



EUROPEAN COMMISSION

Brussels, 29.6.2010 COM(2010)342 final

2010/0189 (NLE)

Proposal for a

# COUNCIL REGULATION (EU) No .../....

laying down the weightings applicable from 1 July 2009 to the remuneration of officials, temporary staff and contract staff of the European Communities serving in third countries

# EXPLANATORY MEMORANDUM

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

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

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

The most recent weightings, which took effect on 1 July 2008, were laid down by the Council in Regulation (EC) No 613/2009 of 6 July 2009.

The attached proposal sets the weightings applicable from 1 July 2009 to the remuneration of officials, temporary staff and contract staff of the European Communities serving in third countries.

The budgetary impact is minimal: an increase of 85283.51, which makes a difference of only +0.0483% compared with the previous situation. See the <u>Financial Statement</u> provided.

Under Article 64 of the Staff Regulations, the remuneration system for staff serving in countries outside the Union is based on purchasing power parity of remuneration paid in local currency compared to 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 by comparing Brussels and the 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.

The table in the Annex sets out the weightings derived from the parities communicated by Eurostat for July 2009 for all places of employment.

#### 2010/0189 (NLE)

## Proposal for a

# COUNCIL REGULATION (EU) No .../....

## laying down the weightings applicable from 1 July 2009 to the remuneration of officials, temporary staff and contract staff of the European Communities serving in third countries

# THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 336 thereof,

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 Council Regulation (EEC, Euratom, ECSC) No 259/68<sup>1</sup>, and in particular the first paragraph of Article 13 of Annex X thereto,

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 Union and to determine accordingly the weightings applicable from 1 July 2009 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 Council Regulation (EC) No 613/2009<sup>2</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 2009 and the date of entry into force of this Regulation.
- (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,

<sup>&</sup>lt;sup>1</sup> OJ L 56, 4.3.1968, p. 1. Regulation last amended by Regulation (EC) No 160/2009 (OJ L 55, 27.2.2009, p. 1).

<sup>&</sup>lt;sup>2</sup> OJ L 181, 14.7.2009, p. 1.

as is the case with the weightings applicable within the European Union to remuneration and pensions of officials and other servants of the European Communities,

# HAS ADOPTED THIS REGULATION:

#### Article 1

With effect from 1 July 2009, 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 for the calculation of such remuneration shall be established in accordance with the rules for the implementation of the Financial Regulation and shall correspond to the date referred to in the first paragraph.

#### 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 2009 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

PLACE OF EMPLOYMENT	Weighting July 2009			
Afghanistan (***)	0			
South Africa	57.5			
Albania	73.9			
Algeria	76.5			
Former Yugoslav Republic of Macedonia	68.1			
Angola	115.8			
Saudi Arabia	85.2			
Argentina	57.1			
Armenia	68.7			
Australia	102.3			
Azerbaijan	93.7			
Bangladesh	50.8			
Barbados	111			
Belarus	61.5			
Belize	65.9			
Benin	93.1			
Bolivia	58.4			
Bosnia and Herzegovina (Banja Luka)	62.5			
Bosnia and Herzegovina (Sarajevo)	73.2			
Botswana	53.2			
Brazil	87.4			
Burkina Faso	95.8			
Burundi (***)	0			
Cambodia	71.5			
Cameroon	95.6			
Canada	74.6			
Cape Verde	74.0			
Chile	61.9			
China	85.6			
West Bank - Gaza Strip	100.7			
Colombia	76			
Congo (Brazzaville)	118.2			
South Korea	82.8			
Costa Rica	75.1			
Côte d'Ivoire	99.5			
Croatia	99.3			
Cuba Djibouti	83.2			
Egypt	39.2			
El Salvador	70.2			
Ecuador	70.3			
Eritrea	50.1			
United States (New York)	92			
United States (Washington)	87.4			
Ethiopia	83.8			
Gabon	104.4			
Gambia	60.7			

# Annex

Conneia	965
Georgia Ghana	86.5
Guatemala	75.5
	63.5
Guinea (Conakry) Guinea-Bissau	107.7
	59.3
Guyana Haiti	
Honduras	107.4 70.2
Hong Kong Fiji	<u>95</u> 61.9
Solomon Islands	90.3
India	54.5
Indonesia (Jakarta)	74.3
Indonesia (Jakarta)	51.2
Iraq (***)	0
Israel (Tel Aviv)	102.5
Jamaica	
	84.8
Japan (Tokyo) Jordan	
	81.5
Kazakhstan (Almaty)	76.3
Kazakhstan (Astana)	68.1
Kenya	75.1
Kyrgyzstan	85.9
Kosovo (Pristina)	54.6
Laos	85.7
Lesotho	57.3
Lebanon	81.9
Liberia	90.8
Madagascar	83.9
Malaysia	70.1
Malawi	76
Mali	84.9
Morocco	76.1
Mauritius	69.7
Mauritania	61.1
Mexico	65.1
Moldova	64.3
Montenegro	68.1
Mozambique	73.4
Namibia	71.2
Nepal	77.7
Nicaragua	55.5
Niger	85.9
Nigeria	87.5
Norway	125.2
New Caledonia	125.9
New Zealand	86.4
Uganda	63.4
Uzbekistan	50.9
Pakistan	43.9
Panama	57.6
Papua New Guinea	94.2

Paraguay	66.5
Peru	75.1
Philippines	62.7
Central African Republic	106.7
Democratic Republic of the Congo (Kinshasa)	125.3
Dominican Republic	64.4
Russia	97.1
Rwanda	84.6
Samoa	70.5
Senegal	90.3
Serbia (Belgrade)	66.5
Sierra Leone	75.1
Singapore	97.3
Sudan (Khartoum)	52.5
Southern Sudan (Juba)	91.6
Sri Lanka	62.9
Switzerland (Geneva)	109.5
Switzerland (Berne)	109
Suriname	45.9
Swaziland	58.2
Syria	77.1
Tajikistan	56.9
Taiwan	76.6
Tanzania	67.6
Chad	122.8
Thailand	55.6
Timor Leste	67.8
Togo	87.9
Trinidad and Tobago	74.6
Tunisia	68.7
Turkey	76.6
Ukraine	75.1
Uruguay	71.3
Vanuatu	102.2
Venezuela	92.4
Vietnam	47.4
Yemen	66.6
Zambia	49.2
Zimbabwe (***)	0

(\*\*\*) Not available.

# FINANCIAL STATEMENT

# 1. TITLE OF THE PROPOSAL:

Proposal for a Council Regulation laying down the weightings applicable from 1 July 2009 to the remuneration of officials, temporary staff and contract staff of the European Communities serving in third countries.

# 2. BUDGET LINES:

XX-01.01.02-01 and XX-01.02.02-01

# 3. LEGAL BASIS

Articles 12 and 13 of Annex X to the Staff Regulations.

# 4. FINANCIAL IMPACT

4.1	Estimated actual expenditure for 2010 (1)	€176 567 000 (1)
4.2	Estimated impact of weightings from July 2009 to June 2010 (inclusive):	+ €85 283.51 (2)
4.3	Impact in terms of estimated actual expenditure [(2) : (1)]	+ 0.048300623%