

COLLEGE DES PRESIDENTS DES COMITES DU PERSONNEL

Agences européennes - Banque centrale européenne - Banque européenne d'investissement - Centres communs de recherche - Comité des régions de l'Union européenne - Comité économique et social européen -

Commission européenne - Conseil de l'Union européenne - Contrôleur européen de la protection des données - Cour de justice de l'Union européenne - Cour des comptes européenne - Mécanisme européen de stabilité –

Médiateur européen - Organisation européenne pour la sécurité de la navigation aérienne - Parlement européen - Service européen pour l'action extérieure

Terms of Reference:

Initial November CPCP plenary

- *CPCP addresses to CALUX*
- *Should 'benefit' all Institutions and EU bodies based in Lux*
- *Avoid to mention specific solutions to collect the widest possible support by CPCP members therefore, as proposed in CPCP meeting on 25/11/2021 specify 'à Statut Constant'*

Additional/corrective comments collected in January CPCP plenary:

- *Main focus should be on Purchasing Power Parity*
- *Indicate that nothing is really/formally or clearly coming from CALUX that effectively works on solutions*
- *Request to meet to discuss the topic ("clause de rendez-vous")*
- *Eventually mention/link to the Lux medical overcharging*
- *Avoid mentioning the Staff Regulation Revision as this is covered by another CPCP initiative and SR does not concerns all CPCP Institutions and Bodies based in Luxembourg*
- *Addressed to Chefs d'Administration (CCA) and/or presidents of Institutions (to be clarified probably both)*

Additional/corrective comments collected in the March CPCP plenary

- *Addressees: Presidents of the EU Institutions and Bodies based in Luxembourg (EP, Commission, Court of Justice, Court of Auditors, EPPO, Eurocontrol, etc.), CC: CALUX secretariat*
- *First paragraph: take away the reference to other work site*
- *Last phrase: specify which whom CPCP calls a discussion to take place with*
- *New CPCP written procedure two weeks with possibility of active opt-out within that deadline (by default of reaction CPCP members adhere to it)*

Subject: Attractiveness of Luxembourg based EU Institutions and Bodies

The CPCP draws your attention to the increasing deterioration of the Purchasing Power of Staff of EU Institutions and Bodies based in Luxembourg. The difference, are mainly (but not only) due to high real estate prices (buying and renting), and to the regular indexation of the national wages that is not applicable to EU Institutions and Bodies. The gap with national purchasing power (public and private sectors) is growing for almost two decades. It seriously weighs on the recruitment capacities and on the efficiency of EU Institutions and Bodies based in Luxembourg. Indeed this does not only impedes on a proper and sane implementation of their missions but also on their employees career perspectives.

Most of the EU Institutions and Bodies function under the [Staff Regulations](#) (SR) while others work under similar systems. None containing efficient mechanisms ensuring an adequate response to the PP growing discrepancy. It is important to remember that the European Court of

Auditors assessed the actual Staff Regulations very negatively especially in that it has generated substantial economies at the expense of efficiency besides forgetting any decent assessment. This affects Luxembourg even further showing de facto a relative diminution of competent personnel and an increasing proportion of them living across the border, leaving to other EU worksites or even leaving for the national public or private sectors. Both the hiring and the retaining of competent personnel in Luxembourg is at stake.

Several other International Bodies based in Luxembourg have remedy the situation by adapting their income/revenue. EU Institutions and Bodies did not do so, except for some cosmetic actions supporting a few workers under the minimum national wage (and differently for each EU Institutions and Bodies).

The Commission has ordered an external study (AIRINC)^[i] that was submitted on the 26 September 2019. This document presented its methodology, the figures recorded as well as several options to remedy the cost-of-living differential between Luxembourg and Brussels, the other main seat of EU Institutions and Bodies. This study showed significant disparities between the cost of housing in the Luxembourg area and the one in Brussels (which in 2019 was at 10.5%), which the current systems do not cover for. It confirmed the significant problem of purchasing power disparity between these two main Institutions and EU bodies' seats.

The CALUX (Heads of Administrations of EU Institutions and Bodies based in Luxembourg) is working for some time on solutions for which we do not see anything concrete coming. CPCP fears that what would come out is again going to be rather cosmetic.

While recognizing the independence of each Institutions and EU Bodies, whether they function under the SR or not, while welcoming the CALUX involvement in the matter, the CPCP can only insist for a structural and coordinated response to the situation that has to address the ever growing Purchasing Power disparity. That is to our perception the only way to guarantee a proper attractiveness and retaining of competent Staff and thereby the presence of EU Institutions and Bodies in Luxembourg.

The CPCP calls for an exchange with the relevant authorities at the earliest convenience. The CPCP Delegation would typically comprise its members (Staff Committees Presidents) representing Luxembourg based Staff.

^[i] <https://myintracomm.ec.europa.eu/NewsPortal/Documents/2019/study-cost-of%20living-eu-staff-luxembourg-final-report-26-09-2019.pdf>