	-0.1	1.7
FR	-	0.2	-0.1	0.0	0.4	-0.3	0.3
HR	-	0.7	0.3	0.0	0.9	-0.3	1.6
IT	-	0.0	-0.1	0.1	-0.3	1.1	0.7
CY	-	0.6	0.7	-1.6	0.8	-1.9	-1.4
LV	-	0.2	0.7	-0.7	-1.0	-0.3	-1.1
LT	-	0.7	0.0	1.1	0.3	-0.6	1.5
HU	-	0.8	0.1	2.6	0.8	-1.3	3.1
MT	-	0.4	0.1	0.9	1.3	0.0	2.7
NL	-	0.4	-0.7	1.2	0.3	-0.9	0.3
AT	-	-0.1	0.6	0.8	0.1	0.1	1.5
PL	-	1.2	0.6	3.3	0.2	0.2	5.5
PT	-	0.7	0.6	-0.7	1.9	-1.9	0.6
RO	-	0.6	1.2	2.4	0.7	-0.3	4.6
SI	-	0.4	0.3	0.2	0.6	-1.5	0.0
SK	-	0.5	-0.4	1.6	0.2	5.3	7.2
FI	-	0.5	0.1	-0.2	0.0	-0.4	0.0
SE	-	0.8	0.1	0.9	0.1	-0.2	1.7
UK	-	0.1	0.1	0.1	-0.4	0.7	0.6

Table 7.1
Effect of rent on the correction coefficients at 1st July 2020
(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	61.9	35.2	56.6	-8.6
CZ	832.2	167.8	73.0	68.0	71.8	-1.6
DK	702.8	297.2	121.1	169.6	132.8	9.6
DE	769.9	230.1	96.2	119.2	101.2	5.3
EE	775.6	224.5	80.0	104.6	85.1	6.5
IE	742.0	258.0	106.3	174.7	120.7	13.6
EL	810.0	190.0	81.8	70.3	79.1	-3.3
ES	821.9	178.1	86.5	108.3	90.7	4.9
FR	767.6	232.5	104.0	132.7	110.3	6.1
HR	856.6	143.4	71.9	49.1	66.8	-7.2
IT	746.5	253.5	94.6	101.1	96.2	1.7
CY	814.4	185.6	84.1	71.7	81.2	-3.5
LV	767.0	233.0	76.7	60.0	72.3	-5.7
LT	961.9	38.1	72.4	49.8	68.7	-5.1
HU	840.1	159.9	64.1	46.2	60.0	-6.5
MT	769.2	230.8	89.8	128.8	97.9	9.0
NL	761.8	238.2	105.0	134.9	111.6	6.3
AT	761.8	238.2	101.7	138.9	109.9	8.0
PL	890.4	109.6	66.7	40.1	61.1	-8.5
PT	821.9	178.1	87.3	87.5	87.2	-0.1
RO	888.7	111.3	60.4	44.1	57.0	-5.6
SI	832.9	167.1	84.4	74.8	82.2	-2.6
SK	846.2	153.8	76.1	68.0	74.3	-2.4
FI	702.8	297.2	111.5	147.2	120.3	7.9
SE	702.8	297.2	111.3	118.3	113.2	1.7
UK	691.0	309.1	98.9	192.4	119.2	20.6

Table 7.2
Effect of rent on the economic parities at 1st July 2020
(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	1.210	0.6890	1.106	-8.6
CZ	832.2	167.8	19.59	18.25	19.27	-1.6
DK	702.8	297.2	9.026	12.64	9.895	9.6
DE	769.9	230.1	0.962	1.192	1.012	5.3
EE	775.6	224.5	0.800	1.046	0.851	6.5
IE	742.0	258.0	1.063	1.747	1.207	13.6
EL	810.0	190.0	0.818	0.703	0.791	-3.3
ES	821.9	178.1	0.865	1.083	0.907	4.9
FR	767.6	232.5	1.040	1.327	1.103	6.1
HR	856.6	143.4	5.445	3.716	5.054	-7.2
IT	746.5	253.5	0.946	1.011	0.962	1.7
CY	814.4	185.6	0.841	0.717	0.812	-3.5
LV	767.0	233.0	0.767	0.600	0.723	-5.7
LT	961.9	38.1	0.724	0.498	0.687	-5.1
HU	840.1	159.9	228.4	164.5	213.6	-6.5
MT	769.2	230.8	0.898	1.288	0.979	9.0
NL	761.8	238.2	1.050	1.349	1.116	6.3
AT	761.8	238.2	1.017	1.389	1.099	8.0
PL	890.4	109.6	2.980	1.793	2.727	-8.5
PT	821.9	178.1	0.873	0.875	0.872	-0.1
RO	888.7	111.3	2.927	2.136	2.763	-5.6
SI	832.9	167.1	0.844	0.748	0.822	-2.6
SK	846.2	153.8	0.761	0.680	0.743	-2.4
FI	702.8	297.2	1.115	1.472	1.203	7.9
SE	702.8	297.2	11.66	12.39	11.86	1.7
UK	691.0	309.1	0.91	1.76	1.09	20.6

2.3 Comparison of correction coefficients for active staff and pensioners³⁸

Table 7.3 compares the country correction coefficients for pensioners (from Table 7.1) with the capital city correction coefficients for active staff (from Table 5.5), at July 2020.

Among all Member States, Denmark (Copenhagen) has the highest capital-based global CC (131.3) and the highest country-based global CC (132.8) whilst Ireland (Dublin) has the second highest capital-based CC (129.0) and the second highest country-based CC (120.7); Bulgaria (Sofia) has both the lowest capital-based global CC (59.1) and the lowest country-based global CC (56.6). Romania (Bucharest) has both the second lowest capital-based CC (66.6) and the second lowest country-based CC (57.0).

The biggest absolute differences between capital city global CC values and country global CC values can be observed in Prague/CZ (-13.4), Budapest/HU (-11.9), Stockholm/SE (-11.1), Paris/FR (-10.2), Warsaw/PL (-9.8), and Bucharest/RO (-9.6). By contrast, in Rome/IT (+1.2), and Berlin/DE (-0.7) the two CC values are nearly at the same level.

In 7 of the 25 Member States (i.e. excluding Belgium and Luxembourg) - Denmark, Estonia, Italy, Cyprus, Malta, Austria and Finland - the country CCs relative to Belgium are higher than the capital city CCs relative to Brussels. In the remaining 18 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 CC³⁹.

³⁸ Comparison not done for UK as Intra-EU CC for staff is no longer produced

³⁹ See Appendix 1c, Section 2.1

Table 7.3

**Pensioners correction coefficients and Staff correction coefficients
at 1st July 2020**

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	61.9	35.2	56.6	Sofia	61.1	53.5	59.1
CZ	73.0	68.0	71.8	Prague	73.9	116.2	85.2
DK	121.1	169.6	132.8	Copenhagen	117.1	181.5	131.3
DE	96.2	119.2	101.2	Berlin	95.2	125.6	101.9
EE	80.0	104.6	85.1	Tallinn	80.0	90.6	82.3
IE	106.3	174.7	120.7	Dublin	102.2	223.2	129.0
EL	81.8	70.3	79.1	Athens	81.4	82.4	81.4
ES	86.5	108.3	90.7	Madrid	85.9	123.2	94.2
FR	104.0	132.7	110.3	Paris	102.7	187.8	120.5
HR	71.9	49.1	66.8	Zagreb	72.4	88.5	75.8
IT	94.6	101.1	96.2	Rome	92.3	104.6	95.0
CY	84.1	71.7	81.2	Nicosia	84.8	60.9	78.2
LV	76.7	60.0	72.3	Riga	76.9	79.8	77.5
LT	72.4	49.8	68.7	Vilnius	72.4	92.9	76.6
HU	64.1	46.2	60.0	Budapest	63.3	101.5	71.9
MT	89.8	128.8	97.9	Vallette	89.4	111.6	94.7
NL	105.0	134.9	111.6	The Hague	105.3	143.6	113.9
AT	101.7	138.9	109.9	Vienna	101.8	128.7	107.9
PL	66.7	40.1	61.1	Warsaw	65.9	87.7	70.9
PT	87.3	87.5	87.2	Lisbon	84.3	117.9	91.1
RO	60.4	44.1	57.0	Bucharest	60.4	84.0	66.6
SI	84.4	74.8	82.2	Ljubljana	85.0	90.3	86.1
SK	76.1	68.0	74.3	Bratislava	75.9	92.8	80.6
FI	111.5	147.2	120.3	Helsinki	108.7	150.0	118.4
SE	111.3	118.3	113.2	Stockholm	107.7	182.9	124.3

3. EQUIVALENCE OF PURCHASING POWER OF EU OFFICIALS OUTSIDE THE EUROPEAN UNION

3.1. Economic parities, exchange rates and correction coefficients

As at July 2020, correction coefficients are compiled for a list of 147 Extra-EU duty stations⁴⁰. This includes 9 locations for which no values are presented (Afghanistan; Bosnia and Herzegovina (Banja Luka); Indonesia (Banda Aceh); Iraq; Libya; Somalia; Syria; Venezuela; Yemen) mainly due to security constraints affecting the statistical reliability of the information, or due to uncertainty regarding the volatility of the reported inflation. The two new Delegations are United Kingdom (from February 2020) and Kuwait (from August 2019).

Tables 8 and 9 in the main report show the results for all duty stations. 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 9.1** therefore only shows the places where the correction coefficient is greater than or equal to 100 at July 2020 (or was greater than or equal to 100 at July 2019).

At July 2020 there were 26 duty stations with CCs greater than 100 (and 112 duty stations for which CCs are below 100 plus 9 duty stations for which CCs are not produced). By comparison in July 2019 there were 25 duty stations with CCs greater than 100 (and 110 duty stations for which CCs were below 100 plus 10 duty stations for which CCs were not produced).

3.2. Changes between July 2019 and July 2020

Two interim reports were prepared in the usual way between the last annual report and the current annual report, covering the six months August 2019 - January 2020, and the five months February 2020 - June 2020. 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 2019 or subsequently) resulted in application of a new correction coefficient. For the period August 2019 - January 2020 36 duty stations were affected (some more than once), of which 8 locations had CC values above 100. For the period February 2020 - June 2020 54 duty stations were affected (some more than once), of which 10 locations had CC values above 100.

3.2.1 Changes in correction coefficients from July 2019 to July 2020

Comparing the situation at July 2019 and the situation at July 2020, CCs have decreased for 68 duty stations, and were stable or increased for 67 duty stations; of the remaining 12 duty stations, for 9 of them no CCs were published at either the start or the end of the period, and for 3 of them no CCs were published at the start of the period (Iran, Kuwait, United Kingdom).

During the 6 months covered by the first interim report, CC moved above 100 for 4 locations (Australia, Jordan, Lebanon, Vanuatu) and moved below 100 for 2 locations (Angola, United Arab Emirates).

⁴⁰ Op cit. (14) Two Extra-EU duty station added since July 2019. None deleted.

During the 5 months covered by the second report, CC moved above 100 for 3 locations (Iran, Sudan, Suriname) and moved below 100 for 3 locations (Australia, Jordan, Russia).

Comparing July 2020 and July 2019, 4 locations which had no CCs at July 2019 or CCs lower than 100 at July 2019 now have CCs higher than 100 (Iran, Lebanon, Sudan, Vanuatu); 3 locations which had CCs higher than 100 at July 2019 now have CCs lower than 100 (Angola, Russia, United Arab Emirates). The average CC change was +1.8% with standard deviation 17.3%. The maximum increase was +143.6% (Lebanon). The maximum decrease was -29.1% (Brazil). The CC increase was greater than two standard deviations from the mean for 3 duty stations (Lebanon, Sudan, Suriname).

3.2.2 Changes in exchange rates from July 2019 to July 2020

For the 9 locations where no CC is published and the 3 locations for which there is no CC at July 2019, there is no comparison made. For 2 duty stations (Kosovo, Montenegro), the local currency is the Euro and for 1 duty station (Bosnia and Herzegovina (Sarajevo)) 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 3 other locations (Cape Verde, Comoros, New Caledonia) exchange rates did not vary during the period.

A large part of the explanation for the movements in the correction coefficients of 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 45 locations and negative in 71 locations (i.e. purchasing power of Euro increased). The average exchange rate fluctuation was -5.8% with standard deviation 11.8%. The maximum increase was +9.2% (Myanmar). The maximum decrease was -69.2% (Angola). The currency decrease exceeded two standard deviations from the average for 4 duty stations (Angola, Argentina, Brazil and Zambia).

For 7 locations (Cuba, Ecuador, El Salvador, Panama, Timor Leste and Zimbabwe), the local currency either is USD or is pegged to the USD, for which exchange rate to the Euro has remained fairly stable. For 1 location (Liberia) the currency in which PPP are expressed has changed from USD to LRD. Consequently, the July 2019 PPP in **Table 8** of the main report was restated. For Liberia, there was a divergence between USD and local currency evolutions relative to Euro, and the available data suggests the trends have not restabilised. As inflation is measured in local currency, continued calculation of PPP in USD would no longer be appropriate.

3.2.3 Changes in economic parities from July 2019 to July 2020

The correction coefficient operates as a percentage adjustment to salaries. However, as salaries are first expressed in Euros, then converted to local currency using exchange rates, before being multiplied by 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 impacted⁴¹.

⁴¹ For a numerical example, see Appendix 1c Section 1.1.

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 +6.4% with standard deviation 18.9%. The maximum increase was +141.8% (Lebanon). The maximum decrease was -17.8% (North Macedonia). The change was positive or zero in 88 duty stations and negative in 47 duty stations; no comparison is made for the 9 locations where no CC is published or the 3 locations for which there was no CC at July 2019.

The movements in the global economic parities for the period are summarised in the table below:

Range		Duty stations
$X < -31.4\%$	0	
$-31.4\% \leq X < -12.5\%$	5	Albania; Bosnia & Herzegovina-Sarajevo; Montenegro; New Zealand; North Macedonia
$-12.5\% \leq X < 6.4\%$	89	
$6.4\% \leq X < 25.3\%$	31	
$25.3\% \leq X < 44.2\%$	6	Comoros; Democratic Republic Congo; Pakistan; South Sudan; Suriname; Tajikistan
$44.2\% \leq X$	4	Argentina; Lebanon; Sudan; Uzbekistan
Total	135	excluding Brussels ⁴² and 9 locations for which no values are presented and 3 locations with no values at July 2019 (Iran, Kuwait, United Kingdom)

A decomposition of the effects underlying the changes in the economic parities for the period July 2019 - July 2020 is given in **Table 9.2**, for the duty stations where the CC is greater than 100 at July 2020 (or was greater than 100 at July 2019).

3.3. Data sources

3.3.1 Spatial and temporal price data to establish detailed parities

With the exception of the 9 Extra-EU duty stations for which no values are presented, or the 11 duty stations in Extra-EU countries which participate in the European Comparison Programme (ECP) coordinated by Eurostat⁴³ or the 9 duty stations in countries which participate in the linked programme coordinated by the Organisation for Economic Cooperation and Development⁴⁴, or the 3 locations for which specific survey arrangements are made⁴⁵, the source of price data is the rolling cycle of surveys conducted by the United

⁴² Op cit (25) Brussels is the reference city for the bilateral comparisons (CC for staff).

⁴³ Iceland, Norway, Switzerland-Bern, Switzerland-Geneva, Turkey, United Kingdom, Albania, Bosnia & Herzegovina-Sarajevo, North Macedonia, Montenegro, Serbia (NB. no data source for Bosnia & Herzegovina-Banja Luka).

⁴⁴ Australia, Canada, Chile, Israel, Japan, Mexico, New Zealand, South Korea, United States of America-Washington

⁴⁵ Kosovo (direct survey on Eurostat behalf); New Caledonia (direct survey on Eurostat behalf); Taiwan (direct survey on Eurostat behalf).

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 Remuneration and Pensions of the Coordinated Organisations⁴⁶

For the July 2020 exercise, new parities derived from UN price surveys have been integrated for 42 locations altogether. By comparison, for the July 2019 exercise, 11 new UN surveys were integrated.

- For the first interim report, 11 UN price surveys were introduced (Angola, Argentina, Bangladesh, Belize, Central African Republic, Comoros, Eritrea-1, Kuwait, Morocco, Pakistan, Togo). Kuwait is included for the first time (new Delegation).
- For the second interim report, 31 UN price surveys were introduced (Algeria, Burkina Faso, Chad, Costa Rica, Cuba, Djibouti, Dominican Republic, Eritrea-2, Gambia, Indonesia-Jakarta, Iran, Jordan, Kazakhstan, Liberia, Malawi, Malaysia, Mauritius, Moldova, Myanmar, Nepal, Nigeria, Papua New Guinea, Russia, Senegal, Solomon Islands, South Africa, South Sudan, Sudan, Suriname, Tunisia, Turkmenistan). Iran is included after publishing no CC for many years.

The foregoing duty stations are also indicated in **Tables 8 and 9** 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 2020 exercise, new parities for 20 ECP duty stations have been integrated. By comparison, for the July 2019 exercise, new PPP for 14 ECP duty stations were integrated.

- For the first interim report, PPP were integrated for the 9 ISRP ECP duty stations and 10 Eurostat ECP duty stations (Iceland, Norway, Switzerland-Bern, Switzerland-Geneva, Turkey, Albania, Bosnia & Herzegovina-Sarajevo, North Macedonia, Montenegro and Serbia). Chile and Israel were integrated for the first time.
- For the second interim report, PPP were integrated for the remaining 1 Eurostat ECP duty station (United Kingdom). United Kingdom is included for the first time⁴⁷.

For all locations, initial survey-based parities are subsequently updated using the ratio between national consumer price index and the Joint Belgium-Luxembourg Index. For Iceland, Norway, Switzerland, Turkey and 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 – see section 3.3.3), and the 9 locations for which no values are presented, the sole explanatory factor for price movements in the remaining duty stations is the evolution

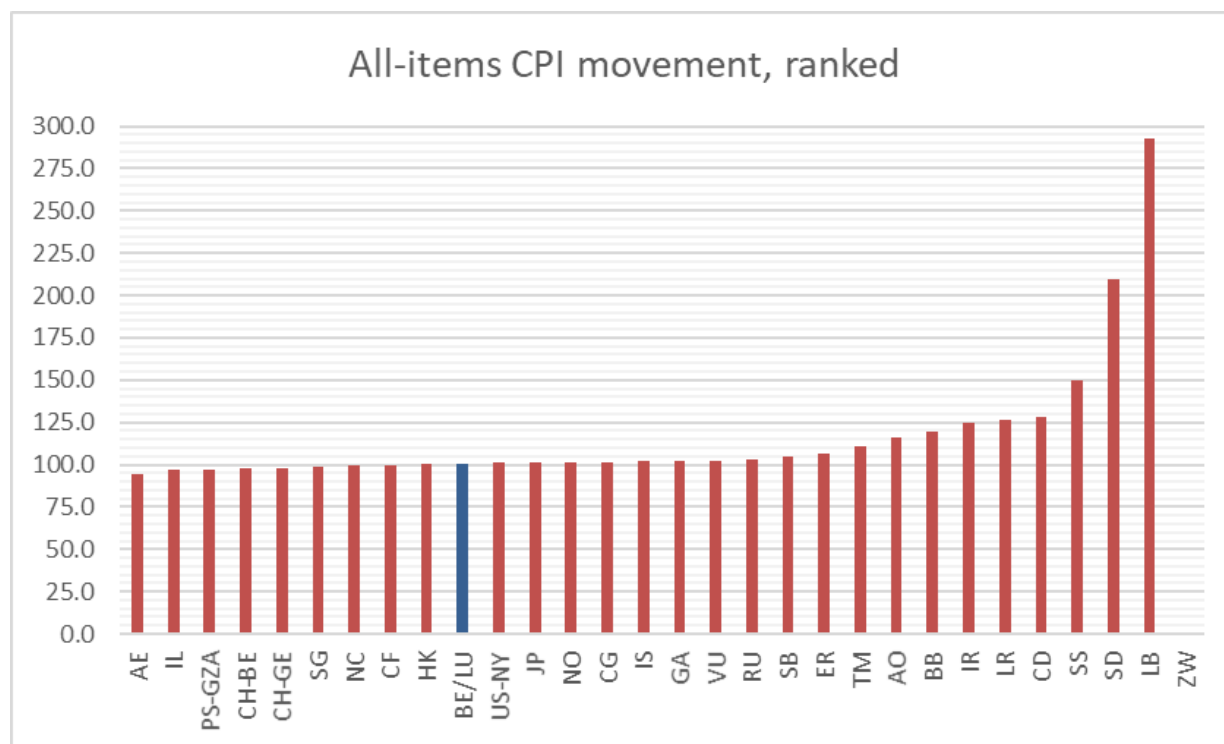
⁴⁶ North Atlantic Treaty Organisation (NATO), Organisation for Economic Cooperation and Development (OECD), Council of Europe (CoE), European Space Agency (ESA), European Centre for Medium-range Weather Forecasts (ECMWF), European Organisation for the Exploitation of Meteorological Satellites (EUMETSAT)

⁴⁷ PPP for United Kingdom have been calculated with effect from February 2020, following the Agreement on the withdrawal of the UK from the European Union.

of the local consumer price index relative to the evolution of the Joint Belgium-Luxembourg Index.

Zimbabwe is however a special case. The country is currently experiencing a renewed bout of hyperinflation and there is considerable uncertainty regarding the statistical reliability of the resulting calculation. In March 2020, with reported inflation above 500% annually, a new government taskforce was created to assess currency issues. In consequence, the parity has temporarily been frozen, in order to monitor the situation. A decision on whether to suspend production and dissemination will be taken for the next Eurostat report.

There are important differences between CPI and PPP methodologies, notably regarding weights used for aggregation purposes (national consumption patterns vs. international officials). For this reason, the “inflation updating effect” in **table 9.2** cannot be directly compared with relative movement in the all-items CPI. Purely for indicative purposes, the following graph summarises how national CPI have developed relative to Belgium for the period July 2019 - July 2020, for the duty stations where the CC is greater than 100 at July 2020 (or was greater than 100 at July 2019).



3.3.2 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 is now introduced in the July 2020 calculation exercise, replacing the weights derived from previous survey. The updated consumption structure affects 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 49 duty stations, Asia with 33 duty stations, Oceania with 6 duty stations, Europe (non-EU) with 5 duty stations, North America with 13 duty stations, and South America with 12 duty stations. These regional weights are not used to compute aggregate parities for the 11 Eurostat ECP duty stations or the 9 ISRP ECP duty stations, for which separate consumption weights are available.

Other things being equal, a direct family budget survey amongst Extra-EU staff will be scheduled during 2021, following completion of cycle amongst Intra-EU staff and amongst Pensioners in EU27 Member States (see also section 1.3.2).

3.3.3 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 2020 for the following locations where the impact of older survey is being gradually applied: Argentina, Chad, Costa Rica, Djibouti, Dominican Republic, Eritrea, Gambia, Kazakhstan, Liberia, Malawi, Malaysia, Mauritius, Myanmar, Nepal, Pakistan, Papua New Guinea, South Africa, South Sudan, Suriname, Tajikistan and Uzbekistan.

A summary is given in **Table 9.3**, for the duty stations where the CC is greater than 100 at July 2020 (or was greater than 100 at July 2019).

In **table 9.1** and **table 9.2** and **table 9.3** hereafter:

- (1) Figures are stated relative to Brussels, ie. Brussels PPP = 1, ER = 1, CC = 100%
- (2) 1 euro = USD (2 Duty Stations : United States-New York, Zimbabwe)
- (3) 1 euro = CFA (3 Duty Stations : Central African Republic, Congo, Gabon)
- (6) UN P2P processed (10 Duty Stations : Angola, Central African Republic, Eritrea, Iran, Liberia, Russia, Solomon Islands, South Sudan, Sudan, Turkmenistan)
- (7) ISRP ECP PPP processed (2 Duty Stations : Israel, Japan)
- (8) Eurostat ECP PPP processed (4 Duty Stations : Iceland, Norway, Switzerland-Bern, Switzerland-Geneva)
- (9) For Liberia, the PPP at July 2019 is re-expressed in LRD for comparison purpose with July 2020. Originally the PPP at July 2019 was expressed in USD
- (10) Smoothing in first six months relates to P2P, PPP or FBS impact from earlier period. New P2P, PPP introduced for second six months.

Table 9.1

**Summary of the 26 duty stations where the cost of living is higher than in Brussels at 1st Jul-2020 (or at July 2019)
(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-2020	Jul-2020	Jul-2020	Jul-2019	Jul-2019	Jul-2019	Jul-2020 - Jul-2019	Jul-2020 - Jul-2019	Jul-2020 - Jul-2019
SS	(6)	South-Sudan	Juba	461.6	184.629	250.0	366.5	180.271	203.3	25.9	-2.4	23.0
LB		Lebanon	Beirut	4040	1701.06	237.5	1671	1714.03	97.5	141.8	0.8	143.6
LR	(6)(9)	Liberia	Monrovia	405.2	224.875	180.2	427.4	221.882	192.6	-5.2	-1.3	-6.4
CH-BE	(8)	Switzerland	Bern	1.378	1.06690	129.2	1.412	1.11210	127.0	-2.4	4.1	1.7
CH-GE	(8)	Switzerland	Geneva	1.378	1.06690	129.2	1.412	1.11210	127.0	-2.4	4.1	1.7
CD		Democratic Republic of the Congo	Kinshasa	2748	2139.67	128.4	1978	1859.06	106.4	38.9	-15.1	20.7
TM	(6)	Turkmenistan	Ashkhabad	4.785	3.94940	121.2	4.472	3.97950	112.4	7.0	0.8	7.8
SG		Singapore	Singapore	1.870	1.57080	119.0	1.906	1.53930	123.8	-1.9	-2.0	-3.9
CG	(3)	Congo	Brazzaville	778.9	655.957	118.7	782.5	655.957	119.3	-0.5		-0.5
NO	(8)	Norway	Oslo	12.92	10.9013	118.5	12.51	9.68430	129.2	3.3	-12.6	-8.3
ER	(6)	Eritrea	Asmara	19.94	17.1391	116.3	20.37	17.4046	117.0	-2.1	1.5	-0.6
IR	(6)	Iran	Teheran	55018	47392.8	116.1	0	0	0			
IS	(8)	Iceland	Reykjavik	179.7	155.400	115.6	176.9	141.700	124.8	1.6	-9.7	-7.4
ZW	(2)	Zimbabwe	Harare	1.297	1.12840	114.9	1.310	1.13700	115.2	-1.0	0.8	-0.3
HK		Hong Kong	Hong Kong	9.964	8.74560	113.9	10.12	8.88360	113.9	-1.5	1.6	
IL	(7)	Israel	Tel-Aviv	4.352	3.87450	112.3	4.323	4.07590	106.1	0.7	4.9	5.8
PS-GZA		West Bank — Gaza Strip	East Jerusalem	4.352	3.87450	112.3	4.323	4.07590	106.1	0.7	4.9	5.8
SD	(6)	Sudan	Khartoum	69.51	62.0242	112.1	34.97	50.9690	68.6	98.8	-21.7	63.4
JP	(7)	Japan	Tokyo	135.4	121.070	111.8	124.1	122.640	101.2	9.1	1.3	10.5
CF	(3)(6)	Central African Republic	Bangui	714.2	655.957	108.9	717.1	655.957	109.3	-0.4		-0.4
BB		Barbados	Bridgetown	2.445	2.26889	107.8	2.371	2.28618	103.7	3.1	0.8	4.0
GA	(3)	Gabon	Libreville	692.4	655.957	105.6	678.7	655.957	103.5	2.0		2.0
NC		New Caledonia	NouMea	124.2	119.332	104.1	127.7	119.332	107.0	-2.7		-2.7
US-NY		United States	New York	1.144	1.12840	101.4	1.165	1.13700	102.5	-1.8	0.8	-1.1
SB	(6)	Solomon Islands	Honiara	9.314	9.24916	100.7	9.738	9.11055	106.9	-4.4	-1.5	-5.8
VU		Vanuatu	Port Vila	131.3	130.822	100.4	129.5	132.201	98.0	1.4	1.0	2.4
AO	(6)	Angola	Luanda	486.2	656.011	74.1	398.2	387.638	102.7	22.1	-69.2	-27.8
RU	(6)	Russia	Moscow	73.12	78.9169	92.7	72.29	71.6096	101.0	1.1	-10.2	-8.2
AE		United Arab Emirates	Abu Dhabi	3.827	4.11470	93.0	4.179	4.17880	100.0	-8.4	1.5	-7.0

Table 9.2

Summary of the 26 duty stations where the cost of living is higher than in Brussels at 1st Jul-2020 (or at 1st Jul-2019)
 - Approximate decomposition of impact on global value from changes in components
 (for staff serving in Extra- EU delegations)

Place of employment					Change in Economic Parities to explain
Code		Country	City	Jul-20/Jul-19	
SS	⁽⁶⁾	South-Sudan	Juba	25.9%	
LB		Lebanon	Beirut	141.8%	
LR	⁽⁶⁾⁽⁹⁾	Liberia	Monrovia	-5.2%	
CH-BE	⁽⁸⁾	Switzerland	Bern	-2.4%	
CH-GE	⁽⁸⁾	Switzerland	Geneva	-2.4%	
CD		Democratic Republic of the Congo	Kinshasa	38.9%	
TM	⁽⁶⁾	Turkmenistan	Ashkhabad	7.0%	
SG		Singapore	Singapore	-1.9%	
CG	⁽³⁾	Congo	Brazzaville	-0.5%	
NO	⁽⁸⁾	Norway	Oslo	3.3%	
ER	⁽⁶⁾	Eritrea	Asmara	-2.1%	
IR	⁽⁶⁾	Iran	Teheran	new	
IS	⁽⁸⁾	Iceland	Reykjavik	1.6%	
ZW	⁽²⁾	Zimbabwe	Harare	-1.0%	
HK		Hong Kong	Hong Kong	-1.5%	
IL	⁽⁷⁾	Israel	Tel-Aviv	0.7%	
PS-GZA	⁰	West Bank — Gaza Strip	East Jerusalem	0.7%	
SD	⁽⁶⁾	Sudan	Khartoum	98.8%	
JP	⁽⁷⁾	Japan	Tokyo	9.1%	
CF	⁽³⁾⁽⁶⁾	Central African Republic	Bangui	-0.4%	
BB		Barbados	Bridgetown	3.1%	
GA	⁽³⁾	Gabon	Libreville	2.0%	
NC		New Caledonia	NouMea	-2.7%	
US-NY		United States	New York	-1.8%	
SB	⁽⁶⁾	Solomon Islands	Honiara	-4.4%	
VU		Vanuatu	Port Vila	1.4%	
AO	⁽⁶⁾	Angola	Luanda	22.1%	
RU	⁽⁶⁾	Russia	Moscow	1.1%	
AE		United Arab Emirates	Abu Dhabi	-8.4%	

FBS weights	new P2P smoothing	new P2P smoothing	CPI / JBLI
-	2019/08 - 2020/01	2020/01 - 2020/07	-
-0.5%	0.0%	-14.3%	40.7%
-3.1%	0.0%	0.0%	144.9%
3.3%	-12.5%	-14.4%	18.4%
0.4%	0.0%	0.0%	-2.8%
0.4%	0.0%	0.0%	-2.8%
-1.0%	12.4%	0.0%	27.5%
-2.2%	0.0%	0.2%	9.0%
-0.6%	0.0%	0.0%	-1.3%
0.3%	0.0%	0.0%	-0.8%
-0.7%	0.0%	0.0%	3.9%
1.1%	0.0%	-11.4%	8.2%
-0.5%	new	new	new
-0.7%	0.0%	0.0%	2.3%
-1.0%	0.0%	0.0%	freeze
-1.2%	0.0%	0.0%	-0.3%
-0.3%	1.1%	0.0%	-0.2%
-0.3%	1.1%	0.0%	-0.2%
1.1%	0.0%	0.5%	97.1%
0.7%	6.7%	0.0%	1.7%
0.2%	-1.1%	0.0%	0.5%
-0.2%	0.0%	0.0%	3.3%
-0.3%	0.0%	0.0%	2.3%
-1.4%	0.0%	0.0%	-1.3%
-2.0%	0.0%	0.0%	0.2%
-1.3%	0.0%	-3.6%	0.6%
-0.3%	0.0%	0.0%	1.7%
0.0%	4.9%	0.0%	17.2%
-0.5%	0.0%	-0.3%	2.0%
-3.1%	0.0%	0.0%	-5.3%

Table 9.3

Summary of the 26 duty stations where the cost of living is higher than in Brussels at 1st Jul-2020 (or at 1st Jul-2019)
- Smoothing the impact of new parities
(for staff serving in Extra- EU delegations)

Place of employment				new P2P or ECP PPP	of which, smoothing	of which, smoothing	ie. still to smooth
Code		Country	City	-	2019/08 - 2020/01	2020/01 - 2020/07	
SS	⁽⁶⁾	South-Sudan	Juba	-46.0%	0.0%	-14.3%	-31.7%
LB		Lebanon	Beirut	0.0%	0.0%	0.0%	0.0%
LR	⁽⁶⁾⁽⁹⁾	Liberia	Monrovia	-46.4%	-12.5%	-14.4%	-37.4%
CH-BE	⁽⁸⁾	Switzerland	Bern	0.0%	0.0%	0.0%	0.0%
CH-GE	⁽⁸⁾	Switzerland	Geneva	0.0%	0.0%	0.0%	0.0%
CD		Democratic Republic of the Congo	Kinshasa	22.2%	12.4%	0.0%	0.0%
TM	⁽⁶⁾	Turkmenistan	Ashkhabad	0.2%	0.0%	0.2%	0.0%
SG		Singapore	Singapore	0.0%	0.0%	0.0%	0.0%
CG	⁽³⁾	Congo	Brazzaville	0.0%	0.0%	0.0%	0.0%
NO	⁽⁸⁾	Norway	Oslo	0.0%	0.0%	0.0%	0.0%
ER	⁽⁶⁾	Eritrea	Asmara	-21.5%	0.0%	-11.4%	-11.4%
IR	⁽⁶⁾	Iran	Teheran	new	0.0%	0.0%	0.0%
IS	⁽⁸⁾	Iceland	Reykjavík	0.0%	0.0%	0.0%	0.0%
ZW	⁽²⁾	Zimbabwe	Harare	0.0%	0.0%	0.0%	0.0%
HK		Hong Kong	Hong Kong	0.0%	0.0%	0.0%	0.0%
IL	⁽⁷⁾	Israel	Tel-Aviv	1.1%	1.1%	0.0%	0.0%
PS-GZA	⁰	West Bank — Gaza Strip	East Jerusalem	1.1%	1.1%	0.0%	0.0%
SD	⁽⁶⁾	Sudan	Khartoum	0.5%	0.0%	0.5%	0.0%
JP	⁽⁷⁾	Japan	Tokyo	6.7%	6.7%	0.0%	0.0%
CF	⁽³⁾⁽⁶⁾	Central African Republic	Bangui	-6.6%	-1.1%	0.0%	0.0%
BB		Barbados	Bridgetown	0.0%	0.0%	0.0%	0.0%
GA	⁽³⁾	Gabon	Libreville	0.0%	0.0%	0.0%	0.0%
NC		New Caledonia	NouMea	0.0%	0.0%	0.0%	0.0%
US-NY		United States	New York	0.0%	0.0%	0.0%	0.0%
SB	⁽⁶⁾	Solomon Islands	Honiara	-3.6%	0.0%	-3.6%	0.0%
VU		Vanuatu	Port Vila	0.0%	0.0%	0.0%	0.0%
AO	⁽⁶⁾	Angola	Luanda	4.9%	4.9%	0.0%	0.0%
RU	⁽⁶⁾	Russia	Moscow	-0.3%	0.0%	-0.3%	0.0%
AE		United Arab Emirates	Abu Dhabi	0.0%	0.0%	0.0%	0.0%

4. ADJUSTMENT OF REMUNERATION OUTSIDE BRUSSELS AND LUXEMBOURG

4.1 Intra-EU duty stations (for staff)

The value of the annual update for duty stations outside Brussels and Luxembourg is equal to the product of the annual update for Brussels 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 reported in Table 1 and Table 4 of the main report, **Table 4 bis** below presents the adjustment of the nominal net remuneration of EU officials outside Brussels and Luxembourg which is necessary to maintain a parallel development of the purchasing power with the civil servants in the Member States.

Table 4 bis
Annual update outside Brussels and Luxembourg
for the twelve months to 1st July 2020
(for staff)

Country Place of employment	Global specific indicator	Implicit price index	Annual update
BE/LU Brussels/Luxembourg	0.0	0.7	0.7
BG Sofia	0.0	3.6	3.6
CZ Prague	0.0	5.9	5.9
DK Copenhagen	0.0	2.1	2.1
DE Berlin	0.0	3.2	3.2
Bonn	0.0	1.4	1.4
Karlsruhe	0.0	2.3	2.3
Munich	0.0	4.0	4.0
EE Tallinn	0.0	-0.4	-0.4
IE Dublin	0.0	9.0	9.0
EL Athens	0.0	0.2	0.2
ES Madrid	0.0	3.6	3.6
FR Paris	0.0	3.1	3.1
HR Zagreb	0.0	3.0	3.0
IT Rome	0.0	0.5	0.5
Varese	0.0	1.5	1.5
CY Nicosia	0.0	-0.2	-0.2
LV Riga	0.0	-0.8	-0.8
LT Vilnius	0.0	2.7	2.7
HU Budapest	0.0	5.8	5.8
MT Valletta	0.0	3.7	3.7
NL The Hague	0.0	2.9	2.9
AT Vienna	0.0	2.5	2.5
PL Warsaw	0.0	5.5	5.5
PT Lisbon	0.0	3.6	3.6
RO Bucharest	0.0	5.5	5.5
SI Ljubljana	0.0	2.6	2.6
SK Bratislava	0.0	2.7	2.7
FI Helsinki	0.0	1.0	1.0
SE Stockholm	0.0	3.2	3.2

4.2 Intra-EU country of residence (for pensioners)

The value of the annual update for pensioners residing in Member States outside Belgium and Luxembourg is equal to the product of the annual update 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 Belgium and the Member State).

Taking account of the figures reported in Table 1 and Table 6 of the main report, **Table 6 bis** below presents the adjustment of the nominal net pensions of retired EU officials outside Belgium and Luxembourg.

Table 6 bis
Annual update outside Belgium and Luxembourg
for the twelve months to 1st July 2020
(for pensioners)

Country	Global specific indicator	Implicit price index	Annual update
BE/LU	0.0	0.7	0.7
BG	0.0	2.2	2.2
CZ	0.0	3.1	3.1
DK	0.0	1.0	1.0
DE	0.0	1.5	1.5
EE	0.0	-0.3	-0.3
IE	0.0	-1.4	-1.4
EL	0.0	0.8	0.8
ES	0.0	2.4	2.4
FR	0.0	1.0	1.0
HR	0.0	2.3	2.3
IT	0.0	1.4	1.4
CY	0.0	-0.8	-0.8
LV	0.0	-0.4	-0.4
LT	0.0	2.2	2.2
HU	0.0	3.8	3.8
MT	0.0	3.4	3.4
NL	0.0	1.0	1.0
AT	0.0	2.3	2.3
PL	0.0	6.3	6.3
PT	0.0	1.3	1.3
RO	0.0	5.4	5.4
SI	0.0	0.7	0.7
SK	0.0	8.0	8.0
FI	0.0	0.7	0.7
SE	0.0	2.4	2.4
UK	0.0	1.3	1.3

4.3 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 annual update for Brussels 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 reported in Table 1 and Table 8 of the main report, **Table 8 bis** 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.

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 25 locations identified in **Table 9.1** earlier, where the correction coefficient is greater than or equal to 100 at July 2020, or was greater than or equal to 100 at July 2019.

Table 8 bis (page 1 of 3)

Annual update outside Brussels and Luxembourg for the 12 months to 1st July 2020
(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
BE	(1)	Belgium / Luxembourg	Brussels / Luxembourg	0.0	0.7	0.7
AF	(5)	Afghanistan	Kabul	0.0		
AL	(8)	Albania	Tirana	0.0	-13.4	-13.4
DZ	(6)	Algeria	Algiers	0.0	10.6	10.6
AO	(6)	Angola	Luanda	0.0	23.0	23.0
AR	(6)	Argentina	Buenos Aires	0.0	87.3	87.3
AM		Armenia	Yerevan	0.0	0.6	0.6
AU	(7)	Australia	Canberra	0.0	5.0	5.0
AZ		Azerbaijan	Baku	0.0	4.3	4.3
BD	(6)	Bangladesh	Dhaka	0.0	1.0	1.0
BB		Barbados	Bridgetown	0.0	3.8	3.8
BY		Belarus	Minsk	0.0	3.3	3.3
BZ	(6)	Belize	Belize (Belmopan)	0.0	8.6	8.6
BJ	(3)	Benin	Cotonou	0.0	4.3	4.3
BO		Bolivia	La Paz	0.0	-0.1	-0.1
BA-BL	(5)	Bosnia and Herzegovina	Banja Luka	0.0		
BA-SA	(8)	Bosnia and Herzegovina	Sarajevo	0.0	-12.0	-12.0
BW		Botswana	Gaborone	0.0	2.9	2.9
BR		Brazil	Brasilia	0.0	-0.6	-0.6
BF	(3)(6)	Burkina Faso	Ouagadougou	0.0	0.8	0.8
BI		Burundi	Bujumbura	0.0	2.2	2.2
KH		Cambodia	Phnom Penh	0.0	2.0	2.0
CM	(3)	Cameroon	Yaounde	0.0	12.1	12.1
CA	(7)	Canada	Ottawa	0.0	4.1	4.1
CV		Cape Verde	Praia	0.0	-0.7	-0.7
CF	(3)(6)	Central African Republic	Bangui	0.0	0.3	0.3
TD	(3)(6)	Chad	Ndjamena	0.0	10.7	10.7
CL	(7)	Chile	Santiago	0.0	-9.4	-9.4
CN		China	Beijing	0.0	0.0	0.0
CO		Colombia	Bogota	0.0	1.8	1.8
KM	(6)	Comoros	Moroni	0.0	27.2	27.2
CG	(3)	Congo	Brazzaville	0.0	0.2	0.2
CR	(6)	Costa Rica	San Jose	0.0	9.6	9.6
CU	(2)(6)	Cuba	Havana	0.0	-0.3	-0.3
CD		Democratic Republic of the Congo	Kinshasa	0.0	39.9	39.9
DJ	(6)	Djibouti	Djibouti	0.0	9.4	9.4
DO	(6)	Dominican Republic	Santo Domingo	0.0	9.6	9.6
EC	(2)	Ecuador	Quito	0.0	-1.8	-1.8
EG		Egypt	Cairo	0.0	8.1	8.1
SV	(2)	El Salvador	San Salvador	0.0	-1.2	-1.2
ER	(6)	Eritrea	Asmara	0.0	-1.4	-1.4
SZ		eSwatini	Mbabane	0.0	1.7	1.7
ET		Ethiopia	Addis Ababa	0.0	6.0	6.0
FJ		Fiji	Suva	0.0	0.1	0.1
GA	(3)	Gabon	Libreville	0.0	2.7	2.7
GM	(6)	Gambia	Banjul	0.0	21.2	21.2
GE		Georgia	Tbilisi	0.0	5.5	5.5
GH		Ghana	Accra	0.0	8.7	8.7
GT		Guatemala	Guatemala City	0.0	-0.8	-0.8
GN		Guinea	Conakry	0.0	6.2	6.2
GW	(3)	Guinea-Bissau	Bissau	0.0	-0.7	-0.7
GY		Guyana	Georgetown	0.0	-1.4	-1.4

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Annual update outside Brussels and Luxembourg for the 12 months to 1st July 2020
(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
HT		Haiti	Port-au-Prince	0.0	21.0	21.0
HN		Honduras	Tegucigalpa	0.0	2.0	2.0
HK		Hong Kong	Hong Kong	0.0	-0.9	-0.9
IS	(8)	Iceland	Reykjavik	0.0	2.3	2.3
IN		India	New Delhi	0.0	4.7	4.7
ID-AC	(5)	Indonesia	Banda Aceh	0.0		
ID-JK	(6)	Indonesia	Jakarta	0.0	8.7	8.7
IR	(6)	Iran	Teheran	0.0		
IQ	(5)	Iraq	Baghdad	0.0		
IL	(7)	Israel	Tel-Aviv	0.0	1.4	1.4
CI	(3)	Ivory Coast	Abidjan	0.0	1.0	1.0
JM		Jamaica	Kingston	0.0	3.7	3.7
JP	(7)	Japan	Tokyo	0.0	9.9	9.9
JO	(6)	Jordan	Amman	0.0	-5.4	-5.4
KZ	(6)	Kazakhstan	Nur-Sultan	0.0	15.4	15.4
KE		Kenya	Nairobi	0.0	0.3	0.3
XK	(4)	Kosovo	Pristina	0.0	-2.1	-2.1
KW	(6)	Kuwait	Kuwait City	0.0		
KG		Kyrgyzstan	Bichkek	0.0	10.6	10.6
LA		Laos	Vientiane	0.0	8.4	8.4
LB		Lebanon	Beirut	0.0	143.5	143.5
LS		Lesotho	Maseru	0.0	1.3	1.3
LR	(6)(9)	Liberia	Monrovia	0.0	-4.5	-4.5
LY	(5)	Libya	Tripoli	0.0		
MG		Madagascar	Antananarivo	0.0	-0.4	-0.4
MW	(6)	Malawi	Lilongwe	0.0	15.5	15.5
MY	(6)	Malaysia	Kuala Lumpur	0.0	3.1	3.1
ML	(3)	Mali	Bamako	0.0	1.3	1.3
MR		Mauritania	Nouakchott	0.0	6.8	6.8
MU	(6)	Mauritius	Port Louis	0.0	14.6	14.6
MX	(7)	Mexico	Mexico City	0.0	0.1	0.1
MD	(6)	Moldova	Chisinau	0.0	6.8	6.8
MN		Mongolia	Ulan Bator	0.0	5.9	5.9
ME	(4)(6)	Montenegro	Podgorica	0.0	-13.9	-13.9
MA	(6)	Morocco	Rabat	0.0	15.0	15.0
MZ		Mozambique	Maputo	0.0	-0.2	-0.2
MM	(6)	Myanmar	Yangon	0.0	9.3	9.3
NA		Namibia	Windhoek	0.0	2.3	2.3
NP	(6)	Nepal	Kathmandu	0.0	-7.4	-7.4
NC		New Caledonia	NouMea	0.0	-2.1	-2.1
NZ	(7)	New Zealand	Wellington	0.0	-16.6	-16.6
NI		Nicaragua	Managua	0.0	1.4	1.4
NE	(3)	Niger	Niamey	0.0	2.5	2.5
NG	(6)	Nigeria	Abuja	0.0	16.0	16.0
MK	(8)	North Macedonia	Skopje	0.0	-17.2	-17.2
NO	(8)	Norway	Oslo	0.0	4.0	4.0
PK	(6)	Pakistan	Islamabad	0.0	32.5	32.5
PA	(2)	Panama	Panama City	0.0	-2.4	-2.4
PG	(6)	Papua New Guinea	Port Moresby	0.0	6.3	6.3
PY		Paraguay	Asuncion	0.0	-0.5	-0.5
PE		Peru	Lima	0.0	-0.1	-0.1
PH		Philippines	Manilla	0.0	1.1	1.1
RU	(6)	Russia	Moscow	0.0	1.9	1.9
RW		Rwanda	Kigali	0.0	8.9	8.9

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Annual update outside Brussels and Luxembourg for the 12 months to 1st July 2020
(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
WS		Samoa	Apia	0.0	4.2	4.2
SA		Saudi Arabia	Riyadh	0.0	-0.9	-0.9
SN	(3)(6)	Senegal	Dakar	0.0	-7.7	-7.7
RS	(8)	Serbia	Belgrade	0.0	3.1	3.1
SL		Sierra Leone	Freetown	0.0	7.6	7.6
SG		Singapore	Singapore	0.0	-1.2	-1.2
SB	(6)	Somalia	Mogadishu	0.0	-3.7	-3.7
SO	(5)	Somalia	Mogadishu	0.0		
ZA	(6)	South Africa	Pretoria	0.0	12.4	12.4
KR	(7)	South Korea	Seoul	0.0	1.3	1.3
SS	(6)	South-Sudan	Juba	0.0	26.8	26.8
LK		Sri Lanka	Colombo	0.0	1.2	1.2
SD	(6)	Sudan	Khartoum	0.0	100.2	100.2
SR	(6)	Suriname	Paramaribo	0.0	44.1	44.1
CH-BE	(8)	Switzerland	Bern	0.0	-1.7	-1.7
CH-GE	(8)	Switzerland	Geneva	0.0	-1.7	-1.7
SY	(5)	Syria	Damascus	0.0		
TW		Taiwan	Taipei	0.0	-2.5	-2.5
TJ		Tajikistan	Duschanbe	0.0	32.6	32.6
TZ		Tanzania	Dar es Salaam	0.0	1.5	1.5
TH		Thailand	Bangkok	0.0	-5.9	-5.9
TP	(2)	Timor Leste	Dili	0.0	-0.7	-0.7
TG	(3)(6)	Togo	Lome	0.0	21.1	21.1
TT		Trinidad and Tobago	Port-of-Spain	0.0	-0.4	-0.4
TN	(6)	Tunisia	Tunis	0.0	11.5	11.5
TR	(8)	Turkey	Ankara	0.0	12.9	12.9
TM	(6)	Turkmenistan	Ashkhabad	0.0	7.7	7.7
UG		Uganda	Kampala	0.0	3.0	3.0
UA		Ukraine	Kiev	0.0	1.9	1.9
AE		United Arab Emirates	Abu Dhabi	0.0	-7.8	-7.8
GB	(8)	United Kingdom	London	0.0		
US-NY		United States	New York	0.0	-1.1	-1.1
US-WA	(7)	United States	Washington	0.0	4.2	4.2
UY		Uruguay	Montevideo	0.0	6.8	6.8
UZ		Uzbekistan	Tachkent	0.0	49.1	49.1
VU		Vanuatu	Port Vila	0.0	2.1	2.1
VE	(5)	Venezuela	Caracas	0.0		
VN		Vietnam	Hanoi	0.0	14.9	14.9
PS-GZA		West Bank — Gaza Strip	East Jerusalem	0.0	1.4	1.4
YE	(5)	Yemen	Sana a	0.0		
ZM		Zambia	Lusaka	0.0	15.7	15.7
ZW	(2)	Zimbabwe	Harare	0.0	-0.3	-0.3

In the table above:

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

(2) 1 euro = USD (6 Duty Station(s): Cuba, Ecuador, El Salvador, Panama, Timor Leste, Zimbabwe)

(3) 1 euro = CFA (13 Duty Station(s): Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Congo, Gabon, Guinea-Bissau, Ivory Coast, Mali, Niger, Senegal, Togo)

(4) Currency = Euro (2 Duty Station(s) : Kosovo, Montenegro)

(5) Not available (9 Duty Station(s): Afghanistan, Bosnia and Herzegovina (Banja Luka), Indonesia (Banda Aceh), Iraq, Libya, Somalia, Syria, Venezuela, Yemen)

(6) UN P2P processed (42 Duty Station(s): 11 in the first interim report and 31 in the second interim report

(7) ISRP ECP PPP processed (9 Duty Station(s) : Australia, Canada, Chile, Israel, Japan, Mexico, New Zealand, South Korea, United States (Washington))

(8) ESTAT ECP PPP processed (11 Duty Station(s): 14 in the first interim report (Iceland, Norway, Switzerland (Bern, Geneva), Turkey, Albania, Bosnia & Herzegovina-Sarajevo, North Macedonia, Montenegro, Serbia) and 1 in the second interim report (United Kingdom)

(9) For Liberia, the PPP at July 2019 is re-expressed in LRD for comparison purpose with July 2020. Originally the PPP at July 2019 was expressed in USD.