



EUROPEAN COMMISSION
EUROSTAT

Directorate C: Macro-economic statistics

Unit C.3: Statistics for administrative purposes

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

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

Reference period:
The five months between 1 February and 1 June 2018 inclusive

EXECUTIVE SUMMARY

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

This is the tenth Intermediate Report covering Extra-EU locations which is prepared under the EU Staff Regulations as amended by Regulation 1023/2013.

The previous Annual Update, establishing values applicable with effect from July 2017, was published in the Official Journal on 14th December 2017.

The previous Intermediate Report covered the six months between August 2017 and January 2018 inclusive.

This intermediate report covers the five months period between February and June 2018 inclusive and, inter alia, it includes:

1) ccMMAAAA (MM=month, AAAA=year; for example CC022018). These five tables show the economic parity, exchange rate and weighting (correction coefficient) established for each location for the month in question.

In accordance with Article 13 of Annex X to the Staff Regulations, an intermediate update to the weightings (correction coefficients) should be made whenever the variation in the economic parity has exceeded 5% since the previously established value (July 2017 or subsequently). Tables are included showing the locations for which this is the case:

3) chgMMAAAA (MM=month, AAAA=year; for example CHG022018)

The report covers 144 Extra-EU duty stations. No value is presented for 10 locations (Afghanistan, Bosnia and Herzegovina (Banja Luka), Indonesia (Banda Aceh), Iran, Iraq, Libya, Somalia, Syria, Venezuela and Yemen) mainly due to security constraints affecting the statistical reliability of the information, or due to uncertainty regarding the volatility of the reported inflation.

At June 2018 there were twenty four duty stations with CCs greater than 100. During the five months between February 2018 and June 2018 inclusive, CC for three countries (Jordan, Lebanon and United States (New-York)) have increased above 100 and CC for two countries (Russia, Senegal) have decreased below 100.

The CC is defined as the economic parity divided by the exchange rate. CCs operate as a percentage adjustment to salaries. As salaries are first expressed in Euros, then converted to local currency using

exchange rates, before being multiplied by CCs, it is clear that the exchange rate effect cancels out. If a CC changes solely due to a change in the exchange rate (ie. there is no change in the economic parity) then local purchasing power will not be impacted.

All figures and calculations contained in this report are based on data (place-to-place price surveys and time-to-time price indices) supplied under the 2009 Memorandum of Understanding signed with the United Nations International Civil Service Commission (UN ICSC) and the International Service for Remuneration and Pensions of the Coordinated Organisations (ISRP)¹, complemented with information compiled directly by Eurostat.

The results of new UN P2P price surveys were introduced for the following 26 duty stations: Angola, Azerbaijan, Barbados, Benin, Cambodia, Cape Verde, Democratic Republic of the Congo, Egypt, Eritrea, Ethiopia, Georgia, Guinea, Guinea-Bissau, Laos, Mali, Namibia, Niger, Panama, Rwanda, Singapore, Sudan, Sri Lanka, South Sudan, Timor Leste, Turkmenistan and Vanuatu.

The price survey which has been conducted in South-Sudan allows a CC value to be re-established.

The redenominated exchange rate was taken into account for Mauritanian ouguiya: A new currency code MRU has been introduced in our calculation on 1 February 2018 at the rate of 10 MRO to 1 MRU in the files of this Result Package.

The parities for the Rep Dem of the Congo are now expressed in CDF rather than USD in order to better reflect the impact of local price movements and exchange rate fluctuations.

Updated ISRP PPPs at January 2018 were used for the following 7 duty stations: Canada, Mexico, United States (Washington), Japan, South Korea, Australia and New Zealand.

Updated ECP PPPs at January 2018 were used for the following 5 duty stations: Iceland; Norway; Switzerland (Bern, Geneva); Turkey.

Pending the availability of detailed consumer price indices; updated ECP PPPs at January 2018 were not used this time for the following 6 Balkan duty stations: Albania; Bosnia and Herzegovina (Sarajevo & Banja Luka); Former Yugoslav Republic of Macedonia; Montenegro; Serbia.

No new expenditure weights were introduced for the period under scrutiny. Aggregate values, using the weights approved at the March 2018 Working Group, will be integrated in the July 2018 Annual Report.

¹ The North Atlantic Treaty Organisation (NATO), Organisation for Economic Cooperation and Development (OECD), Council of Europe (CoE), European Space Agency (ESA), European Centre for Medium-range Weather Forecasts

The detailed methodology for the calculation of Extra-EU correction coefficients is set out in a procedural manual, the latest version of which (doc.A6465/14/60rev3) was adopted by the Article 64 Working Group in April 2017, and is available for download from the Eurostat free data website:

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

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(ECMWF); European organisation for exploitation of Meteorological Satellites (EUMETSAT).

APPENDICES

- “CC022018” Economic parity, exchange rate, weighting (correction coefficient) for February 2018
- “CC032018” Economic parity, exchange rate, weighting (correction coefficient) for March 2018
- “CC042018” Economic parity, exchange rate, weighting (correction coefficient) for April 2018
- “CC052018” Economic parity, exchange rate, weighting (correction coefficient) for May 2018
- “CC062018” Economic parity, exchange rate, weighting (correction coefficient) for June 2018
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- “CHG022018” Variation in economic parity exceeds 5%, comparing February 2018 and previous value (July 2017 or subsequent).
- “CHG032018” Variation in economic parity exceeds 5%, comparing March 2018 and previous value (July 2017 or subsequent).
- “CHG042018” Variation in economic parity exceeds 5%, comparing April 2018 and previous value (July 2017 or subsequent).
- “CHG052018” Variation in economic parity exceeds 5%, comparing May 2018 and previous value (July 2017 or subsequent).
- “CHG062018” Variation in economic parity exceeds 5%, comparing June 2018 and previous value (July 2017 or subsequent).
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- “PMO 5 per cent Rule period February 2018 or subsequent to June 2018”
Summary table showing the time series of PPP and CC values for which 5% rule generates a change; duty stations with CC>100 are highlighted in bold.