

COMMISSION OF THE EUROPEAN COMMUNITIES



Brussels, 2.4.2008 COM(2008) 161 final

Proposal for a

## **COUNCIL REGULATION**

laying down the weightings applicable from 1 July 2007 to the remuneration of officials, temporary staff and contract staff of the European Communities serving in third countries and of certain officials remaining in post in the two new Member States for a maximum period of nineteen months after accession

(presented by the Commission)

## EXPLANATORY MEMORANDUM

Regulation (Euratom, ECSC, EEC) No 3019/87 of 5 October 1987 amended the Staff Regulations by adding an Annex X laying down special and exceptional provisions applicable to officials of the European Communities serving in third countries.

Articles 11, 12 and 13 of Annex X deal with the remuneration of officials posted in countries outside the European Union. Remuneration is payable in euros in Belgium but there is also provision for all or part of an official's remuneration to be paid in the currency of the country of employment. In that event, the portion paid in local currency is subject to a weighting.

The first paragraph of Article 13 of Annex X required the Council to determine the weightings for third countries every six months.

Council Regulation (ECSC, EEC, Euratom) No 2175/88 of 18 July 1988 laid down the initial weightings applicable from 10 October 1987.

Since the new Staff Regulations entered into force on 1 May 2004 (Regulation (EC, Euratom) No 723/2004 of 22 March 2004), this system of remuneration also applies to contract staff.

The first paragraph of Article 13 of Annex X to the new Staff Regulations now requires the Council to set the weightings applicable in third countries annually.

The most recent weightings were laid down by the Council in Regulation (EC) No 453/2007 of 25 April 2007, which took effect on 1 July 2006.

Article 27(4) of the Act concerning the conditions of accession of the two new Member States created a legal basis for extending the application of Annex X of the Staff Regulations (rules applicable to staff working outside the Community) to officials remaining in post in the new Member States for a maximum period of 19 months after accession. Weightings should therefore be set for these new Member States not only in accordance with Annex XI but also in accordance with Annex X to the Staff Regulations.

The attached proposal adjusts weightings applicable from 1 July 2007 to the remuneration of officials, temporary staff and contract staff of the European Communities serving in third countries.

The budgetary impact is negligible compared with the total operating costs of the delegations.

The remuneration system for staff serving in countries outside the Community is based on purchasing power parity of remuneration paid in local currency compared with that paid in Brussels.

To apply this principle Eurostat calculates the economic parities. The weighting is the factor obtained by dividing the economic parity by the exchange rate. This means that implementation of the weighting system primarily involves calculating economic parities between Brussels and other places of employment.

The exchange rates used are established in accordance with the rules for the implementation of the Financial Regulation and correspond to the date of application of the weightings.

Table A sets out the new economic parities, the corresponding exchange rates and the resulting weightings as at 1 July 2007 for all places of employment.

Table B shows the variation in percentage terms between the figures in Table A and those of July 2006 for all places of employment.

## ANNEX TO THE EXPLANATORY MEMORANDUM

# TABLE A

	PLACE OF EMPLOYMENT	Economic parity July 2007	Exchange rate July 2007	Weighting July 2007
(***)	Afghanistan	0	0	0
	Albania	97.79	121.998	80.2
	Algeria	83.02	93.5815	88.7
	Angola	130.9	100.696	130
	Argentina	2.373	4.158	57.1
	Armenia	569.4	461.01	123.5
	Australia	1.786	1.5918	112.2
(***)	Azerbaijan	0	0	0
	Bangladesh	44.66	92.6253	48.2
	Barbados	3.475	2.67993	129.7
(***)	Belarus	0	0	0
	Benin	602.6	655.957	91.9
	Bolivia	5.105	10.6389	48
	Bosnia and Herzegovina (Banja Luka)	0	0	0
	Bosnia and Herzegovina (Sarajevo)	1.539	1.95583	78.7
	Botswana	4.739	8.40689	56.4
	Brazil Bulgaria	2.426	2.60259 1.9558	93.2
	Burkina Faso	595	655.957	90.7
(***)	Burundi	0	0	90.7
(***)	Cambodia	3830	5490	69.8
	Cameroon	668.6	655.957	101.9
	Canada	1.329	1.4293	93
	Cape Verde	89.22	110.265	80.9
	Central African Republic	781	655.957	119.1
	Chad	849	655.957	129.4
	Chile	502.3	702.8	71.5
	China	7.942	10.2553	77.4
	Colombia	2143	2610.13	82.1
	Congo (Brazzaville)	853.9	655.957	130.2
	Costa Rica	514.5	698.439	73.7
	Côte d'Ivoire	657.3	655.957	100.2
	Croatia	7.802	7.3042	106.8
	Cuba	1.159	1.3467	86.1
	Democratic Republic of Congo (Kinshasa)	969.9	748.807	129.5
	Djibouti	225.8	239.337	94.3
	Dominican Republic	29.83	43.0181	69.3
	Ecuador	0.873	1.3467	64.8
	Egypt	3.806	7.68	49.6
	El Salvador	1.025	1.3467	76.1
	Eritrea	10.5	20.4513	51.3
	Ethiopia	10.84	12.2821	88.3
	Fiji Former Yugoslav Republic of Macedonia	1.609 43.99	2.18914 61.3822	73.5

_	Gabon	807.1	655.957	123
	Gambia	21.57	35.65	60.5
	Georgia	2.195	2.27188	96.6
_	Ghana	8652	12410	69.7
	Guatemala	8.157	10.374	78.6
	Guinea	3271	4463.58	73.3
	Guinea-Bissau	660.5	655.957	100.7
	Guyana	168.8	272.008	62.1
	Haiti	59.8	50.3218	118.8
	Honduras	17.8	25.5352	69.7
	Hong Kong	9.981	10.5264	94.8
	India	28.83	54.52	52.9
Ī	Indonesia (Banda Aceh)	6592	12224.7	53.9
Ī	Indonesia (Jakarta)	9911	12224.7	81.1
Ī	Iraq	0	0	0
Ī	Israel	6.224	5.68577	109.5
ľ	Jamaica	83.02	91.7645	90.5
Ī	Japan (Naka)	167.3	165.61	101
	Japan (Tokyo)	176.4	165.61	106.5
ľ	Jordan	0.742	0.95481	77.7
ľ	Kazakhstan (Almaty)	202.7	161.68	125.4
ŀ	Kazakhstan (Astana)	115.7	161.68	71.6
ľ	Kenya	73.45	89.6526	81.9
ŀ	Kosovo	0	0	0
ŀ	Kyrgyzstan	45.13	51.1073	88.3
ŀ	Laos	9481	12772	74.2
ŀ	Lebanon	1746	2030.15	86
ŀ	Lesotho	5.936	9.572	62
*)	Liberia	0	0	0
.)	Madagascar	2144	2475.25	86.6
-	Malawi	135.8	189.133	71.8
-	Malaysia	3.471	4.6683	74.4
ŀ	Mali	557.3	655.957	85
-	Mauritania	225.5	345.56	65.3
-	Mauritius	223.5	42.0185	69.5
-	Mauritus	10.82	14.5508	74.4
	Micronesia	0	0	0
*)	Montenegro	0.697	1	69.7
ŀ	Monenegio	10.01	11.1855	89.5
ŀ	Morocco	27.14	34.915	77.7
ŀ	Namibia	6.937	9.572	72.5
-		72.24	87.52	82.5
-	Nepal			
-	New Caledonia	161.4	119.332	135.3
-	New Zealand	1.92	1.7513	109.6
-	Nicaragua	14.15	24.822	57
-	Niger	557.6	655.957	85
ŀ	Nigeria	145.5	169.033	86.1
ŀ	Norway	10.5	7.952	132
-	Pakistan	40.07	79.068	50.7
ļ	Panama	0.821	1.3467	61
ļ	Papua New Guinea	2.938	3.9563	74.3
	Paraguay	5587	6794.06	82.2

	Philippines	40.2	62.42	64.4
	Republic of Moldova	9.846	16.5079	59.6
	Romania	2.339	3.1666	73.9
	Russia	42.6	34.742	122.6
	Rwanda	672.8	733.7	91.7
(***)	Samoa	0	0	0
	Saudi Arabia	4.289	5.0715	84.6
	Senegal	575.3	655.957	87.7
	Serbia	53.75	81.3558	66.1
	Sierra Leone	3019	4001.4	75.4
	Singapore	2.116	2.0649	102.5
	Solomon Islands	9.102	9.6062	94.8
(***)	Somalia	0	0	0
	South Africa	5.765	9.572	60.2
	South Korea	1422	1248.19	113.9
	Southern Sudan	0	0	0
	Sri Lanka	79.57	149.434	53.2
	Sudan	151	268.605	56.2
	Suriname	1.838	3.72	49.4
	Swaziland	5.46	9.572	57
	Switzerland (Berne)	1.815	1.6544	109.7
	Switzerland (Geneva)	1.817	1.6544	109.8
	Syria	47.11	67.91	69.4
	Taiwan	37.02	44.22	83.7
	Tajikistan	3.097	4.63184	66.9
	Tanzania	1052	1698.56	61.9
	Thailand	29.03	42.859	67.7
	Timor-Leste	0.895	1.3467	66.5
	Togo	586.3	655.957	89.4
(***)	Tonga	0	0	0
	Trinidad and Tobago	5.752	8.41745	68.3
	Tunisia	1.25	1.7483	71.5
	Turkey	1.492	1.7796	83.8
	Uganda	1684	2183.33	77.1
	Ukraine	7.343	6.7877	108.2
	United States (New York)	1.384	1.3467	102.8
	United States (Washington)	1.317	1.3467	97.8
	Uruguay	22.47	32.1794	69.8
(***)	Uzbekistan	0	0	0
	Vanuatu	167.8	136.875	122.6
	Venezuela	1887	2895.41	65.2
	Vietnam	11108	21572	51.5
	West Bank - Gaza Strip	5.239	5.68577	92.1
	Yemen	206.8	267.408	77.3
	Zambia	3325	5130.72	64.8
(***)	Zimbabwe	0	0	0

(\*) EUR 1 = local currency (Cuba, El Salvador, Ecuador = USD).

(\*\*) Brussels = 100%

(\*\*\*) Not available

## TABLE B

PLACE OF EMPLOYMENT	Variation (%) July 2007 against July 2006			
FLACE OF EMPLOYMENT	Economic parity	Exchange rate	Weighting	
Afghanistan	-	-	-	
Albania	-3.75	-0.65	-3	
Algeria	6.23	1.13	5	
Angola	13.43	-0.97	14.5	
Argentina	8.6	7.37	1.2	
Armenia	2.95	-11.88	16.8	
Australia	4.87	-7.35	13.2	
Azerbaijan	-	-	-	
Bangladesh	17.13	6.14	10.3	
Barbados	10.88	7.49	3.2	
Belarus	0	0	0	
Benin	-0.45	0	-0.4	
Bolivia	5.02	6.01	-0.8	
Bosnia and Herzegovina (Banja Luka)	0	0	0	
Bosnia and Herzegovina (Sarajevo)	1.32	0	1.3	
Botswana	-1.52	8.45	-9.2	
Brazil	13.26	-7.39	22.3	
Bulgaria	6.89	0	6.9	
Burkina Faso	1.07	0	1.1	
Burundi	-	-	1.1	
Cambodia	4.7	5.72	-0.9	
Cameroon	-7.38	0	-0.9	
	4.65	1.91		
Canada			2.6	
Cape Verde	4.6	0	-0.8	
Central African Republic				
Chad	-1.34	0	-1.4	
Chile	-4.63	2.2	-6.7	
China	3.37	2.31	0.9	
Colombia	5	-19.19	29.9	
Congo	-0.16	0	-0.2	
Costa Rica	15.98	8.87	6.7	
Côte d'Ivoire	-8.43	0	-8.4	
Croatia	1.81	0.82	0.9	
Cuba	-4.69	7.49	-11.3	
Democratic Republic of Congo	30.45	33.31	-2.2	
Djibouti	4.73	7.49	-2.6	
Dominican Republic	3.54	7.35	-3.6	
Ecuador	-1.58	7.49	-8.5	
Egypt	2.42	5.34	-2.7	
El Salvador	-5.36	7.49	-11.9	
Eritrea	8.01	3.83	3.8	
Ethiopia	15.11	11.77	3	
Fiji	1.84	-1.15	3.1	

Former Yugoslav Republic of Macedonia	2.9	0.08	2.9
Gabon	5.5	0	5.5
Gambia	10.22	1.57	8.4
Georgia	3.78	2.16	1.6
Ghana	-5.56	8.24	-12.8
Guatemala	6.11	8.83	-2.5
Guinea	-9.89	-30.65	30
Guinea-Bissau	0.03	0	0
Guyana	9.97	7.43	2.5
Haiti	5.62	-2.64	8.5
Honduras	0	7.49	-6.9
Hong Kong	1.24	8.16	-6.4
India	10.12	-5.67	16.8
Indonesia (Banda Aceh)	-	-	-
Indonesia (Jakarta)	0.7	4.18	-3.3
Iraq	0	0	0
Israel	0.89	1.06	-0.1
Jamaica	10.92	11.89	-0.9
Japan (Naka)	0.78	13.43	-11.2
Japan (Tokyo)	0.74	13.43	-11.2
Jordan	15.58	7.49	7.5
Kazakhstan (Almaty)	7.76	7.61	0.2
Kazakhstan (Astana)	0	0	0
Kenya	0.74	-4.3	5.3
Kosovo	0	0	0
Kyrgyzstan	11.49	1.41	10
Laos	3.88	-0.28	4.1
Lebanon	1.81	7.49	-5.3
Lesotho	4.62	4.32	0.3
Liberia			0.5
Madagascar	7.85	-9.96	19.8
Malawi	11.04	8.81	2
	0.43	1.07	-0.5
Malaysia			
Mali	-6.84	0	-6.8
Mauritania	-1.36	2.4	-3.5
Mauritius	6.38	8.26	-1.7
Mexico	7.88	1.83	6
Micronesia	0	0	0
Montenegro	-	-	-
Morocco	4.37	1.28	3.1
Mozambique	-99.88	-99.89	12.1
Namibia	3.86	4.32	-0.4
Nepal	12.8	-5.98	19.9
New Caledonia	0.56	0	0.6
New Zealand	2.24	-16.97	23.1
Nicaragua	5.68	12.5	-6.1
Niger	-4.8	0	-4.8
Nigeria	-3	6.67	-9.1
Norway	1.16	0.88	0.2
Pakistan	2.56	5.63	-2.9
Panama	-	-	-
Papua New Guinea	0.03	1.84	-1.7
Paraguay	13.63	-2.14	16.1

Peru	3.09	4.26	-1.1
Philippines	-0.4	-6.96	7
Republic of Moldova	12.27	-0.94	13.3
Romania	3.96	-11.7	17.9
Russia	4	2.34	1.6
Rwanda	11.3	5.72	5.3
Samoa	0	0	0
Saudi Arabia	0.19	5.16	-4.7
Senegal	8.73	0	8.7
Serbia	1.78	-5.94	8.2
Sierra Leone	7.63	7.18	0.4
Singapore	2.12	3.09	-0.9
Solomon Islands	12.68	5.53	6.9
Somalia	-	-	-
South Africa	4.91	4.32	0.5
South Korea	5.1	3.71	1.3
Southern Sudan	0	0	0
Sri Lanka	10.45	14.96	-4
Sudan	6.04	-1.69	7.9
Suriname	1.55	6.74	-4.8
Swaziland	-4.96	4.32	-8.9
Switzerland (Berne)	-	-	-
Switzerland (Geneva)	-0.16	5.75	-5.6
Syria	12.49	6.18	6
Taiwan	0.76	8.22	-6.9
Tajikistan	7.31	12.69	-4.7
Tanzania	13.11	7.42	5.3
Thailand	-0.14	-11.08	12.3
Timor-Leste	_	-	-
Togo	-3.22	0	-3.2
Tonga	-	-	-
Trinidad and Tobago	3.98	7.17	-3
Tunisia	3.65	4.12	-0.4
Turkey	-11.35	-11.53	0.1
Uganda	29.34	-6.9	38.9
Ukraine	11.14	7.51	3.4
United States (New York)	5.41	7.49	-1.9
United States (Washington)	4.61	7.49	-2.7
Uruguay	2.88	7.46	-4.3
Uzbekistan		-	-
Vanuatu	3.13	-3.69	7.1
Venezuela	15.06	7.49	7.1
Vietnam	1.84	7.22	-5
West Bank - Gaza Strip	0.46	1.06	-0.6
Yemen	22.58	8.15	13.3
Zambia	10.17	17.82	-6.5
Zimbabwe	-100	-100	-100

### Proposal for a

#### **COUNCIL REGULATION**

#### laying down the weightings applicable from 1 July 2007 to the remuneration of officials, temporary staff and contract staff of the European Communities serving in third countries and of certain officials remaining in post in the two new Member States for a maximum period of nineteen months after accession

#### THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to the Staff Regulations of officials of the European Communities and the Conditions of Employment of Other Servants of the Communities laid down by Regulation (EEC, Euratom, ECSC) No  $259/68^1$ , as last amended by Regulation (EC, Euratom) No  $2104/2005^2$ , and in particular the first paragraph of Article 13 of Annex X thereto,

Having regard to the Act concerning the conditions of accession of the two new Member States, and in particular Article 27(4) thereof,

Having regard to the proposal from the Commission,

Whereas:

- (1) It is necessary to take account of changes in the cost of living in countries outside the Community and to determine accordingly the weightings applicable from 1 July 2007 to remuneration paid in the currency of the country of employment to officials, temporary staff and contract staff serving in third countries.
- (2) The weightings in respect of which payment has been made on the basis of Regulation (EC, Euratom) No 453/2007<sup>3</sup> may lead to retrospective upward or downward adjustments to remuneration.
- (3) Provision should be made for back-payments in the event of an increase in remuneration as a result of the new weightings.
- (4) Provision should be made for the recovery of sums overpaid in the event of a reduction in remuneration as a result of the new weightings for the period between 1 July 2007 and the date of entry into force of this Regulation.

<sup>&</sup>lt;sup>1</sup> OJ L 56, 4.3.1968, p. 1.

<sup>&</sup>lt;sup>2</sup> OJ L 337, 22.12.2005, p. 7.

<sup>&</sup>lt;sup>3</sup> OJ L 109, 26.4.2007, pp 22-27.

(5) Provision should be made for any such recovery to be restricted to a period of no more than six months preceding the date of entry into force of this Regulation and for its effects to be spread over a period of no more than twelve months following that date, as is the case with the weightings applicable within the European Community to remuneration and pensions of officials and other servants of the European Communities,

### HAS ADOPTED THIS REGULATION:

#### Article 1

With effect from 1 July 2007, the weightings applicable to the remuneration of officials temporary staff and contract staff of the European Communities serving in third countries payable in the currency of the country of employment shall be as shown in the Annex hereto.

The exchange rates used for the calculation of this remuneration shall be established in accordance with the detailed rules for the implementation of the Financial Regulation and correspond to the date of application of the weightings.

#### Article 2

- 1. The institutions shall make back-payments in the event of an increase in remuneration as a result of the weightings shown in the Annex.
- 2. The institutions shall make retrospective downward adjustments to remuneration in the event of a reduction as a result of the weightings shown in the Annex for the period between 1 July 2007 and the date of entry into force of this Regulation.

Retrospective adjustments involving the recovery of sums overpaid shall be restricted to a period of no more than six months preceding the date of entry into force of this Regulation. Recovery shall be spread over no more than twelve months from that date.

## Article 3

This Regulation shall enter into force on the day of its publication in the Official Journal of the European Union.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council The President

# <u>ANNEX</u>

## ANNEX

PLACE OF EMPLOYMENT	Weighting July 2007
Afghanistan	0
Albania	80.2
Algeria	88.7
Angola	130
Argentina	57.1
Armenia	123.5
Australia	112.2
Azerbaijan	(
Bangladesh	48.2
Barbados	129.7
Belarus	(
Benin	91.9
Bolivia	48
Bosnia and Herzegovina (Banja Luka)	(
Bosnia and Herzegovina (Sarajevo)	78.7
Botswana	56.4
Brazil	93.2
Bulgaria	81.7
Burkina Faso	90.7
Burundi	(
Cambodia	69.8
Cameroon	101.9
Canada	93
Cape Verde	80.9
Central African Republic	119.1
Chad	129.4
Chile	71.5
China	77.4
Colombia	82.1
Congo (Brazzaville)	130.2
Costa Rica	73.7
Côte d'Ivoire	100.2
Croatia	106.8
Cuba	86.1
Democratic Republic of Congo (Kinshasa)	129.5
Djibouti	94.3
Dominican Republic	69.3
Ecuador	64.8
Egypt	49.6
El Salvador	76.1
Eritrea	51.3
Ethiopia	88.3
Fiji	73.5
Former Yugoslav Republic of Macedonia	71.7
Gabon	123
Gambia	60.5

Georgia	96.
Ghana	69.
Guatemala	78.
Guinea	73.
Guinea-Bissau	100.
Guyana	62.
Haiti	118.
Honduras	69.
Hong Kong	94.
India	52.
Indonesia (Banda Aceh)	53.
Indonesia (Jakarta)	81.
Iraq	
Israel	109.
Jamaica	90.
Japan (Naka)	10
Japan (Tokyo)	106.
Jordan	77.
Kazakhstan (Almaty)	125.
Kazakhstan (Astana)	71.
Kenya	81.
Kosovo	
Kyrgyzstan	88.
Laos	74.
Lebanon	8
Lesotho	6
Liberia	
Madagascar	86.
Malawi	71.
Malaysia	74.
Mali	
Mauritania	65.
Mauritius	69.
Maunus	
Micronesia	74.
	69.
Montenegro	
Morocco	89.
Mozambique	77.
Namibia	72.
Nepal	82.
New Caledonia	135.
New Zealand	109.
Nicaragua	5
Niger	8
Nigeria	86.
Norway	13
Pakistan	50.
Panama	6
Papua New Guinea	74.
Paraguay	82.
Peru	77.
Philippines	64.
Republic of Moldova	59.

	Romania	73.9
	Russia	122.6
	Rwanda	91.7
(***)	Samoa	0
()	Saudi Arabia	84.6
	Senegal	87.7
	Serbia	66.1
	Sierra Leone	75.4
	Singapore	102.5
	Solomon Islands	94.8
(***)	Somalia	0
(***)	South Africa	60.2
	South Korea	113.9
	South Roled	0
	Sri Lanka	53.2
	Sudan	56.2
	Sutiane	49.4
	Swaziland	57
	Switzerland (Berne)	109.7
	Switzerland (Geneva)	109.7
	Syria	69.4
	Taiwan	83.7
	Tajikistan	66.9
	Tanzania	61.9
	Thailand	
	Timor-Leste	67.7
		66.5
	Togo	89.4
(***)	Tonga	0
	Trinidad and Tobago	68.3
	Tunisia	71.5
	Turkey	83.8
	Uganda	77.1
	Ukraine	108.2
	United States (New York)	102.8
	United States (Washington)	97.8
	Uruguay	69.8
(***)	Uzbekistan	0
	Vanuatu	122.6
	Venezuela	65.2
	Vietnam	51.5
	West Bank - Gaza Strip	92.1
	Yemen	77.3
	Zambia	64.8
(***)	Zimbabwe	0

(\*\*\*) Not available

#### FINANCIAL STATEMENT

#### 1. TITLE OF OPERATION

Proposal for a Council Regulation laying down the weightings applicable from 1 July 2007 to the remuneration of officials, temporary staff and contract staff of the European Communities serving in third countries and of certain officials remaining in post in the two new Member States for a maximum period of nineteen months after accession

#### 2. BUDGET LINE INVOLVED

XX-010102-01

#### 3. LEGAL BASIS

Articles 12 and 13 of Annex X to the Staff Regulations

#### 4. FINANCIAL IMPACT

4.1	Estimated actual expenditure for 2007	€145 600 000 (€12 133 333.33 per month) (1)
4.2	Estimated impact of weightings of July 2007	- €18 596.89 (2)
4.3	Estimated annual expenditure [(2) x 12]	- €223 162.66
4.4	Impact in terms of estimated actual expenditure [(2) : (1)]	- 0.1533 %

This financial impact does not include the impact of the intermediate weightings set monthly by the Commission.