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Directorate C: National Accounts, Prices and Key Indicators
Unit C-3 :Statistics for Administrative Purposes

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COMMISSION STAFF WORKING PAPER

Eurostat Report on the 2016 annual update of remuneration and pensions of EU officials

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

adjusting with effect from 1 July 2016 the remuneration of active staff and the pensions of retired staff,

and updating with effect from 1 July 2016 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.

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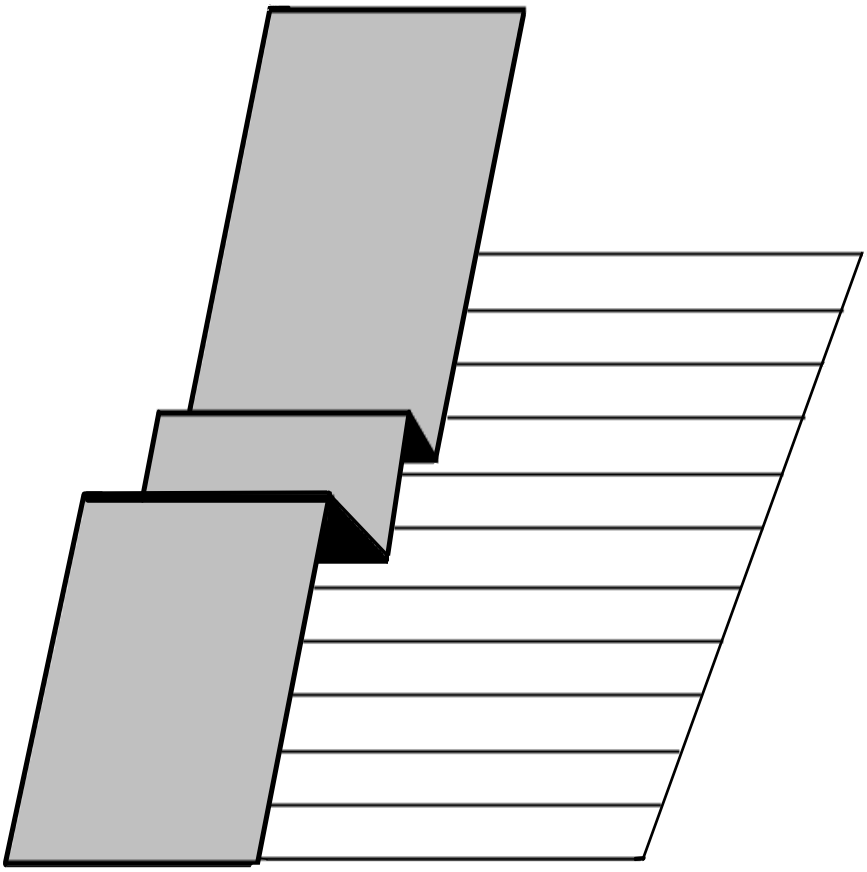
Eurostat Report on the annual update of remuneration and pensions of EU officials

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

Reference period:
Year to 1 July 2016

Main text



Statistical Office of the European Union
Unit C3, Statistics for administrative purposes
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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 2016.

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

An interim report was submitted in April 2016.

This annual report presents the following information for the period July 2015 – July 2016:

- 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 2015 – July 2016 are provided in **Table 1**.

On this basis, the global specific indicator (weighted average using percentage share of EU GDP expressed in PPS terms) for the period July 2015 – July 2016 is 101.9 (+1.9%).

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 101.4 (+1.4%). Details are provided in **Table 3**.

As a consequence, the adjustment of the nominal net remuneration and pensions of 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 +3.3% (103.3).

The global specific indicator is below the threshold required to trigger the moderation clause, which therefore does not apply.

As the forecast evolution of GDP in real terms is not negative, the exception clause does not apply.

The correction coefficients which apply to remuneration outside Belgium and Luxembourg with effect from 1 July 2016 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 2016 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 the usual manner during June 2016 with a target reply deadline of 31 July. In the absence of a correctly completed remuneration questionnaire from a Member State, the forecast figure they supplied in March 2016 was used, or a more recent estimate.

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 collaboration with the International Service on Remuneration and Prices of the Coordinated Organisations (CO.ISRP) and the United Nations International Civil Service Commission (UN.ICSC).

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 2016. This is the third annual report submitted in accordance with the EU Staff Regulations as amended by Regulation 1023/2013[1,2].

Annex XI of the Staff Regulations describes rules for implementing Articles 64 and 65 of the Staff Regulations, ie. 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 agreements[3]. 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 Luxembourg[4].

This annual report presents the following information for the period July 2015 – July 2016:

- 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.

Chapters 1 to 4 of this report examine respectively:

- Evolution of the purchasing power of salaries of national officials in the central governments;

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[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] An interim report covering Intra-EU staff and pensioners for the period 1 July 2015 - 1 January 2016 was already prepared in April 2016 with reference Ares(2016)1765880; an interim report covering Extra-EU staff for the six months August 2015 - January 2016 was prepared in April 2016 with reference Ares(2016)1970736; an interim report covering Extra-EU staff for the five months February 2016 - June 2016 was prepared in September 2016 with reference Ares(2016)5500119.

[3] 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 on Remuneration and Prices of the Coordinated Organisations); the ILO 1973 Resolution on household surveys; the LFS Regulation (577/1998); the SES and LCS Regulation (530/1999).

[4] These include: document A6465/14/26rev2 “methodology for the calculation of specific indicators and control indicators” (version May 2016); document A6465/14/58rev “methodology for the calculation of the Joint Index” (version July 2014); document A6465/14/59rev3 “methodology for the calculation of Intra-EU correction coefficients” (version May 2016); document A6465/14/60rev2 “methodology for the calculation of Extra-EU correction coefficients” (version July 2016).

- Comparative information drawn from various sources;
- Changes in the cost of living in Brussels and Luxembourg;
- Adjustment of remuneration and pensions in Belgium and Luxembourg;

Chapters 6 to 8 of this report examine respectively:

- 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, and;
- 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 States[5]. Information about the evolution of purchasing power of national officials was requested in the usual manner during June 2016 with a target reply deadline of 31 July. In the absence of a correctly completed remuneration questionnaire from a Member State, the forecast figure they supplied in March 2016 was used, or a more recent estimate.

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 collaboration with the International Service on Remuneration and Prices of the Coordinated Organisations (CO.ISRP) and the United Nations International Civil Service Commission (UN.ICSC).

More information on methodology, detailed results and statistical analysis is available in the appendices to this report and detailed procedural manuals.

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

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

1.1. Specific Indicator

For the 2015-2016 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 Member States[6]. Changes in the harmonized indices of consumer prices (inflation rates) during the period June 2015 to June 2016 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 2015 expressed in purchasing power parities.

On this basis, the global specific indicator (average change in real net remuneration) for the year 2016 is 101.9 (+1.9%).

Table 1

Change in the net remuneration of central government civil servants

July 2015 - July 2016

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	3.0	1.8	**1.2**	0.04
DE	20.0	23.7	1.0	0.2	**0.8**	0.19
ES	8.3	9.8	4.9	-0.9	**5.9**	0.58
FR	13.7	16.3	0.4	0.3	**0.1**	0.02
IT	11.4	13.5	0.0	-0.2	**0.2**	0.03
LU	0.3	0.4	-1.2	-0.4	**-0.8**	0.00
NL	4.2	5.0	6.0	-0.2	**6.2**	0.31
AT	2.2	2.6	4.9	0.6	**4.3**	0.11
PL[2]	5.2	6.2	7.3	-0.4	**7.7**	0.47
SE	2.4	2.8	4.1	1.2	**2.9**	0.08
UK	14.0	16.6	1.1	0.5	**0.6**	0.10
Total	**84.3**	**100.0**	**2.0**	**0.1**	**1.9**	**1.9**

[1] Basis: GDP expressed in PPP, 2015

[2] Nominal net indicator for Poland combines previous year correction plus current year movement

[6] Information for the EU28 is included in annex 1.

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.

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 numbers[7]). 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 2016 with the control indicator (compensation of employees) for the calendar year 2016, where the respective values for 2015 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 2016 is 101.3 (+1.3%).

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 is also calculated of the movement in total labour cost in public administrations of the Member States (NACE group 'O'). 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 2016 with the control indicator (labour cost index) for calendar year 2016, where the respective values for 2015 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 2016 is 101.7 (+1.7%).

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 R2 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 2016 (2015 = 100)	Control indicator * 2016 (2015 = 100)	Difference (%)
BE	100.2	95.1	-5.1
DE	101.0	102.1	1.1
ES	104.0	103.1	-0.9
FR	100.3	100.1	-0.2
IT	100.2	99.8	-0.4
LU	98.7	105.1	6.5
NL	105.6	101.0	-4.4
AT	100.7	103.0	2.3
PL	99.4	102.1	2.7
SE	102.1	101.9	-0.2
UK	100.7	102.2	1.5
Total	**101.1**	**101.3**	**0.2**

* Compensation of employees: Eurostat estimates.

Table 2b

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

Country	Nominal gross specific indicator 2016 (2015 = 100)	Control indicator * 2016 (2015 = 100)	Difference (%)
BE	102.0	100.0	-2.0
DE	101.2	102.6	1.4
ES	103.1	103.3	0.2
FR	100.6	:	:
IT	100.0	99.8	-0.2
LU	98.3	102.9	4.7
NL	105.4	103.6	-1.7
AT	101.3	99.3	-2.0
PL	99.0	101.7	2.7
SE	103.3	102.4	-0.9
UK	101.2	100.9	-0.3
Total	**101.3**	**101.7**	**0.4**

* Labour Cost Index: Eurostat estimates.

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

For the 2015-2016 exercise Eurostat has calculated the Joint Index 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 Belgium and in Luxembourg was 82.2% : 17.8%.

The detailed breakdown of this index corresponding to the 2016 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 2015 – June 2016 has increased, on average by 101.4 (+1.4%).

Table 3

Change in the Joint Belgium-Luxembourg Index
June 2015 - June 2016

	Groups of consumption	Weight	Index
1.	Food and non-alcoholic beverages	128.2	101.90
2.	Alcoholic beverages and tobacco	20.3	108.10
3.	Clothing and footwear	54.3	100.70
4.	Housing, water, electricity, gas and other fuels	297.6	100.70
5.	Furnishings, household equipment and maintenance of house	74.7	100.90
6.	Health	19.2	100.50
7.	Transport	127.2	99.20
8.	Communications	21.5	104.20
9.	Recreation and culture	91.7	101.30
10.	Education	14.7	124.00
11.	Hotels, cafes and restaurants	100.6	101.90
12.	Miscellaneous goods and services	50.0	101.30
	Global index without rents	762.9	101.60
	Rents index	237.1	100.90
	Global index	**1000.0**	**101.40**

4. UPDATE OF REMUNERATION AND PENSIONS IN BELGIUM AND LUXEMBOURG

Taking into account the figures reported in chapters 1 and 3 the adjustment of the nominal net remuneration of EU officials in Belgium and Luxembourg with effect from July 2016, which is necessary to maintain a parallel development of purchasing power with the civil servants in the Member States, is equal to:

Annual update

$$\frac{\mathbf{101.9} \times \mathbf{101.4}}{\mathbf{100}} - \mathbf{100} = +\mathbf{3.3}\%$$

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 gross specific indicator value for the current exercise which is reported in Chapter 1 falls within these boundaries, this moderation clause does not apply and the full calculated value of the annual update should be used with effect from 1 July.

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*
0% ≤ X	100%	0%	0%
-1.0% ≤ X < 0%	33%	67%	0%
-3.0% ≤ X < -1.0%	0%	100%	0%
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 3 May 2016[8] estimated that the GDP growth for the EU as a whole for 2016 in real terms will be +1.8%, strengthening in 2017 to +1.9%.

On this basis, as GDP for the EU in real terms is not forecast to be negative, then the exception clause does not apply and the full calculated value of the proposed update should be used with effect from 1 July.

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 Belgium or Luxembourg.

8. CORRECTION COEFFICIENTS FOR STAFF OUTSIDE BELGIUM AND LUXEMBOURG IN INTRA-EU DUTY STATIONS[9]

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

[8] Reference KC-BC-16-025-EN-N. The next DG ECFIN Autumn economic forecast is scheduled for publication during November 2016.

[9] 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.

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 pattern 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 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 2016.

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 2016 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 2016 (for staff)

Country Place of employment		Parity 1.7.2015	Parity 1.7.2016	Change (%)	Implicit price index
BE/LU	**Brussels/Luxembourg**	**1.000**	**1.000**	**0.0%**	**1.4**
BG	Sofia	1.020	0.9997	-2.0%	-0.6
CZ	Prague	20.01	19.84	-0.9%	0.5
DK	Copenhagen	9.836	9.896	0.6%	2.0
DE	Berlin	0.966	0.961	-0.5%	0.9
	Bonn	0.934	0.926	-0.9%	0.5
	Karlsruhe	0.938	0.930	-0.8%	0.6
	Munich	1.060	1.055	-0.5%	0.9
EE	Tallinn	0.780	0.776	-0.4%	1.0
IE	Dublin	1.166	1.183	1.5%	3.0
EL	Athens	0.799	0.793	-0.7%	0.7
ES	Madrid	0.902	0.881	-2.3%	-1.0
FR	Paris	1.146	1.138	-0.7%	0.7
HR	Zagreb	5.662	5.535	-2.2%	-0.9
IT	Rome	0.994	0.979	-1.6%	-0.2
	Varese	0.922	0.904	-2.0%	-0.7
CY	Nicosia	0.773	0.743	-3.9%	-2.5
LV	Riga	0.742	0.730	-1.6%	-0.3
LT	Vilnius	0.690	0.697	1.0%	2.5
HU	Budapest	216.8	222.0	2.4%	3.9
MT	Valletta	0.845	0.857	1.5%	2.9
NL	The Hague	1.078	1.080	0.2%	1.6
AT	Vienna	1.059	1.047	-1.2%	0.2
PL	Warsaw	3.006	2.950	-1.9%	-0.5
PT	Lisbon	0.792	0.806	1.9%	3.3
RO	Bucharest	2.908	2.887	-0.7%	0.7
SI	Ljubljana	0.812	0.807	-0.6%	0.8
SK	Bratislava	0.764	0.757	-0.9%	0.4
FI	Helsinki	1.197	1.186	-0.9%	0.5
SE	Stockholm	11.83	12.02	1.6%	3.0
UK	London	1.182	1.171	-1.0%	0.4
	Culham	0.9048	0.8859	-2.1%	-0.7

Note: For each place of employment, implicit index = parity change (%) x BE/LU index

Table 5

Calculation of correction coefficients at 1st July 2016
(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	0.9997	1.956	51.1
CZ	Prague	19.84	27.11	73.2
DK	Copenhagen	9.896	7.438	133.1
DE	Berlin	0.961	1.000	96.1
	Bonn	0.926	1.000	92.6
	Karlsruhe	0.930	1.000	93.0
	Munich	1.055	1.000	105.5
EE	Tallinn	0.776	1.000	77.6
IE	Dublin	1.183	1.000	118.3
EL	Athens	0.793	1.000	79.3
ES	Madrid	0.881	1.000	88.1
FR	Paris	1.138	1.000	113.8
HR	Zagreb	5.535	7.527	73.5
IT	Rome	0.979	1.000	97.9
	Varese	0.904	1.000	90.4
CY	Nicosia	0.743	1.000	74.3
LV	Riga	0.730	1.000	73.0
LT	Vilnius	0.697	1.000	69.7
HU	Budapest	222.0	317.0	70.0
MT	Valletta	0.857	1.000	85.7
NL	The Hague	1.080	1.000	108.0
AT	Vienna	1.047	1.000	104.7
PL	Warsaw	2.950	4.426	66.7
PT	Lisbon	0.806	1.000	80.6
RO	Bucharest	2.887	4.525	63.8
SI	Ljubljana	0.807	1.000	80.7
SK	Bratislava	0.757	1.000	75.7
FI	Helsinki	1.186	1.000	118.6
SE	Stockholm	12.02	9.431	127.4
UK	London	1.171	0.8255	141.8
	Culham	0.8859	0.8255	107.3

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 staff[10]. 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 2016.

Table 7 shows the correction coefficients calculated for pensioners for all Member States (relative to Belgium) at July 2016.

[10] This requirement was first introduced by Council Regulation 723/2004

Table 6

Changes in the economic parities in the twelve months to 1st July 2016 (for pensioners)

Country	Parity 1.7.2015	Parity 1.7.2016	Change (%)	Implicit price index
BE/LU	**1.000**	**1.000**	**0.0%**	**1.4**
BG	1.042	0.9670	-7.2%	-5.9
CZ	18.52	18.19	-1.8%	-0.4
DK	9.626	10.04	4.3%	5.8
DE	0.960	0.972	1.2%	2.6
EE	0.793	0.794	0.2%	1.6
IE	1.078	1.212	12.4%	14.0
EL	0.787	0.778	-1.1%	0.3
ES	0.891	0.870	-2.4%	-1.0
FR	1.047	1.069	2.1%	3.5
HR	5.294	4.969	-6.1%	-4.8
IT	0.967	0.982	1.6%	3.0
CY	0.831	0.778	-6.4%	-5.1
LV	0.718	0.674	-6.2%	-4.9
LT	0.666	0.645	-3.1%	-1.8
HU	195.6	188.7	-3.6%	-2.2
MT	0.858	0.880	2.6%	4.0
NL	1.042	1.075	3.2%	4.6
AT	1.024	1.066	4.1%	5.6
PL	2.664	2.523	-5.3%	-4.0
PT	0.799	0.804	0.6%	2.0
RO	2.621	2.567	-2.1%	-0.7
SI	0.780	0.775	-0.6%	0.8
SK	0.699	0.676	-3.3%	-1.9
FI	1.133	1.181	4.3%	5.8
SE	10.77	11.18	3.8%	5.3
UK	0.9543	1.026	7.5%	9.0

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

Table 7

Calculation of correction coefficients at 1st July 2016
(for pensioners)

Country	Parity [1]	Exchange rate [2]	Correction coefficient 100 * [1] / [2]
BE/LU	**1.000**	**1.000**	**100.0**
BG	0.9670	1.956	49.4
CZ	18.19	27.11	67.1
DK	10.04	7.438	135.0
DE	0.972	1.000	97.2
EE	0.794	1.000	79.4
IE	1.212	1.000	121.2
EL	0.778	1.000	77.8
ES	0.870	1.000	87.0
FR	1.069	1.000	106.9
HR	4.969	7.527	66.0
IT	0.982	1.000	98.2
CY	0.778	1.000	77.8
LV	0.674	1.000	67.4
LT	0.645	1.000	64.5
HU	188.7	317.0	59.5
MT	0.880	1.000	88.0
NL	1.075	1.000	107.5
AT	1.066	1.000	106.6
PL	2.523	4.426	57.0
PT	0.804	1.000	80.4
RO	2.567	4.525	56.7
SI	0.775	1.000	77.5
SK	0.676	1.000	67.6
FI	1.181	1.000	118.1
SE	11.18	9.431	118.6
UK	1.026	0.8255	124.2

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 Union[11].

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 these[12]. Price data for remaining consumption items is taken from "place-to-place" surveys undertaken in collaboration with the United Nations International Civil Service Commission (UN.ICSC) and the International Service on Remuneration and Prices of the Coordinated Organisations (CO.ISRP). This 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 144[13] 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 2016.

Table 9 shows the correction coefficients for all extra-EU duty stations (relative to Brussels) calculated at July 2016.

[11] This requirement was first introduced by Council Regulation 3019/87

[12] With effect from 2016, education and healthcare prices and consumption expenditure are taken into account, because reimbursement coverage is less than 100%. 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).

[13] No Extra-EU duty station added or deleted since July 2015.

Table 8

Changes in the economic parities in the 12 months to 1st July 2016
(for staff serving in Extra- EU delegations)

Place of employment			Economic Parities	Economic Parities	CHANGE (in %)
	Country	City	Jul-16	Jul-15	Jul 2016 - Jul 2015
(3)	Afghanistan	Kabul	0	0	
	Albania	Tirana	78.67	79.96	-1.6
	Algeria	Algiers	83.93	79.28	5.9
	Angola	Luanda	253.3	200.1	26.6
	Argentina	Buenos Aires	10.41	9.287	12.1
	Armenia	Yerevan	419.1	437.7	-4.2
(5)	Australia	Canberra	1.583	1.457	8.6
	Azerbaijan	Baku	1.162	1.078	7.8
	Bangladesh	Dhaka	75.12	71.37	5.3
	Barbados	Bridgetown	2.647	2.749	-3.7
	Belarus	Minsk	11448	9132	25.4
	Belize	Belize (Belmopan)	1.836	1.858	-1.2
(9)	Benin	Cotonou	661.5	684.2	-3.3
	Bolivia	La Paz	7.096	6.891	3.0
	Bosnia and Herzegovina	Banja Luka	1.061	1.092	-2.8
	Bosnia and Herzegovina	Sarajevo	1.260	1.292	-2.5
(4)	Botswana	Gaberone	6.991	6.330	10.4
	Brazil	Brasilia	3.771	3.597	4.8
(9)	Burkina Faso	Ouagadougou	626.0	636.2	-1.6
	Burundi	Bujumbura	1492	1478	0.9
	Cambodia	Phnom Penh	3587	3827	-6.3
(4)(9)	Cameroon	Yaounde	546.5	633.7	-13.8
(5)	Canada	Ottawa	1.430	1.421	0.6
	Cape Verde	Praia	74.85	76.68	-2.4
(4)(9)	Central African Republic	Bangui	716.7	680.8	5.3
(4)(9)	Chad	Ndjamena	698.6	780.1	-10.4
(4)	Chile	Santiago	459.5	397.1	15.7
	China	Beijing	6.870	6.929	-0.9
	Colombia	Bogota	2223	2100	5.9
(4)	Comoros	Moroni	337.7	317.2	6.5
(4)(9)	Congo	Brazzaville	748.1	806.2	-7.2
	Costa Rica	San Jose	486.4	498.7	-2.5
(4)(1)	Cuba	Havana	0.9521	1.055	-9.8
(1)	Democratic Republic of Congo	Kinshasa	1.830	1.825	0.3
	Djibouti	Djibouti	178.1	181.1	-1.7
	Dominican Republic	Santo Domingo	33.45	33.73	-0.8
(1)	Ecuador	Quito	1.034	1.028	0.6
	Egypt	Cairo	7.209	6.718	7.3
(1)	El Salvador	San Salvador	0.8381	0.8567	-2.2
(4)	Eritrea	Asmara	23.46	24.00	-2.3
	Ethiopia	Addis Ababa	18.04	22.17	-18.6
(4)	Fiji	Suva	1.833	1.609	13.9
	Former Yugoslav Republic of Macedonia	Skopje	30.77	30.65	0.4
(9)	Gabon	Libreville	711.0	719.9	-1.2
	Gambia	Banjul	34.81	33.81	3.0
	Georgia	Tbilisi	1.562	1.577	-1.0
	Ghana	Accra	3.371	2.787	21.0
	Guatemala	Guatemala City	8.081	8.027	0.7

Place of employment			Economic Parities	Economic Parities	CHANGE (in %)
	Country	City	Jul-16	Jul-15	Jul 2016 - Jul 2015
	Guinea	Conakry	7637	7414	3.0
(4)(9)	Guinea-Bissau	Bissau	549.1	585.6	-6.2
	Guyana	Georgetown	169.9	171.5	-0.9
(4)	Haiti	Port-au-Prince	56.85	53.18	6.9
	Honduras	Tegucigalpa	22.41	22.08	1.5
	Hong Kong	Hong Kong	10.63	10.71	-0.7
(6)	Iceland	Reykjavík	185.6	186.8	-0.6
	India	New Delhi	56.80	54.37	4.5
	Indonesia	Banda Aceh	10327	10316	0.1
	Indonesia	Jakarta	11220	11232	-0.1
(3)	Iran	Teheran	0	0	
(3)	Iraq	Baghdad	0	0	
	Israel	Tel-Aviv	4.445	4.559	-2.5
(9)	Ivory coast	Abidjan	630.4	637.3	-1.1
	Jamaica	Kingston	118.4	119.8	-1.2
(5)	Japan	Tokyo	130.9	129.6	1.0
	Jordan	Amman	0.8031	0.8276	-3.0
(4)	Kazakhstan	Astana	234.3	206.1	13.7
	Kenya	Nairobi	104.7	99.88	4.8
	Kosovo	Pristina	0.6950	0.7104	-2.2
(4)	Kyrgyzstan	Bichkek	57.01	54.01	5.6
	Laos	Vientiane	9189	9306	-1.3
	Lebanon	Beirut	1710	1702	0.5
(4)	Lesotho	Maseru	7.899	6.816	15.9
(1)	Liberia	Monrovia	1.480	1.391	6.4
(3)	Libya	Tripoli	0	0	
	Madagascar	Antananarivo	3155	3080	2.4
	Malawi	Lilongwe	432.1	374.0	15.5
	Malaysia	Kuala Lumpur	3.030	3.053	-0.8
(9)	Mali	Bamako	631.4	648.5	-2.6
(4)	Mauritania	Nouakchott	263.1	249.5	5.5
	Mauritius	Port Louis	28.72	28.69	0.1
(5)	Mexico	Mexico City	11.75	12.51	-6.1
	Moldova	Chisinau	12.75	12.03	6.0
	Montenegro	Podgorica	0.6117	0.6274	-2.5
	Morocco	Rabat	7.794	7.879	-1.1
	Mozambique	Maputo	36.62	32.16	13.9
(4)	Myanmar	Yangon	965.7	815.3	18.4
	Namibia	Windhoek	9.570	9.241	3.6
	Nepal	Kathmandu	113.3	104.4	8.5
	New Caledonia	NouMea	127.7	128.9	-0.9
(5)	New Zealand	Wellington	1.625	1.705	-4.7
	Nicaragua	Managua	19.58	19.43	0.8
(9)	Niger	Niamey	543.5	553.7	-1.8
	Nigeria	Abuja	241.0	214.1	12.6
(6)	Norway	Oslo	12.00	11.94	0.5
	Pakistan	Islamabad	70.29	69.70	0.8
(1)	Panama	Panama City	0.8580	0.8670	-1.0
	Papua New Guinea	Port Moresby	3.462	3.514	-1.5
	Paraguay	Asuncion	4093	3984	2.7
	Peru	Lima	3.378	3.322	1.7
	Philippines	Manilla	42.67	42.23	1.0

Place of employment			Economic Parities	Economic Parities	CHANGE (in %)
	Country	City	Jul-16	Jul-15	Jul 2016 - Jul 2015
	Russia	Moscow	59.94	57.26	4.7
	Rwanda	Kigali	719.2	702.2	2.4
	Samoa	Apia	2.598	2.715	-4.3
	Saudi Arabia	Riyadh	3.650	3.521	3.7
(9)	Senegal	Dakar	660.6	666.0	-0.8
	Serbia	Belgrade	63.51	73.39	-13.5
	Sierra Leone	Freetown	7866	7270	8.2
	Singapore	Singapore	1.949	1.971	-1.1
	Solomon Islands	Honiara	10.39	10.16	2.3
(3)	Somalia	Mogadishu	0	0	
	South Africa	Pretoria	8.906	7.905	12.7
(5)	South Korea	Seoul	1218	1286	-5.3
(3)	South-Sudan	Juba	0	4.259	
	Sri Lanka	Colombo	127.3	122.4	4.0
	Sudan	Khartoum	11.74	9.975	17.7
	Suriname	Paramaribo	4.233	2.791	51.7
	Swaziland	Mbabane	10.18	8.707	16.9
(6)	Switzerland	Bern	1.403	1.478	-5.1
(6)	Switzerland	Geneva	1.403	1.478	-5.1
(3)	Syria	Damascus	0	0	
(8)	Taiwan	Taipei	30.37	32.23	-5.8
	Tajikistan	Duschanbe	4.801	4.656	3.1
	Tanzania	Dar es Salaam	1480	1443	2.6
	Thailand	Bangkok	30.62	31.06	-1.4
(1)	Timor Leste	Dili	1.018	1.065	-4.4
(9)	Togo	Lome	530.1	533.1	-0.6
	Trinidad and Tobago	Port-of-Spain	6.951	6.886	0.9
(4)	Tunisia	Tunis	1.662	1.519	9.4
(6)	Turkey	Ankara	2.485	2.332	6.6
	Turkmenistan	Ashkhabad	2.619	2.536	3.3
(4)	Uganda	Kampala	2719	2551	6.6
(4)	Ukraine	Kiev	15.26	13.96	9.3
	United Arab Emirates	Abu Dhabi	3.941	3.988	-1.2
	United States	New York	1.179	1.212	-2.7
(5)	United States	Washington	1.049	1.085	-3.3
	Uruguay	Montevideo	30.42	27.92	9.0
(4)	Uzbekistan	Tachkent	2905	2681	8.4
	Vanuatu	Port Vila	136.3	134.7	1.2
(3)	Venezuela	Caracas	0	0	
	Vietnam	Hanoi	14719	15329	-4.0
	West Bank — Gaza Strip	East Jerusalem	5.071	5.181	-2.1
(3)	Yemen	Sana a	0	285.8	
	Zambia	Lusaka	8.888	7.632	16.5
(1)	Zimbabwe	Harare	0.9624	1.078	-10.7

In table above:

(1) 1euro = USD (8 Duty Stations : Cuba, El Salvador, Ecuador, Liberia, Timor Leste, Panama, Dem.Rep.Congo, Zimbabwe)

(9) 1euro = CFA (13 Duty Stations : Benin, Burkina Faso, Cameroon, Cen.Afr.Rep., Chad, Congo, Gabon, Guinea-Bissau, Ivory Coast, Mali, Niger, Senegal, Togo)

(2) Bruxelles = 100%

(3) Not available (9 Duty Stations : Afghanistan, Iran, Iraq, Libya, Somalia, South Sudan, Syria, Venezuela, Yemen)

(4) UN P2P processed (21Duty Stations)

(5) ISRP PPP processed (7 Duty Stations)

(6) ECP PPP processed (5 Duty Stations)

(7) ECP PPP processed (0 Balkan Duty Stations)

(8) Specific P2P processed (1Taiwan Duty Station)

Table 9

Calculation of correction coefficients at 1st July 2016
(for staff serving in Extra- EU delegations)

Place of employment			Economic Parities	Exchange Rate (1)	Correction Coefficients (2)
			[1]	[2]	100 x [1] / [2]
	Country	City	Jul-16	Jul-16	Jul-16
(3)	Afghanistan	Kabul			
	Albania	Tirana	78.67	137.830	57.1
	Algeria	Algiers	83.93	123.202	68.1
	Angola	Luanda	253.3	185.361	**136.7**
	Argentina	Buenos Aires	10.41	16.5574	62.9
	Armenia	Yerevan	419.1	529.330	79.2
(5)	Australia	Canberra	1.583	1.49110	**106.2**
	Azerbaijan	Baku	1.162	1.70032	68.3
	Bangladesh	Dhaka	75.12	86.9456	86.4
	Barbados	Bridgetown	2.647	2.22988	**118.7**
	Belarus	Minsk	11448	22271.0	51.4
	Belize	Belize (Belmopan)	1.836	2.21246	83.0
(9)	Benin	Cotonou	661.5	655.957	**100.8**
	Bolivia	La Paz	7.096	7.66319	92.6
	Bosnia and Herzegovina	Banja Luka	1.061	1.95583	54.2
	Bosnia and Herzegovina	Sarajevo	1.260	1.95583	64.4
(4)	Botswana	Gaberone	6.991	12.2399	57.1
	Brazil	Brasilia	3.771	3.62160	**104.1**
(9)	Burkina Faso	Ouagadougou	626.0	655.957	95.4
	Burundi	Bujumbura	1492	1821.54	81.9
	Cambodia	Phnom Penh	3587	4527.50	79.2
(4)(9)	Cameroon	Yaounde	546.5	655.957	83.3
(5)	Canada	Ottawa	1.430	1.44070	99.3
	Cape Verde	Praia	74.85	110.265	67.9
(4)(9)	Central African Republic	Bangui	716.7	655.957	**109.3**
(4)(9)	Chad	Ndjamena	698.6	655.957	**106.5**
(4)	Chile	Santiago	459.5	754.353	60.9
	China	Beijing	6.870	7.36800	93.2
	Colombia	Bogota	2223	3296.97	67.4
(4)	Comoros	Moroni	337.7	491.968	68.6
(4)(9)	Congo	Brazzaville	748.1	655.957	**114.0**
	Costa Rica	San Jose	486.4	606.196	80.2
(4)(1)	Cuba	Havana	0.9521	1.10900	85.9
(1)	Democratic Republic of Congo	Kinshasa	1.830	1.10900	**165.0**
	Djibouti	Djibouti	178.1	197.093	90.4
	Dominican Republic	Santo Domingo	33.45	50.7717	65.9
(1)	Ecuador	Quito	1.034	1.10900	93.2
	Egypt	Cairo	7.209	9.84400	73.2
(1)	El Salvador	San Salvador	0.8381	1.10900	75.6
(4)	Eritrea	Asmara	23.46	17.4768	**134.2**
	Ethiopia	Addis Ababa	18.04	24.8220	72.7
(4)	Fiji	Suva	1.833	2.29463	79.9
	Former Yugoslav Republic of Macedonia	Skopje	30.77	61.6959	49.9
(9)	Gabon	Libreville	711.0	655.957	**108.4**
	Gambia	Banjul	34.81	48.9500	71.1
	Georgia	Tbilisi	1.562	2.53770	61.6
	Ghana	Accra	3.371	4.34310	77.6
	Guatemala	Guatemala City	8.081	8.47304	95.4

	Place of employment		Economic Parities	Exchange Rate [1]	Correction Coefficients [2]
			[1]	[2]	100 x [1] / [2]
	Country	**City**	Jul-16	Jul-16	Jul-16
	Guinea	Conakry	7637	9925.37	76.9
(4)(9)	Guinea-Bissau	Bissau	549.1	655.957	83.7
	Guyana	Georgetown	169.9	236.030	72.0
(4)	Haiti	Port-au-Prince	56.85	70.0219	81.2
	Honduras	Tegucigalpa	22.41	25.2475	88.8
	Hong Kong	Hong Kong	10.63	8.60410	**123.5**
(6)	Iceland	Reykjavík	185.6	138.200	**134.3**
	India	New Delhi	56.80	74.9693	75.8
	Indonesia	Banda Aceh	10327	14577.3	70.8
	Indonesia	Jakarta	11220	14577.3	77.0
(3)	Iran	Teheran			
(3)	Iraq	Baghdad			
	Israel	Tel-Aviv	4.445	4.27930	**103.9**
(9)	Ivory coast	Abidjan	630.4	655.957	96.1
	Jamaica	Kingston	118.4	141.788	83.5
(5)	Japan	Tokyo	130.9	113.850	**115.0**
	Jordan	Amman	0.8031	0.786280	**102.1**
(4)	Kazakhstan	Astana	234.3	373.930	62.7
	Kenya	Nairobi	104.7	112.509	93.1
	Kosovo	Pristina	0.6950	1.00000	69.5
(4)	Kyrgyzstan	Bichkek	57.01	74.7459	76.3
	Laos	Vientiane	9189	8920.00	**103.0**
	Lebanon	Beirut	1710	1671.82	**102.3**
(4)	Lesotho	Maseru	7.899	16.6016	47.6
(1)	Liberia	Monrovia	1.480	1.10900	**133.5**
(3)	Libya	Tripoli			
	Madagascar	Antananarivo	3155	3642.34	86.6
	Malawi	Lilongwe	432.1	785.038	55.0
	Malaysia	Kuala Lumpur	3.030	4.45940	67.9
(9)	Mali	Bamako	631.4	655.957	96.3
(4)	Mauritania	Nouakchott	263.1	404.285	65.1
	Mauritius	Port Louis	28.72	39.5039	72.7
(5)	Mexico	Mexico City	11.75	20.7331	56.7
	Moldova	Chisinau	12.75	22.0064	57.9
	Montenegro	Podgorica	0.6117	1.00000	61.2
	Morocco	Rabat	7.794	10.8435	71.9
	Mozambique	Maputo	36.62	69.2000	52.9
(4)	Myanmar	Yangon	965.7	1291.99	74.7
	Namibia	Windhoek	9.570	16.6016	57.6
	Nepal	Kathmandu	113.3	120.680	93.9
	New Caledonia	NouMea	127.7	119.332	**107.0**
(5)	New Zealand	Wellington	1.625	1.55650	**104.4**
	Nicaragua	Managua	19.58	31.7332	61.7
(9)	Niger	Niamey	543.5	655.957	82.9
	Nigeria	Abuja	241.0	311.271	77.4
(6)	Norway	Oslo	12.00	9.30650	**128.9**
	Pakistan	Islamabad	70.29	117.468	59.8
(1)	Panama	Panama City	0.8580	1.10900	77.4
	Papua New Guinea	Port Moresby	3.462	3.50949	98.6
	Paraguay	Asuncion	4093	6270.65	65.3
	Peru	Lima	3.378	3.68687	91.6
	Philippines	Manilla	42.67	52.1060	81.9

	Place of employment		Economic Parities	Exchange Rate (1)	Correction Coefficients (2)
			[1]	[2]	100 x [1] / [2]
	Country	City	Jul-16	Jul-16	Jul-16
	Russia	Moscow	59.94	71.0452	84.4
	Rwanda	Kigali	719.2	868.557	82.8
	Samoa	Apia	2.598	2.84761	91.2
	Saudi Arabia	Riyadh	3.650	4.15875	87.8
(9)	Senegal	Dakar	660.6	655.957	**100.7**
	Serbia	Belgrade	63.51	123.953	51.2
	Sierra Leone	Freetown	7866	6889.65	**114.2**
	Singapore	Singapore	1.949	1.49510	**130.4**
	Solomon Islands	Honiara	10.39	8.65053	**120.1**
(3)	Somalia	Mogadishu			
	South Africa	Pretoria	8.906	16.6016	53.6
(5)	South Korea	Seoul	1218	1283.15	94.9
(3)	South-Sudan	Juba			
	Sri Lanka	Colombo	127.3	161.615	78.8
	Sudan	Khartoum	11.74	7.13093	**164.6**
	Suriname	Paramaribo	4.233	7.80514	54.2
	Swaziland	Mbabane	10.18	16.6016	61.3
(6)	Switzerland	Bern	1.403	1.08540	**129.3**
(6)	Switzerland	Geneva	1.403	1.08540	**129.3**
(3)	Syria	Damascus			
(8)	Taiwan	Taipei	30.37	35.8201	84.8
	Tajikistan	Duschanbe	4.801	8.72628	55.0
	Tanzania	Dar es Salaam	1480	2415.15	61.3
	Thailand	Bangkok	30.62	39.0280	78.5
(1)	Timor Leste	Dili	1.018	1.10900	91.8
(9)	Togo	Lome	530.1	655.957	80.8
	Trinidad and Tobago	Port-of-Spain	6.951	7.65815	90.8
(4)	Tunisia	Tunis	1.662	2.45240	67.8
(6)	Turkey	Ankara	2.485	3.21570	77.3
	Turkmenistan	Ashkhabad	2.619	3.88150	67.5
(4)	Uganda	Kampala	2719	3793.83	71.7
(4)	Ukraine	Kiev	15.26	27.5846	55.3
	United Arab Emirates	Abu Dhabi	3.941	4.05880	97.1
	United States	New York	1.179	1.10900	**106.3**
(5)	United States	Washington	1.049	1.10900	94.6
	Uruguay	Montevideo	30.42	34.3457	88.6
(4)	Uzbekistan	Tachkent	2905	3259.03	89.1
	Vanuatu	Port Vila	136.3	121.643	**112.0**
(3)	Venezuela	Caracas			
	Vietnam	Hanoi	14719	24758.4	59.5
	West Bank — Gaza Strip	East Jerusalem	5.071	4.27930	**118.5**
(3)	Yemen	Sana a			
	Zambia	Lusaka	8.888	12.0264	73.9
(1)	Zimbabwe	Harare	0.9624	1.10900	86.8

In table above:

(1) 1euro = USD (8 Duty Stations : Cuba, El Salvador, Ecuador, Liberia, Timor Leste, Panama, Dem.Rep.Congo, Zimbabwe)

(9) 1euro = CFA (13 Duty Stations : Benin, Burkina Faso, Cameroon, Central African Rep., Chad, Congo, Gabon, Guinea-Bissau, Ivory Coast, Mali, Niger, Senegal, Togo)

(2) Bruxelles = 100%

(3) Not available (9 Duty Stations : Afghanistan, Iran, Iraq, Libya, Somalia, South Sudan, Syria, Venezuela, Yemen)

(4) UN P2P processed (21Duty Stations)

(5) ISRP PPP processed (7 Duty Stations)

(6) ECP PPP processed (5 Duty Stations)

(7) ECP PPP processed (0 Balkan Duty Stations)

(8) Specific P2P processed (1Taiwan Duty Station)

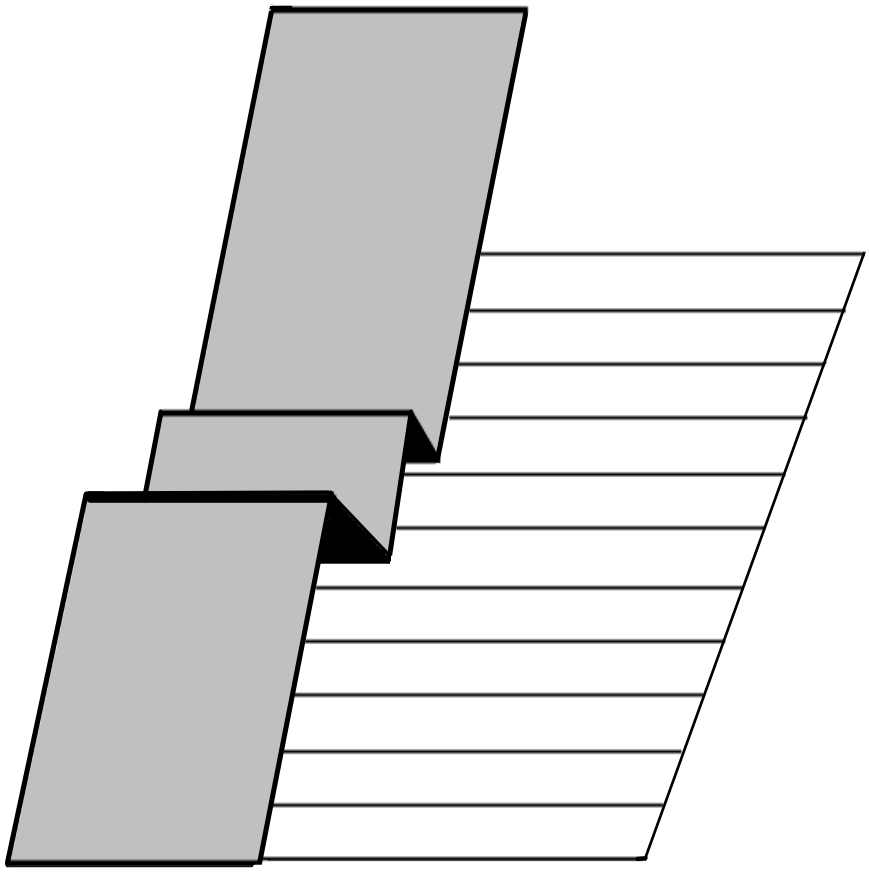
Doc.A6465/17/02

Appendix 1a

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

Explanations and statistical analyses: correction coefficients

Reference period:
Year to 1 July 2016



Statistical Office of the European Union
Unit C3, Statistics for administrative purposes
Luxembourg

October 2016

CONTENTS

INTRODUCTION

This document is an appendix to the 2016 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 some 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 collaboration with the International Service on Remuneration and Prices of the Coordinated Organisations (CO.ISRP) and the United Nations International Civil Service Commission (UN.ICSC).

More information about methodology can be found in the detailed procedural manuals[14].

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

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[14] Op cit (4) Doc.A6465/14/59rev3 (version May 2016), Doc.A6465/14/60rev2 (version July 2016)

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 and the relevant factor is any change in the economic parities. If a correction coefficient changes due solely to a change in the exchange rate (ie. 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 9.196 x CC 127.5% (ie. PPP 11.73 ÷ ER 9.196) = 11725 local
which is essentially the same as **1000 EUR x PPP 11.73 = 11730 local** (with slight rounding effect)

t_1: 1000 EUR x ER 9.245 x CC 126.8% (ie. PPP 11.73 ÷ ER 9.245) = 11723 local
which is essentially the same as **1000 EUR x PPP 11.73 = 11730 local** (with slight rounding effect)

1.1.1 Changes in the correction coefficients from July 2015 to July 2016

The simple average change for all duty stations in the correction coefficient for the period under review was -1.8%. The maximum increase was +1.8%. The maximum decrease was -16.0%. The movement in correction coefficients of EU officials for the period July 2015 - July 2016 are summarised below:

Range		Duty stations
X < -3.6%	4	CY, PL, UK^{Lon}, UK^{Cul}
-3.6% ≤ X < -1.8%	3	BG, ES, IT^{Var}
-1.8% ≤ X < 0%	17	CZ, DE^{Ber}, DE^{Bon}, DE^{Kar}, DE^{Mun}, EE, EL, FR, HR, IT^{Rom}, LV, AT, RO, SI, SK, SE, FI
0% ≤ X	7	DK, IE, LT, HU, MT, NL, PT
Total	**31**	excluding Brussels and Luxembourg[15]

[15] Brussels is the reference city for the bilateral comparisons (CC for staff). In accordance with Article 3(2) of Annex XI to the Staff Regulations, Luxembourg = Brussels

1.1.2 Changes in exchange rates from July 2015 to July 2016

For those 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 2015-July 2016: BG 0.0%, CZ +0.5%, DK +0.3%, HR +0.8%, HU -0.8%, PL -5.7%, RO -0.8%, SE -2.0% and UK -16.5%.

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 products selected to represent the basic heading and specified in the necessary detail to enable prices in a sufficiently narrow range to be collected.

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

The 80 basic parities are then updated using the ratio between the harmonised index of consumer prices (HICP) for the country in which the place of employment is located and the Joint Brussels-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. This data is made available to the annual meeting of the Working Group on Articles 64 & 65 of the Staff Regulations, who then take a decision about wider dissemination.

1.3 Rents and rent parities

Changes in the rent parities are provided in the **Table 4.2** which shows also the average rents by type of dwelling on which the calculation is based. The average rents used to compute the rent parities are in fact weighted moving averages, based on a six-year model, to take into account the average occupancy length, which is estimated to be six years. Any annual updating of rents during the life of the typical lease is included in the model by using the appropriate adjustment indices.

Table 4.1 (page 1 of 3)

Economic parities of the 12 main expenditure groups for each duty station at 1st July 2016 (for staff)

Expenditure	BE	BG-Sofia		CZ-Prague		DK-Copenhagen		DE-Berlin		DE-Bonn		DE-Karlsruhe	
Groups	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	128.2	149.1	1.345	128.3	19.66	122.5	9.914	108.8	0.951	108.8	0.963	108.8	0.958
2	20.3	27.4	1.229	26.9	21.36	25.7	9.515	17.7	0.799	17.7	0.797	17.7	0.795
3	54.3	56.4	1.438	45.0	24.43	43.0	8.656	53.6	0.847	53.6	0.860	53.6	0.866
4	297.6	252.1	0.7806	309.4	23.58	340.7	11.93	272.5	1.069	272.5	0.933	272.5	0.930
5	74.7	77.7	1.021	69.9	17.66	66.7	8.049	85.6	0.897	85.6	0.903	85.6	0.863
6	19.2	12.6	0.6813	13.8	12.80	13.2	8.955	16.8	0.909	16.8	0.909	16.8	0.892
7	127.2	121.7	1.199	128.5	20.45	122.7	9.309	156.0	1.056	156.0	1.067	156.0	1.056
8	21.5	22.2	0.7994	16.7	19.05	16.0	5.942	15.8	0.729	15.8	0.723	15.8	0.722
9	91.7	102.9	1.204	106.5	19.80	101.7	9.140	110.4	1.029	110.4	1.023	110.4	0.985
10	14.7	12.7	0.3136	15.3	8.32	14.6	4.059	19.8	0.498	19.8	0.463	19.8	0.845
11	100.6	104.5	0.7791	87.9	12.78	83.9	10.15	94.4	0.865	94.4	0.863	94.4	0.874
12	50.0	60.9	1.263	51.5	21.97	49.2	10.46	48.6	0.890	48.6	0.878	48.6	0.914
Rents	237.1	203.0	0.8001	265.4	24.48	298.7	12.44	211.2	1.079	211.2	0.905	211.2	0.907
Total without rents	762.9	797.1	1.062	734.6	18.53	701.4	9.117	788.8	0.931	788.8	0.932	788.8	0.937
Global parity	1000.0	1000.0	**0.9997**	1000.0	**19.84**	1000.0	**9.896**	1000.0	**0.961**	1000.0	**0.926**	1000.0	**0.930**
Exchange rate			1.956		27.11		7.438		1		1		1

Expenditure	BE	DE-Munich		EE-Tallinn		IE-Dublin		EL-Athens		ES-Madrid		FR-Paris	
Groups	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	128.2	108.8	0.960	135.3	0.817	85.1	1.053	142.1	0.960	120.8	0.840	123.1	1.024
2	20.3	17.7	0.790	28.4	0.992	19.7	1.779	28.7	1.085	22.8	0.809	18.7	0.956
3	54.3	53.6	0.873	47.5	0.947	55.5	0.966	48.8	0.932	40.6	0.886	57.9	0.976
4	297.6	272.5	1.345	271.9	0.749	223.8	1.717	189.7	0.712	244.0	0.940	294.4	1.568
5	74.7	85.6	0.913	73.7	0.783	95.6	0.847	109.2	0.705	91.5	0.863	69.3	0.947
6	19.2	16.8	0.897	14.6	0.638	21.3	1.417	19.7	0.664	17.0	0.842	9.0	0.828
7	127.2	156.0	1.053	135.5	0.822	165.5	1.077	142.2	0.936	135.6	0.952	131.3	1.049
8	21.5	15.8	0.728	17.6	0.430	14.6	1.045	23.1	0.900	20.3	0.918	16.5	0.761
9	91.7	110.4	1.047	112.3	0.935	135.1	0.984	96.8	0.859	96.4	0.949	90.2	1.056
10	14.7	19.8	0.695	16.2	0.216	48.4	0.519	19.8	0.353	38.4	0.563	30.4	0.530
11	100.6	94.4	0.953	92.7	0.756	63.8	1.107	118.7	0.685	119.2	0.776	107.5	1.056
12	50.0	48.6	0.973	54.3	0.826	71.6	1.448	61.3	0.749	53.4	0.904	51.7	1.078
Rents	237.1	211.2	1.464	225.5	0.799	185.3	1.845	138.9	0.750	200.9	1.026	244.2	1.742
Total without rents	762.9	788.8	0.959	774.6	0.770	814.7	1.056	861.1	0.806	799.1	0.845	755.8	0.994
Global parity	1000.0	1000.0	**1.055**	1000.0	**0.776**	999.9	**1.183**	1000.0	**0.793**	1000.0	**0.881**	1000.0	**1.138**
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 2016 (for staff)

Expenditure	BE	HR-Zagreb		IT-Rome		IT-Varese		CY-Nicosia		LV-Riga		LT-Vilnius	
Groups	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	128.2	161.0	6.462	123.4	1.025	136.7	1.083	151.6	0.946	131.4	0.801	132.5	0.720
2	20.3	29.6	6.609	20.0	1.052	20.9	0.886	27.8	0.948	27.6	0.946	27.8	0.844
3	54.3	60.9	6.244	48.9	0.963	47.3	0.984	57.3	0.886	46.1	0.945	46.5	0.954
4	297.6	192.3	5.446	242.0	1.053	219.8	0.768	239.4	0.517	292.6	0.761	286.7	0.714
5	74.7	84.0	5.041	96.0	0.955	92.6	0.957	79.1	0.765	71.6	0.659	72.2	0.686
6	19.2	13.6	4.148	20.2	1.063	23.9	1.111	12.8	0.879	14.2	0.523	14.3	0.587
7	127.2	131.4	6.416	145.5	0.915	153.4	0.917	123.7	0.877	131.7	0.760	132.8	0.746
8	21.5	24.0	4.817	16.6	0.940	16.2	0.936	22.6	0.664	17.1	0.496	17.3	0.387
9	91.7	111.1	5.720	115.5	1.034	115.5	1.033	104.6	0.922	109.1	0.811	110.1	0.744
10	14.7	13.7	1.964	21.9	0.505	19.8	0.895	12.9	0.509	15.7	0.166	15.8	0.244
11	100.6	112.9	4.570	89.3	0.874	93.4	0.782	106.3	0.779	90.1	0.662	90.8	0.578
12	50.0	65.7	5.409	60.7	0.969	60.5	0.938	61.9	0.804	52.8	0.752	53.2	0.766
Rents	237.1	139.2	5.880	181.8	1.119	155.0	0.743	189.4	0.493	247.4	0.813	241.2	0.782
Total without rents	762.9	860.8	5.472	818.2	0.946	845.0	0.947	810.5	0.829	752.5	0.706	758.8	0.673
Global parity	1000.0	1000.0	**5.535**	1000.0	**0.979**	1000.0	**0.904**	999.9	**0.743**	1000.0	**0.730**	1000.0	**0.697**
Exchange rate			7.527		1		1		1		1		1

Expenditure	BE	HU-Budapest		MT-Valletta		NL-TheHague		AT-Vienna		PL-Warsaw		PT-Lisbon	
Groups	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	128.2	137.2	233.5	148.4	0.972	113.5	0.895	135.7	1.058	131.7	2.676	117.0	0.865
2	20.3	25.2	219.7	27.2	1.017	19.1	1.069	24.9	0.901	27.6	3.825	16.0	0.911
3	54.3	51.9	254.8	56.1	0.927	45.1	0.978	51.3	0.908	46.2	3.307	44.9	0.845
4	297.6	311.6	266.2	255.3	0.856	292.1	1.266	319.4	1.221	291.3	3.581	268.1	0.779
5	74.7	71.6	188.7	77.4	0.851	76.0	1.040	70.8	0.960	71.7	2.608	83.6	0.788
6	19.2	11.6	153.8	12.5	0.837	7.5	0.956	11.4	0.996	14.2	2.177	11.6	0.772
7	127.2	112.0	252.6	121.1	0.993	164.1	1.105	110.7	0.969	131.9	2.833	151.1	1.082
8	21.5	20.5	201.8	22.1	0.634	15.5	0.802	20.2	0.678	17.2	1.731	18.1	0.852
9	91.7	94.7	224.0	102.5	0.805	99.5	1.013	93.6	1.057	109.3	2.971	101.2	0.814
10	14.7	11.6	60.18	12.6	0.342	26.2	0.943	11.5	0.752	15.7	1.206	28.1	0.3467
11	100.6	96.2	144.2	104.1	0.755	88.2	1.028	95.1	0.943	90.2	2.591	105.2	0.685
12	50.0	56.0	207.1	60.6	0.799	53.2	1.057	55.4	1.058	52.9	2.910	55.1	0.726
Rents	237.1	266.4	298.6	206.3	0.846	238.7	1.336	274.6	1.252	246.1	3.838	233.1	0.756
Total without rents	762.9	733.7	201.5	793.7	0.860	761.3	1.011	725.4	0.985	753.9	2.718	766.9	0.822
Global parity	1000.0	1000.0	**222.0**	1000.0	**0.857**	1000.0	**1.080**	1000.0	**1.047**	1000.0	**2.950**	1000.0	**0.806**
Exchange rate			317.0		1		1		1		4.426		1

Table 4.1 (page 3 of 3)

Economic parities of the 12 main expenditure groups for each duty station at 1st July 2016 (for staff)

Expenditure	BE	RO-Bucharest		SI-Ljubljana		SK-Bratislava		FI-Helsinki		SE-Stockholm	
Groups	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	128.2	137.4	2.800	139.9	0.875	141.7	0.816	124.8	1.105	127.4	10.60
2	20.3	25.2	2.894	25.7	0.886	26.0	0.787	26.2	1.513	26.8	12.77
3	54.3	52.0	3.460	52.9	0.869	53.6	0.903	43.8	1.065	44.7	10.81
4	297.6	310.7	3.199	298.0	0.778	289.1	0.845	328.4	1.398	314.2	16.11
5	74.7	71.7	2.378	73.0	0.704	73.9	0.662	68.0	1.013	69.4	9.993
6	19.2	11.6	2.040	11.8	0.738	11.9	0.488	13.4	1.348	13.7	11.47
7	127.2	112.1	3.099	114.2	0.874	115.7	0.696	125.0	1.137	127.6	10.69
8	21.5	20.5	1.900	20.9	0.852	21.1	0.603	16.3	0.582	16.6	5.830
9	91.7	94.8	2.933	96.6	0.891	97.8	0.812	103.6	1.097	105.8	10.62
10	14.7	11.7	0.8634	11.9	0.503	12.0	0.412	14.9	0.645	15.2	6.273
11	100.6	96.3	1.975	98.1	0.702	99.4	0.601	85.5	1.168	87.3	11.53
12	50.0	56.1	4.780	57.1	0.893	57.8	0.795	50.1	1.296	51.2	11.47
Rents	237.1	265.4	3.434	251.8	0.773	242.3	0.877	285.5	1.467	270.5	17.02
Total without rents	762.9	734.6	2.734	748.2	0.818	757.8	0.724	714.5	1.102	729.6	10.71
Global parity	1000.0	1000.0	**2.887**	1000.0	**0.807**	1000.0	**0.757**	1000.0	**1.186**	1000.0	**12.02**
Exchange rate			4.525		1		1		1		9.431

Expenditure	BE	UK-London		UK-Culham	
Groups	Weight	Weight	Parity	Weight	Parity
1	128.2	110.0	0.7372	98.5	0.6937
2	20.3	26.2	1.205	19.5	1.178
3	54.3	55.0	0.6824	47.3	0.6549
4	297.6	314.6	2.196	287.7	1.064
5	74.7	69.3	0.8491	86.3	0.7683
6	19.2	12.2	0.9423	6.0	0.8655
7	127.2	124.7	1.021	153.1	0.9254
8	21.5	16.5	0.7856	19.0	0.7826
9	91.7	99.7	0.8908	130.4	0.8371
10	14.7	25.3	0.5455	22.0	0.7500
11	100.6	100.2	0.8519	60.0	0.8566
12	50.0	46.4	1.021	70.2	0.9189
Rents	237.1	270.2	2.788	235.5	1.158
Total without rents	762.9	729.8	0.8580	764.5	0.8167
Global parity	1000.0	1000.0	**1.171**	1000.0	0.8859
Exchange rate			0.8255		0.8255

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

Table 4.2 (page 1 of 4)

Changes in the average rents of accommodation in the twelve months to 1st July 2016

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

Country / Place of employment			3 bedroom flat			2 bedroom flat		1 bedroom flat	
			(140-160m²)	(110-130m²)	(80-100m²)	(80-100m²)	(60-80m²)	(60-80m²)	(40-60m²)
BE	Brussels	*2015*	1,612	1,265	1,042	1,037	838	797	655
		2016	1,677	1,303	1,048	1,009	818	819	669
BG	*Sofia*	*2015*	-	*1,391*	-	*911*	-	*618*	-
		2016	-	*1,641*	-	*1,085*	-	*788*	-
CZ	*Prague*	*2015*	-	*34,278*	-	*23,722*	-	*17,511*	-
		2016	-	*35,828*	-	*24,944*	-	*18,486*	-
DK	*Copenhagen*	*2015*	-	*17,375*	-	-	*11,917*	-	*8,792*
		2016	-	*18,214*	-	-	*12,369*	-	*8,845*
DE	Berlin	*2015*	-	1,452	-	1,116	-	885	-
		2016	-	1,581	-	1,173	-	925	-
	Bonn	*2015*	-	1,179	-	900	-	725	-
		2016	-	1,226	-	919	-	754	-
	Karlsruhe	*2015*	-	1,137	-	886	-	725	-
		2016	-	1,235	-	942	-	770	-
	Munich	*2015*	-	1,956	-	1,476	-	1,141	-
		2016	-	1,980	-	1,503	-	1,141	-
EE	Tallin	2015	-	-	998	-	728	-	545
		2016	-	-	1,043	-	760	-	543
IE	Dublin	*2015*	-	2,073	-	-	1,564	-	1,208
		2016	-	2,197	-	-	1,706	-	1,380
EL	Athens	*2015*	1,239	-	-	785	-	590	-
		2016	1,317	-	-	789	-	620	-
ES	Madrid	*2015*	-	1,298	-	-	967	-	713
		2016	-	1,362	-	-	1,018	-	797
FR	Paris	*2015*	-	2,454	-	1,847	-	-	1,105
		2016	-	2,427	-	1,866	-	-	1,099
HR	*Zagreb*	*2015*	-	*8,129*	-	*5,525*	-	*3,703*	-
		2016	-	*9,091*	-	*6,101*	-	*4,326*	-
IT	Rome	*2015*	-	1,633	-	1,204	-	948	-
		2016	-	1,621	-	1,199	-	952	-
	Varese	*2015*	-	933	-	706	-	519	-
		2016	-	955	-	689	-	550	-
CY	Nicosia	*2015*	-	661	-	489	-	390	-
		2016	-	682	-	529	-	450	-

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 4.2 (page 2 of 4)

Changes in the average rents of accommodation in the twelve months to 1st July 2016

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

Country / Place of employment			3 bedroom flat			2 bedroom flat		1 bedroom flat	
			(140-160m²)	(110-130m²)	(80-100m²)	(80-100m²)	(60-80m²)	(60-80m²)	(40-60m²)
BE	Brussels	*2015*	1,612	1,265	1,042	1,037	838	797	655
		2016	1,677	1,303	1,048	1,009	818	819	669
LV	Riga	2015	-	1,282	-	906	-	628	-
		2016	-	1,076	-	852	-	597	-
LT	Vilnius	2015	-	-	881	-	719	-	541
		2016	-	-	919	-	730	-	595
HU	*Budapest*	*2015*	-	*418,076*	-	-	*267,883*	-	*166,128*
		2016	-	*504,575*	-	-	*294,888*	-	*187,702*
MT	Valletta	*2015*	-	1,023	-	796	-	-	605
		2016	-	1,246	-	945	-	-	679
NL	The Hague	*2015*	-	1,821	-	1,401	-	1,029	-
		2016	-	1,871	-	1,471	-	1,024	-
AT	Vienna	*2015*	-	1,584	-	1,143	-	868	-
		2016	-	1,596	-	1,161	-	896	-
PL	*Warsaw*	*2015*	-	*5,287*	-	*4,013*	-	-	*2,463*
		2016	-	*6,155*	-	*4,219*	-	-	*2,470*
PT	Lisbon	*2015*	1,153	-	-	863	-	660	-
		2016	1,333	-	-	1,011	-	767	-
RO	*Bucharest*	*2015*	-	*969*	-	*718*	-	-	*467*
		2016	-	*965*	-	*721*	-	-	*460*
SI	Ljubljana	*2015*	-	1,002	-	789	-	-	527
		2016	-	1,164	-	896	-	-	531
SK	Bratislava	*2015*	-	1,089	-	823	-	640	-
		2016	-	1,114	-	839	-	620	-
FI	Helsinki	*2015*	-	-	1,849	-	1,338	-	1,061
		2016	-	-	1,994	-	1,421	-	1,068
SE	*Stockholm*	*2015*	-	*26,400*	-	*19,873*	-	*14,667*	-
		2016	-	*29,993*	-	*22,660*	-	*15,437*	-
UK	*London*	*2015*	-	-	*2,835*	-	*2,236*	-	*1,661*
		2016	-	-	*2,873*	-	*2,163*	-	*1,702*
	Culham	*2015*	-	-	*1,296*	-	*1,070*	-	*858*
		2016	-	-	*1,330*	-	*1,071*	-	*878*

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 4.2 (page 3 of 4)

Changes in the average rents of accommodation in the twelve months to 1st July 2016

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

Country / Place of employment			Non-detached houses			Detached houses			Rent Parity [2]
			(140-160m²)	(110-130m²)	(80-100m²)	(190-220m²)	(150-180m²)	(110-140m²)	
BE	Brussels	*2015*	1,664	1,350	1,112	2,271	1,844	1,514	
		2016	1,750	1,435	1,148	2,417	1,922	1,581	
BG	*Sofia*	*2015*	-	-	-	*1,833*	-	-	*0.7790*
		2016	-	-	-	*2,304*	-	-	*0.8001*
CZ	*Prague*	*2015*	-	*36,094*	-	-	*52,278*	-	*24.84*
		2016	-	*35,444*	-	-	*53,056*	-	*24.48*
DK	*Copenhagen*	*2015*	-	*18,000*	-	-	*24,400*	-	*12.28*
		2016	-	*17,917*	-	-	*23,833*	-	*12.44*
DE	Berlin	*2015*	-	1,447	-	-	2,234	-	1.041
		2016	-	1,600	-	-	2,376	-	1.079
	Bonn	*2015*	-	1,267	-	-	1,766	-	0.897
		2016	-	1,355	-	-	1,854	-	0.905
	Karlsruhe	*2015*	-	1,323	-	-	1,694	-	0.890
		2016	-	1,385	-	-	1,898	-	0.907
	Munich	*2015*	-	2,050	-	-	3,005	-	1.451
		2016	-	2,081	-	-	3,132	-	1.464
EE	Tallin	2015	-	1,150	-	-	1,467	-	0.766
		2016	-	1,083	-	-	1,669	-	0.799
IE	Dublin	*2015*	-	-	2,095	-	-	2,441	1.721
		2016	-	-	2,172	-	-	2,765	1.845
EL	Athens	*2015*	1,262	-	-	1,777	-	-	0.793
		2016	1,270	-	-	1,874	-	-	0.750
ES	Madrid	*2015*	1,644	-	-	2,318	-	-	1.065
		2016	1,709	-	-	2,498	-	-	1.026
FR	Paris	*2015*	-	2,500	-	-	3,194	-	1.759
		2016	-	2,650	-	-	3,400	-	1.742
HR	*Zagreb*	*2015*	-	*9,371*	-	*14,791*	-	-	*6.202*
		2016	-	*10,123*	-	*15,853*	-	-	*5.880*
IT	Rome	*2015*	-	1,375	-	-	2,269	-	1.148
		2016	-	1,604	-	-	2,294	-	1.119
	Varese	*2015*	-	1,245	-	1,870	-	-	0.763
		2016	-	1,270	-	1,845	-	-	0.743
CY	Nicosia	*2015*	820	-	-	1,202	-	-	0.510
		2016	859	-	-	1,345	-	-	0.493

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 4.2 (page 4 of 4)

Changes in the average rents of accommodation in the twelve months to 1st July 2016

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

Country / Place of employment			Non-detached houses			Detached houses			Rent Parity [2]
			(140-160m²)	(110-130m²)	(80-100m²)	(190-220m²)	(150-180m²)	(110-140m²)	
BE	Brussels	*2015*	1,664	1,350	1,112	2,271	1,844	1,514	
		2016	1,750	1,435	1,148	2,417	1,922	1,581	
LV	Riga	2015	1,275	-	-	1,725	-	-	0.828
		2016	1,175	-	-	1,721	-	-	0.813
LT	Vilnius	2015	-	1,152	-	-	1,576	-	0.745
		2016	-	1,173	-	-	1,730	-	0.782
HU	*Budapest*	*2015*	*493,395*	-	-	*792,960*	-	-	*287.5*
		2016	*569,676*	-	-	*938,828*	-	-	*298.6*
MT	Valletta	*2015*	-	1,365	-	2,459	-	-	0.794
		2016	-	1,503	-	2,556	-	-	0.846
NL	The Hague	*2015*	2,150	-	-	-	3,067	-	1.330
		2016	2,311	-	-	-	3,280	-	1.336
AT	Vienna	*2015*	-	1,824	-	3,260	-	-	1.300
		2016	-	1,740	-	3,260	-	-	1.252
PL	*Warsaw*	*2015*	-	*5,996*	-	*8,898*	-	-	*3.909*
		2016	-	*5,917*	-	*8,441*	-	-	*3.838*
PT	Lisbon	*2015*	1,340	-	-	-	1,720	-	0.735
		2016	1,419	-	-	-	1,819	-	0.756
RO	*Bucharest*	*2015*	-	-	-	-	*8,286*	-	*3.593*
		2016	-	-	-	-	*7,137*	-	*3.434*
SI	Ljubljana	*2015*	-	1,186	-	-	1,343	-	0.776
		2016	-	1,222	-	-	1,534	-	0.773
SK	Bratislava	*2015*	-	1,268	-	-	2,062	-	0.890
		2016	-	1,295	-	-	2,022	-	0.877
FI	Helsinki	*2015*	-	1,979	-	-	2,857	-	1.482
		2016	-	2,083	-	-	3,008	-	1.467
SE	*Stockholm*	*2015*	-	*24,300*	-	-	*30,700*	-	*16.31*
		2016	-	*24,940*	-	-	*31,510*	-	*17.02*
UK	*London*	*2015*	-	-	*3,365*	-	-	*4,282*	*2.768*
		2016	-	-	*3,416*	-	-	*4,374*	*2.788*
	Culham	*2015*	-	-	*1,332*	-	-	*1,801*	*1.158*
		2016	-	-	*1,312*	-	-	*1,722*	*1.158*

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.

1.4 Purchasing power parities – analysis of results

1.4.1 Changes in the economic parities from July 2015 to July 2016

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. Details of the changes in the economic parities for the period July 2015-July 2016, including a decomposition of all the effects, are given in **Table 4.3**.

The simple average change in the global economic parity for all duty stations for the period under review was -0.6%. The maximum increase was +2.4% (Budapest). The maximum decrease was -3.9% (Nicosia). The movements in the global economic parities for the period are summarised below:

Range		Duty stations
X < -2.0%	6	BG, ES, HR, IT^{Var}, CY, UK^{Cul}
-2.0% ≤ X < -0.6%	14	CZ, DE^{Bon}, DE^{Kar}, EL, FR, IT^{Rom}, LV, AT, PL, RO, SI, SK, FI, UK^{Lon}
-0.6% ≤ X < 0%	3	DE^{Ber}, DE^{Mun}, EE
0% ≤ X < 1.0%	3	DK, LT, NL
1.0% ≤ X	5	IE, MT, HU, PT, SE
Total	**31**	excluding Brussels and Luxembourg[16]

1.4.2 Impact of changes in the expenditure weights

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

Updating surveys have recently been conducted in the following locations:

- Dublin and other duty stations in Ireland: 2013 (EU institutions, EU agencies). Insufficient response to allow robust individual statistic.
- Bulgaria-Sofia and Croatia-Zagreb: 2016 (EU institutions, EU agencies). Insufficient response to allow robust individual statistic.

The replies in these duty stations have been processed, but response levels are insufficient to allow robust individual weighting structures to be established. Results will instead be combined when producing updated regional or "European pool" weights after the next round of surveys in Brussels and other Intra-EU duty stations.

[16] Op cit (15) Brussels is the reference city. Luxembourg = Brussels.

The next surveys are planned in autumn 2016. These will be done using a harmonized questionnaire and on a common timetable in collaboration with the United Nations, the Coordinated Organisations and other international organisations.

1.4.3 Impact of new parities derived from price surveys

For the 2016 annual review, new parities obtained from consumer price surveys have been integrated for the following groups:

- Food, beverages and tobacco (survey 2015-1), conducted in Spring 2015
- Personal appearance (survey 2015-2), conducted in Autumn 2015

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

The introduction of price data from the spring 2015 ECP survey on food, beverages and tobacco affects 15 elementary parities out of the 80 basic heading classification, which together account for about 14.9% of the total consumption weight in Brussels and 15.1% on average in other EU duty stations. It has led to an increase in the overall parity for 24 locations, and a decrease in the parity for 7 locations - with the impact ranging between +1.6% (Lisbon) and -0.5% (Varese and Culham). The average impact was +0.4%.

The introduction of the price data from the autumn 2015 ECP survey on personal appearance affects 3 elementary parities out of the 80 basic heading classification, which together account for about 7.7% of the total consumption weight in Brussels and 7.9% on average in other EU duty stations. It has generated an increase in the overall parity for 24 locations, and a decrease for 7 locations - with the impact ranging between +1.5% (Dublin) and -0.4% (DE-Karlsruhe). The average impact was +0.3%.

1.4.4 Impact of indexation

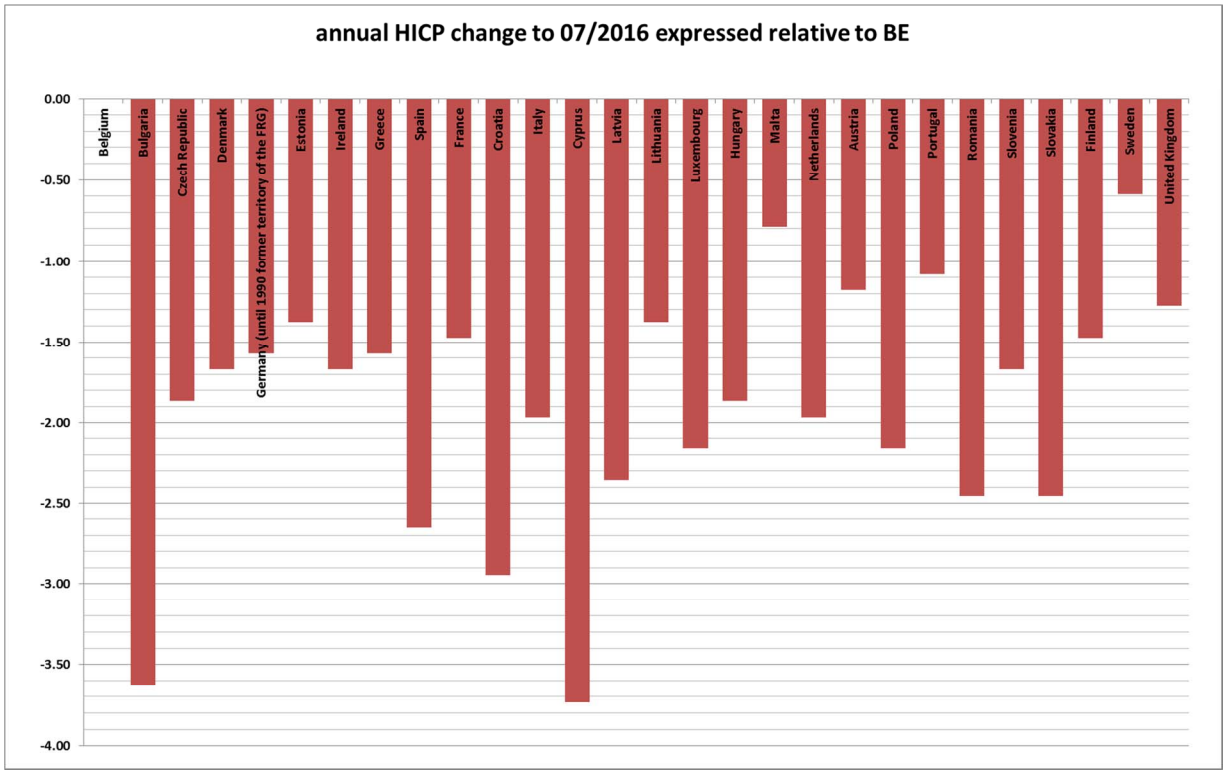
As regards price indexation, it has to be remembered that the impact for each duty station reflects the movement of the national harmonised index of consumer prices (HICP) relative to the evolution of prices in Brussels[17].

The impact on the overall parity of applying detailed sub- indices at basic heading level for the year to July 2016 generated a decrease (ie. inflation was lower than Brussels) in 29 places and an increase (ie. inflation was higher than Brussels) in the remaining 2 places - with the impact ranging between +1.2% (Vilnius) and -4.5% (Nicosia). The average impact was -1.2%.

Here it should be recalled that there are important differences between HICP and PPP methodologies (e.g. use of different weights for aggregation purposes). 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.

[17] See annex 1c for details of the movement in the Joint Belgium-Luxembourg Index (JBLI).

Purely for information purposes, the following graph summarises how national HICP have developed relative to Belgium during period July 2015-2016. It is clear from the graph that prices have risen less quickly in all places.



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 2015 (December 2014) compared with the previous base period July 2014 (December 2013) the ratio remained stable at 82:18.

1.4.5 Impact of new rent parities

Rent surveys are carried out every year in all Member States. A six-year moving average model is used for calculating rent parities: the rent parities for 2016 are based on the relative trend in the real-estate markets in Brussels and other places of employment between 2011 and 2016. These parities are, therefore, affected by the following factors:

- introduction of rent data for year 2016;
- deletion of the rent data for 2010;
- price indices used for updating the rents for 2011 - 2015 to price of 2016;
- updated dwelling weights structure derived from housing surveys amongst active staff.

Housing surveys were conducted in all Intra-EU duty stations during spring 2016 amongst EU staff in collaboration with Coordinated Organisations and other international organisations[18]. High response rates have allowed calculation of robust dwelling type patterns for majority of

[18] The previous survey amongst staff was conducted in 2010 (except 2008: DE-Kar and 2007: IT-Var)

duty stations, including several (14) for which there were no previous direct survey results. The the new and old sources are summarised below:

	BXL	BG	CZ	DK	DE^{Ber}	DE^{Bon}	DE^{Kar}	DE^{Mun}
New	**2016**	**2016**	**2016**	**2016**	**2016**	**2016**	**2016**	**2016**
Old	**2010**	Pool 4	Pool 4	Pool 4	Pool 4	Pool 4	**2008**	**2010**

	EE	IE	EL	ES	FR	HR	IT^{Rom}	IT^{Var}
New	Pool 1	**2016**	**2016**	**2016**	**2016**	Pool 2	**2016**	**2016**
Old	Pool 4	**2010**	Pool 4	**2010**	**2010**	Pool 4	Pool 4	**2010**

	CY	LV	LT	LUX*	HU	MT	NL	AT
New	**2016**	Pool 1	Pool 1	**2016**	**2016**	Pool 2	**2016**	Pool 3
Old	Pool 4	Pool 4	Pool 4	Pool 4	Pool 4	Pool 4	**2010**	Pool 4

	PL	PT	RO	SI	SK	FI	SE	UK^{Lon}
New	**2016**	**2016**	Pool 1	**2016**	Pool 1	**2016**	**2016**	**2016**
Old	Pool 4	**2010**	Pool 4	Pool 4	Pool 4	Pool 4	**2010**	**2010**

	UK^{Cul}
New	**2016**
Old	Pool 4

Notes

Pool 1 (2016) = EU28 … Pool 2 (2016) = EE, LV, LT … Pool 3 (2016) = AT with DE^{Mun}

Pool 4 (2015) = EU15

* Whilst survey results were compiled for Luxembourg, and used in the pool calculation, there is no separate official calculation of correction coefficients for Luxembourg for EU purposes.

Details of the changes in the rent parities from 2015 to 2016, including a decomposition of all the effects, are given in **Table 5.4**.

The simple average change in the rent parity for all duty stations was +0.2%. There were increases in the rent parity for 16 duty stations and decreases for 15 locations. The ten biggest movements in the rent parity in absolute terms could be observed in Dublin (+7.2%), Valletta (+6.5%), Athens (-5.5%), Vilnius (+4.9%), Bucharest (-5.2%), Zagreb (-4.4%), Tallinn and Stockholm (+4.3%), Budapest (+3.9%), Vienna (-3.7%).

The rent parities, due to their associated high consumption weights (around 23% on average across the EU, but lower in Athens, Dublin, Zagreb, Rome, Varese and Nicosia; and higher in Copenhagen, Budapest, Vienna, Bucharest, Helsinki, Stockholm and London) 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 for 11 locations, and a decrease for 20 locations - with the impact ranging between +1.1% (Stockholm) and -1.1% (Bucharest). The average impact on the overall parity was -0.1%.

In **Table 5.5**, the analysis of correction coefficients 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 differences arising from other causes.

The correction coefficients for rents (compared to Brussels =100) are very high in London (337.8), Dublin (184.5), Stockholm (180.5), Paris (174.2) and Copenhagen (167.3) whereas they are quite low in Sofia (40.9), Nicosia (49.3), Varese (74.3), Athens (75.0), Lisbon (75.6), Bucharest (75.9), Ljubljana (77.3), Zagreb (78.1), Vilnius (78.2) and Tallinn (79.9).

For the overall correction coefficient however, the range is smaller: London (141.8), Copenhagen (133.1), Stockholm (127.4), Helsinki (118.6) and Dublin (118.3), compared to Sofia (51.1), Bucharest (63.8), Warsaw (66.7), Vilnius (69.7) and Budapest (70.0).

When rents are integrated in the computation, the correction coefficient is increased by 10% or more in London (+36.5%), Paris (+14.5%), Stockholm (+12.1%), Dublin (+12.0%), Budapest (+10.1%) and Munich (+10.0%) and is positive in 16 other locations. By contrast, the impact is negative in Nicosia (-10.4%), Sofia (-5.9%), Varese (-4.5%), Lisbon (-1.9%), Athens (-1.6%), Ljubljana (-1.3%), Karlsruhe (-0.7%), Bonn (-0.6%) and Valletta (-0.3%).

Table 4.3
Changes in the economic parities in the twelve months to 1st July 2016
Decomposition of the effects
(for staff)

Place of employment		Impact of change in PPP				
		Introduction of new surveys		Price updating effect (HICP)	New rents	Total
		E15-1 Food, Drink & Tobacco	E15-2 Personal appearance			
BG	Sofia	0.6	-0.1	-3.1	0.6	-2.0
CZ	Prague	0.2	0.4	-1.1	-0.4	-0.9
DK	Copenhagen	1.2	0.5	-1.3	0.2	0.6
DE	Berlin	-0.2	-0.2	-0.8	0.8	-0.5
	Bonn	-0.1	-0.2	-0.8	0.1	-0.9
	Karlsruhe	-0.2	-0.4	-0.7	0.4	-0.8
	Munich	-0.2	0.2	-0.7	0.2	-0.5
EE	Tallinn	0.2	-0.2	-0.9	0.4	-0.4
IE	Dublin	1.0	1.5	-0.8	-0.1	1.5
EL	Athens	1.0	1.0	-2.3	-0.3	-0.7
ES	Madrid	0.4	0.1	-2.3	-0.6	-2.3
FR	Paris	0.8	0.2	-1.5	-0.1	-0.7
HR	Zagreb	0.3	0.8	-2.6	-0.7	-2.2
IT	Rome	0.3	0.0	-1.5	-0.4	-1.6
	Varese	-0.5	0.2	-1.4	-0.4	-2.0
CY	Nicosia	0.5	0.5	-4.5	-0.4	-3.9
LV	Riga	0.7	-0.1	-2.4	0.2	-1.6
LT	Vilnius	0.3	0.3	1.2	-0.7	1.0
HU	Budapest	0.9	1.3	0.6	-0.4	2.4
MT	Vallette	0.7	0.3	-0.3	0.7	1.5
NL	The Hague	0.7	0.6	-0.9	-0.2	0.2
AT	Vienna	-0.3	0.4	-0.5	-0.7	-1.2
PL	Warsaw	0.6	0.8	-2.7	-0.5	-1.9
PT	Lisbon	1.6	0.6	-0.8	0.5	1.9
RO	Bucharest	0.8	0.2	-0.6	-1.1	-0.7
SI	Ljubljana	0.1	0.1	-0.3	-0.5	-0.6
SK	Bratislava	0.4	0.5	-1.7	-0.2	-0.9
FI	Helsinki	0.3	0.2	-0.8	-0.6	-0.9
SE	Stockholm	0.6	0.5	-0.6	1.1	1.6
UK	London	0.1	0.3	-1.2	-0.1	-1.0
	Culham	-0.5	-0.2	-1.2	-0.2	-2.1

Table 5.4
Changes in rent parities in the twelve months to 1st July 2016
Decomposition of the effects
(for staff)

Place of employment		Delete survey 2010	Introduce survey 2016	Price index 2016	Dwelling structure		Total change
					Brussels	Other cities	
BG	Sofia	0.3	5.2	-2.6	0.0	-0.1	2.7
CZ	Prague	0.3	-0.1	-1.7	0.3	-0.2	-1.4
DK	Copenhagen	3.4	-0.4	-1.6	-0.1	0.0	1.3
DE	Berlin	2.7	1.2	-1.0	0.1	0.6	3.6
	Bonn	1.3	0.5	-1.0	0.1	0.1	0.9
	Karlsruhe	1.4	1.2	-1.0	0.1	0.2	1.9
	Munich	2.1	-0.3	-1.0	0.1	-0.1	0.9
EE	Tallinn	5.1	0.1	-2.1	0.0	1.2	4.3
IE	Dublin	1.5	1.5	4.6	-0.2	-0.3	7.2
EL	Athens	-3.0	0.0	-2.3	0.0	-0.2	-5.5
ES	Madrid	-1.5	0.7	-2.3	-0.4	-0.1	-3.6
FR	Paris	0.7	0.1	-1.7	0.1	-0.2	-1.0
HR	Zagreb	-3.7	1.4	-2.9	0.3	0.5	-4.4
IT	Rome	-2.3	0.3	-2.0	-0.1	1.6	-2.5
	Varese	0.6	-0.9	-2.0	0.4	-0.7	-2.6
CY	Nicosia	-1.3	1.2	-3.3	0.0	0.1	-3.3
LV	Riga	1.9	-2.4	-2.1	0.0	0.8	-1.8
LT	Vilnius	4.6	0.7	-1.3	-0.1	1.0	4.9
HU	Budapest	2.0	3.2	-1.9	0.2	0.3	3.9
MT	Valletta	4.5	2.6	-1.2	0.2	0.3	6.5
NL	The Hague	1.5	0.7	-1.7	0.1	0.0	0.5
AT	Vienna	1.9	-0.8	-6.2	0.4	1.3	-3.7
PL	Warsaw	0.3	-0.3	-2.4	0.1	0.4	-1.8
PT	Lisbon	2.4	2.7	-1.4	-0.1	-0.7	2.8
RO	Bucharest	-2.4	-1.5	-2.3	0.3	0.6	-5.2
SI	Ljubljana	-0.2	1.7	-1.6	0.0	-0.4	-0.4
SK	Bratislava	0.5	-0.5	-2.3	0.3	0.7	-1.5
FI	Helsinki	-0.2	0.5	-1.5	-0.3	0.5	-1.0
SE	Stockholm	4.2	1.2	-1.0	-0.1	0.0	4.3
UK	London	0.7	-0.2	0.5	0.3	-0.6	0.7
	Culham	2.1	-0.6	0.1	-0.2	-1.4	0.0

Table 5.5
Effect of rent on the correction coefficients at 1st July 2016
(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	797.1	203.0	54.3	40.9	51.1	-5.9
CZ	Prague	734.6	265.4	68.3	90.3	73.2	7.2
DK	Copenhagen	701.4	298.7	122.6	167.3	133.1	8.6
DE	Berlin	788.8	211.2	93.1	107.9	96.1	3.2
	Bonn	788.8	211.2	93.2	90.5	92.6	-0.6
	Karlsruhe	788.8	211.2	93.7	90.7	93.0	-0.7
	Munich	788.8	211.2	95.9	146.4	105.5	10.0
EE	Tallinn	774.6	225.5	77.0	79.9	77.6	0.8
IE	Dublin	814.7	185.3	105.6	184.5	118.3	12.0
EL	Athens	861.1	138.9	80.6	75.0	79.3	-1.6
ES	Madrid	799.1	200.9	84.5	102.6	88.1	4.3
FR	Paris	755.8	244.2	99.4	174.2	113.8	14.5
HR	Zagreb	860.8	139.2	72.7	78.1	73.5	1.1
IT	Rome	818.2	181.8	94.6	111.9	97.9	3.5
	Varese	845.0	155.0	94.7	74.3	90.4	-4.5
CY	Nicosia	810.5	189.4	82.9	49.3	74.3	-10.4
LV	Riga	752.5	247.4	70.6	81.3	73.0	3.4
LT	Vilnius	758.8	241.2	67.3	78.2	69.7	3.6
HU	Budapest	733.7	266.4	63.6	94.2	70.0	10.1
MT	Vallette	793.7	206.3	86.0	84.6	85.7	-0.3
NL	The Hague	761.3	238.7	101.1	133.6	108.0	6.8
AT	Vienna	725.4	274.6	98.5	125.2	104.7	6.3
PL	Warsaw	753.9	246.1	61.4	86.7	66.7	8.6
PT	Lisbon	766.9	233.1	82.2	75.6	80.6	-1.9
RO	Bucharest	734.6	265.4	60.4	75.9	63.8	5.6
SI	Ljubljana	748.2	251.8	81.8	77.3	80.7	-1.3
SK	Bratislava	757.8	242.3	72.4	87.7	75.7	4.6
FI	Helsinki	714.5	285.5	110.2	146.7	118.6	7.6
SE	Stockholm	729.6	270.5	113.6	180.5	127.4	12.1
UK	London	729.8	270.2	103.9	337.8	141.8	36.5
	Culham	764.5	235.5	98.9	140.3	107.3	8.5

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 parities[19].

2.1.1 Changes in the correction coefficients from July 2015 to July 2016

The simple average change for all Member States in the correction coefficient for the period under review was -0.9%. The maximum increase was +12.4% (Ireland). The maximum decrease was -10.4% (Poland). The movement in pensioner correction coefficients for the period July 2015 - July 2016 are summarised below:

Range		Duty stations
X < -6.0%	5	BG, CY, LV, PL, UK
-6.0% ≤ X < -0.9%	8	CZ, EL, ES, HR, LT, HU, RO, SK
-0.9% ≤ X < 3.0%	8	DE, EE, FR, IT, MT, PT, SI, SE
3.0% ≤ X	5	DK, IE, NL, AT, FI
Total	**26**	excluding Belgium and Luxembourg[20]

2.1.2 Global economic parities

The global economic parities for pensioners with a reference date of 1 July 2016 have been calculated in accordance with the agreed methodology on the basis of the following information:

a) 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

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

[20] 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.

prices of about 3000 goods and services between different capital cities and Brussels (for more details see section 1 above).

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 from Article 64 estate agency rent surveys is transformed to the country rent parity.

   Until the 2015 exercise, National Statistical Institutes were requested each year to review, and where necessary update, the appropriateness of their spatial adjustment factor for rents, using evidence derived from an official database like CPI, household budget survey, housing register, etc.. In the absence of fresh data from a specific source the following method was proposed: average rent values from Article 64 exercise for duty station and Brussels (ie. bilateral parity with Brussels) were compared with average rent values from European Comparison Programme exercise for duty station country and Belgium (ie. bilateral parity with Belgium). That standard A64/ECP approach was confirmed as appropriate for all Member States except Belgium (CPI), Estonia (1:1 ratio), Ireland (Private Residential Tenancy Board), Hungary (CPI), Malta (1:1 ratio), Austria (microcensus).

   For the 2016 exercise, Ireland and Hungary also moved to the standard approach. **Table 6.2** presents the rent ratios used in 2015 and 2016.

c) Basic heading parities are aggregated using specific consumption weights for the pensioners. These weights are established on the basis of a wide scale family budget survey carried out in 2013. The new expenditure weights replace consumption structures derived from the previous similar survey, conducted in 2002[21].

2.1.3 New expenditure weights

High survey response rates have allowed calculation of robust dwelling type patterns for several duty stations. Where there are insufficient responses for an individual country to establish a robust statistic, pool average weights are constructed. The new and old sources are summarised below:

	BE	BG	CZ	DK	DE	EE	IE	EL
New	**2013**	Pool 5	Pool 5	Pool 4	**2013**	Pool 5	Pool 2	Pool 5
Old	**2002**	Pool 6	Pool 6	Pool 6	**2002**	Pool 6	Pool 6	Pool 6

	ES	FR	HR	IT	CY	LV	LT	LUX*
New	Pool 3	**2013**	Pool 5	**2013**	Pool 5	Pool 5	Pool 5	**2013**
Old	Pool 6	**2002**	Pool 6	**2002**	Pool 6	Pool 6	Pool 6	Pool 6

[21] The previous survey amongst pensioners was conducted in 2002 in what was then the EU15. Consumption weights for Member States which joined the European Union in 2004, 2007 and 2013 were estimated as the average of the values for the EU15 countries excluding Belgium, adjusted for rents (this is a similar method to the estimation of values for staff duty stations with insufficient individual sample response).

	HU	MT	NL	AT	PL	PT	RO	SI
New	Pool 5	Pool 5	Pool 1	Pool 1	Pool 5	Pool 3	Pool 5	Pool 5
Old	Pool 6	Pool 6	Pool 6	Pool 6	Pool 6	Pool 6	Pool 6	Pool 6

	SK	SE	FI	UK
New	Pool 5	Pool 4	Pool 4	**2013**
Old	Pool 6	Pool 6	Pool 6	Pool 6

Notes

Pool 1 (2013) = NL, AT with LU … Pool 2 (2013) = IE with UK … Pool 3 (2013) = ES, PT …

Pool 4 (2013) = DK, FI, SE … Pool 5 (2013) = EU28

Pool 6 (2002) = EU15

* Whilst survey results were compiled for Luxembourg, and used in the pool calculation, there is no separate official calculation of correction coefficients for Luxembourg for EU purposes

There have been considerable changes in economic circumstances between the date of the previous survey and the date of the current survey. Naturally, as the pension scheme continues to mature, the number of pensioners has also increased. In general the new consumption structures give greater relative weight to COICOP group 1 (food and non-alcoholic beverages) and group 4 (housing, water, electricity, gas and other fuels) – and give lesser relative weight to COICOP group 3 (clothing and footwear); group 5 (furnishings, household equipment and routine maintenance); group 7 (transport) and group 9 (recreation and culture).

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.

Table 6.1 (page 1 of 2)

Economic parities of the 12 main expenditure groups for each country
1st July 2016
(for pensioners)

Expenditure	BE	BG		CZ		DK		DE		EE		IE		EL	
Groups*	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	131.0	155.0	1.321	140.7	19.57	119.0	9.904	123.4	0.955	118.6	0.776	131.1	1.109	137.0	0.952
2	24.4	32.0	1.284	29.0	21.64	31.4	9.781	27.4	0.787	24.8	0.964	27.1	1.830	28.3	1.152
3	42.4	46.0	1.390	41.7	24.30	33.3	8.678	40.6	0.840	27.3	0.792	38.9	1.161	40.6	0.925
4	337.0	186.0	0.6452	261.1	17.06	376.4	11.20	305.5	1.065	349.8	0.851	311.4	1.405	280.8	0.676
5	70.9	92.0	0.9483	83.5	16.78	60.2	8.373	74.4	0.930	67.8	0.718	77.8	0.895	81.3	0.664
6	21.7	29.5	0.6813	26.8	12.80	16.8	8.955	30.9	0.909	18.5	0.549	25.0	1.647	26.1	0.664
7	118.0	147.4	1.176	133.8	20.29	131.6	9.772	117.7	1.057	124.2	0.771	124.7	1.052	130.2	0.915
8	19.6	22.1	0.8009	20.0	19.05	15.5	6.099	14.1	0.729	19.0	0.445	18.7	1.034	19.5	0.888
9	95.2	119.3	1.206	108.2	19.78	95.3	9.657	114.8	1.016	102.7	0.924	100.9	1.024	105.4	0.860
10	2.7	5.7	0.3136	5.1	8.321	4.4	4.059	7.9	0.498	6.5	0.252	4.8	0.445	5.0	0.353
11	72.2	88.0	0.8199	79.9	13.12	66.7	10.19	77.6	0.842	76.6	0.760	74.5	1.098	77.8	0.694
12	65.0	77.2	1.236	70.0	21.77	49.4	10.65	65.8	0.896	64.2	0.792	65.3	1.490	68.2	0.711
Rents	255.4	83.1	0.5956	167.8	16.00	297.2	11.64	230.1	1.078	224.5	0.898	258.0	1.523	190.0	0.703
Total without rents	744.6	916.9	1.060	832.2	18.83	702.8	9.499	769.9	0.940	775.6	0.767	742.0	1.124	810.0	0.802
Global parity	1000.0	1000.0	**0.9670**	1000.0	**18.19**	1000.0	**10.04**	1000.0	**0.972**	1000.0	**0.794**	1000.0	**1.212**	1000.0	**0.778**
Exchange rate			1.956		27.11		7.438		1		1		1		1

Expenditure	BE	ES		FR		HR		IT		CY		LV		LT	
Groups*	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	131.0	147.7	0.841	131.6	1.029	144.8	6.425	144.9	1.027	137.7	0.937	129.7	0.795	162.6	0.715
2	24.4	25.2	0.815	23.6	0.960	29.9	6.969	21.1	1.060	28.4	0.988	26.8	0.973	33.6	0.864
3	42.4	38.4	0.883	39.8	0.972	42.9	6.111	36.4	0.945	40.8	0.866	38.4	0.941	48.2	0.952
4	337.0	259.2	0.849	313.6	1.181	239.4	3.775	351.7	1.005	276.9	0.647	319.0	0.571	146.0	0.502
5	70.9	94.3	0.854	75.0	0.994	85.9	4.755	86.3	0.918	81.7	0.675	76.9	0.605	96.5	0.657
6	21.7	35.4	0.842	21.0	0.828	27.6	4.148	41.7	1.063	26.2	0.879	24.7	0.523	31.0	0.587
7	118.0	153.2	0.959	137.1	1.051	137.7	6.261	91.6	0.945	130.9	0.852	123.3	0.761	154.6	0.746
8	19.6	17.5	0.912	19.7	0.768	20.6	4.855	18.5	0.942	19.6	0.654	18.5	0.501	23.1	0.390
9	95.2	90.2	0.956	97.4	1.055	111.4	5.529	79.3	1.006	105.9	0.955	99.8	0.790	125.1	0.715
10	2.7	9.0	0.563	7.0	0.530	5.3	1.964	1.5	0.505	5.0	0.509	4.7	0.166	5.9	0.2440
11	72.2	66.6	0.761	67.2	1.100	82.3	4.585	66.3	0.890	78.2	0.801	73.6	0.689	92.4	0.593
12	65.0	63.4	0.914	67.1	1.086	72.1	5.169	60.6	0.970	68.5	0.779	64.5	0.720	80.9	0.736
Rents	255.4	178.1	0.942	232.5	1.242	143.4	3.449	253.5	1.023	185.6	0.656	233.0	0.570	38.1	0.520
Total without rents	744.6	821.9	0.852	767.6	1.020	856.6	5.423	746.5	0.969	814.4	0.816	767.0	0.709	961.9	0.671
Global parity	1000.0	1000.0	**0.870**	1000.0	**1.069**	1000.0	**4.969**	999.9	**0.982**	1000.0	**0.778**	1000.0	**0.674**	1000.0	**0.645**
Exchange rate			1		1		7.527		1		1		1		1

* For explanation of codes see table 4.1

Table 6.1 (page 2 of 2)

Economic parities of the 12 main expenditure groups for each country
1st July 2016
(for pensioners)

Expenditure	BE	HU		MT		NL		AT		PL		PT		RO	
Groups*	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	131.0	142.0	232.8	130.0	0.960	111.0	0.895	111.0	1.063	150.5	2.673	147.7	0.869	150.3	2.779
2	24.4	29.3	224.6	26.8	1.035	28.6	1.057	28.6	0.924	31.1	3.958	25.2	0.908	31.0	2.925
3	42.4	42.1	249.1	38.6	0.919	39.8	0.973	39.8	0.908	44.6	3.269	38.4	0.825	44.5	3.332
4	337.0	254.1	150.3	317.1	0.945	321.6	1.213	321.6	1.239	209.4	2.010	259.2	0.743	211.0	2.001
5	70.9	84.3	177.9	77.2	0.756	91.9	1.066	91.9	0.976	89.3	2.512	94.3	0.775	89.1	2.024
6	21.7	27.1	153.8	24.8	0.837	22.3	0.956	22.3	0.996	28.7	2.177	35.4	0.772	28.6	2.040
7	118.0	135.1	246.7	123.7	0.940	122.0	1.125	122.0	0.978	143.2	2.952	153.2	1.041	142.9	3.098
8	19.6	20.2	201.5	18.5	0.626	15.8	0.806	15.8	0.680	21.4	1.757	17.5	0.853	21.4	1.888
9	95.2	109.3	219.9	100.0	0.816	100.0	1.001	100.0	1.062	115.8	2.852	90.2	0.826	115.6	2.826
10	2.7	5.2	60.18	4.7	0.342	3.2	0.943	3.2	0.752	5.5	1.206	9.0	0.347	5.5	0.8634
11	72.2	80.7	152.0	73.9	0.780	73.7	1.022	73.7	0.923	85.5	2.571	66.6	0.682	85.3	1.967
12	65.0	70.7	196.7	64.7	0.778	70.0	1.058	70.0	1.055	74.9	2.852	63.4	0.697	74.8	5.081
Rents	255.4	159.9	143.3	230.8	0.951	238.2	1.270	238.2	1.308	109.6	1.652	178.1	0.709	111.3	1.810
Total without rents	744.6	840.1	202.4	769.2	0.861	761.8	1.019	761.8	0.998	890.4	2.760	821.9	0.833	888.7	2.772
Global parity	1000.0	1000.0	**188.7**	1000.0	**0.880**	1000.0	**1.075**	1000.0	**1.066**	1000.0	**2.523**	1000.0	**0.804**	1000.0	**2.567**
Exchange rate			317.0		1		1		1		4.426		1		4.525

Expenditure	BE	SI		SK		FI		SE		UK	
Groups*	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity		
1	131.0	140.8	0.876	143.1	0.808	119.0	1.102	119.0	10.62	102.6	0.7299
2	24.4	29.1	0.926	29.5	0.824	31.4	1.562	31.4	12.78	22.4	1.176
3	42.4	41.7	0.864	42.4	0.889	33.3	1.079	33.3	10.85	25.5	0.6879
4	337.0	260.5	0.671	248.7	0.571	376.4	1.294	376.4	12.07	391.1	1.350
5	70.9	83.5	0.689	84.9	0.618	60.2	1.035	60.2	10.31	64.2	0.8421
6	21.7	26.8	0.738	27.3	0.488	16.8	1.348	16.8	11.47	13.8	0.9423
7	118.0	133.9	0.858	136.0	0.713	131.6	1.121	131.6	10.67	120.5	0.9559
8	19.6	20.0	0.838	20.4	0.604	15.5	0.592	15.5	5.933	15.6	0.7827
9	95.2	108.3	0.880	110.1	0.813	95.3	1.121	95.3	10.85	99.8	0.8849
10	2.7	5.1	0.503	5.2	0.412	4.4	0.645	4.4	6.273	5.9	0.5455
11	72.2	80.0	0.711	81.2	0.617	66.7	1.148	66.7	11.53	77.1	0.9037
12	65.0	70.1	0.881	71.2	0.775	49.4	1.327	49.4	11.55	61.7	1.056
Rents	255.4	167.1	0.623	153.8	0.504	297.2	1.346	297.2	11.82	309.1	1.553
Total without rents	744.6	832.9	0.822	846.2	0.728	702.8	1.125	702.8	10.95	691.0	0.8734
Global parity	1000.0	1000.0	**0.775**	1000.0	**0.676**	1000.0	**1.181**	1000.0	**11.18**	1000.0	**1.026**
Exchange rate			1		1		1		9.431		0.8255

* For explanation of codes see table 4.1

Table 6.2

Rent ratios applied for the estimation of the pensioners rent parities

Country	Ratio applied in		Diff.
	2015	2016	
BE [1]	0.89	0.89	0.00
BG	0.60	0.66	0.06
CZ	0.56	0.58	0.03
DK	0.85	0.83	-0.02
DE	0.96	0.89	-0.07
EE [2]	1.00	1.00	0.00
IE	0.70	0.73	0.03
EL	0.78	0.83	0.05
ES	0.79	0.82	0.03
FR	0.66	0.63	-0.03
HR	0.53	0.52	-0.01
IT	0.74	0.81	0.08
CY	1.18	1.18	0.00
LV	0.68	0.62	-0.06
LT	0.49	0.59	0.11
HU	0.52	0.43	-0.09
MT [2]	1.00	1.00	0.00
NL	0.84	0.85	0.01
AT [1]	0.93	0.93	0.00
PL	0.36	0.38	0.02
PT	0.81	0.83	0.02
RO	0.41	0.47	0.06
SI	0.68	0.72	0.03
SK	0.54	0.51	-0.03
FI	0.80	0.82	0.01
SE	0.68	0.62	-0.06
UK	0.52	0.50	-0.03

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

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

[2] no adjustment considered due to small geographical size: EE, MT

2.2 Purchasing power parities for pensioners - analysis of results

2.2.1 Changes in the economic parities from July 2015 to July 2016

A decomposition of the changes in the economic parities for the period July 2015-July 2016 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 0.0%. The maximum increase was +12.4%. The maximum decrease was -7.2%. The movements in the global economic parities for the period are summarised below:

Range		Duty stations
X < -6%	4	BG, HR, CY, LV
-6% ≤ X < -3%	4	LT, HU, PL, SK
-3% ≤ X < 0%	5	CZ, EL, ES, RO, SI
0% ≤ X < 3%	6	DE, EE, FR, IT, MT, PT
3% ≤ X < 6%	5	DK, NL, AT, FI, SE
6% ≤ X	2	IE, UK
Total	**26**	excluding Belgium and Luxembourg[22]

The ten movements in global economic parities during the period which were the biggest in absolute terms can be observed for Ireland (+12.4%), United Kingdom (+7.5%), Bulgaria (-7.2%), Cyprus (-6.4%), Latvia (-6.2%), Croatia (-6.1%), Poland (-5.3%), Denmark and Finland (both +4.3%), Austria (+4.1%).

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 staff consumption patterns. This can affect the magnitude of the impact of the individual components (introduction of new price surveys, price updating using indices, new rents).

Across all Member States the simple average impact on the global parity for pensioners of the individual component factors was as follows: new consumption weights (+0.6%), E15-1 Food, drink and tobacco (+0.6%), E15-2 Personal appearance (+0.2%), Price indexation (-1.0%), Rents (+0.1%), Rent ratios (0.0%).

[22] Op cit (20) Belgium is the reference country. Luxembourg = Belgium.

Table 6.3

Changes in the economic parities in the twelve months to 1st July 2016
Decomposition of the effects
(for PENSIONERS)

Country	Impact of change in PPP						
	New consumption weights	New surveys		Price updating effect (HICP)	New rents	Update rent ratios	Total
		E15-1 Food, Drink & Tobacco	E15-2 Personal appearance				
BG	-6.3	0.7	0.0	-3.3	0.4	1.3	-7.2
CZ	-2.2	0.2	0.2	-0.6	-0.3	0.9	-1.8
DK	3.8	1.3	0.2	-0.7	0.3	-0.6	4.3
DE	3.5	-0.3	-0.1	-0.8	0.9	-1.8	1.2
EE	0.1	0.2	-0.1	-1.0	1.0	0.0	0.2
IE	8.3	1.3	0.4	-0.9	1.8	1.2	12.4
EL	-1.5	1.1	0.5	-1.2	-1.2	1.4	-1.1
ES	-1.0	0.5	0.1	-1.8	-0.8	0.7	-2.4
FR	3.4	0.9	0.0	-0.8	-0.2	-1.1	2.1
HR	-3.7	0.4	0.3	-1.9	-1.0	-0.4	-6.1
IT	0.3	0.3	0.0	-0.9	-0.6	2.5	1.6
CY	-3.0	0.6	0.2	-3.6	-0.7	0.0	-6.4
LV	-3.2	0.8	-0.1	-1.4	-0.4	-2.1	-6.2
LT	-6.2	0.3	0.2	-0.2	0.5	2.4	-3.1
HU	-2.5	1.0	0.6	0.2	0.7	-3.7	-3.6
MT	1.0	0.6	0.1	-0.6	1.5	0.0	2.6
NL	2.5	0.8	0.2	-0.7	0.1	0.3	3.2
AT	5.0	-0.3	0.1	-0.5	-0.2	0.0	4.1
PL	-6.0	1.3	0.4	-1.7	-0.3	1.0	-5.3
PT	-2.0	1.8	0.3	-0.6	0.6	0.5	0.6
RO	-4.4	0.9	0.1	0.2	-0.7	2.1	-2.1
SI	-1.1	0.1	0.1	-0.6	-0.1	0.9	-0.6
SK	-1.6	0.5	0.2	-1.0	-0.3	-1.1	-3.3
FI	4.5	0.4	0.0	-0.8	-0.3	0.5	4.3
SE	4.2	0.6	0.2	0.1	1.1	-2.4	3.8
UK	9.7	0.1	0.0	-0.9	0.1	-1.5	7.5

2.2.2 Impact of rents on the overall parity for pensioners

In 2016, for 16 out of the 26 member states (ie. 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 10 countries, the rent correction coefficient is greater than 100.

Moreover, the rent correction coefficient is lower than the correction coefficient without rent for 13 of the Member States (mainly those which joined the EU since 2004 with the exception of Estonia and Malta, plus Greece and Portugal). This means that, for these places, the rents lead to a reduction of the global correction coefficient.

Details of the impact of rent on the overall parity are given in **Table 7.1**. The countries where the impact is highest in absolute terms are: UK (+17.4%), BG (-8.9%), PL (-8.5%), HR (-8.3%), IE (+7.8%), RO (-7.5%), SK (-7.1%), HU (-6.9%), AT (+6.8%), DK (+5.7%), SI (-5.7%).

Table 7.1
Effect of rent on the correction coefficients at 1st July 2016
(for pensioners)

Country	Weight		Correction coefficient			Rent effect (%)
	Without rent	Rent	Without rent	Rent	Overall	
	[1]	[2]	[3]	[4]	[5]	[6] = [5]/[3]
BG	938.0	62.0	54.2	30.5	49.4	-8.9
CZ	929.8	70.2	69.5	59.0	67.1	-3.5
DK	838.3	161.7	127.7	156.6	135.0	5.7
DE	863.5	136.5	94.0	107.8	97.2	3.4
EE	933.0	67.0	76.7	89.8	79.4	3.5
IE	827.2	172.8	112.4	152.3	121.2	7.8
EL	867.7	132.3	80.2	70.3	77.8	-3.0
ES	875.1	124.9	85.2	94.2	87.0	2.1
FR	851.2	148.8	102.0	124.2	106.9	4.8
HR	926.2	73.8	72.0	45.8	66.0	-8.3
IT	855.8	144.2	96.9	102.3	98.2	1.3
CY	890.3	109.7	81.6	65.6	77.8	-4.7
LV	961.0	39.0	70.9	57.0	67.4	-4.9
LT	952.9	47.1	67.1	52.0	64.5	-3.9
HU	934.6	65.4	63.9	45.2	59.5	-6.9
MT	928.4	71.6	86.1	95.1	88.0	2.2
NL	854.4	145.6	101.9	127.0	107.5	5.5
AT	846.5	153.5	99.8	130.8	106.6	6.8
PL	942.0	58.0	62.3	37.3	57.0	-8.5
PT	871.4	128.6	83.3	70.9	80.4	-3.5
RO	936.7	63.3	61.3	40.0	56.7	-7.5
SI	877.1	122.9	82.2	62.3	77.5	-5.7
SK	942.4	57.6	72.8	50.4	67.6	-7.1
FI	854.5	145.5	112.5	134.6	118.1	5.0
SE	847.6	152.4	116.1	125.3	118.6	2.2
UK	799.9	200.1	105.8	188.1	124.2	17.4

2.3 Comparison of correction coefficients for active staff and pensioners

Table 7.2 compares the pensioner correction coefficients (CC) with the correction coefficients for active staff, at July 2016. Among all Member States, London has the highest capital-based CC (141.8) whilst DK has the highest country-based CC (135.0); Sofia has both the lowest capital-based CC (51.1) and the lowest country-based CC (49.4).

The biggest absolute differences between capital city CC values and country CC values can be observed in London/UK (-17.6), Budapest/HU (-10.5) Warsaw/PL (-9.7) and Stockholm/SE (-8.8). By contrast, in Rome/IT, The Hague/NL, Lisbon/PT and Helsinki/FI the two CC values are nearly at the same level.

In all except eight countries (Denmark, Germany, Estonia, Ireland, Italy, Cyprus, Malta and Austria) the country CCs are lower than the capital city CCs.

Without rents, the two sets of CCs are closer.

It should be mentioned that the Staff Regulations set out specific rules for the application of the pensioner CC[23].

[23] See Appendix 1a, Section 2.1

Table 7.2

Pensioners correction coefficients and Staff correction coefficients at 1st July 2016

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	54.2	30.5	49.4	Sofia	54.3	40.9	51.1
CZ	69.5	59.0	67.1	Prague	68.3	90.3	73.2
DK	127.7	156.6	135.0	Copenhagen	122.6	167.3	133.1
DE	94.0	107.8	97.2	Berlin	93.1	107.9	96.1
EE	76.7	89.8	79.4	Tallinn	77.0	79.9	77.6
IE	112.4	152.3	121.2	Dublin	105.6	184.5	118.3
EL	80.2	70.3	77.8	Athens	80.6	75.0	79.3
ES	85.2	94.2	87.0	Madrid	84.5	102.6	88.1
FR	102.0	124.2	106.9	Paris	99.4	174.2	113.8
HR	72.0	45.8	66.0	Zagreb	72.7	78.1	73.5
IT	96.9	102.3	98.2	Rome	94.6	111.9	97.9
CY	81.6	65.6	77.8	Nicosia	82.9	49.3	74.3
LV	70.9	57.0	67.4	Riga	70.6	81.3	73.0
LT	67.1	52.0	64.5	Vilnius	67.3	78.2	69.7
HU	63.9	45.2	59.5	Budapest	63.6	94.2	70.0
MT	86.1	95.1	88.0	Valletta	86.0	84.6	85.7
NL	101.9	127.0	107.5	The Hague	101.1	133.6	108.0
AT	99.8	130.8	106.6	Vienna	98.5	125.2	104.7
PL	62.3	37.3	57.0	Warsaw	61.4	86.7	66.7
PT	83.3	70.9	80.4	Lisbon	82.2	75.6	80.6
RO	61.3	40.0	56.7	Bucharest	60.4	75.9	63.8
SI	82.2	62.3	77.5	Ljubljana	81.8	77.3	80.7
SK	72.8	50.4	67.6	Bratislava	72.4	87.7	75.7
FI	112.5	134.6	118.1	Helsinki	110.2	146.7	118.6
SE	116.1	125.3	118.6	Stockholm	113.6	180.5	127.4
UK	105.8	188.1	124.2	London	103.9	337.8	141.8

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

3.1 Economic parities, exchange rates and correction coefficients

As at July 2016, correction coefficients are compiled for a list of 144 Extra-EU 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** shows the places where the correction coefficient is greater than 100 at July 2016 (or at July 2015).

By comparison to July 2015, coefficients for the following 4 locations have decreased from above 100 to below 100: Canada, China, Papua New Guinea and South Korea. In addition, production of coefficient for 2 locations has ceased: South Sudan and Yemen.

By comparison to July 2015, coefficients for the following 1 location have increased from below 100 to above 100: Japan.

A large part of the explanation for these movements is fluctuations in exchange rates to the Euro.

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 (ie. there is no change in the economic parity), then local purchasing power will not be impacted[24].

3.1.1 Data sources

Tables 8 and 9 in the main report show the results for all duty stations. In those tables, no coefficients are presented for 9 locations (Afghanistan, Iraq, Iran, Libya, Somalia, South Sudan, Syria, Venezuela and Yemen) in the absence of reliable data needed to establish a robust correction coefficient.

By comparison with July 2015, production of coefficients has not re-started for any duty station.

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 +2.5%. The maximum increase was +51.7% (Suriname). The maximum decrease was -18.6% (Ethiopia).

With the exception of the nine duty stations in Extra-EU countries which participate in the European Comparison Programme (ECP) coordinated by Eurostat[25] or the seven which participate in the linked programme coordinated by the Organisation for Economic Cooperation and Development[26], or the eight for which specific survey arrangements are

[24] For a numerical example, see Appendix 1a Section 1.1.

[25] Iceland, Norway, Switzerland, Turkey, Albania, Bosnia-Herzegovina, FYROMacedonia, Montenegro, Serbia

[26] Australia, Canada, Japan, Mexico, New Zealand, South Korea, United States of America (Washington)

made[27], the source of price data is the rolling cycle of surveys conducted by the United Nations International Civil Service Commission (UN.ICSC).

For the July 2016 exercise, new parities derived from price surveys have been integrated for 34 locations (these duty stations are highlighted in Tables 8 and 9 in the main report (see footnotes to the tables).

For all locations, initial "place-to-place" survey-based parities are subsequently updated using the ratio between national consumer price index and the Joint Belgium-Luxembourg Index. For Iceland, Norway, Switzerland and Turkey, 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.

Basic heading parities are aggregated to produce global economic parity using expenditure weights obtained from a direct survey amongst staff in 2010. Due to the low population sizes in many individual duty stations and the low response rate from survey participants in some locations, a global pool structure is applied.

[27] Bosnia (Banja-Luka); China (Hong Kong); Indonesia (Banda Aceh); Israel; Kosovo; New Caledonia; Taiwan; West Bank/Gaza Strip.

Table 9.1 (page 1 of 2)

Summary of the duty stations where the cost of living is higher than in Brussels at 1st July 2016, compared with 1st July 2015
(for staff serving in Extra- EU delegations)

Place of employment			Economic Parities	Exchange Rate (1)	Correction Coefficients (2)	Economic Parities	Exchange Rate (1)	Correction Coefficients (2)	CHANGE (in %)		
									Economic Parities	Exchange Rate	Correction Coefficients
	Country	City	Jul-16	Jul-16	Jul-16	Jul-15	Jul-15	Jul-15	Jul 2016 - Jul 2015	Jul 2016 - Jul 2015	Jul 2016 - Jul 2015
(1)	Democratic Republic of Congo	Kinshasa	1.830	1.10900	**165.0**	1.825	1.11330	**163.9**	0.3	0.4	0.7
	Sudan	Khartoum	11.74	7.13093	**164.6**	9.975	7.01746	**142.1**	17.7	-1.6	15.8
	Angola	Luanda	253.3	185.361	**136.7**	200.1	134.757	**148.5**	26.6	-37.6	-7.9
(6)	Iceland	Reykjavík	185.6	138.200	**134.3**	186.8	147.770	**126.4**	-0.6	6.5	6.3
(4)	Eritrea	Asmara	23.46	17.4768	**134.2**	24.00	17.3943	**138.0**	-2.3	-0.5	-2.8
(1)	Liberia	Monrovia	1.480	1.10900	**133.5**	1.391	1.11330	**124.9**	6.4	0.4	6.9
	Singapore	Singapore	1.949	1.49510	**130.4**	1.971	1.50160	**131.3**	-1.1	0.4	-0.7
(6)	Switzerland	Bern	1.403	1.08540	**129.3**	1.478	1.03760	**142.4**	-5.1	-4.6	-9.2
(6)	Switzerland	Geneva	1.403	1.08540	**129.3**	1.478	1.03760	**142.4**	-5.1	-4.6	-9.2
(6)	Norway	Oslo	12.00	9.30650	**128.9**	11.94	8.80650	**135.6**	0.5	-5.7	-4.9
	Hong Kong	Hong Kong	10.63	8.60410	**123.5**	10.71	8.63060	**124.1**	-0.7	0.3	-0.5
	Solomon Islands	Honiara	10.39	8.65053	**120.1**	10.16	8.73172	**116.4**	2.3	0.9	3.2
	Barbados	Bridgetown	2.647	2.22988	**118.7**	2.749	2.23853	**122.8**	-3.7	0.4	-3.3
	West Bank — Gaza Strip	East Jerusalem	5.071	4.27930	**118.5**	5.181	4.22500	**122.6**	-2.1	-1.3	-3.3
(5)	Japan	Tokyo	130.9	113.850	**115.0**	129.6	136.810	94.7	1.0	16.8	21.4
	Sierra Leone	Freetown	7866	6889.65	**114.2**	7270	5411.94	**134.3**	8.2	-27.3	-15.0
(4)(9)	Congo	Brazzaville	748.1	655.957	**114.0**	806.2	655.957	**122.9**	-7.2		-7.2
	Vanuatu	Port Vila	136.3	121.643	**112.0**	134.7	121.130	**111.2**	1.2	-0.4	0.7
(4)(9)	Central African Republic	Bangui	716.7	655.957	**109.3**	680.8	655.957	**103.8**	5.3		5.3
(9)	Gabon	Libreville	711.0	655.957	**108.4**	719.9	655.957	**109.7**	-1.2		-1.2
	New Caledonia	NouMea	127.7	119.332	**107.0**	128.9	119.332	**108.0**	-0.9		-0.9
(4)(9)	Chad	Ndjamena	698.6	655.957	**106.5**	780.1	655.957	**118.9**	-10.4		-10.4

Table 9.1 (page 2 of 2)

Place of employment			Economic Parities	Exchange Rate (1)	Correction Coefficients (2)	Economic Parities	Exchange Rate (1)	Correction Coefficients (2)	CHANGE (in %)		
	Country	City	Jul-16	Jul-16	Jul-16	Jul-15	Jul-15	Jul-15	Economic Parities Jul 2016 - Jul 2015	Exchange Rate Jul 2016 - Jul 2015	Correction Coefficients Jul 2016 - Jul 2015
	United States	New York	1.179	1.10900	**106.3**	1.212	1.11330	**108.9**	-2.7	0.4	-2.4
(5)	Australia	Canberra	1.583	1.49110	**106.2**	1.457	1.45260	**100.3**	8.6	-2.7	5.9
(5)	New Zealand	Wellington	1.625	1.55650	**104.4**	1.705	1.62680	**104.8**	-4.7	4.3	-0.4
	Brazil	Brasilia	3.771	3.62160	**104.1**	3.597	3.49590	**102.9**	4.8	-3.6	1.2
	Israel	Tel-Aviv	4.445	4.27930	**103.9**	4.559	4.22500	**107.9**	-2.5	-1.3	-3.7
	Laos	Vientiane	9189	8920.00	**103.0**	9306	9075.00	**102.5**	-1.3	1.7	0.5
	Lebanon	Beirut	1710	1671.82	**102.3**	1702	1678.30	**101.4**	0.5	0.4	0.9
	Jordan	Amman	0.8031	0.786280	**102.1**	0.8276	0.789330	**104.8**	-3.0	0.4	-2.6
(9)	Benin	Cotonou	661.5	655.957	**100.8**	684.2	655.957	**104.3**	-3.3		-3.4
(9)	Senegal	Dakar	660.6	655.957	**100.7**	666.0	655.957	**101.5**	-0.8		-0.8
(5)	Canada	Ottawa	1.430	1.44070	99.3	1.421	1.37760	**103.2**	0.6	-4.6	-3.8
	China	Beijing	6.870	7.36800	93.2	6.929	6.91210	**100.2**	-0.9	-6.6	-7.0
	Papua New Guinea	Port Moresby	3.462	3.50949	98.6	3.514	3.05432	**115.1**	-1.5	-14.9	-14.3
(5)	South Korea	Seoul	1218	1283.15	94.9	1286	1249.68	**102.9**	-5.3	-2.7	-7.8

In table above:

(1) 1 euro = USD (2 Duty Stations : Liberia, Democratic Republic of Congo)

(9) 1 euro = CFA (6 Duty Stations : Benin, Central African Republic, Chad, Congo, Gabon, Senegal)

(2) Bruxelles = 100%

(3) Not available (0 Duty Stations)

(4) UN P2P processed (4 Duty Stations)

(5) ISRP PPP processed (5 Duty Stations)

(6) ECP PPP processed (4 Duty Stations)

(7) ECP PPP processed (0 Balkan Duty Stations)

(8) Specific P2P processed (0 Taiwan Duty Station)

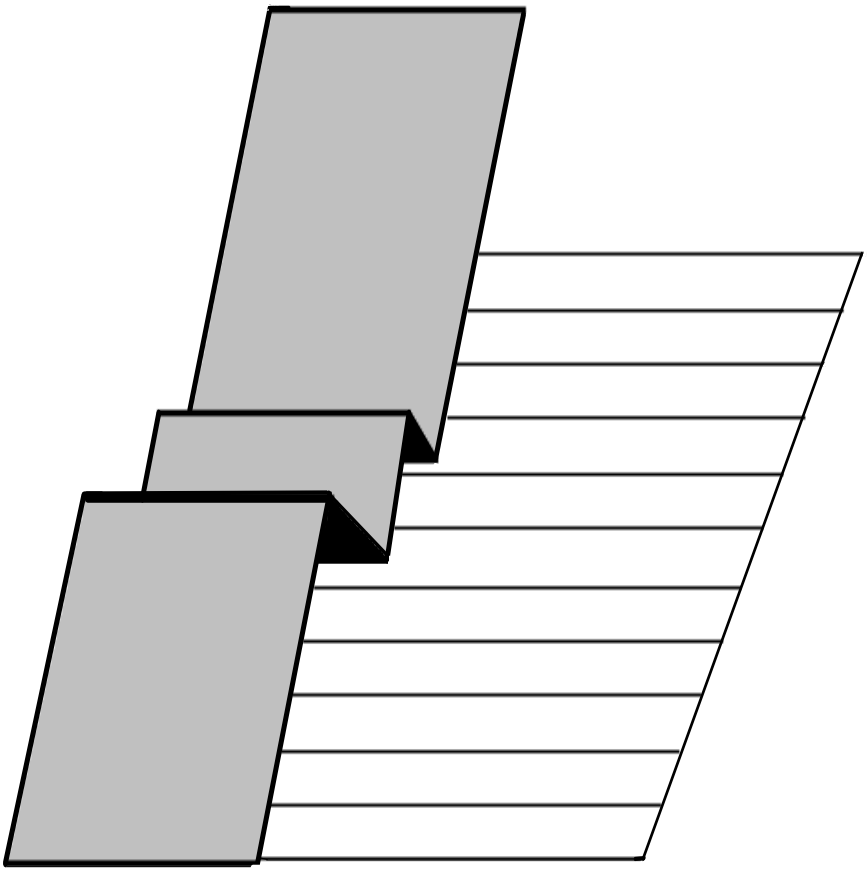
Doc.A6465/17/02

Appendix 1b

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

Explanations and statistical analyses: specific indicators

Reference period:
Year to 1 July 2016



Statistical Office of the European Union
Unit C3, Statistics for administrative purposes
Luxembourg

October 2016

CONTENTS

INTRODUCTION

This document is an appendix to the 2016 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 some 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 some 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 2016 was used, or a more recent estimate.

More information about methodology can be found in the detailed procedural manuals[28].

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[28] Op cit (4) Doc.A6465/14/26rev2 (version May 2016)

1. PARALLELISM WITH EVOLUTION OF PURCHASING POWER OF NATIONAL OFFICIALS

1.1. General remarks on the calculation of the specific indicator

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

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 Communities. The **specific indicator** is the methodological tool allowing the implementation of this principle of parallelism.

Article 65 and Annex XI determine the basic principles of the method, but these have to be complemented with practical procedures[29]. Therefore, we provide here a set of commonly agreed basic definitions. If a specific 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 allowances[30]);
- 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.

[29] For full details, see the latest version of the methodology manual.

[30] 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 indicators 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 2015 sent in 2015 and re-sent in 2016), 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).

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. The version of the Annex XI which was adopted in 2004 specified that to establish a global specific indicator for the European Union, Eurostat should use a sample composed of the following 8 Member States: Belgium, Germany, Spain, France, Italy, Luxembourg, Netherlands and United Kingdom. However this annex expired with effect from 31 December 2012 and a proposal to continue applying it until a replacement was adopted was explicitly rejected. For 2013 it was agreed to use data for all 28 Member States.

A new version of the Annex XI was subsequently adopted in October 2013, and specifies a sample composed of 11 Member States (the same 8 as for 2004-12 plus Austria, Poland and Sweden). This took effect from January 2014.

1.1.9. Calculation of country specific indicator

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

- For each grade, Eurostat will calculate average gross and net remunerations for the available steps (eg. 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 increase/decrease in the harmonized index of consumer price (HICP) for this period.
- The overall real net increase/decrease in remuneration is called the **country specific indicator**.

1.2. Specific indicator - 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 2016 (1.7.2015 = 100)

Country		Nominal change				Real change			
		AD	AST	SC	Total	AD	AST	SC	Total
BE	Gross	102.0	102.0		102.0	100.2	100.2		100.2
	Net	102.6	103.4		103.0	100.8	101.6		101.2
DE	Gross	101.2	101.2	101.3	101.2	101.0	101.0	101.1	101.0
	Net	101.1	101.0	100.9	101.0	100.9	100.8	100.7	100.8
ES	Gross	102.9	103.1	103.5	103.1	103.8	104.0	104.4	104.0
	Net	105.0	104.6	104.9	104.9	106.0	105.5	105.9	105.9
FR	Gross	100.6	100.5		100.6	100.3	100.2		100.3
	Net	100.5	100.3		100.4	100.2	100.0		100.1
IT	Gross	100.0	100.0	100.0	100.0	100.2	100.2	100.2	100.2
	Net	100.0	100.0	100.0	100.0	100.2	100.2	100.2	100.2
LU	Gross	97.8	98.8	0.0	98.3	98.2	99.2	0.0	98.7
	Net	98.4	99.2	0.0	98.8	98.8	99.6	0.0	99.2
NL	Gross	105.2	105.7	106.1	105.4	105.4	105.9	106.3	105.6
	Net	105.2	107.1	108.0	106.0	105.4	107.3	108.2	106.2
AT	Gross	101.3	101.3		101.3	100.7	100.7		100.7
	Net	105.0	104.9		104.9	104.4	104.3		104.3
PL	Gross	98.9		100.5	99.0	99.3		100.9	99.4
	Net	107.1		109.5	107.3	107.5		109.9	107.7
SE	Gross	103.1	104.8	102.9	103.3	101.9	103.6	101.7	102.1
	Net	103.8	106.2	104.5	104.1	102.6	104.9	103.3	102.9
UK	Gross	100.8	101.2		101.2	100.3	100.7		100.7
	Net	101.2	101.1		101.1	100.7	100.6		100.6
Total	**Gross**	**101.2**	**101.5**	**101.2**	**101.3**	**101.0**	**101.3**	**101.3**	**101.1**
	Net	**102.0**	**101.8**	**102.4**	**102.0**	**101.9**	**101.6**	**102.5**	**101.9**

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 2016 (1.7.2015 = 100)

Country		Nominal change				Real change			
		AD	AST	SC	Total	AD	AST	SC	Total
BG	Gross	102.8	109.8		104.1	104.8	111.9		106.1
	Net	102.8	109.8		103.9	104.8	111.9		105.9
CZ	Gross	134.0	155.4	144.0	134.7	134.1	155.6	144.1	134.8
	Net	134.2	150.7	142.0	134.8	134.3	150.9	142.1	134.9
DK	Gross	100.7	100.7		100.7	100.6	100.6		100.6
	Net	100.8	100.8		100.8	100.7	100.7		100.7
EE	Gross	113.4	113.4		113.4	112.9	112.9		112.9
	Net	113.3	113.3		113.3	113.3	113.3		113.3
IE	Gross	100.0	100.1	101.0	100.4	99.9	100.0	100.9	100.3
	Net	102.9	103.5	104.3	103.7	102.8	103.4	104.2	103.6
EL	Gross	100.0	100.0		100.0	100.0	100.0		100.0
	Net	100.0	100.0		100.0	100.0	100.0		100.0
HR	Gross	102.3	102.3	102.3	102.3	102.3	102.3	102.3	102.3
	Net	102.3	102.3	102.3	102.3	102.3	102.3	102.3	102.3
CY	Gross	100.0	100.0	100.0	100.0	102.0	102.0	102.0	102.0
	Net	100.0	100.0	100.0	100.0	102.0	102.0	102.0	102.0
LV	Gross	105.5	104.4	99.4	105.2	106.1	105.0	100.0	105.8
	Net	105.9	104.8	100.1	105.7	106.5	105.4	100.7	106.3
LT	Gross	101.9	100.1		101.8	101.5	99.7		101.4
	Net	103.1	102.3		103.1	102.7	101.9		102.7
HU	Gross	99.3	97.8	109.9	99.3	99.4	97.9	97.9	110.0
	Net	101.8	100.7	111.4	101.8	101.9	100.8	111.5	101.9
MT	Gross	102.5	102.7	102.9	102.6	101.5	101.7	101.9	101.6
	Net	102.5	103.1	103.4	102.8	101.5	102.1	102.4	101.8
PT	Gross	102.3	101.8	101.0	101.8	101.6	101.1	100.3	101.1
	Net	102.7	103.3	102.2	102.6	102.0	102.6	101.5	101.9
RO	Gross	111.9	111.9		111.9	111.9	111.9		111.9
	Net	111.9	111.9		111.9	111.9	111.9		111.9
SI	Gross	101.5	102.0	102.1	101.6	101.4	101.9	102.0	101.5
	Net	101.9	102.1	102.1	102.0	101.8	102.0	102.0	101.9
SK	Gross	107.5	108.2	123.3	108.6	108.3	109.0	124.2	109.4
	Net	106.8	107.0	119.3	107.7	107.6	107.8	120.1	108.5
FI	Gross	100.7	100.8		100.7	100.4	100.5		100.4
	Net	100.5	101.1		100.6	100.2	100.8		100.3

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

Table 1.2

Central government personnel ratios (total population)

July 2016

Country	Percentage			
	AD	AST	SC	Total
BE	45.9	54.1		**100.0**
DE	47.7	41.0	11.4	**100.0**
ES	42.9	34.5	22.6	**100.0**
FR	33.1	66.9		**100.0**
IT	31.1	62.3	6.6	**100.0**
LU	46.7	53.3		**100.0**
NL	49.8	47.5	2.7	**100.0**
AT	17.9	82.1		**100.0**
PL	87.8	0.0	12.2	**100.0**
SE	82.3	12.7	5.0	**100.0**
UK	6.4	93.6		**100.0**

Table 1.2a

Central government personnel ratios (total population)

July 2016

Country	Percentage			
	AD	AST	SC	Total
BG	74.0	26.0		**100.0**
CZ	93.6	4.5	1.9	**100.0**
DK	60.1	39.9		**100.0**
EE	75.0	25.0		**100.0**
IE	13.5	40.0	46.4	**100.0**
EL	51.3	48.7		**100.0**
HR	46.3	52.0	1.7	**100.0**
CY	40.2	36.3	23.6	**100.0**
LV	88.9	4.1	6.9	**100.0**
LT	95.6	4.4		**100.0**
HU	84.2	13.3	2.5	**100.0**
MT	47.1	40.5	12.4	**100.0**
PT	38.9	12.0	49.2	**100.0**
RO	5.6	94.4		**100.0**
SI	68.1	8.3	23.6	**100.0**
SK	71.7	17.0	11.3	**100.0**
FI	60.0	40.0		**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 2016

Country	Gross remuneration	Net remuneration	Difference
BE	102.0	103.0	1.0
DE	101.2	101.0	-0.2
ES	103.1	104.9	1.8
FR	100.6	100.4	-0.2
IT	100.0	100.0	0.0
LU	98.3	98.8	0.5
NL	105.4	106.0	0.6
AT	101.3	104.9	3.6
PL	99.0	107.3	8.3
SE	103.3	104.1	0.8
UK	101.2	101.1	-0.1
Total	**101.3**	**102.0**	**0.8**

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 2016

Country	Gross remuneration	Net remuneration	Difference
BG	104.1	103.9	-0.2
CZ	134.7	134.8	0.1
DK	100.7	100.8	0.1
EE	113.4	113.3	-0.1
IE	100.4	103.7	3.3
EL	100.0	100.0	0.0
HR	102.3	102.3	0.0
CY	100.0	100.0	0.0
LV	105.2	105.7	0.5
LT	101.8	103.1	1.3
HU	99.3	101.8	2.5
MT	102.6	102.8	0.2
PT	101.8	102.6	0.8
RO	111.9	111.9	0.0
SI	101.6	102.0	0.4
SK	108.6	107.7	-0.9
FI	100.7	100.6	-0.1

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

Range	Member States	
x < 0%	2	LU, PL
0% ≤ x < 2%	6	BE, DE, FR, IT, AT, UK
2% ≤ x < 4%	2	ES, SE
4% ≤ x	1	NL
Total	**11**	

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

Range	Member States	
x < 0%	1	LU
0% ≤ x < 2%	4	DE, FR, IT, UK
2% ≤ x < 4%	1	BE
4% ≤ x	5	ES, NL, AT, PL, SE
Total	**11**	

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

Range	Member States	
x < 0%	1	HU
0% ≤ x < 2%	8	DK, IE, EL, CY, LT, PT, SI, FI
2% ≤ x < 4%	2	HR, MT
4% ≤ x	6	BG, CZ, EE, LV, RO, SK
Total	**17**	

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

Range	Member States	
0% ≤ x < 2%	6	DK, EL, CY, HU, SI, FI
2% ≤ x < 4%	6	BG, IE, HR, LT, MT, PT
4% ≤ x	5	CZ, EE, LV, RO, 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 2015 - July 2016

Country	Weight [1] EU28=100	Nominal net specific indicator	Consumer price indices	Real net specific indicator
	(%)	(%)	(%)	(%)
BG	0.7	3.9	-1.9	**5.9**
CZ	1.8	34.8	-0.1	**34.9**
DK	1.4	0.8	0.1	**0.7**
EE	0.2	13.3	0.4	**13.3**
IE	1.6	3.7	0.1	**3.6**
EL	1.5	0.0	0.2	**0.0**
HR	0.5	2.3	-1.2	**2.3**
CY	0.1	0.0	-2.0	**2.0**
LV	0.2	5.7	-0.6	**6.3**
LT	0.4	3.1	0.4	**2.7**
HU	1.3	1.8	-0.1	**1.9**
MT	0.1	2.8	1.0	**1.8**
PT	1.6	2.6	0.7	**1.9**
RO	2.2	11.9	-0.7	**11.9**
SI	0.3	2.0	0.1	**1.9**
SK	0.8	7.7	-0.7	**8.5**
FI	1.2	0.6	0.3	**0.3**

[1] Basis: GDP expressed in PPP, 2015

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 2016, this would be 102.8 (+2.8%).

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

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

1	**Belgium**: Figures are supplied in accordance with country manual validated in November 2015 and subsequent bilateral correspondence. The last automatic wage indexation was in November 2012. The threshold of the "spilindex" was exceeded during the reference period, generating a +2.0% increase in basic salaries. There was no change to other components of gross remuneration, thus gross remuneration nominal indicator evolution is +2.0%. There was an increase to the lump sum deduction allowed for income tax purposes from 1.1.2016, and a reduction in social security contribution on year end allowance. In consequence, nominal net remuneration increased on average by +3.0%.
2	**Germany**: Figures are supplied in accordance with country manual validated in September 2016 and subsequent bilateral correspondence. As agreed at the A6465WG meeting in March 2016 the July 2016 calculation is done using the snapshot approach, which automatically adjusts for use of an averaging approach in the 2015 exercise. In addition, "Familienzuschlag" and "Kindergeld" increased slightly from January 2016. Consequently, nominal gross remuneration increased by +1.2%. A legislative proposal to increase civil servant salaries with effect from March 2016 is drafted but has not yet been adopted by German Parliament, so is not included for the 2016 A65 exercise. Health insurance (PKV) contribution increased, and long term care insurance contribution limit increased. Overall, nominal net remuneration has increased by +1.0%.
3	**Spain**: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence. The existing pay freeze is extended, however 50% of a previously-suppressed year-end allowance is paid in the current period. This explains the increase to nominal gross remuneration +3.1%. A +1.0% pay rise is foreseen by Budget law 48/2015 and will be taken into account for the next A65 exercise. Statutory deductions reflect the annual Budget Law. There was a new tax scale for Spain and for Madrid. Personal allowances increased. Earned income tax credit was replaced with a standard deduction. Overall, nominal net remuneration has increased by +4.9%.
4	**France**: Figures are supplied in accordance with country manual validated in April 2010 and subsequent bilateral correspondence. The government implemented a +0.6% salary increase, raising the "point de l'indice" from 55.5635 to 55.8969. Family allowances are means-tested, reducing income to those on higher salary grades. On average, nominal gross remuneration increased by +0.5%. French authorities report that the "GIPA" allowance to adjust for consumer price inflation has low impact and is only applicable in the absence of seniority progression/promotion: it is therefore not included for A65 purposes. Pension contributions increased from 9.54% to 9.94%. There were slight changes to personal income tax. Overall, the nominal change in net remuneration was +0.4%.

5	**Italy**: Figures are supplied in accordance with country manual validated in March 2016 and subsequent bilateral correspondence. Basic salary was unchanged in accordance with the ongoing public sector pay freeze since 2011. Gross remuneration evolution is +0.0%. There were no changes to statutory deductions. Taking all elements into account, the nominal change in net remuneration was +0.0%.
6	**Luxembourg**: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence. A new civil service salary system was implemented during the reference period. In accordance with methodology, revised 2015 salary data was supplied by Luxembourg authorities on a consistent basis in order to allow correct measurement of movement 2015-16. On average the decrease of nominal gross remuneration was -1.7%. The average movement is partly attributable to changes in staff numbers. There were minor changes to compulsory deductions. Nominal net remuneration decreased by -1.2%.
7	**Netherlands**: Figures are supplied in accordance with country manual validated in December 2015 and subsequent bilateral correspondence. Gross salaries rose by +1.25% in September 2015 plus one-time payment €500, and by +3.0% in January 2016. Minimum holiday allowance increased from €1895 to €1977. Decrease pension contribution rate from 6.5% to 5.4%. Increase in health insurance contribution. Various changes to personal income tax rates and deductions. As a result of all these changes, nominal net indicator increased by +6.0%.
8	**Austria**: Figures are supplied in accordance with country manual validated in December 2015 and subsequent bilateral correspondence. Civil service salary system was revised. In accordance with methodology, revised 2015 salary data was supplied by Austrian authorities on a consistent basis in order to allow correct measurement of movement 2015-16. On average the increase of nominal gross remuneration was +1.3%. Important revisions to personal income tax were introduced January 2016. Other compulsory deductions and state family benefits did not change. Nominal net specific indicator increased by +4.9%.
9	**Poland**: Figures are supplied in accordance with country manual validated in September 2015 and subsequent bilateral correspondence. Civil servant salaries are still subject to pay freeze, however adjustments to middle scale values to exclude civil service premium explain the reported decrease in nominal gross remuneration (-1.0% on average). The Polish government introduced a new family allowance ("rodzina 500+") during the reference period, with important impact for households of (married) lower paid officials. The calculation of statutory deductions was reviewed in detail. An error was identified in the 2015 personal income tax calculation, with particular impact for married couples with children. As a consequence of these developments, nominal net remuneration increased by +7.3%, which represents +2.4% previous year correction and +4.8% current year movement.

10	**Sweden**: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence. The reported evolution in nominal gross remuneration (average of multiple local agreements) is +3.3%. State child allowance was unchanged. Due to slight changes in compulsory deductions, the nominal net remuneration increased by +4.1%.
11	**United Kingdom**: Figures are supplied in accordance with country manual validated in June 2015 and subsequent bilateral correspondence. The average increase in gross remuneration (all 8 departments) was +1.2%. This change is broadly in line with the Treasury policy ceiling for the year (+1.0%): increases above this ceiling are attributed to grade range shortening, There was no change to maximum step at 4 departments. Larger increases to AA and AO grades were paid at 4 departments. There is increasing use of targeted pay enhancement for specialist occupations. Unconsolidated payments are not included. A pay deal at DWP is proposed but not yet finalised: it is not included for the 2016 A65 exercise. Contributions to 'classic' pension scheme increased from 3.0% to 3.8% for those on lowest earnings as part of a multi-year phasing-in exercise. Personal income tax exempt amount increased from £10,600 to £11,000, and ceiling for basic rate band increased from £31,785 to £32,000. In consequence, the nominal net specific indicator is +1.1%.

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:

1	**Bulgaria**: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence. National minimum wage increased to BGN 420, which explains increase for minimum step for AST equivalent grades. Whilst a pay freeze applies for several grades, there are reported increases and decreases for other grades. On average, nominal gross remuneration increased by +4.1%. There were minor changes to statutory deductions: nominal net remuneration increased by +3.9%.
2	**Czech Republic**: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence. There was an increase in basic salaries of +3.0% by government resolution in November 2015. However, the Czech civil service is in transition towards implementation of a new salary scale, and there is still some volatility in salary components. On average, nominal gross remuneration increased by +34.7%. There were slight changes to statutory deductions; in consequence the increase in nominal net remuneration was +34.8%.
3	**Denmark**: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence. The nominal gross remuneration increased by +0.7%. Minor changes to tax rates and tax deductions are reflected in the calculation of nominal net remuneration, which increased by +0.8%.
4	**Estonia**: Figures are supplied in accordance with bilateral discussions December 2014 and subsequently. Nominal gross salary has increased on average by +13.4%, which mainly reflects increases in remuneration of middle step and maximum step in grade. Civil servants are eligible for state child benefit, which increased from €45 to €50 per child per month with effect from January 2016. This is reflected in the reported data for married officials with dependent spouse and children. The personal income tax-free amount increased, decreasing reported statutory deductions. Taking all these elements into account, the nominal net remuneration increased by +13.3%.
5	**Ireland**: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence. In accordance with existing "Lansdowne Road" collective agreement 2013-2018, a pay freeze continues to apply with the exception of +2.5% to those earning below €24000 and +1.0% to those earning €24-31000. The average increase in nominal gross remuneration was +0.4%. State child benefit increased from €130 to €135 per child per month. There was an increase to personal income tax thresholds and a reduction in tax rates. Pension related deduction thresholds were revised (extend zero rate band) and will be further extended in September 2016 (this further extension was not included for the A65 2016 exercise). In consequence, the nominal net remuneration increased by +3.7%.

6	**Greece**: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence. A new salary scale has been implemented during 2016. Pending availability of information about the impact of this change, for the current report the 2016 forecast is used. The evolution in gross remuneration is estimated to be 0.0% In May 2016 a new set of emergency fiscal measures was voted in Parliament, including a revised personal income tax scale and solidarity tax, however it is not possible to assess their impact. Consequently, the nominal net remuneration indicator evolution is estimated to be +0.0%.
7	**Croatia**: A draft country manual was presented at A6465WG meeting in March 2015 and there have been subsequent bilateral contacts to review the way information is supplied for Croatia for A65 purposes. For the current report, forecast figures are used. The evolution in nominal gross remuneration is estimated to be +2.3%, and the impact of changes in state benefits and in statutory deductions is assumed to be 0.0%, thus the movement in nominal net remuneration is consequently +2.3%.
8	**Cyprus**: Figures are supplied in accordance with country manual validated in April 2015 and subsequent bilateral correspondence. Pay freeze from 2013 continues to apply, including suspension of automatic indexation. Indicator of evolution of nominal gross remuneration is therefore +0.0%. No change to statutory deductions or state benefits. The consequent movement in net remuneration is also +0.0%.
9	**Latvia**: Figures are supplied in accordance with bilateral correspondence. Reported nominal gross remuneration increased by around +5.2% on average. Family state benefit continued as €11.38 per month for the first child and €22.76 for the second child (total €34.14). Personal income tax free amount increased from €165 to €175 per dependent person. Other compulsory deductions were unchanged. In consequence, nominal net remuneration increased by +5.7% on average.
10	**Lithuania**: Figures are supplied in accordance with bilateral correspondence. There was no change to basic salaries or bonuses of civil servants however lump sum payments and additional payments increased; nominal gross remuneration rose on average by +1.8%. Personal income tax free amounts and additional tax free amount for married couples with children were both increased since January 2016. There were no changes to other statutory deductions. Nominal net remuneration increased by +3.1%.
11	**Hungary**: Figures are supplied in accordance with country manual as sent for validation in July 2014 and presented at A6465WG March 2015. Pay freeze continues to apply to basic salary. Nevertheless, various changes to nominal gross remuneration are reported. Indicator of nominal gross remuneration decreased on average by -0.7%. In 2016 the level of personal income taxes decreased from 16% to 15%. Family benefit also increased in 2016. In consequence, nominal net remuneration increased by +1.8%.

12	**Malta**: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent updates. 2016 schedule of grade salaries reflect +2.5% increase to gross remuneration under multi-year agreement. Combined with six monthly payment, nominal gross indicator increased on average by +2.6%. Child allowance threshold increases slightly. Personal income tax is progressive. Nominal net remuneration increased by +2.8%.
13	**Portugal**: Figures are supplied in accordance with country manual validated in August 2014 and subsequent bilateral correspondence. 2014 wage cuts of between 3-12% on gross basic salaries above €1500 were 80% reversed during the 2015-16 reference period (the remaining 20% will be returned during the 2016-17 reference period). In consequence, the nominal gross remuneration indicator reported for Portugal is +1.8% A new personal income tax scale was introduced and there were reductions for workers with dependent children. Consequently the nominal net remuneration increased by +2.6%.
14	**Romania**: Figures are supplied in accordance with bilateral correspondence. A planned reform of the civil service is not yet finalised and there is continued uncertainty about monitoring of the level and evolution of staff numbers and remuneration levels. In the absence of a completed remuneration questionnaire for 2016, values are estimated using best available information including forecast validated in March 2016. On the basis of that report the nominal net remuneration has increased by +11.9%.
15	**Slovenia**: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence. Due to extension of existing austerity agreement there was no change in basic salary, however annual holiday pay increased during 2016. The average nominal increase in gross remuneration was +1.6%. There were only minor changes to state child benefit and to personal income tax. Nominal net remuneration increased on average by +2.0%.
16	**Slovakia**: Figures are supplied in accordance with bilateral correspondence. Collective agreements adopted +1% salary in 2015 and +4% salary in 2016 plus additional benefits, and this is reflected in the reported salary data which shows on average nominal gross indicator +8.6%. Information is now supplied for minimum, middle and maximum step (in the past only an average figure for middle step was available). Statutory deductions are largely unchanged by comparison with 2015. Net remuneration increased by +7.7%.
17	**Finland**: Figures are supplied in accordance with bilateral correspondence. In accordance with collective agreement, there was a +0.51% increase in August 2015 and a flat increase of €13 per month with effect from February 2016. On average, nominal gross remuneration increased by +0.7%. State child benefit was unchanged. Employees' unemployment insurance premium increased from 0.65% to 1.15% of gross income. Other compulsory deductions were unchanged. In consequence, nominal net remuneration increased on average by +0.6%.

1.8. Comparison with forecast

An initial forecast about the expected changes in net remuneration in nominal terms during the period 1 July 2015 – 1 July 2016 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 2016 meeting of the Working Group on Articles 64 & 65 of the Staff Regulations, and published in the Intermediate Report[31].

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 2016

Country	Net specific indicator in nominal terms			Net specific indicator in real terms		
	Actual	Forecast *	Difference %	Actual	Forecast *	Difference %
BE	103.0	101.0	-2.0	101.2	99.6	-1.6
DE	101.0	101.2	0.2	100.8	100.9	0.1
ES	104.9	105.0	0.1	105.9	105.8	-0.1
FR	100.4	100.5	0.1	100.1	100.3	0.2
IT	100.0	100.0	0.0	100.2	100.2	0.0
LU	98.8	100.0	1.2	99.2	101.3	2.1
NL	106.0	106.4	0.4	106.2	106.2	0.0
AT	104.9	101.3	-3.4	104.3	100.3	-3.8
PL	107.3	100.0	-6.8	107.7	98.3	-8.7
SE	104.1	102.5	-1.5	102.9	101.4	-1.5
UK	101.1	101.0	-0.1	100.6	100.7	0.1
Total	**102.9**	**101.5**	**-1.4**	**102.8**	**101.2**	**-1.6**

* Per Intermediate Report.

[31] Ares(2016)1765880.

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 2016

Country	Net specific indicator in nominal terms			Net specific indicator in real terms		
	Actual	Forecast *	Difference %	Actual	Forecast *	Difference %
BG	103.9	101.5	-2.3	105.9	102.5	-3.2
CZ	134.8	103.0	-23.6	134.9	102.5	-24.0
DK	100.8	100.9	0.1	100.7	99.4	-1.3
EE	113.3	104.6	-7.7	113.3	102.5	-9.5
IE	103.7	103.2	-0.5	103.6	103.2	-0.4
EL	100.0	100.0	0.0	100.0	99.9	-0.1
HR	102.3	102.3	0.0	102.3	102.9	0.6
CY	100.0	100.0	0.0	102.0	101.8	-0.2
LV	105.7	105.9	0.2	106.3	104.9	-1.4
LT	103.1	102.4	-0.7	102.7	102.2	-0.5
HU	101.8	102.4	0.6	101.9	100.7	-1.2
MT	102.8	102.6	-0.2	101.8	101.5	-0.3
PT	102.6	100.1	-2.4	101.9	99.4	-2.4
RO	111.9	111.9	0.0	111.9	113.7	1.6
SI	102.0	101.9	-0.1	101.9	102.8	0.9
SK	107.7	105.0	-2.5	108.5	105.2	-3.0
FI	100.6	101.0	0.4	100.3	100.2	-0.1

* 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

2015-2016 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]
	2015	2016	2015	(%)	(%)	(%)	(%)
BE	9,113.4	8,822.0	430.500	-3.2	1.8	-4.9	2.6
DE	29,268.0	29,951.0	2,535.000	2.3	0.2	2.1	20.0
ES	23,756.0	24,272.0	1,388.500	2.2	-0.9	3.1	8.3
FR	137,403.0	137,900.0	2,404.000	0.4	0.3	0.1	13.7
IT	93,174.0	92,759.0	1,274.500	-0.4	-0.2	-0.2	11.4
LU	3,558.6	3,726.0	22.560	4.7	-0.4	5.1	0.3
NL	21,686.0	21,857.0	490.000	0.8	-0.2	1.0	4.2
AT	14,308.8	14,823.0	20.393	3.6	0.6	3.0	2.2
PL	83,144.1	84,530.0	1,075.300	1.7	-0.4	2.1	5.2
SE	121,100.0	124,837.0	262.000	3.1	1.2	1.9	2.4
UK	107,752.0	110,717.0	1,421.920	2.8	0.5	2.2	14.0
Global	-	-	-	**1.5**	**0.1**	**1.3**	**84.3**

[1] Numerator: ESA 2010 expenditure on compensation of employees in Central Government (NAC million) per Eurostat website 16.09.2016, extrapolated to 2016 using growth rate 2014-2015

[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 16.09.2016. **Not supplied: BE, DE, ES, FE, IT, LU, NL, PL, SE, UK**.

[3] HICP June 2015 - June 2016 per Eurostat website 10.10.2016

[4] GDP 2015 in PPS per Eurostat website 10.10.2016

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

Table 1.6a

Control indicator: compensation of employees in central government

2015-2016 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]
	2015	2016	2015	(%)	(%)	(%)	(%)
BG	5,409.6	5,425.0	331.876	0.3	-1.9	2.2	0.7
CZ	199,440.0	209,512.0	366.140	5.1	-0.1	5.2	1.8
DK	88,355.0	91,285.0	151.000	3.3	0.1	3.2	1.4
EE	1,375.8	1,474.0	44.700	7.1	0.4	6.7	0.2
IE	17,989.7	18,756.0	111.580	4.3	0.1	4.2	1.6
EL	18,989.0	18,748.0	70.560	-1.3	0.2	-1.5	1.5
HR	19,598.7	18,980.0	110.780	-3.2	-1.2	-2.0	0.5
CY	2,109.4	2,057.0	53.303	-2.5	-2.0	-0.5	0.1
LV	1,297.0	1,366.0	5.235	5.3	-0.6	6.0	0.2
LT	1,942.5	2,001.0	144.842	3.0	0.4	2.6	0.4
HU	2,745,924.0	2,971,333.0	598.948	8.2	-0.1	8.3	1.3
MT	1,108.9	1,181.0	16.060	6.5	1.0	5.4	0.1
PT	16,478.6	16,307.0	502.177	-1.0	0.7	-1.7	1.6
RO	32,345.5	33,942.0	417.600	4.9	-0.7	5.7	2.2
SI	2,737.4	2,733.0	97.482	-0.2	0.1	-0.3	0.3
SK	4,295.3	4,490.0	221.895	4.5	-0.7	5.3	0.8
FI	6,767.0	6,603.0	162.800	-2.4	0.3	-2.7	1.2

[1] Numerator: ESA 2010 expenditure on compensation of employees in Central Government (NAC million) per Eurostat website 16.09.2016, extrapolated to 2016 using growth rate 2014-2015

[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 16.09.2016. **Not supplied: DK, EE, IE, HR, MT, RO, FI**.

[3] HICP June 2015 - June 2016 per Eurostat website 10.10.2016

[4] GDP 2015 in PPS per Eurostat website 10.10.2016

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

2015-2016 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]
	2015	2016	(%)	(%)	(%)	(%)
BE	103.4	103.4	0.0	1.8	-1.8	2.6
DE	109.4	112.3	2.6	0.2	2.4	20.0
ES	109.0	112.6	3.3	-0.9	4.3	8.3
FR	:	:	:	0.3	:	13.7
IT	99.5	99.3	-0.2	-0.2	0.0	11.4
LU	108.6	111.8	2.9	-0.4	3.4	0.3
NL	102.9	106.6	3.6	-0.2	3.8	4.2
AT	107.2	106.4	-0.7	0.6	-1.3	2.2
PL	106.9	108.7	1.7	-0.4	2.1	5.2
SE	107.1	109.7	2.4	1.2	1.2	2.4
UK	102.2	103.1	0.9	0.5	0.4	14.0
Global	**-**	**-**	**1.7**	**0.1**	**1.6**	**84.3**

1 Labour cost index (nominal value, annual data, wages and salaries component) NACE R2 group O per Eurostat website 10.10.2016, 2015 extrapolated to 2016 using growth rate 2014-2015

2 HICP June 2015 - June 2016 per Eurostat website 10.10.2016

3 GDP 2015 in PPS per Eurostat website 10.10.2016

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

Table 1.7a

Control indicator: labour cost index for total public administration

2015-2016 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]
	2015	2016	(%)	(%)	(%)	(%)
BG	112.4	114.4	1.8	-1.9	3.8	0.7
CZ	111.2	118.0	6.1	-0.1	6.2	1.8
DK	101.9	103.5	1.6	0.1	1.5	1.4
EE	125.9	133.6	6.2	0.4	5.7	0.2
IE	97.1	97.1	0.0	0.1	-0.1	1.6
EL	99.8	101.7	1.9	0.2	1.7	1.5
HR	:	:	:	-1.2	:	0.5
CY	91.8	91.3	-0.5	-2.0	1.5	0.1
LV	120.1	126.5	5.4	-0.6	6.0	0.2
LT	113.2	114.4	1.1	0.4	0.7	0.4
HU	111.2	117.2	5.4	-0.1	5.5	1.3
MT	113.8	119.9	5.4	1.0	4.3	0.1
PT	105.6	105.0	-0.6	0.7	-1.3	1.6
RO	129.3	140.6	8.7	-0.7	9.5	2.2
SI	97.3	95.1	-2.2	0.1	-2.3	0.3
SK	110.0	113.1	2.8	-0.7	3.5	0.8
FI	103.9	105.0	1.1	0.3	0.8	1.2

1 Labour cost index (nominal value, annual data, wages and salaries component) NACE R2 group O per Eurostat website 10.10.2016, 2015 extrapolated to 2016 using growth rate 2014-2015

2 HICP June 2015 - June 2016 per Eurostat website 10.10.2016

3 GDP 2015 in PPS per Eurostat website 10.10.2016

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. In all these tables the situation in July 2016 has been compared with that in July 2015.

Similarly, information is also collected about retirement age in central government. The situation at July 2016 is shown in **Table 10.4**.

Important note: this information is supplied to help understand the situation in Member States. No adjustment is made to the remuneration data used to establish specific indicators, for any differences in working hours per week or yearly number of days on holiday.

Table 10.1

Statutory or contractual weekly working hours in central governments

Country	Weekly working hours		Remarks
	July 2015	July 2016	
BE	38	38	
BG	40	40	
CZ	40	40	
DK	35	35	
DE	41	41	40 for special family reasons
EE	40	40	
IE	37	37	
EL	40	40	
ES	37.30-40	37.30-40	
FR	35	35	
HR	37.30	:	
IT	36	36	
CY	37.30	37.30	
LV	40	40	
LT	40	40	
LU	40	40	
HU	40	40	
MT	40	40	
NL	36	36	
AT	40	40	
PL	40	40	
PT	40	35	40 hours until 30th June; 35 hours since 1st July
RO	:	:	figure provided in 2013: 40h
SI	37.30	37.30	
SK	38.00	38	
FI	36.15	36.15	
SE	39.45	39.45	
UK (London)	36	36	2015 and 2016: 8 depts
UK (Country)	37	37	2015 and 2016: 8 depts

Table 10.2

Number of days annual leave

Country	Number of days		Remarks - 2016
	July 2015	July 2016	
BE	26 - 33	26 - 33	Depends on age
BG	20	20	
CZ	25	25	Based on years of service
DK	30	30	
DE	30	30	
EE	35	35	
IE	22-32	22-32	Depends on grade
EL	20 - 25	20 - 25	
ES	27	**29**	
FR	25	25	2 days bonus maximum
HR	20-30	:	Depends on age and grade
IT	32	32	Under 3 years of service: 30 days
CY	20-29	20-29	Depends on years of service
LV	28	28	
LT	28-42	28-42	Depends on years of service
LU	32-36	32-36	Depends on age
HU	25	25	Additional days by length of service
MT	192 hours	192 hours	
NL	23-27	23-27	Depends on age
AT	25-30	25-30	Depends on age
PL	20-38	**26-38**	Depends on grade
PT	22	22	
RO	:	:	Depends on years of service figures provided in 2013: 21-25 days
SI	20-35	20-35	Depends on age and grade
SK	25-30	25-30	Depends on age
FI	30-38	30-38	Depends on years of service
SE	28-35	28-35	Depends on age
UK	22-31.50	22-31.50	Differences between Ministries. Depends on grade and years of service

Table 10.3

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

Country	Number of days		Remarks - 2016
	July 2015	July 2016	
BE	13	13	Time off when the public holiday falls on Saturday or Sunday
BG	15	15	
CZ	9	**10**	
DK	9 - 10	9 - 10	
DE	9	9	Berlin
EE	12	12	
IE	10	10	Time off when the public holiday falls on Saturday or Sunday
EL	12	12	
ES	14	14	Time off when the public holiday falls on Sunday
FR	10	10	
HR	14	:	Only if civil servant works on the day of public holiday
IT	11	11	
CY	15	15	
LV	15	15	
LT	15	**14**	
LU	11	11	Time off when the public holiday falls on Sunday
HU	none	6	
MT	14	14	
NL	7	**6**	
AT	none	none	
PL	13	**9**	Compensation when public holiday falls on Saturday or Sunday (1x this year)
PT	6	**9**	
RO	:	:	figure provided in 2013: 12
SI	6	**9**	Public holidays on Saturday/Sunday not included in this number
SK	11	11	
FI	9	9	
SE	13	13	Time off when the public holiday falls on Saturday or Sunday
UK	9-11	**8-11**	Time off when the public holiday falls on Saturday or Sunday

Table 10.4

Age of retirement and early retirement

Country	Age		Remarks
	Retirement	Early retirement	
BE	65*	62	* 65 (66 from 2025 and 67 from 2030)
BG	men: 63 y and 10 m, women: 60 y and 10 m	yes*	*depends on job
CZ	Man 63 y of age and 2 m, woman 62 y of age and 8 m*	yes**	*age lowers when having brought up child **first 3 years before pensionable age
DK	60 - 70*	60	*depends on grade
DE	67*	63	*variations of retirement depending on age
EE	63*	60**	*depends on age and sex **men 60, women 57-60, depends on age
IE	65-70	50-65	depends on years of service
EL	67*	62	*depends on age
ES	65	60-64*	*at least 30 years of service
FR	60	51 - 55	depends on age
HR	:	:	2015: retirement age = 65, under conditions, early retirement: Man 60y, woman 56y, under conditions
IT	66 y 7 months	women: 41 y and 10 m, men: 42 y and 10 m*	*depends on age, sex, contributions
CY	65	45*	*45 y with 3 years in Government Post. Lump sum received immediately while the monthly pension at 55 y
LV	62	60	Both depending on age
LT	Man 63 y 4 months, Woman 61 y 8 months	5 years till the set age of retirement	Both depending on sex and age
LU	60	57	
HU	65	60-65*	*depends on age
MT	62	any age on medical grounds/ early retirement schemes	
NL	65	62	
AT	65	62	
PL	61 women/66 men*	55 women/ 60 men**	*depends on sex **depends on sex and years of work
PT	66 years and 2 months of age*	55**	*depends on age and grade **depends on age and grade, with min. 30 y of service
RO	:	:	
SI	Man 59 y and 4 m, woman 59 y	Man 59 y and 4 m, woman 59 y	Depending on age, sex and contributions/conditions
SK	57-62*	55-60**	*depends on age and sex **early retirement max. 2 y before normal age
FI	63-68	60-62	Depends on age
SE	65	yes	
UK	60 - 65	50-55	Most depts no limit in retirement age, early retirement more restricted

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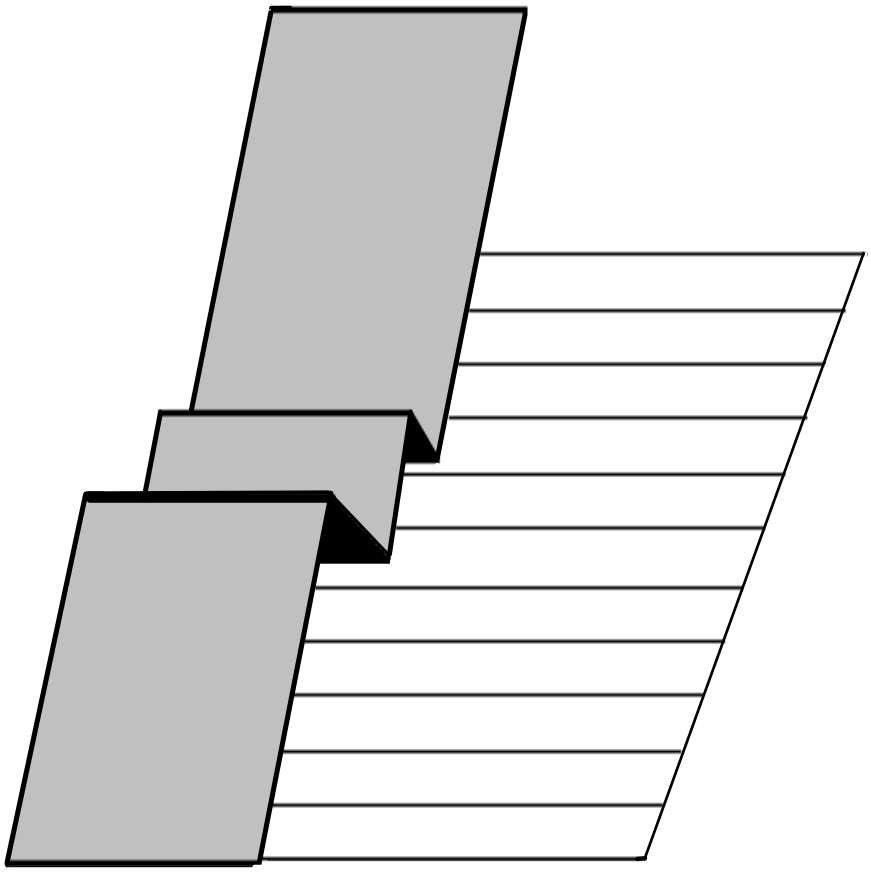
Appendix 1c

Appendix 1c 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 2016



Statistical Office of the European Union
Unit C3, Statistics for administrative purposes
Luxembourg

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CONTENTS

INTRODUCTION

This document is an appendix to the 2016 Eurostat report on the annual adjustment of remuneration and pensions. While the principal results concerning changes in the cost of living in Brussels and Luxembourg are presented in the main report, the purpose of this appendix is to give some 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 Brussels 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 manuals[32].

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[32] Op cit (4) Doc.A6465/14/58rev (version July 2014)

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 Luxembourg [33]. 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 "Survey of Household Expenditures" conducted amongst EU staff in Brussels (2009). 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).

2. BELGIUM HICP

Table 3.1 presents the published HICP values for June 2015 and June 2016, base 2005 = 100, and the final figure in the right-hand column shows the variation for the period, 101.8 (+1.8%).

Table 3.1

Change in the harmonised index of consumer prices (HICP) for Belgium
June 2015 - June 2016

Groups of consumption	Weight 2015	Index 2015	Weight 2016	Index 2016	Variation
1. Food and non-alcoholic beverages	159.9	100.8	159.4	102.6	**101.8**
2. Alcoholic beverages and tobacco	47.6	100.4	48.6	107.8	**107.4**
3. Clothing and footwear	57.3	104.1	59.1	104.6	**100.5**
4. Housing, water, electricity, gas and other fuels	146.5	100.3	160.5	102.5	**102.2**
5. Furnishings, household equipment and maintenance of house	78.3	100.3	75.9	101.2	**100.9**
6. Health	71.6	100.0	73.9	100.5	**100.5**
7. Transport	142.1	101.7	125.1	100.8	**99.1**
8. Communications	34.2	99.6	28.6	104.3	**104.8**
9. Recreation and culture	91.9	99.8	99.4	101.6	**101.8**
10. Education	5.5	93.3	6.2	120.2	**128.8**
11. Hotels, cafes and restaurants	72.7	100.0	76.1	102.7	**102.8**
12. Miscellaneous goods and services	92.5	100.0	87.2	101.7	**101.6**
Global index without rents	954.9	100.6	938.4	102.5	**101.9**
Rents index	45.1	100.0	61.6	100.9	**101.0**
Global index	**1000.0**	**100.6**	**1000.0**	**102.4**	**101.8**

This 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.

[33] This definition was introduced by Regulation 1023/2013 and applies with effect from 1.1.2014. For the calendar year 2013, the Working Group on Articles 64 & 65 of the Staff Regulations approved the use of the Belgian HICP. Regulation 723/2004 defined a “Brussels International Index” which applied for the period 2004-2012.

3. LUXEMBOURG CPI

Table 3.2 presents the published CPI values for June 2015 and June 2016, base 2005 = 100, and the final figure in the right-hand column again shows the variation for the period, 100.0 (+0.0%).

Table 3.2

Change in the consumer price index (CPI) for Luxembourg
June 2014 - June 2015

Groups of consumption	Weight 2015	Index 2015	Weight 2016	Index 2016	Variation
1. Food and non-alcoholic beverages	100.2	100.2	118.2	101.7	**101.5**
2. Alcoholic beverages and tobacco	40.4	100.6	37.6	101.6	**101.0**
3. Clothing and footwear	56.7	102.6	58.6	104.1	**101.5**
4. Housing, water, electricity, gas and other fuels	159.5	101.1	153.4	98.6	**97.5**
5. Furnishings, household equipment and maintenance of house	76.7	100.5	78.1	101.0	**100.5**
6. Health	26.1	99.8	25.3	100.2	**100.4**
7. Transport	180.5	101.2	161.1	99.8	**98.6**
8. Communications	29.6	100.0	28.2	100.9	**100.9**
9. Recreation and culture	86.2	100.3	86.3	100.7	**100.4**
10. Education	34.4	99.3	16.6	101.4	**102.1**
11. Hotels, cafes and restaurants	70.0	100.2	74.2	101.3	**101.1**
12. Miscellaneous goods and services	156.8	99.9	162.4	101.0	**101.1**
Global index without rents	936.1	100.7	936.8	100.6	**100.0**
Rents index	63.9	100.2	63.2	100.9	**100.7**
Global index	**1000.0**	**100.6**	**1000.0**	**100.7**	**100.0**

This 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.

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.

Number of permanent officials and other servants in active service at July 2015 (ie. December 2014)

Duty station	No.	%
Brussels	27,934	**82.2**
Luxembourg	6,062	**17.8**
Total	**33,996**	**100.0**

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

5. JOINT BELU INDEX, COMPARED WITH BELGIAN HICP AND LUXEMBOURG CPI

By comparing the results at the level of the 12 main COICOP groups, reasons for the difference in the value of the overall index can be identified.

Note: in this analysis, the impact of differing numbers of underlying basic headings and different aggregation approaches should be remembered. In particular, it should be recognised that the Belgian HICP and Luxembourg CPI weights do not include imputed expenditure of owner-occupiers.