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COMMISSION STAFF WORKING PAPER

**Eurostat Report on
the 2019 annual update of remuneration and pensions of EU officials**

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

**adjusting with effect from 1 July 2019 the remuneration of active staff and the pensions
of retired staff,**

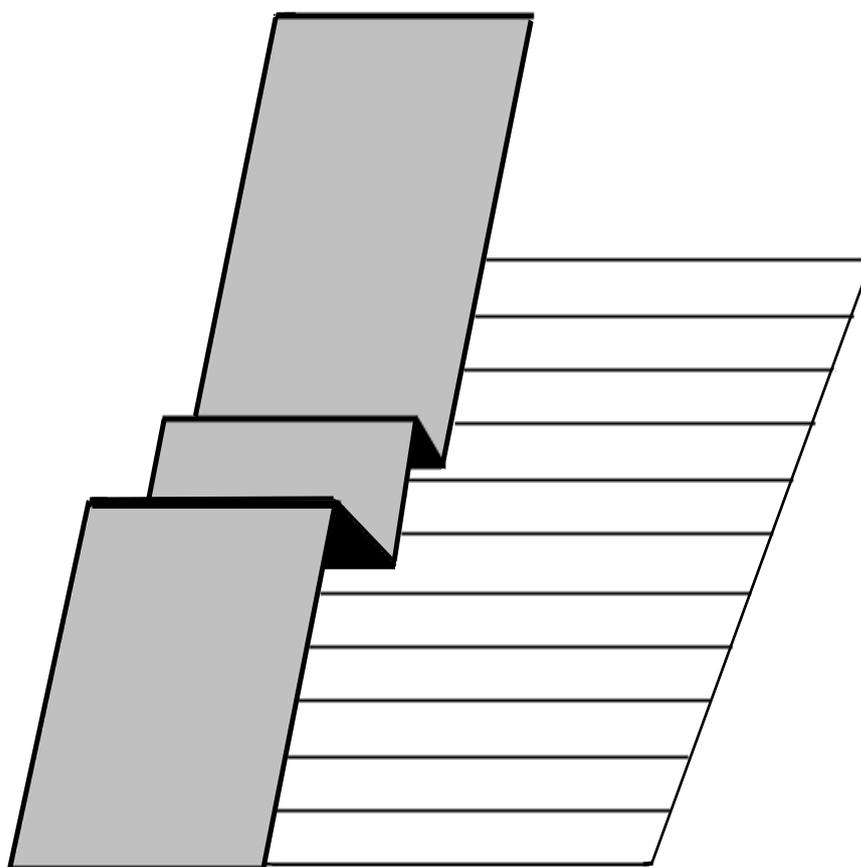
**and updating with effect from 1 July 2019 the correction coefficients applied to the
remuneration of active staff serving in Intra-EU and Extra-EU duty stations, to the
pensions of retired staff according to their country of residence, and for pension
transfers.**

**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 2019**

Main text



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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 2019.

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

Since the previous annual report, an interim report was submitted in April 2019 (Intra-EU staff and pensioners) and April 2019 (Extra-EU staff).

This annual report presents the following information for the period July 2018 – July 2019:

- 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 2018 – July 2019 are provided in **Table 1**.

On this basis, the global specific indicator in real terms (weighted average using percentage share of EU GDP expressed in PPS terms) for the period July 2018 – July 2019 is 100.5 (+0.5%).

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 101.5 (+1.5%). Details are provided in **Table 3**.

As a consequence, the adjustment of the nominal net remuneration of active European officials in Brussels and Luxembourg, and of the nominal pensions of retired 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 +2.0% (102.0).

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 Brussels and Luxembourg with effect from 1 July 2019 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 2019 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 accordance with procedures agreed at the Working Group on Articles 64 & 65 of the Staff Regulations. Data for 7 Member States was compiled in collaboration with the International Service for Remuneration and Pensions of the Coordinated Organisations, following an initial request which was issued in April 2019. Data for the remaining 21 Member States was requested during June 2019. In both cases the target reply deadline for transmission of finalised data was 31 July. In the absence of a completed 2019 remuneration questionnaire, the specific indicator was established by Eurostat using available official data and parameters from alternative sources, or the official forecast figure supplied in March 2019 was used. In the absence of comparative information for 2018, the official forecast figure supplied in March 2019 was used.

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 through collaboration with the International Service for Remuneration and Pensions 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 2019. This is the sixth annual report submitted in accordance with the EU Staff Regulations as amended by Regulation 1023/2013¹.

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 agreements². 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 Luxembourg³.

This annual report⁴ presents the following information for the period July 2018 – July 2019:

- 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 6 of this report examine respectively:

- Evolution of the purchasing power of salaries of national officials in the central governments;
- Comparative information drawn from various sources;

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

³ These include: document A6465/14/26rev2 “Methodology for the calculation of specific indicators and control indicators” (version May 2016); document A6465/14/58rev1 “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 A6465/14/60rev3 “Methodology for the calculation of Extra-EU correction coefficients” (version April 2017).

⁴ Since the previous annual report, an interim report covering Intra-EU staff and pensioners for the period 1 July 2018 - 1 January 2019 was prepared in April 2019 with reference Ares(2019)2829179; an interim report covering Extra-EU staff for the six months August 2018 - January 2019 was prepared in April 2019 with reference Ares(2019)2861624. An interim report covering Extra-EU staff for the five months February 2019 - June 2019 was prepared in October 2019 with reference Ares(2019)6661612.

- Changes in the cost of living in Belgium and Luxembourg;
- Update of remuneration in Brussels and Luxembourg and of pensions in Belgium and Luxembourg;
- Application of moderation and exception clauses.

Chapters 7 to 10 of this report examine respectively:

- Update of remuneration and pensions outside Belgium and Luxembourg;
- 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;
- 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 States⁵. Information about the evolution of purchasing power of national officials was requested in accordance with procedures agreed at the Working Group on Articles 64 & 65 of the Staff Regulations. Data for 7 Member States was compiled in collaboration with the International Service for Remuneration and Pensions of the Coordinated Organisations, following an initial request which was issued in April 2019. Data for the remaining 21 Member States was requested during June 2019. In both cases the target reply deadline for transmission of finalised data was 31 July. In the absence of a completed 2019 remuneration questionnaire, the specific indicator was established by Eurostat using available official data and parameters from alternative sources, or the official forecast figure supplied in March 2019 was used. In the absence of comparative information for 2018, the official forecast figure supplied in March 2019 was used.

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 through collaboration with the International Service for Remuneration and Pensions 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. For any information concerning this report, please contact the Eurostat Remuneration Team in Luxembourg:

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⁵ Important note: a sample of 11 Member States 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 Indicators

For the July 2018 – July 2019 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 11 Member States⁶. Changes in the harmonized indices of consumer prices (inflation rates) during the period June 2018 to June 2019 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 2018 expressed in purchasing power parities.

On this basis, the global specific indicator (average change in real net remuneration) for the year 2019 is 100.5 (+0.5%).

Table 1
Change in the net remuneration of central government civil servants
July 2018 - July 2019

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	3.4	1.3	2.1	0.07
DE	19.6	23.5	2.8	1.5	1.3	0.31
ES	8.3	10.0	2.9	0.6	2.3	0.23
FR	13.6	16.3	0.5	1.4	-0.9	-0.15
IT	11.2	13.4	0.3	0.8	-0.5	-0.06
LU	0.3	0.4	3.0	1.5	1.5	0.01
NL	4.3	5.2	3.5	2.7	0.8	0.04
AT	2.2	2.6	2.5	1.6	0.9	0.02
PL	5.3	6.4	0.8	2.3	-1.5	-0.10
SE	2.4	2.9	3.8	1.6	2.2	0.06
UK	13.5	16.2	2.6	2.0	0.6	0.10
Total	83.3	100.0	2.0	1.5	0.5	0.5

¹ Basis: GDP expressed in PPP, 2018

⁶ Information for the EU28 is included in Appendix 1a.

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. Control indicators are provided for comparison with the gross specific indicator in real and nominal terms.

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 numbers⁷). 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 2019 with the control indicator (compensation of employees) for the calendar year 2019, where the respective values for 2018 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 2019 is 101.7 (+1.7%).

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 of the movement in total labour cost in public administrations of the Member States (NACE group 'O') is also calculated. 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 2019 with the control indicator (labour cost index) for calendar year 2019, where the respective values for 2018 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 2019 is 102.5 (+2.5%).

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 2019 (2018 = 100)	Control indicator * 2019 (2018= 100)	Difference (%)
BE	100.7	99.6	-1.0
DE	101.5	102.6	1.1
ES	102.7	103.6	0.9
FR	99.2	100.3	1.1
IT	99.8	103.0	3.2
LU	101.8	107.3	5.4
NL	100.3	102.6	2.3
AT	101.4	101.1	-0.3
PL	98.4	101.0	2.6
SE	101.4	102.6	1.2
UK	101.4	99.7	-1.6
Total	100.7	101.7	1.0

* Compensation of employees in central government: Eurostat estimates.

Table 2b**Comparison of the gross specific indicator and the control indicator in nominal terms**

Country	Nominal gross specific indicator 2019 (2018 = 100)	Control indicator * 2019 (2018 = 100)	Difference (%)
BE	102.0	101.9	-0.1
DE	103.0	102.0	-0.9
ES	103.3	100.6	-2.6
FR	100.6	:	:
IT	100.6	104.5	3.9
LU	103.3	102.6	-0.7
NL	103.0	101.1	-1.9
AT	103.0	101.3	-1.7
PL	100.7	105.2	4.5
SE	103.0	102.7	-0.3
UK	103.4	102.3	-1.1
Total	102.2	102.5	0.3

* Labour Cost Index: Eurostat estimates.

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

For the July 2018 – July 2019 exercise Eurostat has calculated the Joint Belgium-Luxembourg Index ("JBLI") 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 Brussels and in Luxembourg was 81.1% : 18.9%. This represents the same ratio as for the previous year.

The detailed breakdown of this index corresponding to the 2019 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 2018 – June 2019 has increased, on average by 101.5 (+1.5%).

Table 3
Change in the Joint Belgium-Luxembourg Index
June 2018 - June 2019

Groups of consumption	Weight	Index
1. Food and non-alcoholic beverages	128.2	101.00
2. Alcoholic beverages and tobacco	20.3	101.40
3. Clothing and footwear	54.3	100.60
4. Housing, water, electricity, gas and other fuels	297.6	100.90
5. Furnishings, household equipment and maintenance of house	74.7	100.90
6. Health	19.2	101.20
7. Transport	127.2	102.70
8. Communications	21.5	100.70
9. Recreation and culture	91.7	101.40
10. Education	14.7	102.80
11. Hotels, cafes and restaurants	100.6	103.40
12. Miscellaneous goods and services	50.0	102.10
Global index without rents	762.9	101.60
Rents index	237.1	101.20
Global index	1000.0	101.50

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 Brussels and Luxembourg with effect from July 2019, which is necessary to maintain a parallel development of purchasing power with the civil servants in the Member States, is equal to:

Annual update

$$\frac{100.5 \times 101.5}{100} - 100 = 2.0\%$$

The same adjustment applies to the nominal pensions of retired EU officials in Belgium and Luxembourg.

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 global 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 2019.

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*
$0\% \leq X$	100%	0%	0%
$-1.0\% \leq X < 0\%$	33%	67%	0%
$-3.0\% \leq X < -1.0\%$	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 10 July 2019 estimated that the GDP growth for the EU as a whole for 2019 in real terms will be +1.4%, and stable in 2020 at +1.6%⁸. Subject to the possible impact of UK withdrawal from the EU, these growth forecasts are not expected to change significantly in the Autumn Economic Forecast.

As GDP for the EU in real terms is not forecasted to be negative, then the exception clause does not apply. Consequently, the full calculated value of the proposed update should be used with effect from 1 July 2019.

In accordance with Article 11 of Annex XI to the Staff regulations, if there is a gap between the forecast used in the Annual Report for the previous year and the final GDP data for that calendar year, which would modify the original assessment whether the exception clause should have applied, a retroactive adjustment should take place.

The published real GDP growth rate (percentage change on previous year) for the EU as a whole for calendar year 2018 is +2.0%⁹. This confirms the positive GDP forecast which was used in the previous Annual Report. Consequently, no retroactive correction is required at 1 July 2018.

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 Luxembourg.

⁸ https://ec.europa.eu/info/publications/european-economic-forecast-summer-2019_en

⁹ Source: Eurostat Free Data Table tec00115 (extracted 21.10.2019)

8. CORRECTION COEFFICIENTS FOR STAFF OUTSIDE BELGIUM AND LUXEMBOURG IN INTRA-EU DUTY STATIONS¹⁰

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 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 patterns 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 2019.

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 2019 for places of employment situated in the European Union territory for which correction coefficients have been set.

¹⁰ 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.

Table 4

**Changes in the economic parities in the twelve months to 1st July 2019
(for staff)**

Country Place of employment	Parity 1.7.2018	Parity 1.7.2019	Change (%)	Implicit price index
BE/LU Brussels/Luxembourg	1.000	1.000	0.0	1.5
BG Sofia	1.080	1.124	4.0	5.6
CZ Prague	21.57	21.74	0.8	2.3
DK Copenhagen	9.830	9.648	-1.9	-0.4
DE Berlin	0.993	0.994	0.1	1.6
Bonn	0.956	0.951	-0.5	1.0
Karlsruhe	0.967	0.965	-0.3	1.2
Munich	1.100	1.103	0.3	1.8
EE Tallinn	0.822	0.833	1.3	2.8
IE Dublin	1.177	1.192	1.3	2.8
EL Athens	0.818	0.818	0.1	1.6
ES Madrid	0.917	0.916	-0.1	1.4
FR Paris	1.167	1.177	0.8	2.3
HR Zagreb	5.638	5.612	-0.5	1.0
IT Rome	0.965	0.952	-1.3	0.2
Varese	0.909	0.900	-0.9	0.5
CY Nicosia	0.779	0.789	1.3	2.9
LV Riga	0.777	0.786	1.3	2.8
LT Vilnius	0.736	0.751	2.0	3.5
HU Budapest	236.0	243.8	3.3	4.8
MT Valletta	0.902	0.920	2.0	3.5
NL The Hague	1.099	1.115	1.4	2.9
AT Vienna	1.063	1.060	-0.3	1.2
PL Warsaw	2.993	3.023	1.0	2.5
PT Lisbon	0.857	0.886	3.4	4.9
RO Bucharest	2.983	3.082	3.3	4.8
SI Ljubljana	0.846	0.846	0.0	1.5
SK Bratislava	0.785	0.790	0.6	2.1
FI Helsinki	1.185	1.181	-0.4	1.1
SE Stockholm	12.71	12.71	0.0	1.5
UK London	1.192	1.188	-0.4	1.1
Culham	0.9081	0.9118	0.4	1.9

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

Table 5
Calculation of correction coefficients at 1st July 2019
(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	1.124	1.956	57.5
CZ Prague	21.74	25.43	85.5
DK Copenhagen	9.648	7.464	129.3
DE Berlin	0.994	1.000	99.4
Bonn	0.951	1.000	95.1
Karlsruhe	0.965	1.000	96.5
Munich	1.103	1.000	110.3
EE Tallinn	0.833	1.000	83.3
IE Dublin	1.192	1.000	119.2
EL Athens	0.818	1.000	81.8
ES Madrid	0.916	1.000	91.6
FR Paris	1.177	1.000	117.7
HR Zagreb	5.612	7.396	75.9
IT Rome	0.952	1.000	95.2
Varese	0.900	1.000	90.0
CY Nicosia	0.789	1.000	78.9
LV Riga	0.786	1.000	78.6
LT Vilnius	0.751	1.000	75.1
HU Budapest	243.8	323.6	75.3
MT Valletta	0.920	1.000	92.0
NL The Hague	1.115	1.000	111.5
AT Vienna	1.060	1.000	106.0
PL Warsaw	3.023	4.252	71.1
PT Lisbon	0.886	1.000	88.6
RO Bucharest	3.082	4.722	65.3
SI Ljubljana	0.846	1.000	84.6
SK Bratislava	0.790	1.000	79.0
FI Helsinki	1.181	1.000	118.1
SE Stockholm	12.71	10.55	120.5
UK London	1.188	0.8943	132.9
Culham	0.9118	0.8943	102.0

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 staff¹¹. 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 2019.

Table 7 shows the correction coefficients calculated for pensioners for all Member States (relative to Belgium) at July 2019.

¹¹ This requirement was first introduced by Council Regulation 723/2004

Table 6
Changes in the economic parities in the twelve months to 1st July 2019
(for pensioners)

Country	Parity 1.7.2018	Parity 1.7.2019	Change (%)	Implicit price index
BE/LU	1.000	1.000	0.0	1.5
BG	1.044	1.090	4.4	6.0
CZ	18.78	18.82	0.2	1.7
DK	10.04	9.865	-1.7	-0.2
DE	1.004	1.005	0.1	1.6
EE	0.841	0.860	2.3	3.8
IE	1.194	1.233	3.3	4.8
EL	0.794	0.790	-0.5	1.0
ES	0.906	0.892	-1.5	0.0
FR	1.089	1.100	1.0	2.5
HR	5.019	4.974	-0.9	0.6
IT	0.954	0.955	0.1	1.6
CY	0.820	0.824	0.4	1.9
LV	0.704	0.731	3.9	5.4
LT	0.663	0.677	2.2	3.7
HU	199.3	207.2	4.0	5.5
MT	0.927	0.953	2.9	4.4
NL	1.087	1.113	2.3	3.9
AT	1.077	1.082	0.4	1.9
PL	2.540	2.584	1.7	3.3
PT	0.855	0.867	1.4	2.9
RO	2.555	2.641	3.4	4.9
SI	0.819	0.822	0.4	1.9
SK	0.683	0.692	1.4	2.9
FI	1.183	1.203	1.7	3.2
SE	11.56	11.66	0.9	2.4
UK	1.082	1.085	0.3	1.8

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

Table 7
Calculation of correction coefficients at 1st July 2019
(for pensioners)

Country	Parity [1]	Exchange rate [2]	Correction coefficient 100 * [1] / [2]
BE/LU	1.000	1.000	100.0
BG	1.090	1.956	55.7
CZ	18.82	25.43	74.0
DK	9.865	7.464	132.2
DE	1.005	1.000	100.5
EE	0.860	1.000	86.0
IE	1.233	1.000	123.3
EL	0.790	1.000	79.0
ES	0.892	1.000	89.2
FR	1.100	1.000	110.0
HR	4.974	7.396	67.3
IT	0.955	1.000	95.5
CY	0.824	1.000	82.4
LV	0.731	1.000	73.1
LT	0.677	1.000	67.7
HU	207.2	323.6	64.0
MT	0.953	1.000	95.3
NL	1.113	1.000	111.3
AT	1.082	1.000	108.2
PL	2.584	4.252	60.8
PT	0.867	1.000	86.7
RO	2.641	4.722	55.9
SI	0.822	1.000	82.2
SK	0.692	1.000	69.2
FI	1.203	1.000	120.3
SE	11.66	10.55	110.5
UK	1.085	0.8943	121.4

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 Union¹².

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 these¹³. Price data for remaining consumption items is taken from “place-to-place” (P2P) surveys undertaken in collaboration with the United Nations International Civil Service Commission (UN.ICSC) and the International Service for Remuneration and Pensions of the Coordinated Organisations (CO.ISRP). This data 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 145¹⁴ Extra-EU 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 2019.

Table 9 shows the correction coefficients for all extra-EU duty stations (relative to Brussels) calculated at July 2019.

¹² This requirement was first introduced by Council Regulation 3019/87

¹³ With effect from 2016, education and healthcare prices and consumption expenditure are taken into account when available. 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).

¹⁴ No Extra-EU duty station added or deleted since July 2018.

Table 8 (page 1 of 3)

**Changes in the economic parities in the 12 months to 1st July 2019
(for staff serving in Extra-EU delegations)**

Place of employment			Economic Parities	Economic Parities	CHANGE (in %)	Implicit Index	
Code		Country	City	Jul-2019	Jul-2018	Jul-2019 - Jul-2018	Jul-2019 - Jul-2018
BE	(1)	Belgium / Luxembourg	Brussels / Luxembourg	1.000	1.000	0.0	1.5
AF	(5)	Afghanistan	Kabul	0	0		
AL	(9)	Albania	Tirana	77.27	78.54	-1.6	-0.1
DZ		Algeria	Algiers	87.59	86.48	1.3	2.8
AO		Angola	Luanda	398.2	343.4	16.0	17.7
AR		Argentina	Buenos Aires	23.65	14.93	58.4	60.8
AM		Armenia	Yerevan	409.9	427.0	-4.0	-2.6
AU	(7)	Australia	Canberra	1.544	1.565	-1.3	0.1
AZ		Azerbaijan	Baku	1.680	1.420	18.3	20.1
BD		Bangladesh	Dhaka	79.94	81.53	-2.0	-0.5
BB		Barbados	Bridgetown	2.371	2.424	-2.2	-0.7
BY		Belarus	Minsk	1.883	1.795	4.9	6.5
BZ		Belize	Belize (Belmopan)	1.779	1.810	-1.7	-0.2
BJ	(3)	Benin	Cotonou	506.1	566.9	-10.7	-9.4
BO		Bolivia	La Paz	6.563	6.558	0.1	1.6
BA-BL	(5)(9)	Bosnia and Herzegovina	Banja Luka	0	0		
BA-SA	(9)	Bosnia and Herzegovina	Sarajevo	1.204	1.261	-4.5	-3.1
BW		Botswana	Gaberone	8.008	8.563	-6.5	-5.1
BR		Brazil	Brasilia	3.165	3.085	2.6	4.1
BF	(3)	Burkina Faso	Ouagadougou	608.1	623.2	-2.4	-1.0
BI	(6)	Burundi	Bujumbura	1755	1744	0.6	2.1
KH		Cambodia	Phnom Penh	3542	3548	-0.2	1.3
CM	(3)(6)	Cameroon	Yaounde	557.9	515.6	8.2	9.8
CA	(7)	Canada	Ottawa	1.412	1.416	-0.3	1.2
CV		Cape Verde	Praia	77.75	77.87	-0.2	1.3
CF	(3)	Central African Republic	Bangui	717.1	736.4	-2.6	-1.2
TD	(3)	Chad	Ndjamena	559.4	575.2	-2.7	-1.3
CL		Chile	Santiago	658.1	652.5	0.9	2.4
CN		China	Beijing	6.606	6.979	-5.3	-3.9
CO		Colombia	Bogota	2222	2198	1.1	2.6
KM		Comoros	Moroni	368.6	382.6	-3.7	-2.2
CG	(3)(6)	Congo	Brazzaville	782.5	769.4	1.7	3.2
CR		Costa Rica	San Jose	483.5	479.7	0.8	2.3
CU	(2)	Cuba	Havana	0.9512	0.9105	4.5	6.0
CD	(6)	Democratic Republic of the Congo	Kinshasa	1978	2755	-28.2	-27.1
DJ		Djibouti	Djibouti	175.5	175.1	0.2	1.7
DO		Dominican Republic	Santo Domingo	32.24	35.17	-8.3	-7.0
EC	(2)	Ecuador	Quito	0.8419	0.8473	-0.6	0.9
EG		Egypt	Cairo	14.42	11.09	30.0	32.0
SV	(2)	El Salvador	San Salvador	0.7978	0.8081	-1.3	0.2
ER		Eritrea	Asmara	20.37	18.97	7.4	9.0
SZ		eSwatini	Mbabane	10.25	10.25	0.0	1.5
ET		Ethiopia	Addis Ababa	30.17	21.49	40.4	42.5
FJ		Fiji	Suva	1.799	1.812	-0.7	0.8
GA	(3)	Gabon	Libreville	678.7	734.2	-7.6	-6.2
GM		Gambia	Banjul	35.53	38.25	-7.1	-5.7
GE		Georgia	Tbilisi	1.976	1.778	11.1	12.8
GH	(6)	Ghana	Accra	5.010	4.021	24.6	26.5
GT		Guatemala	Guatemala City	7.450	7.385	0.9	2.4
GN		Guinea	Conakry	9482	8609	10.1	11.8
GW	(3)	Guinea-Bissau	Bissau	498.7	486.1	2.6	4.1
GY		Guyana	Georgetown	169.2	181.1	-6.6	-5.2

Table 8 (page 2 of 3)

**Changes in the economic parities in the 12 months to 1st July 2019 ponc
(for staff serving in Extra-EU delegations)**

Place of employment				Economic Parities	Economic Parities	CHANGE (in %)	Implicit Index
Code		Country	City	Jul-2019	Jul-2018	Jul-2019 - Jul-2018	Jul-2019 - Jul-2018
HT		Haiti	Port-au-Prince	82.64	70.90	16.6	18.3
HN		Honduras	Tegucigalpa	19.54	18.88	3.5	5.0
HK		Hong Kong	Hong Kong	10.12	10.16	-0.4	1.1
IS	(8)	Iceland	Reykjavik	176.9	179.4	-1.4	0.1
IN		India	New Delhi	59.22	58.04	2.0	3.6
ID-AC	(5)	Indonesia	Banda Aceh	0	0		
ID-JK		Indonesia	Jakarta	11299	11882	-4.9	-3.5
IR	(5)	Iran	Teheran	0	0		
IQ	(5)	Iraq	Baghdad	0	0		
IL		Israel	Tel-Aviv	4.323	4.362	-0.9	0.6
CI	(3) (6)	Ivory Coast	Abidjan	587.9	627.1	-6.3	-4.8
JM		Jamaica	Kingston	119.2	117.9	1.1	2.6
JP	(7)	Japan	Tokyo	124.1	125.2	-0.9	0.6
JO		Jordan	Amman	0.8007	0.8170	-2.0	-0.5
KZ		Kazakhstan	Nur-Sultan	265.0	255.7	3.6	5.2
KE		Kenya	Nairobi	98.21	93.01	5.6	7.2
XK	(4)	Kosovo	Pristina	0.7015	0.6959	0.8	2.3
KG		Kyrgyzstan	Bichkek	55.71	56.85	-2.0	-0.5
LA		Laos	Vientiane	7658	7727	-0.9	0.6
LB		Lebanon	Beirut	1671	1716	-2.6	-1.2
LS		Lesotho	Maseru	10.44	9.922	5.2	6.8
LR	(2) (6)	Liberia	Monrovia	2.190	1.961	11.7	13.4
LY	(5)	Libya	Tripoli	0	0		
MG		Madagascar	Antananarivo	3308	3166	4.5	6.1
MW		Malawi	Lilongwe	474.8	492.9	-3.7	-2.2
MY		Malaysia	Kuala Lumpur	2.986	3.173	-5.9	-4.5
ML	(3)	Mali	Bamako	483.8	577.7	-16.3	-15.0
MR		Mauritania	Nouakchott	29.26	28.71	1.9	3.4
MU		Mauritius	Port Louis	28.63	28.83	-0.7	0.8
MX	(7)	Mexico	Mexico City	13.39	12.82	4.4	6.0
MD		Moldova	Chisinau	13.31	13.09	1.7	3.2
MN		Mongolia	Ulan Bator	2051	1919	6.9	8.5
ME	(4) (9)	Montenegro	Podgorica	0.6288	0.6388	-1.6	-0.1
MA		Morocco	Rabat	7.754	7.750	0.1	1.6
MZ		Mozambique	Maputo	55.54	54.01	2.8	4.4
MM		Myanmar	Yangon	1088	1014	7.3	8.9
NA		Namibia	Windhoek	12.50	10.94	14.3	16.0
NP		Nepal	Kathmandu	113.5	118.9	-4.5	-3.1
NC		New Caledonia	NouMea	127.7	128.8	-0.9	0.6
NZ	(7)	New Zealand	Wellington	1.632	1.582	3.2	4.7
NI		Nicaragua	Managua	28.94	27.46	5.4	7.0
NE	(3)	Niger	Niamey	488.8	499.7	-2.2	-0.7
NG		Nigeria	Abuja	307.1	282.6	8.7	10.3
MK	(9)	North Macedonia	Skopje	32.08	32.60	-1.6	-0.1
NO	(8)	Norway	Oslo	12.51	12.38	1.1	2.6
PK		Pakistan	Islamabad	77.88	72.04	8.1	9.7
PA	(2)	Panama	Panama City	0.9641	0.8612	11.9	13.6
PG		Papua New Guinea	Port Moresby	3.485	3.362	3.7	5.2
PY		Paraguay	Asuncion	4146	4054	2.3	3.8
PE		Peru	Lima	3.284	3.249	1.1	2.6
PH	(6)	Philippines	Manilla	51.90	45.64	13.7	15.4
RU		Russia	Moscow	72.29	69.50	4.0	5.6
RW		Rwanda	Kigali	812.0	813.0	-0.1	1.4

Table 8 (page 3 of 3)

**Changes in the economic parities in the 12 months to 1st July 2019
(for staff serving in Extra-EU delegations)**

Place of employment				Economic Parities	Economic Parities	CHANGE (in %)	Implicit Index
Code		Country	City	Jul-2019	Jul-2018	Jul-2019 - Jul-2018	Jul-2019 - Jul-2018
WS		Samoa	Apia	2.184	2.221	-1.7	-0.2
SA		Saudi Arabia	Riyadh	3.695	3.805	-2.9	-1.4
SN	(3)	Senegal	Dakar	625.2	654.0	-4.4	-3.0
RS	(9)	Serbia	Belgrade	64.58	64.13	0.7	2.2
SL		Sierra Leone	Freetown	9759	8316	17.4	19.1
SG		Singapore	Singapore	1.906	1.918	-0.6	0.9
SB		Somalia	Mogadishu	9.738	9.984	-2.5	-1.0
SO	(5)	Somalia	Mogadishu	0	0		
ZA		South Africa	Pretoria	9.058	8.944	1.3	2.8
KR	(7)	South Korea	Seoul	1242	1216	2.1	3.7
SS		South-Sudan	Juba	366.5	261.0	40.4	42.5
LK		Sri Lanka	Colombo	156.4	149.6	4.5	6.1
SD		Sudan	Khartoum	34.97	26.14	33.8	35.8
SR		Suriname	Paramaribo	5.806	5.501	5.5	7.1
CH-BE	(8)	Switzerland	Bern	1.412	1.398	1.0	2.5
CH-GE	(8)	Switzerland	Geneva	1.412	1.398	1.0	2.5
SY	(5)	Syria	Damascus	0	0		
TW		Taiwan	Taipei	28.61	28.73	-0.4	1.1
TJ	(6)	Tajikistan	Duschanbe	5.765	5.192	11.0	12.7
TZ		Tanzania	Dar es Salaam	1977	2086	-5.2	-3.8
TH		Thailand	Bangkok	28.68	30.48	-5.9	-4.5
TP	(2)	Timor Leste	Dili	0.9008	0.9682	-7.0	-5.6
TG	(3)	Togo	Lome	519.1	514.5	0.9	2.4
TT		Trinidad and Tobago	Port-of-Spain	5.955	5.994	-0.7	0.8
TN		Tunisia	Tunis	2.132	2.009	6.1	7.7
TR	(8)	Turkey	Ankara	3.332	2.944	13.2	14.9
TM		Turkmenistan	Ashkhabad	4.472	3.398	31.6	33.6
UG		Uganda	Kampala	2681	2711	-1.1	0.4
UA		Ukraine	Kiev	24.45	24.01	1.8	3.4
AE		United Arab Emirates	Abu Dhabi	4.179	4.130	1.2	2.7
US-NY		United States	New York	1.165	1.171	-0.5	1.0
US-WA	(7)	United States	Washington	0.9866	1.018	-3.1	-1.6
UY		Uruguay	Montevideo	34.94	32.81	6.5	8.1
UZ	(6)	Uzbekistan	Tachkent	4701	3548	32.5	34.5
VU		Vanuatu	Port Vila	129.5	129.6	-0.1	1.4
VE	(5)	Venezuela	Caracas	0	0		
VN	(6)	Vietnam	Hanoi	16570	15340	8.0	9.6
PS-GZA		West Bank — Gaza Strip	East Jerusalem	4.323	4.362	-0.9	0.6
YE	(5)	Yemen	Sana a	0	0		
ZM		Zambia	Lusaka	9.135	8.634	5.8	7.4
ZW	(2)	Zimbabwe	Harare	1.310	0.9861	32.8	34.8

In the table above:

- (1) Figures are stated relative to Brussels, ie. Brussels PPP = 1, ER = 1, CC = 100%
- (2) 1 euro = USD (7 Duty Station(s) : Cuba, Ecuador, El Salvador, Liberia, Panama, Timor Leste, Zimbabwe)
- (3) 1 euro = CFA (13 Duty Station(s) : Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Congo, Gabon, Guinea-Bissau, Ivory Coast, Mali, Niger, Senegal, Togo)
- (4) Currency = Euro (2 Duty Station(s) : Kosovo, Montenegro)
- (5) Not available (10 Duty Station(s) : Afghanistan, Bosnia and Herzegovina (Banja Luka), Indonesia (Banda Aceh), Iran, Iraq, Libya, Somalia, Syria, Venezuela, Yemen)
- (6) UN P2P processed (11 Duty Station(s): Burundi, Cameroon, Rep Congo, Dem Rep of the Congo, Ghana, Ivory Coast, Liberia, Philippines, Tajikistan, Uzbekistan, Vietnam)
- (7) ISRP PPP processed (7 Duty Station(s) : Australia, Canada, Japan, Mexico, New Zealand, South Korea, United States (Washington))
- (8) ECP PPP processed (5 Duty Station(s): Iceland, Norway, Switzerland (Bern, Geneva), Turkey)
- (9) ECP Balkan Duty stations (6 Duty Station(s) : Albania, Bosnia and Herzegovina (Banja Luka, Sarajevo), North Macedonia, Montenegro, Serbia)

Table 9 (page 1 of 3)

**Calculation of correction coefficients at 1st July 2019
(for staff serving in Extra-EU delegations)**

Code	Country	City	Parity	Exchange rate	Correction coefficients
			[1]	[2]	100 * [1] / [2]
BE	⁽¹⁾ Belgium / Luxembourg	Brussels / Luxembourg	1.000	1.00000	100.0
AF	⁽⁵⁾ Afghanistan	Kabul	0	0	0
AL	⁽⁹⁾ Albania	Tirana	77.27	121.820	63.4
DZ	Algeria	Algiers	87.59	135.123	64.8
AO	Angola	Luanda	398.2	387.638	102.7
AR	Argentina	Buenos Aires	23.65	48.2543	49.0
AM	Armenia	Yerevan	409.9	544.320	75.3
AU	⁽⁷⁾ Australia	Canberra	1.544	1.62510	95.0
AZ	Azerbaijan	Baku	1.680	1.93290	86.9
BD	Bangladesh	Dhaka	79.94	96.0765	83.2
BB	Barbados	Bridgetown	2.371	2.28618	103.7
BY	Belarus	Minsk	1.883	2.31690	81.3
BZ	Belize	Belize (Belmopan)	1.779	2.27400	78.2
BJ	⁽³⁾ Benin	Cotonou	506.1	655.957	77.2
BO	Bolivia	La Paz	6.563	7.85667	83.5
BA-BL	^{(5) (9)} Bosnia and Herzegovina	Banja Luka	0	0	0
BA-SA	⁽⁹⁾ Bosnia and Herzegovina	Sarajevo	1.204	1.95583	61.6
BW	Botswana	Gaberone	8.008	12.1359	66.0
BR	Brazil	Brasilia	3.165	4.38680	72.1
BF	⁽³⁾ Burkina Faso	Ouagadougou	608.1	655.957	92.7
BI	⁽⁶⁾ Burundi	Bujumbura	1755	2101.66	83.5
KH	Cambodia	Phnom Penh	3542	4656.00	76.1
CM	^{(3) (6)} Cameroon	Yaounde	557.9	655.957	85.1
CA	⁽⁷⁾ Canada	Ottawa	1.412	1.49280	94.6
CV	Cape Verde	Praia	77.75	110.265	70.5
CF	⁽³⁾ Central African Republic	Bangui	717.1	655.957	109.3
TD	⁽³⁾ Chad	Ndjamena	559.4	655.957	85.3
CL	Chile	Santiago	658.1	775.786	84.8
CN	China	Beijing	6.606	7.81990	84.5
CO	Colombia	Bogota	2222	3628.36	61.2
KM	Comoros	Moroni	368.6	491.968	74.9
CG	^{(3) (6)} Congo	Brazzaville	782.5	655.957	119.3
CR	Costa Rica	San Jose	483.5	664.571	72.8
CU	⁽²⁾ Cuba	Havana	0.9512	1.13700	83.7
CD	⁽⁶⁾ Democratic Republic of the Congo	Kinshasa	1978	1859.06	106.4
DJ	Djibouti	Djibouti	175.5	202.068	86.9
DO	Dominican Republic	Santo Domingo	32.24	57.7476	55.8
EC	⁽²⁾ Ecuador	Quito	0.8419	1.13700	74.0
EG	Egypt	Cairo	14.42	19.0314	75.8
SV	⁽²⁾ El Salvador	San Salvador	0.7978	1.13700	70.2
ER	Eritrea	Asmara	20.37	17.4046	117.0
SZ	eSwatini	Mbabane	10.25	16.0893	63.7
ET	Ethiopia	Addis Ababa	30.17	32.8448	91.9
FJ	Fiji	Suva	1.799	2.45459	73.3
GA	⁽³⁾ Gabon	Libreville	678.7	655.957	103.5
GM	Gambia	Banjul	35.53	56.2300	63.2
GE	Georgia	Tbilisi	1.976	3.18380	62.1
GH	⁽⁶⁾ Ghana	Accra	5.010	5.98255	83.7
GT	Guatemala	Guatemala City	7.450	8.76521	85.0
GN	Guinea	Conakry	9482	10359.8	91.5
GW	⁽³⁾ Guinea-Bissau	Bissau	498.7	655.957	76.0
GY	Guyana	Georgetown	169.2	238.385	71.0

Table 9 (page 2 of 3)

**Calculation of correction coefficients at 1st July 2019
(for staff serving in Extra-EU delegations)**

Code	Country	City	Parity	Exchange rate	Correction coefficients
			[1]	[2]	100 * [1] / [2]
HT	Haiti	Port-au-Prince	82.64	105.839	78.1
HN	Honduras	Tegucigalpa	19.54	27.8690	70.1
HK	Hong Kong	Hong Kong	10.12	8.88360	113.9
IS	⁽⁸⁾ Iceland	Reykjavik	176.9	141.700	124.8
IN	India	New Delhi	59.22	78.5675	75.4
ID-AC	⁽⁵⁾ Indonesia	Banda Aceh	0	0	0
ID-JK	Indonesia	Jakarta	11299	16077.2	70.3
IR	⁽⁵⁾ Iran	Teheran	0	0	0
IQ	⁽⁵⁾ Iraq	Baghdad	0	0	0
IL	Israel	Tel-Aviv	4.323	4.07590	106.1
CI	^{(3) (6)} Ivory Coast	Abidjan	587.9	655.957	89.6
JM	Jamaica	Kingston	119.2	144.585	82.4
JP	⁽⁷⁾ Japan	Tokyo	124.1	122.640	101.2
JO	Jordan	Amman	0.8007	0.806130	99.3
KZ	Kazakhstan	Nur-Sultan	265.0	431.050	61.5
KE	Kenya	Nairobi	98.21	116.014	84.7
XK	⁽⁴⁾ Kosovo	Pristina	0.7015	1.00000	70.2
KG	Kyrgyzstan	Bichkek	55.71	79.0348	70.5
LA	Laos	Vientiane	7658	9872.50	77.6
LB	Lebanon	Beirut	1671	1714.03	97.5
LS	Lesotho	Maseru	10.44	16.0893	64.9
LR	^{(2) (6)} Liberia	Monrovia	2.190	1.13700	192.6
LY	⁽⁵⁾ Libya	Tripoli	0	0	0
MG	Madagascar	Antananarivo	3308	4091.11	80.9
MW	Malawi	Lilongwe	474.8	885.644	53.6
MY	Malaysia	Kuala Lumpur	2.986	4.71170	63.4
ML	⁽³⁾ Mali	Bamako	483.8	655.957	73.8
MR	Mauritania	Nouakchott	29.26	41.9150	69.8
MU	Mauritius	Port Louis	28.63	40.3618	70.9
MX	⁽⁷⁾ Mexico	Mexico City	13.39	21.7397	61.6
MD	Moldova	Chisinau	13.31	20.7388	64.2
MN	Mongolia	Ulan Bator	2051	3021.09	67.9
ME	⁽⁴⁾⁽⁹⁾ Montenegro	Podgorica	0.6288	1.00000	62.9
MA	Morocco	Rabat	7.754	10.8400	71.5
MZ	Mozambique	Maputo	55.54	70.7000	78.6
MM	Myanmar	Yangon	1088	1746.43	62.3
NA	Namibia	Windhoek	12.50	16.0893	77.7
NP	Nepal	Kathmandu	113.5	126.470	89.7
NC	New Caledonia	NouMea	127.7	119.332	107.0
NZ	⁽⁷⁾ New Zealand	Wellington	1.632	1.69960	96.0
NI	Nicaragua	Managua	28.94	37.6599	76.8
NE	⁽³⁾ Niger	Niamey	488.8	655.957	74.5
NG	Nigeria	Abuja	307.1	348.959	88.0
MK	⁽⁹⁾ North Macedonia	Skopje	32.08	61.4951	52.2
NO	⁽⁸⁾ Norway	Oslo	12.51	9.68430	129.2
PK	Pakistan	Islamabad	77.88	178.917	43.5
PA	⁽²⁾ Panama	Panama City	0.9641	1.13700	84.8
PG	Papua New Guinea	Port Moresby	3.485	3.84772	90.6
PY	Paraguay	Asuncion	4146	7051.71	58.8
PE	Peru	Lima	3.284	3.75267	87.5
PH	⁽⁶⁾ Philippines	Manilla	51.90	58.2090	89.2
RU	Russia	Moscow	72.29	71.6096	101.0
RW	Rwanda	Kigali	812.0	1021.04	79.5

Table 9 (page 3 of 3)

**Calculation of correction coefficients at 1st July 2019
(for staff serving in Extra-EU delegations)**

Code		Country	City	Parity	Exchange rate	Correction coefficients
				[1]	[2]	100 * [1] / [2]
WS		Samoa	Apia	2.184	3.00595	72.7
SA		Saudi Arabia	Riyadh	3.695	4.26375	86.7
SN	(3)	Senegal	Dakar	625.2	655.957	95.3
RS	(9)	Serbia	Belgrade	64.58	117.913	54.8
SL		Sierra Leone	Freetown	9759	10075.0	96.9
SG		Singapore	Singapore	1.906	1.53930	123.8
SB		Solomon Islands	Honiara	9.738	9.11055	106.9
SO	(5)	Somalia	Mogadishu	0	0	0
ZA		South Africa	Pretoria	9.058	16.0893	56.3
KR	(7)	South Korea	Seoul	1242	1313.12	94.6
SS		South-Sudan	Juba	366.5	180.271	203.3
LK		Sri Lanka	Colombo	156.4	201.220	77.7
SD		Sudan	Khartoum	34.97	50.9690	68.6
SR		Suriname	Paramaribo	5.806	8.47975	68.5
CH-BE	(8)	Switzerland	Bern	1.412	1.11210	127.0
CH-GE	(8)	Switzerland	Geneva	1.412	1.11210	127.0
SY	(5)	Syria	Damascus	0	0	0
TW		Taiwan	Taipei	28.61	35.4158	80.8
TJ	(6)	Tajikistan	Duschanbe	5.765	10.7328	53.7
TZ		Tanzania	Dar es Salaam	1977	2608.69	75.8
TH		Thailand	Bangkok	28.68	35.0030	81.9
TP	(2)	Timor Leste	Dili	0.9008	1.13700	79.2
TG	(3)	Togo	Lome	519.1	655.957	79.1
TT		Trinidad and Tobago	Port-of-Spain	5.955	7.86270	75.7
TN		Tunisia	Tunis	2.132	3.29600	64.7
TR	(8)	Turkey	Ankara	3.332	6.55730	50.8
TM		Turkmenistan	Ashkhabad	4.472	3.97950	112.4
UG		Uganda	Kampala	2681	4179.27	64.1
UA		Ukraine	Kiev	24.45	29.7794	82.1
AE		United Arab Emirates	Abu Dhabi	4.179	4.17880	100.0
US-NY		United States	New York	1.165	1.13700	102.5
US-WA	(7)	United States	Washington	0.9866	1.13700	86.8
UY		Uruguay	Montevideo	34.94	39.9690	87.4
UZ	(6)	Uzbekistan	Tachkent	4701	9735.38	48.3
VU		Vanuatu	Port Vila	129.5	132.201	98.0
VE	(5)	Venezuela	Caracas	0	0	0
VN	(6)	Vietnam	Hanoi	16570	26492.1	62.5
PS-GZA		West Bank — Gaza Strip	East Jerusalem	4.323	4.07590	106.1
YE	(5)	Yemen	Sana a	0	0	0
ZM		Zambia	Lusaka	9.135	14.7839	61.8
ZW	(2)	Zimbabwe	Harare	1.310	1.13700	115.2

In the table above:

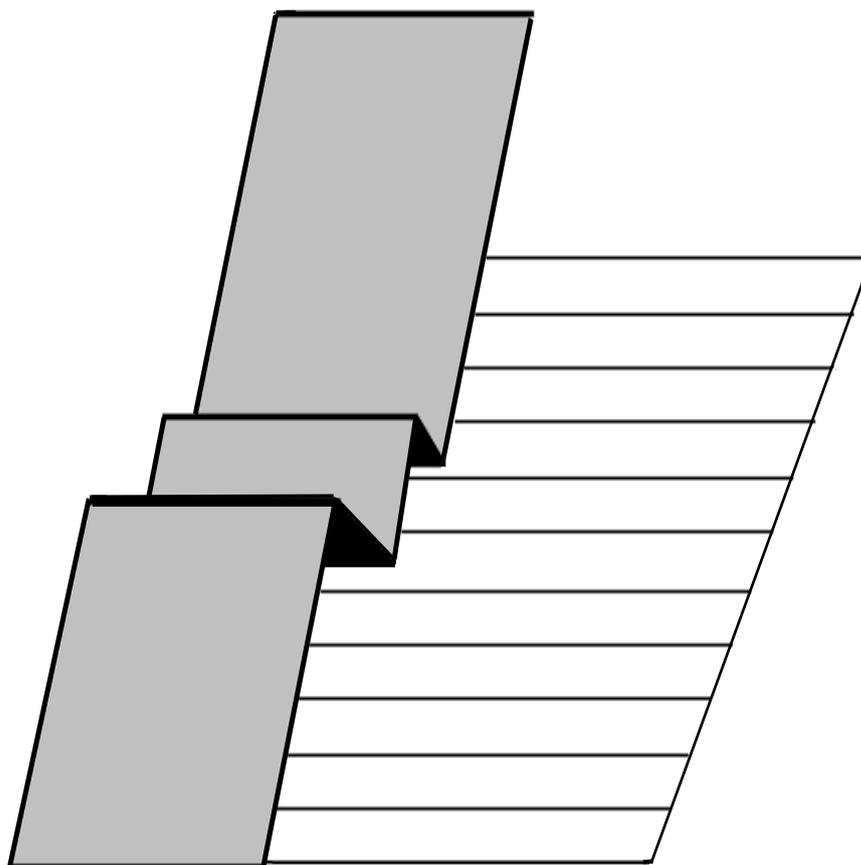
- (1) Figures are stated relative to Brussels, ie. Brussels PPP = 1, ER = 1, CC = 100%
- (2) 1 euro = USD (7 Duty Station(s) : Cuba, Ecuador, El Salvador, Liberia, Panama, Timor Leste, Zimbabwe)
- (3) 1 euro = CFA (13 Duty Station(s) : Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Congo, Gabon, Guinea-Bissau, Ivory Coast, Mali, Niger, Senegal, Togo)
- (4) Currency = Euro (2 Duty Station(s) : Kosovo, Montenegro)
- (5) Not available (10 Duty Station(s) : Afghanistan, Bosnia and Herzegovina (Banja Luka), Indonesia (Banda Aceh), Iran, Iraq, Libya, Somalia, Syria, Venezuela, Yemen)
- (6) UN P2P processed (11 Duty Station(s) : Burundi, Cameroon, Rep Congo, Dem Rep of the Congo, Ghana, Ivory Coast, Liberia, Philippines, Tajikistan, Uzbekistan, Vietnam)
- (7) ISRP PPP processed (7 Duty Station(s) : Australia, Canada, Japan, Mexico, New Zealand, South Korea, United States (Washington))
- (8) ECP PPP processed (5 Duty Station(s) : Iceland, Norway, Switzerland (Bern, Geneva), Turkey)
- (9) ECP Balkan Duty stations (6 Duty Station(s) : Albania, Bosnia and Herzegovina (Banja Luka, Sarajevo), North Macedonia, Montenegro, Serbia)

Appendix 1a

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

Explanations and statistical analyses:
specific indicators, control indicators, worktime

Reference period:
Year to 1 July 2019



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INTRODUCTION

This document is an appendix to the 2019 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 further 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 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 2019 was used, or a more recent estimate.

More information about methodology can be found in the detailed procedural manuals¹⁵.

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¹⁵ Op cit (3) 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 *global specific indicator* is a measure to represent the average change in the purchasing power of central government civil servants in the Member States of the European Union. It is measured by the real net salary increase in the central government civil services.

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 Union. 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 procedures¹⁶. Therefore, we provide here a set of commonly agreed basic definitions. If a particular 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 allowances¹⁷);
- 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.

¹⁶ For full details, see the latest version of the methodology manual.

¹⁷ 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 indicator 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 2018 sent in 2018 and re-sent in 2019), 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) and impact analysis.

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.

Between 2004 and 2012 a sample composed of the following 8 Member States was specified: Belgium, Germany, Spain, France, Italy, Luxembourg, Netherlands and United Kingdom. For 2013 it was agreed to use data for all 28 Member States.

A new version of Annex XI was adopted in October 2013, and specifies a sample composed of 11 Member States (the same 8 as for 2004-2012 plus Austria, Poland and Sweden). This sample took effect from January 2014.

1.1.9. Calculation of country specific indicators

On receipt of the data from the Member States, Eurostat calculates specific indicators for each of the countries separately¹⁸. 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 increases/decreases in nominal terms and the increase/decrease in the harmonized index of consumer price (HICP) for the corresponding period.
- The overall real net increase/decrease in remuneration is called the **country specific indicator**.

¹⁸ With effect from 2018, Eurostat and the International Service for Remuneration and Pensions of the Coordinated Organisations compile harmonised data for the following 7 Member States: Belgium, Germany, Spain, France, Italy, Luxembourg and Netherlands.

1.2. Specific indicators - 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 2019 (1.7.2018 = 100)**

Country		Nominal change				Real change			
		AD	AST	SC	Total	AD	AST	SC	Total
BE	Gross	102.0	102.0		102.0	100.7	100.7		100.7
	Net	103.2	103.5		103.4	101.9	102.1		102.1
DE	Gross	103.0	103.1	102.9	103.0	101.5	101.6	101.4	101.5
	Net	102.8	102.7	102.6	102.8	101.3	101.2	101.1	101.3
ES	Gross	102.5	103.3	106.7	103.3	101.9	102.7	106.1	102.7
	Net	102.1	102.8	105.8	102.9	101.5	102.2	105.2	102.3
FR	Gross	99.8	100.9		100.6	98.4	99.5		99.2
	Net	99.8	100.8		100.5	98.4	99.4		99.1
IT	Gross	100.6	100.6	100.6	100.6	99.8	99.8	99.8	99.8
	Net	100.5	100.3	100.4	100.3	99.7	99.5	99.6	99.5
LU	Gross	103.2	103.5		103.3	101.7	102.0		101.8
	Net	102.9	103.1		103.0	101.4	101.6		101.5
NL	Gross	102.8	103.2	104.5	103.0	100.1	100.5	101.8	100.3
	Net	103.1	104.1	104.6	103.5	100.4	101.4	101.9	100.8
AT	Gross	102.8	103.1		103.0	101.2	101.5		101.4
	Net	102.3	102.6		102.5	100.7	101.0		100.9
PL	Gross	100.7		101.4	100.7	98.4		99.1	98.4
	Net	100.8		101.6	100.8	98.5		99.3	98.5
SE	Gross	103.1	101.8	102.6	103.0	101.5	100.2	101.0	101.4
	Net	104.0	102.6	103.2	103.8	102.4	101.0	101.6	102.2
UK	Gross	103.4	103.8	103.1	103.4	101.4	101.8	101.1	101.4
	Net	102.9	103.3	102.2	102.6	100.9	101.3	100.2	100.6
Total	Gross	102.0	102.4	103.0	102.2	100.5	101.0	101.5	100.7
	Net	101.9	102.2	102.6	102.0	100.4	100.8	101.1	100.5

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 2019 (1.7.2018 = 100)**

Country		Nominal change				Real change			
		AD	AST	SC	Total	AD	AST	SC	Total
BG	Gross	106.2	110.1		106.7	103.8	107.6		104.3
	Net	106.2	110.1		106.7	103.8	107.6		104.3
CZ	Gross	100.4	107.7	106.5	100.7	98.0	105.2	104.0	98.3
	Net	100.0	107.0	106.7	100.3	97.7	104.5	104.2	97.9
DK	Gross	101.4	101.4		101.4	100.9	100.9		100.9
	Net	101.0	100.8		101.0	100.5	100.3		100.5
EE	Gross	111.9	111.9		111.9	109.1	109.1		109.1
	Net	111.3	111.3		111.3	108.5	108.5		108.5
IE	Gross	101.0	101.0	101.0	101.0	99.9	99.9	99.9	99.9
	Net	101.0	101.0	101.0	101.0	99.9	99.9	99.9	99.9
EL	Gross	100.0	100.0		100.0	99.8	99.8		99.8
	Net	100.3	100.3		100.3	100.1	100.1		100.1
HR	Gross	103.0	103.0	103.0	103.0	102.5	102.5	102.5	102.5
	Net	103.0	103.0	103.0	103.0	102.5	102.5	102.5	102.5
CY	Gross	100.8	100.7	100.7	100.7	100.5	100.4	100.4	100.4
	Net	101.2	101.5	102.2	101.5	100.9	101.2	101.9	101.2
LV	Gross	102.6	108.4	108.8	103.5	99.5	105.1	105.5	100.4
	Net	102.9	108.4	108.9	103.8	99.8	105.1	105.6	100.7
LT	Gross	116.3	116.3		116.3	113.6	113.6		113.6
	Net	116.3	116.3		116.3	113.6	113.6		113.6
HU	Gross	100.7	100.7	100.7	100.7	97.4	97.4	97.4	97.4
	Net	100.7	100.7	100.7	100.7	97.4	97.4	97.4	97.4
MT	Gross	102.7	102.7	102.7	102.7	100.9	100.9	100.9	100.9
	Net	102.7	102.7	102.7	102.7	100.9	100.9	100.9	100.9
PT	Gross	100.0	100.0	100.0	100.0	99.3	99.3	99.3	99.3
	Net	100.2	100.4	101.0	100.5	99.5	99.7	100.3	99.8
RO	Gross	112.5	112.5		112.5	108.3	108.3		108.3
	Net	112.5	112.5		112.5	108.3	108.3		108.3
SI	Gross	103.7	103.5	103.4	103.6	101.8	101.6	101.5	101.7
	Net	103.9	103.9	103.8	103.9	102.0	102.0	101.9	102.0
SK	Gross	115.4	121.6	125.2	116.9	112.4	118.4	121.9	113.8
	Net	114.2	119.0	121.4	115.3	111.2	115.9	118.2	112.3
FI	Gross	103.6	103.0		103.5	102.5	101.9		102.4
	Net	103.9	103.4		103.8	102.8	102.3		102.7

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 1.2

**Central government personnel ratios
(total population)
July 2019**

Country	Percentage			
	AD	AST	SC	Total
BE	37.9	62.1		100.0
DE	49.1	41.6	9.4	100.0
ES	44.3	34.6	21.1	100.0
FR	17.1	82.9		100.0
IT	31.0	62.4	6.5	100.0
LU	47.6	52.4		100.0
NL	51.8	44.4	3.8	100.0
AT	18.8	81.2		100.0
PL	90.2		9.8	100.0
SE	82.6	12.7	4.7	100.0
UK	12.3	25.5	62.2	100.0

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

Table 1.2a

**Central government personnel ratios
(total population)**

July 2019

Country	Percentage			
	AD	AST	SC	Total
BG	77.7	22.3		100.0
CZ	93.1	4.6	2.2	100.0
DK	85.3	14.7		100.0
EE	75.0	25.0		100.0
IE	15.1	40.8	44.2	100.0
EL	51.0	49.0		100.0
HR	24.4	38.2	37.4	100.0
CY	40.8	36.7	22.5	100.0
LV	77.9	9.5	12.6	100.0
LT	99.4	0.6		100.0
HU	82.8	12.9	4.4	100.0
MT	47.1	40.5	12.4	100.0
PT	41.7	11.9	46.5	100.0
RO	5.6	94.4		100.0
SI	72.4	6.9	20.7	100.0
SK	72.1	16.3	11.7	100.0
FI	70.0	30.0		100.0

2018

2013

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 2019

Country	Gross remuneration	Net remuneration	Difference
BE	102.0	103.4	1.4
DE	103.0	102.8	-0.2
ES	103.3	102.9	-0.4
FR	100.6	100.5	-0.1
IT	100.6	100.3	-0.3
LU	103.3	103.0	-0.3
NL	103.0	103.5	0.5
AT	103.0	102.5	-0.5
PL	100.7	100.8	0.1
SE	103.0	103.8	0.8
UK	103.4	102.6	-0.8
Total	102.2	102.0	-0.2

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

Range (GROSS)	Member States	
$x < 0\%$	0	
$0\% \leq x < 2\%$	3	FR, IT, PL
$2\% \leq x < 4\%$	8	BE, DE, ES, LU, NL, AT, SE, UK
$4\% \leq x$	0	
Total	11	
Range (NET)	Member States	
$x < 0\%$	0	
$0\% \leq x < 2\%$	3	FR, IT, PL
$2\% \leq x < 4\%$	8	BE, DE, ES, LU, NL, AT, SE, UK
$4\% \leq x$	0	
Total	11	

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 2019

Country	Gross remuneration	Net remuneration	Difference
BG	106.7	106.7	0.0
CZ	100.7	100.3	-0.4
DK	101.4	101.0	-0.4
EE	111.9	111.3	-0.6
IE	101.0	101.0	0.0
EL	100.0	100.3	0.3
HR	103.0	103.0	0.0
CY	100.7	101.5	0.8
LV	103.5	103.8	0.3
LT	116.3	116.3	0.0
HU	100.7	100.7	0.0
MT	102.7	102.7	0.0
PT	100.0	100.5	0.5
RO	112.5	112.5	0.0
SI	103.6	103.9	0.3
SK	116.9	115.3	-1.6
FI	103.5	103.8	0.3

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

Range (GROSS)	Member States	
$x < 0\%$	0	
$0\% \leq x < 2\%$	7	CZ, DK, IE, EL, CY, HU, PT
$2\% \leq x < 4\%$	5	HR, LV, MT, SI, FI
$4\% \leq x$	5	BG, EE, LT, RO, SK
Total	17	
Range (NET)	Member States	
$x < 0\%$	0	
$0\% \leq x < 2\%$	7	CZ, DK, IE, EL, CY, HU, PT
$2\% \leq x < 4\%$	5	HR, LV, MT, SI, FI
$4\% \leq x$	5	BG, EE, LT, 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 2018 - July 2019**

Country	Weight ¹ EU28=100	Nominal net specific indicator	Consumer price indices	Real net specific indicator
	(%)	(%)	(%)	(%)
BG	0.7	6.7	2.3	4.3
CZ	1.9	0.3	2.4	-2.1
DK	1.4	1.0	0.5	0.5
EE	0.2	11.3	2.6	8.5
IE	1.8	1.0	1.1	-0.1
EL	1.4	0.3	0.2	0.1
HR	0.5	3.0	0.5	2.5
CY	0.1	1.5	0.3	1.2
LV	0.3	3.8	3.1	0.7
LT	0.4	16.3	2.4	13.6
HU	1.3	0.7	3.4	-2.6
MT	0.1	2.7	1.8	0.9
PT	1.5	0.5	0.7	-0.2
RO	2.5	12.5	3.9	8.3
SI	0.4	3.9	1.9	2.0
SK	0.8	15.3	2.7	12.3
FI	1.2	3.8	1.1	2.7

¹ Basis: GDP expressed in PPP, 2018

Global specific indicator for the EU28

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 2019, this would be 102.4 (+2.4%) in nominal terms, and 100.8 (+0.8%) in real terms.

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

With effect from 2018, joint data compilation and validation with ISRP for Belgium, Germany, Spain, France, Italy, Luxembourg and Netherlands.

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

<u>1</u>	<p>Belgium: Figures are supplied in accordance with country manual validated in November 2015 and subsequent bilateral correspondence.</p> <p>Increase of staff (+670). The index on which the calculation of gross salaries as well as certain fixed amounts are based has been increased by +2.0% in 2018.</p> <p>Changes in professional tax and tax deductions made the nominal net salaries change by +3.4%</p>
<u>2</u>	<p>Germany: Figures are supplied in accordance with country manual validated in September 2016 and subsequent bilateral correspondence.</p> <p>Increase of staff (+1,341), especially in AD equivalent grades. Increase of child benefit. The gross salary increased by +3.0%.</p> <p>With only slight modifications of some parameters used for taxation and calculation of social contributions overall, nominal net remuneration has increased by +2.8%.</p>
<u>3</u>	<p>Spain: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence.</p> <p>Small increase of staff (+178). Again a salary increase for 2019, including a fixed element of 2.25% and a variable additional element of up to 0.25%. The gross remuneration gives a +3.3% change.</p> <p>Statutory deductions reflect the annual Budget Law and are largely unchanged. Overall, nominal net remuneration has increased by +2.9%.</p>
<u>4</u>	<p>France: Figures are supplied in accordance with country manual validated in April 2010 and subsequent bilateral correspondence.</p> <p>Increase of staff (+649). The government did not raise the "point de l'indice" which remains at 56.2323 from February 2017. Partial implementation of "PPCU" reform and other adjustments generated a small nominal gross remuneration increase +0.6%. Pension contributions increased from 10.56% to 10.83%. Overall, the nominal change in net remuneration was +0.5%.</p>
<u>5</u>	<p>Italy: Figures are supplied in accordance with country manual validated in March 2016 and subsequent bilateral correspondence.</p> <p>Big decrease in staff (-7,603), especially in AST equivalents. Gross remuneration evolution is +0.6%.</p> <p>There were no structural changes to statutory deductions. The nominal change in net remuneration is +0.3%.</p>

<p>6</p>	<p>Luxembourg: Figures are supplied in accordance with a draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence.</p> <p>Small increase of staff (+28). The index on which gross salaries are based has been increased by +2.5% in August 2018. Increase in meal allowance. The result is an increase of gross salaries by +3.3%.</p> <p>Some changes in tax and social contribution calculations led to an increase of net salaries by +3.0%.</p>
<p>7</p>	<p>Netherlands: Figures are supplied in accordance with country manual validated in December 2015 and subsequent bilateral correspondence.</p> <p>Big increase of staff (+3,040). Salary increase of +2% per July 2019. Once-only payment of € 450 in January 2019. Increase in min. holiday allowance and child benefit. The total increase of nominal gross remuneration was +3.0%.</p> <p>Increase pension contribution rate from 6.87% to 7.47%. Another increase in health insurance contribution. Various changes to personal income tax rates and deductions.</p> <p>As a result of all these changes, nominal net remuneration increased by +3.5%.</p>
<p>8</p>	<p>Austria: Figures are supplied in accordance with country manual validated in December 2015 and subsequent bilateral correspondence.</p> <p>Small decrease of staff (-21). A salary increase for public employees, depending on income level, results in an average gross remuneration increase of +3.0%.</p> <p>Without major changes in taxation of social contributions the net salaries increased by +2.5%</p>
<p>9</p>	<p>Poland: Figures are supplied in accordance with country manual validated in September 2015 and subsequent bilateral correspondence.</p> <p>Small increase of staff (+246). Civil servant salaries are still subject to pay freeze, however adjustments within grades explain the reported increase in nominal gross remuneration (+0.7%).</p> <p>Introduction of the ‘good start’ benefit for children (+25 PLN). There were no changes to statutory deductions, except for a small change in calculating pension insurance. The nominal net remuneration increased by +0.8%.</p>
<p>10</p>	<p>Sweden: Figures are supplied in accordance with country manual validated in February 2018 and subsequent bilateral correspondence.</p> <p>Small decrease in staff (-126). The reported evolution in nominal gross remuneration (average of a variety of contractual arrangements) is +3.0%.</p> <p>Small changes in taxes and tax deductions result in an increase of the nominal net remuneration of +3.8%.</p>
<p>11</p>	<p>United Kingdom: By mutual agreement, the calculation is done for 5 major departments representing approximately 80% of the UK civil service. This updates the approach described in country manual validated June 2015.</p> <p>Big staff decrease (-6,676), especially for the SC equivalent grade AO. Decentralised pay awards within Treasury guidelines for reference period. Gross salary shows +3.4% evolution for the year.</p> <p>Significant changes to the income tax. Minor changes to other statutory deductions. In consequence the nominal net remuneration increased by +2.6%.</p>

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:

<p><u>1</u></p>	<p><u>Bulgaria</u>: Figures are supplied in accordance with draft country manual and subsequent bilateral correspondence.</p> <p>Staff increase of +792. National minimum wage increased to BGN 560 from BGN 510 on 1.1.2019. As in previous years salary increases and decreases for almost all grades are reported. On average, nominal gross remuneration increased by +6.7%.</p> <p>No changes in statutory deductions. Also the nominal net remuneration increased by +6.7%.</p>
<p><u>2</u></p>	<p><u>Czech Republic</u>: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence.</p> <p>Staff numbers increased by +627, especially in some AD equivalent grades. There was an increase in basic salaries of +8.8%. As in previous years there was volatility in reported values. On average, nominal gross remuneration increased by +0.7%.</p> <p>There were slight changes to statutory deductions and tax credits; in consequence the increase in nominal net remuneration was +0.3%.</p>
<p><u>3</u></p>	<p><u>Denmark</u>: Figures are supplied according to approach agreed bilaterally in 2017.</p> <p>Staff numbers increased by +916. Since July 2018 and 2019 overall wage increases, therefore the nominal gross remuneration is +1.4%.</p> <p>Tax reforms are reflected in the calculation of nominal net remuneration, which increased by +1.0%.</p>
<p><u>4</u></p>	<p><u>Estonia</u>: Figures are reported here in accordance with bilateral discussions December 2014 and subsequent correspondence.</p> <p>Very small decrease in staff (-49). Nominal gross salary has increased on average by +11.9%. Slight increase of child allowance.</p> <p>Small changes in tax exemptions. In consequence, the nominal net remuneration increased by +11.3%.</p>
<p><u>5</u></p>	<p><u>Ireland</u>: Figures are established according to approach agreed bilaterally.</p> <p>In the absence of full data transmission by the delivery deadline, the Spring 2019 <i>forecast</i> figure is taken for this report. According to the country, the nominal net remuneration increase amounts to +1.0%.</p> <p>Pay evolution according to Public Service Stability Agreement 2018-2020 gave gross salary award of +1.0% in October 2018 for all grades and +1.0% in January 2019 for salaries below €30,000. Gross pay restored for grades earning above €100,000 from April 2019 (+3.5% on average). There were changes to personal income tax (PIT) and to universal social charge (USC) thresholds and rates. Additional superannuation contribution (ASC) replaced pension-related deduction (PRD) from January 2019. However statutory deduction calculations were not provided.</p>

6	<p>Greece: Figures are supplied in accordance with draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence.</p> <p>Staff decreased by -793, especially AST equivalent grade SE. Gross salary was unchanged.</p> <p>The compulsory deductions have not changed except for decrease in the deduction for TEADY.</p> <p>The movement in nominal net remuneration is +0.3%.</p>
7	<p>Croatia: Figures are supplied according to a transitional approach agreed bilaterally in 2017 pending implementation of improved methodology discussed during mission to Zagreb in May 2018.</p> <p>In the absence of data validation by the publication deadline, the Spring 2019 <i>forecast</i> figure is taken for this report, +3.0%. The forecast figure is from ECFIN, as no country forecast was provided in March. Reported staff numbers increased by +2,994.</p>
8	<p>Cyprus: Figures are supplied in accordance with country manual validated in April 2015 and subsequent bilateral correspondence.</p> <p>Small increase in staff numbers (+73). Since 1.7.2018 change in way of calculating the salaries (no influence on the amount). Re-introduction of automatic cost-of-living indexation (COLA) in 2018. Increased percentage in 2019. Nominal gross remuneration increased by +0.7%.</p> <p>Increase in some statutory deductions. Earnings reductions going down in order to be completely abolished in 2023. The movement in net remuneration is +1.5%.</p>
9	<p>Latvia: Figures are reported here in accordance with bilateral correspondence.</p> <p>Big decrease of staff: -2,721, especially in AD equivalent grade 3. Reported average nominal gross remuneration increased by +3.5%.</p> <p>Slight changes in ceilings for PIT (personal income tax) and tax-relief for dependent person. Therefore the average nominal net remuneration increased by +3.8%.</p>
10	<p>Lithuania: Figures are reported here in accordance with bilateral correspondence.</p> <p>Small decrease in staff (-35). Basic amount increased €132.5 to €173 from 1.1.2019.</p> <p>Implementation of the tax reform in January 2019: increased employee's contributions to social security from 3 to 19.5%, individual income taxes increased from 15 to 20%.</p> <p>The new law of Civil Service entered into force as well: changes in structure of categories, new coefficients of wages, changes in nature of jobs. No linkage table could be provided for comparison purposes, therefore it was agreed to take the <i>forecast</i> figures for this report. In place of the Spring 2019 forecast, the country provided an updated forecast of the change in nominal net remuneration: +16.3%.</p>
11	<p>Hungary: Figures are supplied in accordance with country manual validated in May 2017 and subsequent correspondence.</p> <p>Increase in staff numbers: +149. Significant change in key number system of budgetary institution employees. As no linkage table could be provided for comparison with last year's salary data, it was agreed to use Spring 2019 <i>forecast</i> figures for this report. No change in statutory deductions. Again an increase of family tax benefit.</p> <p>Nominal net remuneration according to the country forecast amounts to +0.7%.</p>

<p>12</p>	<p>Malta: Figures are established according to approach agreed bilaterally.</p> <p>In the absence of data transmission by the delivery deadline, the Spring 2019 forecast figure is taken for this report. According to the country, the nominal net remuneration increase amounts to +2.7%.</p>
<p>13</p>	<p>Portugal: Figures are supplied in accordance with country manual validated in August 2014 and subsequent bilateral correspondence.</p> <p>Staff numbers increased by +3,036, especially AD equivalent grade “Técnico superior”. No increase of the gross remuneration: +0.0%.</p> <p>Minor reduction in income tax for lower grades. Consequently the nominal net remuneration increased by +0.5%.</p>
<p>14</p>	<p>Romania: Figures are supplied in accordance with bilateral correspondence, pending implementation of methodology discussed during 2018 meeting.</p> <p>In the absence of data transmission by the delivery deadline, the Spring 2019 forecast figure is taken for this report. According to the country, this shows a +12.5% increase in nominal net remuneration.</p> <p>The planned reform of the civil service has been finalised: Framework law no. 153/2017 on wages system/ Government Decision no. 29/2018.</p>
<p>15</p>	<p>Slovenia: Figures are reported here in accordance with a draft country manual as presented at A6465WG meeting in March 2015 and subsequent bilateral correspondence.</p> <p>Small increase in staff (+91). Basic salary increased by approx. 4%. Further simplification of holiday allowance (flat rate = €886.63 from grade 19 on, €1050 for the lower grades). Minor changes in child allowance and allowance for meals. Average increase in gross remuneration: +3.6%.</p> <p>From 2019 onwards no income tax/soc.sec. contribution over holiday pay. The nominal net remuneration increased by +3.9%.</p>
<p>16</p>	<p>Slovak Republic: Figures are supplied in accordance with bilateral correspondence.</p> <p>Small increase of staff numbers increased (+31). Structural reform implemented since 2018. As in previous years, some big reported changes in salaries for some grades. Average increase in gross remuneration +16.9%.</p> <p>Statutory deductions are largely unchanged by comparison with previous year. Small increase of child benefit, child tax bonus and dependent spouse allowance. In consequence, nominal net remuneration increased by +15.3%.</p>
<p>17</p>	<p>Finland: Figures are supplied in accordance with approach adopted in 2016 and subsequent correspondence.</p> <p>Minor change to staff numbers (decrease: -83). General increases in the basis salary of around 1 per cent per collective agreement, plus department-specific wage instalments. 2017 reduction in holiday pay continued to apply in 2018 (=30% cut). Average gross remuneration increased by +3.5%.</p> <p>Slight increase to pension fees, decreased unemployment insurance premium and income taxes. As a result, the average nominal net remuneration increased by +3.8%.</p>

1.8. Comparison with forecast

An initial forecast about the expected changes in net remuneration in nominal terms during the period 1 July 2018 – 1 July 2019 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 2019 meeting of the Working Group on Articles 64 & 65 of the Staff Regulations, and published in the Intermediate Report¹⁹.

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 2019

Country	Net specific indicator in nominal terms			Net specific indicator in real terms		
	Actual	Forecast *	Difference %	Actual	Forecast *	Difference %
BE	103.4	102.0	-1.4	102.1	100.4	-1.7
DE	102.8	102.7	-0.1	101.3	100.7	-0.6
ES	102.9	103.0	0.1	102.3	102.2	-0.1
FR	100.5	100.5	0.0	99.1	99.5	0.4
IT	100.3	100.4	0.1	99.5	99.3	-0.2
LU	103.0	100.0	-2.9	101.5	99.0	-2.5
NL	103.5	103.7	0.2	100.8	101.2	0.4
AT	102.5	102.8	0.3	100.9	100.9	0.0
PL	100.8	102.3	1.5	98.5	99.9	1.4
SE	103.8	102.0	-1.7	102.2	100.2	-2.0
UK	102.6	101.8	-0.8	100.6	99.7	-0.9
Total	102.0	101.8	-0.2	100.5	100.2	-0.3

* Per Intermediate Report.

¹⁹ Ares(2019)2829179

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 2019**

Country	Net specific indicator in nominal terms			Net specific indicator in real terms		
	Actual	Forecast *	Difference %	Actual	Forecast *	Difference %
BG	106.7	117.0	9.7	104.3	115.0	10.3
CZ	100.3	106.0	5.7	97.9	103.9	6.2
DK	101.0	101.6	0.6	100.5	100.1	-0.4
EE	111.3	108.7	-2.3	108.5	105.2	-3.0
IE	101.0	101.0	0.0	99.9	100.1	0.2
EL	100.3	103.7	3.4	100.1	103.1	3.0
HR	103.0	103.0	0.0	102.5	102.0	-0.5
CY	101.5	102.0	0.5	101.2	99.5	-1.7
LV	103.8	102.4	-1.3	100.7	99.5	-1.2
LT	116.3	104.0	-10.6	113.6	102.6	-9.7
HU	100.7	100.7	0.0	97.4	98.1	0.7
MT	102.7	102.7	0.0	100.9	101.5	0.6
PT	100.5	100.5	0.0	99.8	99.9	0.1
RO	112.5	112.5	0.0	108.3	109.4	1.0
SI	103.9	102.7	-1.2	102.0	100.4	-1.6
SK	115.3	111.0	-3.7	112.3	109.1	-2.8
FI	103.8	102.0	-1.7	102.7	100.7	-2.0

* 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
 2018-2019 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 (%)
	2018	2019					
BE	9.527.4	9.617.0	428.700	0.9	1.3	-0.4	2.6
DE	33.118.0	34.503.0	2.597.000	4.2	1.5	2.6	19.6
ES	23.937.0	24.697.0	473.711	4.2	0.6	3.6	8.3
FR	144.976.0	147.420.0	2.434.000	1.7	1.4	0.3	13.6
IT	102.814.0	106.732.0	1.211.100	3.8	0.8	3.0	11.2
LU	4.258.9	4.638.0	24.560	8.9	1.5	7.3	0.3
NL	23.767.0	25.041.0	480.000	5.4	2.7	2.6	4.3
AT	16.133.6	16.577.0	19.332	2.7	1.6	1.1	2.2
PL	95.382.0	98.518.0	1.092.500	3.3	2.3	1.0	5.3
SE	138.171.0	144.060.0	87.070	4.3	1.6	2.6	2.4
UK	126.935.0	132.429.0	419.399	1.7	2.0	-0.3	13.5
Global	-	-	-	3.2	1.5	1.7	83.3

¹ Numerator: ESA 2010 expenditure on compensation of employees in Central Government (NAC million) per Eurostat website 10.09.2019

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 10.09.2019
 Not supplied: BE, DE, FR, IT, LU, NL, PL

³ HICP June 2018 - June 2019 per Eurostat website 10.09.2019

⁴ GDP 2018 in PPS per Eurostat website 10.09.2019

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

Table 1.6a

Control indicator: compensation of employees in central government

2018-2019 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
	2018	2019	2018	(%)	(%)	(%)	(%)
BG	6.520.5	6.984.0	306.020	6.4	2.3	4.0	0.7
CZ	258.174.0	288.460.0	381.980	11.1	2.4	8.5	1.9
DK	91.171.0	94.958.0	153.000	4.2	0.5	3.6	1.4
EE	1.640.9	1.767.0	53.766	8.5	2.6	5.8	0.2
IE	20.377.0	21.855.0	119.260	7.3	1.1	6.1	1.8
EL	18.954.0	19.062.0	370.580	0.6	0.2	0.4	1.4
HR	23.128.3	24.980.0	107.940	8.0	0.5	7.5	0.5
CY	2.321.7	2.426.0	57.276	3.6	0.3	3.3	0.1
LV	1.636.0	1.785.0	39.624	26.4	3.1	22.6	0.3
LT	2.392.3	2.626.0	141.723	11.1	2.4	8.5	0.4
HU	3.481.729.3	3.738.993.0	622.899	10.3	3.4	6.7	1.3
MT	1.367.6	1.485.0	17.650	8.6	1.8	6.7	0.1
PT	17.613.4	17.914.0	512.761	0.1	0.7	-0.6	1.5
RO	72.634.4	109.757.0	432.500	51.1	3.9	45.4	2.5
SI	3.237.4	3.379.0	100.338	2.9	1.9	1.0	0.4
SK	5.072.6	5.476.0	231.067	7.2	2.7	4.4	0.8
FI	6.718.0	7.047.0	132.000	4.9	1.1	3.8	1.2

¹ Numerator: ESA 2010 expenditure on compensation of employees in Central Government (NAC million) per Eurostat website 10.09.2019, extrapolated to 2019 using growth rate 2017-2018

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 10.09.2019

Not supplied: DK, IE, EL, HR, MT, RO, FI.

³ HICP June 2018 - June 2019 per Eurostat website 10.09.2019

⁴ GDP 2018 in PPS per Eurostat website 10.09.2019

Table 2a in the main report compares the gross specific indicator and the control indicator in real terms (compensation of employees) for the countries in the sample specified in the Staff Regulations. The corresponding information for the remaining Member States is shown in **Table 2a** below.

Table 2a
Comparison of the gross specific indicator and the control indicator in real terms

Country	Real gross specific indicator 2019 (2018 = 100)	Control indicator * 2019 (2018 = 100)	Difference (%)
BG	104.3	104.0	-0.3
CZ	98.3	108.5	10.3
DK	100.9	103.6	2.7
EE	109.1	105.8	-3.1
IE	99.9	106.1	6.2
EL	99.8	100.4	0.6
HR	102.5	107.5	4.8
CY	100.4	103.3	2.9
LV	100.4	122.6	22.1
LT	113.6	108.5	-4.5
HU	97.4	106.7	9.5
MT	100.9	106.7	5.7
PT	99.3	99.4	0.1
RO	108.3	145.4	34.3
SI	101.7	101.0	-0.7
SK	113.8	104.4	-8.3
FI	102.4	103.8	1.3

* Compensation of employees in central government: Eurostat estimates.

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

2018-2019 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
	2018	2019	(%)	(%)	(%)	(%)
BE	102.9	104.8	1.9	1.3	0.6	2.6
DE	105.2	107.3	2.0	1.5	0.5	19.6
ES	100.2	100.8	0.6	0.6	0.0	8.3
FR	:	:	:	:	:	:
IT	106.4	111.2	4.5	0.8	3.7	11.2
LU	106.3	109.1	2.6	1.5	1.1	0.3
NL	104.1	105.2	1.1	2.7	-1.6	4.3
AT	102.6	103.9	1.3	1.6	-0.3	2.2
PL	110.9	116.7	5.2	2.3	2.9	5.3
SE	104.9	107.8	2.7	1.6	1.1	2.4
UK	102.4	104.8	2.3	2.0	0.3	13.5
Global	-	-	2.5	1.5	1.0	69.7

1 Labour cost index (nominal value, annual data, wages and salaries component) NACE R2 group O per Eurostat website 10.09.2019, 2018 extrapolated to 2019 using growth rate 2017-2018

2 HICP June 2018 - June 2019 per Eurostat website 10.09.2019

3 GDP 2018 in PPS per Eurostat website 10.09.2019

4 In the absence of Labour cost index data for France, French data for HICP and GDP in PPS is excluded

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

Table 1.7a

Control indicator: labour cost index for total public administration

2018-2019 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
	2018	2019	(%)	(%)	(%)	(%)
BG	119.0	128.9	8.3	2.3	5.8	0.7
CZ	121.4	134.5	10.8	2.4	8.2	1.9
DK	104.4	107.2	2.7	0.5	2.1	1.4
EE	118.4	128.8	8.8	2.6	6.1	0.2
IE	103.0	104.3	1.3	1.1	0.2	1.8
EL	104.5	105.5	1.0	0.2	0.8	1.4
HR	110.5	116.1	5.0	0.5	4.5	0.5
CY	102.1	104.5	2.3	0.3	2.0	0.1
LV	119.0	130.2	9.4	3.1	6.1	0.3
LT	116.7	125.1	7.2	2.4	4.7	0.4
HU	126.6	140.3	10.9	3.4	7.2	1.3
MT	112.0	117.8	5.2	1.8	3.3	0.1
PT	107.1	112.5	5.0	0.7	4.3	1.5
RO	177.8	245.3	37.9	3.9	32.8	2.5
SI	107.6	111.2	3.4	1.9	1.4	0.4
SK	114.7	124.0	8.1	2.7	5.3	0.8
FI	100.1	101.9	1.8	1.1	0.7	1.2

1 Labour cost index (nominal value, annual data, wages and salaries component) NACE R2 group O per Eurostat website 10.09.2019, 2018 extrapolated to 2019 using growth rate 2017-2018

2 HICP June 2018 - June 2019 per Eurostat website 10.09.2019

3 GDP 2018 in PPS per Eurostat website 10.09.2019

Table 2b in the main report compares the gross specific indicator and the control indicator in real terms (labour cost index) for the countries in the sample specified in the Staff Regulations. The corresponding information for the remaining Member States is shown in **Table 2b** below.

Table 2b

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

Country	Nominal gross specific indicator 2019 (2018 = 100)	Control indicator * 2019 (2018 = 100)	Difference (%)
BG	106.7	108.3	1.5
CZ	100.7	110.8	10.0
DK	101.4	102.7	1.2
EE	111.9	108.8	-2.7
IE	101.0	101.3	0.3
EL	100.0	101.0	1.0
HR	103.0	105.0	2.0
CY	100.7	102.3	1.6
LV	103.5	109.4	5.7
LT	116.3	107.2	-7.9
HU	100.7	110.9	10.1
MT	102.7	105.2	2.4
PT	100.0	105.0	5.0
RO	112.5	137.9	22.6
SI	103.6	103.4	-0.2
SK	116.9	108.1	-7.5
FI	103.5	101.8	-1.6

* Labour Cost Index: Eurostat estimates.

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 for the Member States in the sample. In all these tables the situation in July 2019 has been compared with that in July 2018. Similarly, information is also collected about retirement age in central government. The situation at July 2019 is shown in **Table 10.4**.

Corresponding information is presented separately for the remaining Member States in **Table 10.1a** (working hours), **Table 10.2a** (annual leave), **Table 10.3a** (public holidays) and **Table 10.4a** (retirement age).

Important note: this information is supplied to help understand the situation in Member States. Any differences in working hours per week or yearly number of days on holiday are not employed to adjust the remuneration data used to establish specific indicators onto a common basis.

Table 10.1

Statutory or contractual weekly working hours in central governments

Country	Weekly working hours		Remarks
	July 2018	July 2019	
BE	38	38	
DE	41	41	40 for special family reasons
ES	37.30-40	37.30-40	
FR	35	35	
IT	36	36	
LU	40	40	
NL	36	36	
AT	40	40	
PL	40	40	
SE	39.45	39.45	
UK (London)	36	36	
UK (Country)	37	37	

Table 10.1a

Statutory or contractual weekly working hours in central governments

Country	Weekly working hours		Remarks
	July 2018	July 2019	
BG	40	40	
CZ	40	40	
DK	35	35	
EE	40	40	
IE	37	37	
EL	40	40	
HR	37.30	40	
CY	37	37	
LV	40	40	
LT	40	40	
HU	40	40	
MT	40	40	
PT	35	35	
RO	40	40	
SI	37.30	37.30	
SK	38	38	
FI	36.45	36.45	

Table 10.2
Number of days annual leave

Country	Number of days		Remarks - 2019
	July 2018	July 2019	
BE	26 - 33	26 - 33	Depends on age
DE	30	30	
ES	30	29	Depends on age (seniority)
FR	25	25	2 days bonus maximum
IT	32	32	Under 3 years of service: 30 days
LU	32-36	32-36	Depends on age (34 from 50, 36 from 55)
NL	23-27	23-27	Depends on age (age 45:24, 50:25, 55:26, 60:27)
AT	25-30	25-30	Depends on age
PL	26-38	26-38	Depends on age
SE	28-35	28-35	Depends on age
UK	25-30	25-30	Some variation in senior grades

Table 10.2a

Number of days annual leave

Country	Number of days		Remarks - 2019
	July 2018	July 2019	
BG	20	20	
CZ	25	25	
DK	30	30	
EE	35	35	
IE	22-32*	22-32*	*Depends on grade (new+promoted employees: 22-30 days)
EL	20-25	20-25	
HR	20-30	20-30	Depends on age, years of service and grade
CY	20-29	20-29	Depends on years of service
LV	28	28	
LT	28-42*	22-37	Depends on years of service *calendar days
HU	25	25	Additional days by length of service (3-10 days)
MT	20	20	
PT	22	22	
RO	21-25	21-25	Depends on years of service
SI	20-35	20-35	Depends on age and grade (+ another 15 days under special conditions)
SK	25-30	25-30	Depends on age (younger than 33: 25, older: 30)
FI	30-38	30-38	Depends on years of service

Table 10.3

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

Country	Number of days		Remarks - 2019
	July 2018	July 2019	
BE	13	13	
DE	9	9	Berlin
ES	14	13	Time off when the public holiday falls on Sunday
FR	10	10	
IT	11	11	
LU	11	12	
NL	7	6	
AT	12	12	
PL	9	9	Compensation when public holiday falls on Saturday or Sunday (2018: 1x, 2019: 2x)
SE	13	13	Time off when the public holiday falls on Saturday or Sunday
UK	8	8	Additional statutory PH where Christmas Day, Boxing Day or New Years Day falls at a weekend.

Table 10.3a

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

Country	Number of days		Remarks - 2019
	July 2018	July 2019	
BG	11	11	Time off when the public holiday falls on Saturday or Sunday
CZ	10	11	
DK	9 - 10	9 - 10	
EE	12	12	
IE	10	10	*Time off when the public holiday falls on Saturday or Sunday
EL	12	12	
HR	14	14	Only if civil servant works on the day of public holiday
CY	15*	15**	*4 Saturdays/Sundays, 11 working days **1 Saturday and 14 working days
LV	16	15	
LT	15	15	
HU	11	11	
MT	14	14	
PT	10	9	
RO	12	12	
SI	13	12	Public holidays on Saturday/Sunday not included in this number
SK	11	11	No compensation
FI	9	10	

Table 10.4
Age of retirement and early retirement

Country	Age		Remarks - 2019
	Retirement	Early retirement	
BE	65*	63	* 65 (66 from 2025 and 67 from 2030)
DE	67*	63	* variations of retirement depending on age
ES	65	60-64*	* at least 30 years of service
FR	60*	51 - 55*	* depends on age
IT	67	Women: 41 y and 10 m, Men: 42 y and 10 m*	* depends on age, sex, contributions
LU	60	57	
NL	66	From 60 y on	
AT	65	62	
PL	60 women/65 men*	55 women/ 60 men**	* depends on sex ** depends on sex and years of work
SE	65	yes	
UK	67	yes*	* dependent on individual choice and entitlements

Table 10.4a

Age of retirement and early retirement

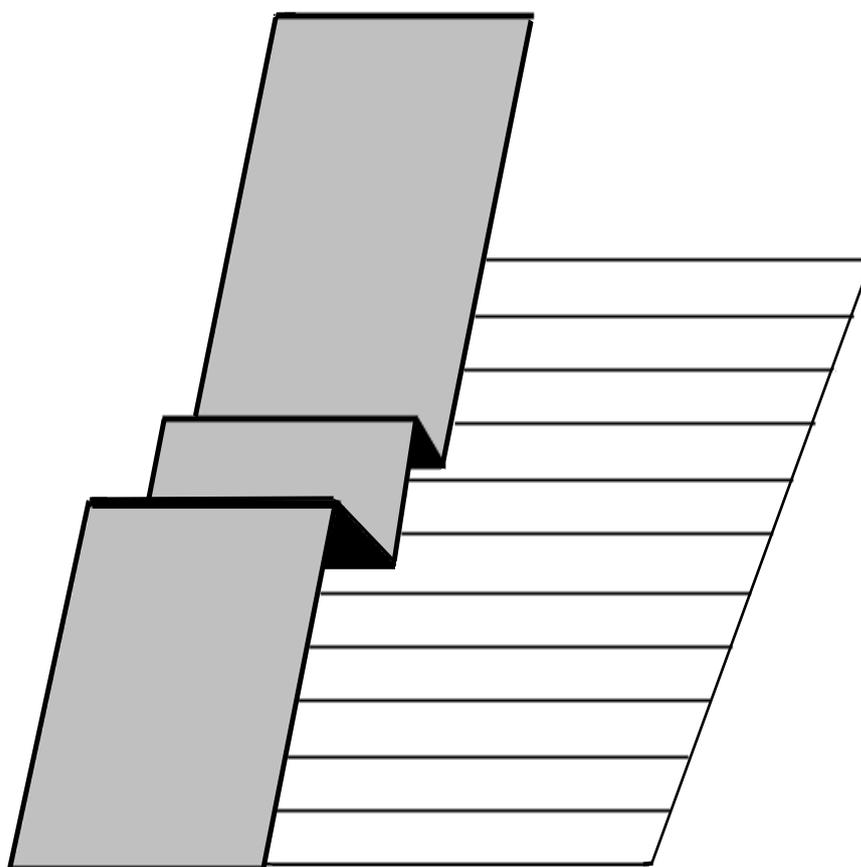
Country	Age		Remarks - 2019
	Retirement	Early retirement	
BG	Men: 63 y and 10 m, Women: 60 y and 10 m	yes*	* depends on job
CZ	Men 63 y and 6 m, Women 63 y and 2 m*	yes**	* age lowers when having brought up child ** first 3 years before pensionable age
DK	60 - 70*	60*	* both depending on grade
EE	65	57 y 6 m - 60*	* men 60, women 57y6m-60, depends on age
IE	60-66*	50-65*	* depends on years of service
EL	67*	62	* depends on age
HR	65*	60*	* both under conditions
CY	65	45*	* 45 y with 3 y in Government Post. Lump sum received immediately while monthly pension at 55 y
LV	63 y and 6 m	61 y and 6 m	* both depending on age
LT	Men 63 y 8 m, Women 62 y 4 m*	5 years till the set age of retirement*	* both depending on sex and age
HU	64	60-65*	* depends on age
MT	63-65*	Any age on medical grounds/ early retirement schemes	* depends on age
PT	66 y and 5 m*	55**	* depends on age and grade ** depends on age/grade, with min. 30 y of service
RO	:	:	2013: "according to public pensions systems"
SI	Men 60 y, Women 60 y*	Men 60 y, Women 60 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*	61*	* depends on age

Appendix 1b

Appendix 1b 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 2019



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INTRODUCTION

This document is an appendix to the 2019 Eurostat report on the annual adjustment of remuneration and pensions. While the principal results concerning changes in the cost of living in Belgium and Luxembourg are presented in the main report, the purpose of this appendix is to give further 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 Belgium 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 manuals²⁰.

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

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²⁰ Op cit (3) Doc.A6465/14/58rev1 (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 Luxembourg²¹. 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 Family Budget Survey conducted amongst EU staff in Brussels (2009)²². 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). By comparing results at the level of the 12 main COICOP groups in chapters 2 and 3, reasons for the difference in the value of the overall index can be identified. Note: when doing such comparisons, the impact of differing numbers of underlying basic headings and different aggregation approaches should be remembered.

2. BELGIUM HICP

Table 3.1 presents the published HICP values for June 2018 and June 2019, base 2015 = 100, and the final figure in the right-hand column shows the variation for the period at global level, 101.3 (+1.3%).

Table 3.1
Change in the Belgian HICP (HICP weights)
June 2018 - June 2019

Groups of consumption	Weight 2018	Index 2018	Weight 2019	Index 2019	Movement
1. Food and non-alcoholic beverages	164.1	105.34	165.0	106.25	100.90
2. Alcoholic beverages and tobacco	48.8	116.33	49.7	120.29	103.40
3. Clothing and footwear	54.3	105.60	53.2	106.02	100.40
4. Housing, water, electricity, gas and other fuels	165.9	109.44	162.8	110.02	100.50
5. Furnishings, household equipment and maintenance of house	74.8	102.64	74.1	103.25	100.60
6. Health	77.2	104.16	81.5	105.32	101.10
7. Transport	122.2	108.61	123.6	109.68	101.00
8. Communications	32.0	106.38	32.9	106.47	100.10
9. Recreation and culture	90.7	103.47	87.8	105.69	102.10
10. Education	5.1	122.14	5.0	123.75	101.30
11. Hotels, cafes and restaurants	79.6	107.64	80.7	111.09	103.20
12. Miscellaneous goods and services	85.3	104.75	83.7	106.90	102.10
Global index without rents	937.7	106.92	937.3	108.35	101.30
Rents index	62.3	103.07	62.7	104.14	101.00
Global index	1000.0	106.68	1000.0	108.09	101.30

The foregoing 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.

²¹ This definition was introduced by Regulation 1023/2013 and applies with effect from 1.1.2014. Alternative definitions applied for earlier reporting periods.

²² An updating survey was conducted in autumn 2017, however results have not yet been finalised.

Table 3.1a below shows the revised Belgium HICP variation for the period June 2018 to June 2019, base 2015 = 100, replacing aggregation weights with ones that include owner-occupiers. The final figure in the right-hand column again shows the variation for the period at global level, 101.3 (+1.3%).

Table 3.1a

**Change in the Belgian HICP (rev. weights)
June 2018 - June 2019**

Groups of consumption	Weight	Index
1. Food and non-alcoholic beverages	128.2	100.80
2. Alcoholic beverages and tobacco	20.3	101.30
3. Clothing and footwear	54.3	100.50
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	101.10
7. Transport	127.2	102.10
8. Communications	21.5	100.40
9. Recreation and culture	91.7	101.80
10. Education	14.7	101.30
11. Hotels, cafes and restaurants	100.6	103.20
12. Miscellaneous goods and services	50.0	102.20
Global index without rents	762.9	101.40
Rents index	237.1	101.00
Global index	1000.0	101.30

3. LUXEMBOURG CPI

Table 3.2 presents the published CPI values for June 2018 and June 2019, base 2015 = 100, and the final figure in the right-hand column again shows the variation for the period at global level, 101.8 (+1.8%).

Table 3.2

**Change in the Luxembourg CPI (CPI weights)
June 2018 - June 2019**

Groups of consumption	Weight 2018	Index 2018	Weight 2019	Index 2019	Movement
1. Food and non-alcoholic beverages	113.5	106.70	112.2	108.46	101.60
2. Alcoholic beverages and tobacco	31.8	104.90	33.7	107.18	102.20
3. Clothing and footwear	60.2	105.73	59.6	106.99	101.20
4. Housing, water, electricity, gas and other fuels	155.3	102.85	157.7	104.89	102.00
5. Furnishings, household equipment and maintenance of house	82.9	102.90	82.5	103.80	100.90
6. Health	27.7	100.42	28.9	101.86	101.40
7. Transport	168.6	103.42	170.8	104.46	101.00
8. Communications	26.0	94.92	24.0	95.90	101.00
9. Recreation and culture	79.4	105.75	73.7	106.89	101.10
10. Education	17.6	105.38	19.6	114.91	109.00
11. Hotels, cafes and restaurants	74.7	105.19	72.8	108.51	103.20
12. Miscellaneous goods and services	162.2	102.35	164.5	105.02	102.60
Global index without rents	935.1	103.69	933.8	105.61	101.80
Rents index	64.9	103.03	66.2	104.69	101.60
Global index	1000.0	103.65	1000.0	105.55	101.80

The foregoing 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.

Table 3.2a below shows the revised Luxembourg CPI variation for the period June 2018 to June 2019, base 2015 = 100, replacing aggregation weights with ones that include owner-occupiers. The final figure in the right-hand column again shows the variation for the period at global level, 102.3 (+2.3%).

Table 3.2a
Change in the Luxembourg CPI (rev. weights)
June 2018 - June 2019

Groups of consumption	Weight	Index
1. Food and non-alcoholic beverages	128.2	101.80
2. Alcoholic beverages and tobacco	20.3	102.00
3. Clothing and footwear	54.3	101.10
4. Housing, water, electricity, gas and other fuels	297.6	101.60
5. Furnishings, household equipment and maintenance of house	74.7	100.90
6. Health	19.2	101.40
7. Transport	127.2	105.00
8. Communications	21.5	102.10
9. Recreation and culture	91.7	100.20
10. Education	14.7	109.00
11. Hotels, cafes and restaurants	100.6	104.60
12. Miscellaneous goods and services	50.0	102.00
Global index without rents	762.9	102.50
Rents index	237.1	101.60
Global index	1000.0	102.30

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.

The ratio between active staff in Brussels and Luxembourg has remained stable by comparison to the previous period.

Number of permanent officials and other servants in active service at July 2018 (ie. December 2017)

Duty station	No.	%
Brussels	37,012	81.1
Luxembourg	8,614	18.9
Total	45,626	100.0

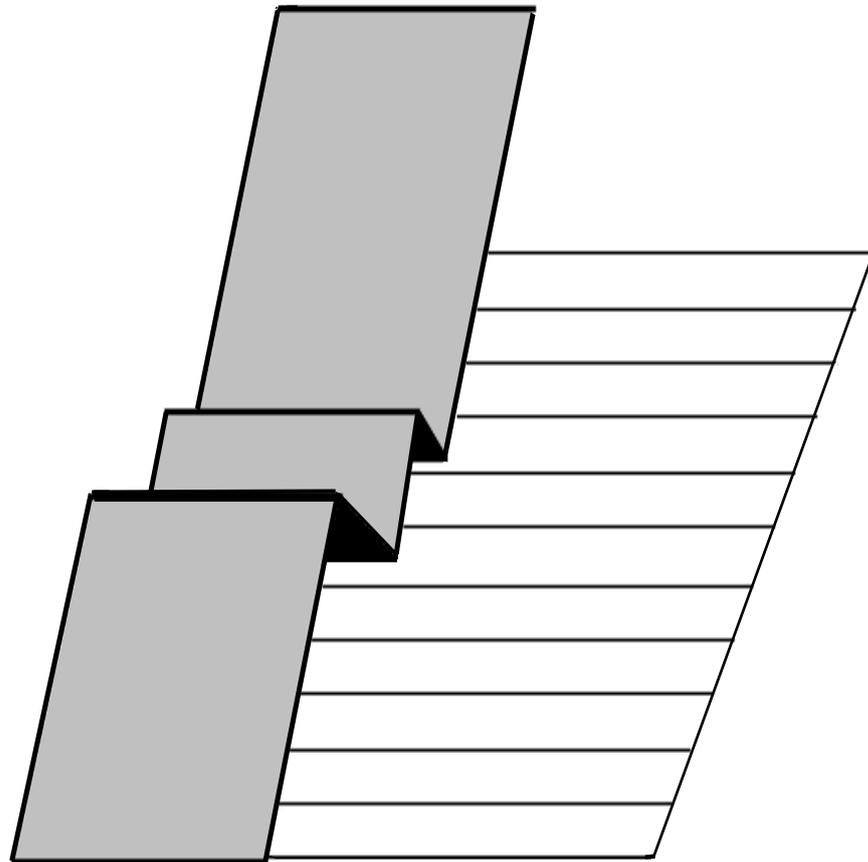
Source: PMO, as included in PSEO database (Eurostat)

Appendix 1c

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

Explanations and statistical analyses:
correction coefficients

Reference period:
Year to 1 July 2019



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INTRODUCTION

This document is an appendix to the 2019 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 further 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 through collaboration with the International Service for Remuneration and Pensions 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 manuals²³.

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²³ Op cit (3) Doc.A6465/14/59rev3 (version May 2016), Doc.A6465/14/60rev3 (version April 2017)

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 so 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)*

t₀: 1000 EUR x ER 9.431 x CC 127.4% (ie. PPP 12.02 ÷ ER 9.431) = 12015 local
which is essentially the same as **1000 EUR x PPP 12.02 = 12020 local** (with slight rounding effect)

t₁: 1000 EUR x ER 9.722 x CC 123.6% (ie. PPP 12.02 ÷ ER 9.722) = 12016 local
which is essentially the same as **1000 EUR x PPP 12.02 = 12020 local** (with slight rounding effect)

* t₀ = actual Sweden CC 2016, t₁ = hypothetical CC using actual ER 2017 but constant PPP

1.1.1 Changes in the correction coefficients from July 2018 to July 2019

The simple average change for all duty stations in the correction coefficient for the period under review was +0.8%, with standard deviation 1.7%. The maximum increase was +4.7% (HU-Budapest). The maximum decrease was -2.0% (DK-Copenhagen). For 17 locations there was an increase, for 2 locations there was zero change, and for 12 locations there was a decrease. The movement in correction coefficients of EU officials for the period July 2018 - July 2019 are summarised in the table below²⁴:

²⁴ Note: For this analysis, a full table is not included in the report.

Range		Duty stations
$X < -2.6\%$	0	
$-2.6\% \leq X < -0.9\%$	5	DK, IT ^{Rom} , IT ^{Var} , SE, UK ^{Lon}
$-0.9\% \leq X < 0.8\%$	12	DE ^{Ber} , DE ^{Bon} , DE ^{Kar} , DE ^{Mun} , EL, ES, HR, AT, SI, SK, FI, UK ^{Cul}
$0.8\% \leq X < 2.5\%$	9	EE, IE, FR, CY, LV, LT, MT, NL, RO
$2.5\% \leq X < 4.2\%$	3	CZ, PL, PT
$4.2\% \leq X$	2	BG, HU
Total	31	excluding Brussels and Luxembourg ²⁵

1.1.2 Changes in exchange rates from July 2018 to July 2019

For those duty stations in 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 2018 - July 2019: BG 0.0%, CZ -2.2%, DK +0.2%, HR +0.2%, HU -1.4%, PL -2.6%, RO +1.4%, SE +1.2% and UK +1.0%.

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 goods and services which are selected to represent the basic heading and specified in the necessary detail to enable prices in a sufficiently narrow range to be collected for internationally comparable items.

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.

²⁵ Brussels is the reference city for the bilateral comparisons (CC for staff). In accordance with Article 3(5) of Annex XI to the Staff Regulations, Luxembourg = Brussels

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. Following a decision at the 2017 meeting of the Working Group on Articles 64 & 65 of the Staff Regulations, this information is made available separately.

Table 4.1 (page 1 of 3)
Economic parities of the 12 main expenditure groups for each duty station
at 1st July 2019
(for staff)

Expenditure Groups	BE	BG-Sofia		CZ-Prague		DK-Copenhagen		DE-Berlin		DE-Bonn		DE-Karlsruhe	
	Weight	Weight	Parity										
1	128.2	160.1	1.474	92.8	19.49	129.6	8.450	108.8	0.904	108.8	0.940	108.8	0.920
2	20.3	17.5	1.205	13.6	19.38	17.4	8.486	17.7	0.822	17.7	0.830	17.7	0.826
3	54.3	80.2	1.527	53.9	24.14	51.6	8.786	53.6	0.898	53.6	0.901	53.6	0.904
4	297.6	240.4	0.9751	413.1	27.95	299.6	12.37	272.5	1.182	272.5	0.967	272.5	1.006
5	74.7	53.6	1.100	71.9	19.12	56.0	7.901	85.6	0.952	85.6	0.943	85.6	0.955
6	19.2	15.8	0.6895	13.4	11.59	16.2	8.439	16.8	0.944	16.8	0.948	16.8	0.946
7	127.2	131.0	1.341	110.3	20.42	148.2	9.061	156.0	1.031	156.0	1.085	156.0	1.038
8	21.5	24.0	0.9457	15.6	19.34	18.9	5.360	15.8	0.758	15.8	0.748	15.8	0.750
9	91.7	102.0	1.327	81.0	20.78	103.9	9.597	110.4	1.022	110.4	1.028	110.4	1.014
10	14.7	30.4	0.3656	19.5	11.57	21.9	4.882	19.8	0.644	19.8	0.620	19.8	1.103
11	100.6	76.3	0.8843	69.5	14.44	86.1	9.672	94.4	0.852	94.4	0.891	94.4	0.878
12	50.0	68.8	1.277	45.3	21.58	50.6	9.789	48.6	0.903	48.6	0.865	48.6	0.919
Rents	237.1	188.5	1.003	358.4	29.52	246.9	13.37	211.2	1.217	211.2	0.936	211.2	0.982
Total without rents	762.9	811.5	1.159	641.6	19.15	753.1	8.705	788.8	0.938	788.8	0.956	788.8	0.960
Global parity	1000.0	1000.0	1.124	1000.0	21.74	1000.0	9.648	1000.0	0.994	1000.0	0.951	1000.0	0.965
Exchange rate			1.956		25.43		7.464		1		1		1

Expenditure Groups	BE	DE-Munich		EE-Tallinn		IE-Dublin		EL-Athens		ES-Madrid		FR-Paris	
	Weight	Weight	Parity										
1	128.2	108.8	0.933	135.9	0.864	85.1	1.025	124.7	0.939	113.0	0.823	123.1	1.039
2	20.3	17.7	0.830	15.8	1.002	19.7	1.721	19.2	1.058	14.3	0.785	18.7	1.016
3	54.3	53.6	0.918	77.6	0.990	55.5	0.964	61.2	0.957	49.2	0.937	57.9	1.039
4	297.6	272.5	1.501	250.5	0.857	223.8	1.913	229.6	0.766	287.4	1.093	294.4	1.655
5	74.7	85.6	0.968	65.7	0.769	95.6	0.846	86.9	0.754	71.0	0.941	69.3	1.040
6	19.2	16.8	0.947	16.7	0.553	21.3	1.744	16.7	0.751	17.6	0.991	9.0	0.826
7	127.2	156.0	1.058	139.8	0.796	165.5	1.035	168.1	0.935	148.4	0.854	131.3	1.052
8	21.5	15.8	0.755	18.8	0.470	14.6	1.021	25.1	1.062	22.5	0.909	16.5	0.647
9	91.7	110.4	1.068	108.8	0.986	135.1	0.942	95.7	0.840	89.1	0.929	90.2	1.118
10	14.7	19.8	0.828	26.9	0.467	48.4	0.550	28.6	0.429	44.7	0.648	30.4	0.631
11	100.6	94.4	0.939	90.1	0.804	63.8	1.139	89.2	0.683	91.5	0.758	107.5	1.015
12	50.0	48.6	0.997	53.5	0.869	71.6	1.043	55.2	0.791	51.3	0.837	51.7	1.086
Rents	237.1	211.2	1.641	193.0	0.935	185.3	2.251	160.9	0.808	237.2	1.188	244.2	1.848
Total without rents	762.9	788.8	0.981	807.0	0.808	814.7	1.000	839.1	0.823	762.8	0.845	755.8	1.018
Global parity	1000.0	1000.0	1.103	1000.0	0.833	1000.0	1.192	1000.0	0.818	1000.0	0.916	1000.0	1.177
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 2019
(for staff)

Expenditure Groups	BE	HR-Zagreb		IT-Rome		IT-Varese		CY-Nicosia		LV-Riga		LT-Vilnius	
	Weight	Weight	Parity										
1	128.2	135.7	6.310	110.1	1.011	117.7	1.049	154.6	0.932	136.6	0.847	137.1	0.752
2	20.3	15.3	6.739	13.2	0.976	12.4	0.864	16.9	0.907	15.9	0.936	15.9	0.828
3	54.3	60.9	6.192	56.7	0.978	55.2	1.023	77.4	0.909	78.0	0.998	78.2	0.999
4	297.6	259.1	5.927	268.7	1.002	300.0	0.782	266.3	0.603	246.7	0.777	244.1	0.804
5	74.7	51.1	5.129	72.0	0.976	74.4	1.019	51.8	0.752	66.0	0.716	66.2	0.748
6	19.2	16.9	3.664	21.5	1.071	19.6	1.204	15.3	1.040	16.8	0.565	16.8	0.550
7	127.2	169.5	6.297	161.5	0.960	153.6	0.981	126.5	1.030	140.5	0.803	141.0	0.768
8	21.5	24.5	5.327	18.2	0.782	16.8	0.756	23.2	0.704	18.9	0.562	19.0	0.483
9	91.7	91.8	5.538	93.9	0.985	85.4	0.962	98.5	0.934	109.4	0.851	109.7	0.791
10	14.7	25.6	2.736	29.0	0.616	34.2	1.082	29.3	0.585	27.0	0.381	27.1	0.325
11	100.6	98.1	4.429	85.1	0.794	73.4	0.753	73.7	0.750	90.6	0.736	90.9	0.625
12	50.0	51.6	5.522	70.1	0.926	57.4	0.895	66.5	0.794	53.7	0.887	53.9	0.826
Rents	237.1	198.6	6.374	205.7	1.060	230.0	0.767	216.2	0.587	189.0	0.832	186.2	0.908
Total without rents	762.9	801.4	5.427	794.3	0.925	770.0	0.944	783.8	0.860	811.0	0.775	813.8	0.715
Global parity	1000.0	1000.0	5.612	1000.0	0.952	1000.0	0.900	1000.0	0.789	1000.0	0.786	1000.0	0.751
Exchange rate			7.396		1		1		1		1		1

Expenditure Groups	BE	HU-Budapest		MT-Valletta		NL-TheHague		AT-Vienna		PL-Warsaw		PT-Lisbon	
	Weight	Weight	Parity										
1	128.2	124.6	252.6	144.9	0.995	113.5	0.909	109.7	1.065	110.7	2.809	103.0	0.888
2	20.3	19.2	213.8	27.1	0.955	19.1	0.977	9.9	0.912	13.7	3.375	11.0	0.932
3	54.3	59.3	277.2	57.8	0.993	45.1	0.972	63.9	0.974	62.1	3.602	49.0	0.883
4	297.6	328.7	296.3	302.0	1.006	292.1	1.345	292.4	1.193	308.9	3.509	268.3	1.036
5	74.7	60.7	215.1	70.3	0.869	76.0	0.949	71.9	1.008	69.5	2.772	96.5	0.820
6	19.2	9.7	191.8	16.2	0.822	7.5	1.173	14.7	1.066	11.8	2.323	17.2	0.897
7	127.2	129.2	253.1	116.4	0.959	164.1	1.158	149.3	1.047	132.2	3.249	152.1	1.005
8	21.5	17.6	176.0	17.9	0.749	15.5	0.806	18.2	0.621	12.9	1.379	16.9	0.885
9	91.7	82.4	227.1	80.4	0.930	99.5	1.062	90.0	1.071	98.1	3.032	86.4	0.918
10	14.7	23.6	98.25	14.8	0.620	26.2	1.167	32.0	0.996	39.7	1.542	60.9	0.464
11	100.6	92.7	182.9	113.2	0.706	88.2	1.075	75.0	0.923	89.3	2.606	86.0	0.671
12	50.0	52.2	229.3	38.9	0.843	53.2	1.054	72.9	1.055	51.0	3.032	52.9	0.815
Rents	237.1	267.6	347.1	256.7	1.060	238.7	1.417	223.5	1.281	252.6	3.868	217.0	1.078
Total without rents	762.9	732.4	217.1	743.3	0.879	761.3	1.035	776.5	1.002	747.4	2.798	783.0	0.839
Global parity	1000.0	1000.0	243.8	1000.0	0.920	1000.0	1.115	1000.0	1.060	1000.0	3.023	1000.0	0.886
Exchange rate			323.6		1		1		1		4.252		1

Table 4.1 (page 3 of 3)
Economic parities of the 12 main expenditure groups for each duty station
at 1st July 2019
(for staff)

Expenditure Groups	BE	RO-Bucharest		SI-Ljubljana		SK-Bratislava		FI-Helsinki		SE-Stockholm	
	Weight	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity	Weight	Parity
1	128.2	132.4	3.178	135.5	0.845	98.1	0.852	128.1	1.086	126.6	10.65
2	20.3	14.5	3.151	15.3	0.849	14.4	0.804	17.2	1.552	17.0	13.47
3	54.3	66.3	3.575	60.8	0.930	57.0	0.951	51.0	1.080	50.4	11.40
4	297.6	371.7	3.563	259.8	0.858	379.8	0.870	307.8	1.361	315.9	17.21
5	74.7	44.3	2.742	51.1	0.800	76.0	0.710	55.3	1.038	54.7	11.28
6	19.2	13.1	1.831	16.9	0.738	14.2	0.535	16.0	1.508	15.8	15.32
7	127.2	108.3	3.140	169.4	0.909	116.5	0.729	146.5	1.110	144.8	10.23
8	21.5	19.8	1.852	24.5	0.878	16.5	0.560	18.7	0.654	18.5	8.159
9	91.7	84.4	3.222	91.7	0.954	85.6	0.818	102.7	1.178	101.5	11.30
10	14.7	25.1	1.521	25.5	0.611	20.6	0.499	21.7	0.799	21.4	7.734
11	100.6	63.1	2.195	98.0	0.693	73.4	0.656	85.1	1.152	84.1	12.25
12	50.0	56.9	3.032	51.6	0.857	47.9	0.796	50.0	1.207	49.4	12.35
Rents	237.1	328.7	3.895	199.4	0.879	322.0	0.917	255.7	1.498	264.4	19.07
Total without rents	762.9	671.3	2.816	800.6	0.837	678.0	0.746	744.3	1.093	735.6	11.12
Global parity	1000.0	1000.0	3.082	1000.0	0.846	1000.0	0.790	1000.0	1.181	1000.0	12.71
Exchange rate			4.722		1		1		1		10.55

Expenditure Groups	BE	UK-London		UK-Culham	
	Weight	Weight	Parity	Weight	Parity
1	128.2	110.0	0.7374	98.5	0.7130
2	20.3	26.2	1.229	19.5	1.156
3	54.3	55.0	0.7448	47.3	0.7424
4	297.6	314.6	2.098	287.7	1.055
5	74.7	69.3	0.9106	86.3	0.9002
6	19.2	12.2	1.474	6.0	1.474
7	127.2	124.7	1.029	153.1	0.9629
8	21.5	16.5	0.7930	19.0	0.7936
9	91.7	99.7	0.9931	130.4	0.9354
10	14.7	25.3	0.7330	22.0	0.7260
11	100.6	100.2	0.8568	60.0	0.7888
12	50.0	46.4	0.9785	70.2	0.7962
Rents	237.1	270.2	2.645	235.5	1.160
Total without rents	762.9	729.8	0.8924	764.5	0.8479
Global parity	1000.0	1000.0	1.188	1000.0	0.9118
Exchange rate		0.0	0.8943	0.0	0.8943

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

1.3 Purchasing power parities – analysis of results

1.3.1 Changes in the economic parities from July 2018 to July 2019

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. A decomposition of all the effects underlying the changes in the economic parities for the period July 2018 - July 2019, is given in **Table 4.2**.

The simple average change in the global economic parity for all duty stations for the period under review was +0.7% with standard deviation 1.4%. The maximum increase was +4.0% (BG-Sofia). The maximum decrease was -1.9% (DK-Copenhagen). For 21 locations there was an increase or no movement and for 10 locations there was a decrease. The movements in the global economic parities for the period are summarised in the table below:

Range		Duty stations
$X < -2.1\%$	0	
$-2.1\% \leq X < -0.7\%$	3	DK, IT ^{Rom} , IT ^{Var}
$-0.7\% \leq X < 0.7\%$	14	DE ^{Ber} , DE ^{Bon} , DE ^{Kar} , DE ^{Mun} , EL, ES, HR, AT, SI, SK, FI, SE, UK ^{Lon} , UK ^{Cul}
$0.7\% \leq X < 2.1\%$	10	CZ, EE, IE, FR, CY, LV, LT, MT, NL, PL
$2.1\% \leq X < 3.5\%$	3	HU, PT, RO
$3.5\% \leq X$	1	BG
Total	31	excluding Brussels and Luxembourg ²⁶

1.3.2 Impact of changes in the expenditure weights

Consumption weighting structures are used to aggregate the basic heading parities to produce the global economic parity. No structures were updated during the period under review.

Updated structures were most recently introduced for the July 2018 calculation exercise, for 22 duty stations, based on family budget surveys conducted amongst staff of EU institutions and EU agencies as indicated below:

- (2) Bulgaria and Croatia: spring 2016.
- (6) Greece, Spain, Italy (incl. Italy-Varese), Austria and Portugal: autumn 2016.
- (14) Czech Republic, Denmark, Estonia, Cyprus, Lithuania, Latvia, Hungary, Malta, Poland, Romania, Slovenia, Slovakia, Finland, Sweden: spring 2017.

²⁶ Op cit (25) Brussels is the reference city. Luxembourg = Brussels.

Data from the autumn 2017 survey in Brussels is now being processed. Other things being equal, a consumption structure based on those results should be introduced for the July 2020 calculation exercise, combining with results from similar surveys conducted by partner international organisations also present in Belgium (notably EuroControl and NATO). The updated consumption structure will affect all duty stations, as Brussels is the reference city for parity calculation.

Data from the autumn 2018 survey in Ireland is also being finalised for integration in the July 2020 calculation exercise.

The next surveys amongst Intra-EU staff are currently planned during autumn 2019 - spring 2020 in 3 locations: France, Germany, Netherlands. Organisation of a survey in the United Kingdom is currently suspended²⁷.

Other things being equal, the next round of family budget surveys amongst Intra-EU staff will commence in 2022, after surveys have been conducted amongst Pensioners in EU28 Member States and amongst Extra-EU staff (145 delegations around the world).

1.3.3 Impact of new parities derived from price surveys

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

- Food, beverage and tobacco (survey conducted in spring 2018)
- Personal appearance (survey conducted in autumn 2018)

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

The introduction of price data from the spring 2018 ECP survey on Food, beverage and tobacco affects 15 elementary parities out of the 80 basic heading classification, which together account for 148.5‰ of the total consumption weight in Brussels and 137.5‰ on average in other EU duty stations with range between 104.8‰ and 177.6‰ and standard deviation 18.4‰. Introduction of these various results has led to an increase in the overall parity for 7 locations, a decrease in the parity for 21 locations and no change in the parity for 3 locations - with the impact ranging between +0.9% (RO-Bucharest) and -2.2% (DK-Copenhagen). The average impact was -0.2%, with standard deviation 0.6%.

The introduction of the price data from the autumn 2018 ECP survey on Personal appearance affects 8 elementary parities out of the 80 basic heading classification, which together account for 76.7‰ of the total consumption weight in Brussels and 88.9‰ on average in other EU duty stations with range between 68.3‰ and 127.6‰ and standard deviation 16.3‰. Introduction of these results has generated an increase in the overall parity for 27 locations,

²⁷ Organisation of the UK survey is currently suspended. EU staff numbers in UK have reduced significantly due to the move of the European Medicines Agency from London to Amsterdam and the European Banking Authority from London to Paris with effect from January 2019. EU (Euratom) contribution to the ITER project is now organized through the Barcelona based Fusion for Energy agency and the Garching (Germany) based Eurofusion consortium rather than the Joint European Torus at Culham. The Type 1 European School in Culham already closed in 2017. The EU Representation in London (with satellite offices in Edinburgh, Belfast and Cardiff) will be replaced by an EU Delegation following UK withdrawal from the European Union.

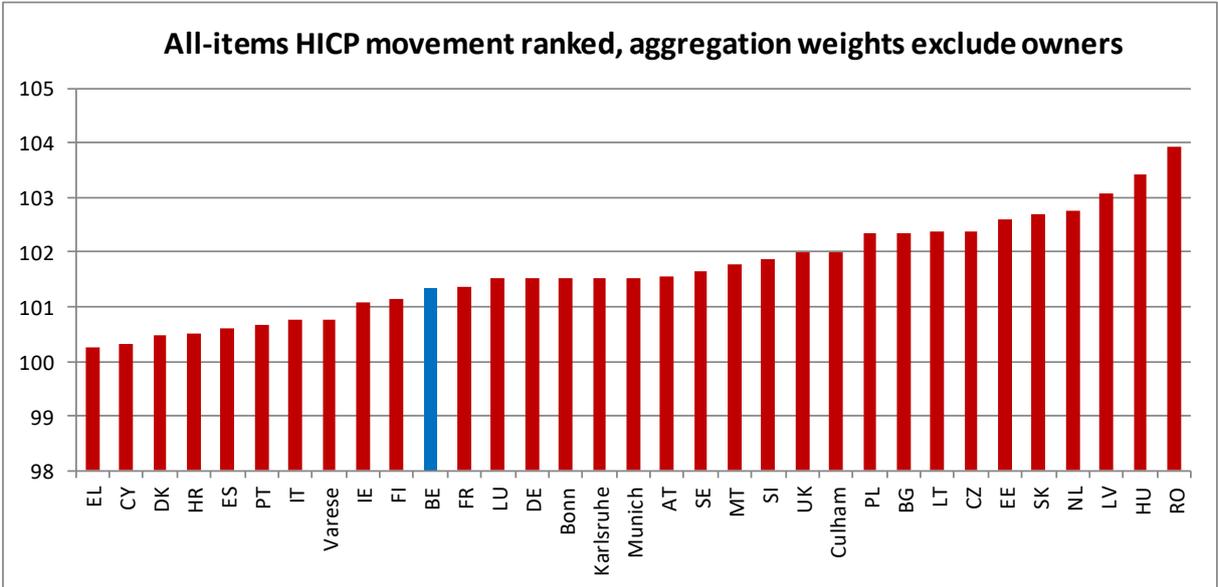
and zero change for 4 locations - with the impact ranging between +1.3% (PL-Warsaw) and 0.0% (DE-Bonn, DE-Karlsruhe, DE-Munich, SK-Bratislava). The average impact was +0.4%, with standard deviation 0.3%.

1.3.4 Impact of indexation

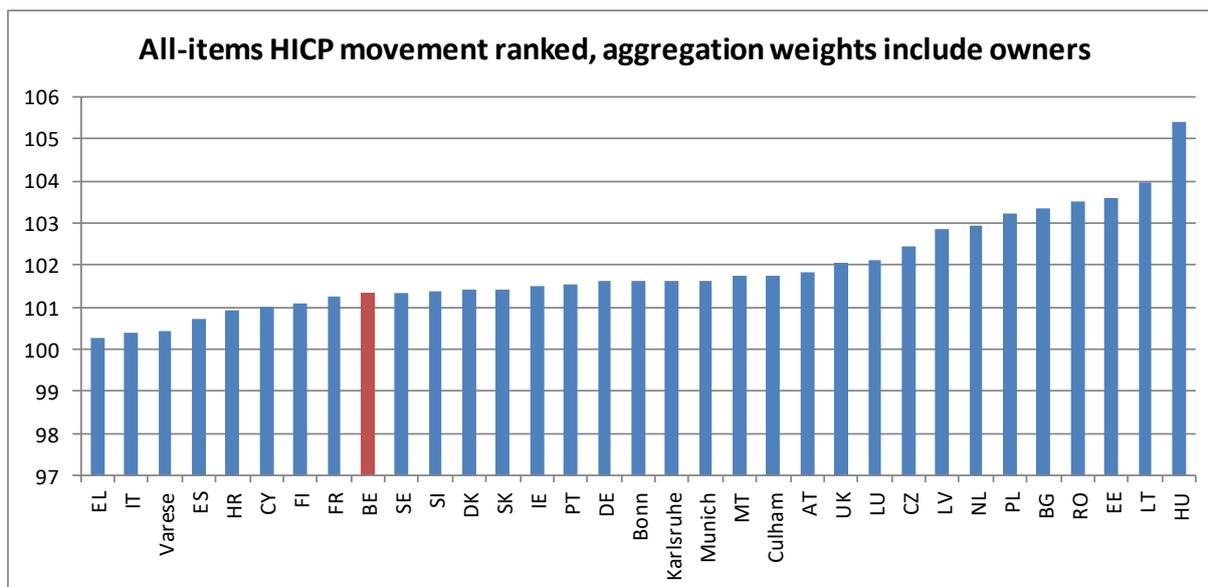
As regards price indexation, it has to be remembered that the impact for each duty station reflects the movement of the national Harmonised Index of Consumer Prices (HICP) relative to the evolution of prices in Brussels²⁸.

The impact on the overall parity of applying detailed sub-indices at basic heading level for the year to July 2019 generated a decrease (ie. inflation was lower than Brussels) in 12 places and an increase (ie. inflation was higher than Brussels) or stability in the remaining 19 places - with the impact ranging between +3.5% (HU-Budapest) and -1.7% (EL-Athens). The average impact was +0.3% and standard deviation 1.1%.

Here it should be recalled that there are important differences between HICP and PPP methodologies, notably regarding weights used 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. Therefore, purely for information purposes, the following graphs summarise how national HICP have developed relative to Belgium during the year to July 2019. It is clear from both graphs that the overall price index has risen more quickly in two-thirds of the duty station countries and less quickly in the other one-third.



²⁸ See appendix 1b for details of the movement in the Joint Belgium-Luxembourg Index (JBLI).



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 2018 (December 2017) compared with the previous base period July 2017 (December 2016) the ratio remained broadly stable²⁹.

1.3.5 Impact of new rent parities

Estate Agency Rent Surveys are carried out every year in all Member States to compile rent data. A six-year moving average model is used for calculating rent parities: the rent parities for 2019 are based on the relative trend in the real-estate markets in Brussels and other places of employment between 2013 and 2019.

The rent parities are, therefore, affected by the following factors:

- introduction of rent data for each dwelling type for year 2019;
- deletion of the rent data for 2013;
- price indices used for updating the rents for 2014 - 2018 to price level of 2019;
- relative weighting of rents data for each of the years 2014 – 2019 (“taper weights” *)
- relative weighting of rents data for each dwelling type (*).

(*) relative weighting structure is derived from the 2016 housing surveys conducted amongst active staff in all Intra-EU duty stations in collaboration with other international organisations. Dwelling type weights were introduced for 2016 exercise; taper weights were introduced for 2017 exercise. No further changes for 2019.

Details of the average rent values by type of dwelling are provided in **Table 4.3** at July 2019, together with comparative information for July 2018.

Details of the changes in the rent parities from July 2018 to July 2019, including a decomposition of all the effects, are given in **Table 5.4** and **Table 5.4a**.

²⁹ See appendix 1b

The simple average change in the rent parity for all duty stations was +2.7%. There were increases in the rent parity for 26 duty stations and decreases for 5 locations (IT-Rome, AT-Vienna, PL-Warsaw, UK-London, UK-Culham). Movements in the rent parity in absolute terms of 5% or more could be observed in 8 places: Lisbon (+12.3%), Sofia (+7.3%), Valletta (+6.9%), Dublin (+5.3%), Budapest (+5.3%), Prague (+5.2%), Ljubljana (+5.2%), Nicosia (+5.1%) .

The rents basic headings account for 237.1‰ of the total consumption weight in Brussels and 234.1‰ on average in other EU duty stations with range between 160.8‰ and 358.4‰ and standard deviation 44.3‰. Consequently, the rent parities 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 or stability for 20 locations and decreases for 11 locations with the impact ranging between +2.1% (PT-Lisbon) and -1.3% (PL-Warsaw). The average impact on the overall parity was +0.2% with standard deviation 0.7%.

1.3.6 Impact of rents on the overall parity for staff

In **Table 5.5** and **Table 5.6**, the analysis of correction coefficients and parities 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 the impact of differences arising from other causes.

In 2019, for 14 out of the 31 duty stations (i.e. excluding Brussels 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 Brussels. For the remaining 17 duty stations, the rent correction coefficient is greater than 100.

The correction coefficients for rents (compared to Brussels =100) are very high in UK-London (295.7), IE-Dublin (225.1), FR-Paris (184.8), SE-Stockholm (180.8), DK-Copenhagen (179.2) and DE-Munich (164.1), whereas they are quite low in BG-Sofia (51.3), CY-Nicosia (58.7), IT-Varese (76.7) and EL-Athens (80.8).

In 2019, the rent correction coefficient is lower than the correction coefficient without rent in 5 of the duty stations (BG, DE^{Bon}, EL, IT^{Var} and CY). This means that, for those places, the rents lead to a reduction of the global correction coefficient.

When rents are integrated in the computation, the correction coefficient is increased by 10% or more in UK-London (+33.2%), IE-Dublin (+19.2%), FR-Paris (+15.6%), SE-Stockholm (+14.3%), CZ-Prague (+13.5%), DE-Munich (+12.4%), HU-Budapest (+12.2%) and DK-Copenhagen (+10.9%). By contrast, the impact is quite negative in CY-Nicosia (-8.3%), IT-Varese (-4.7%) and BG-Sofia (-3.0%). The average rent effect is +6.7% with standard deviation 7.8%.

1.3.7 Summary of component impacts on global parity

The table below summarises the impact of the various components on the global parity, which are discussed in the preceding paragraphs:

Component	BH	Expenditure weight %				
		BE	Other (Avg.)	Other (St.Dev)	Other (Min.)	Other (Max.)
E18-1 Food, beverages and tobacco	15	148.5	137.5	18.5	104.8	177.6
E18_2 Personal appearance	8	76.7	88.9	16.3	68.3	127.6
HICP relative to JBLI	80	1000.0	1000.0	0	1000.0	1000.0
Rent	2	237.1	234.1	44.3	160.9	358.4

Component	BH	Impact on Global PPP					
		Avg.	St.Dev	Max.	Min.	+ve or 0	-ve
E18-1 Food, beverages and tobacco	15	-0.2%	0.6%	+0.9%	-2.2%	10	21
E18_2 Personal appearance	8	+0.4%	0.3%	+1.3%	0.0%	31	0
HICP relative to JBLI	80	+0.3%	1.1%	+3.5%	-1.7%	19	12
Rent	2	+0.2%	0.7%	+2.1%	-1.3%	20	11
GLOBAL	80	+0.7%	1.4%	+4.0%	-1.9%	21	10

Table 4.2

Changes in the economic parities in the twelve months to 1st July 2019
Decomposition of the effects (%)
(for staff)

Place of employment	Introduction of new price data						Total
	New FBS weights	E18-1 FoBeTo	E18-2 PersApp	Indexation (HICP relative to JBLD)	2018 Rents		
BG Sofia	-	0.6	0.9	1.6	0.9	4.0	
CZ Prague	-	-0.8	0.1	0.8	0.7	0.8	
DK Copenhagen	-	-2.2	0.5	-0.5	0.3	-1.9	
DE Berlin	-	-0.9	0.1	0.1	0.7	0.1	
Bonn	-	-0.5	0.0	0.1	0.0	-0.5	
Karlsruhe	-	-0.7	0.0	0.1	0.3	-0.3	
Munich	-	-0.5	0.0	0.1	0.7	0.3	
EE Tallinn	-	-0.3	0.2	1.9	-0.4	1.3	
IE Dublin	-	0.7	0.7	-0.4	0.2	1.3	
EL Athens	-	0.5	0.4	-1.7	0.9	0.1	
ES Madrid	-	-0.2	0.1	-0.9	0.9	-0.1	
FR Paris	-	0.1	0.4	-0.4	0.7	0.8	
HR Zagreb	-	-0.1	0.1	-0.4	-0.1	-0.5	
IT Rome	-	-0.2	0.1	-1.2	-0.1	-1.3	
Varese	-	-0.4	0.2	-1.1	0.3	-0.9	
CY Nicosia	-	0.3	0.8	-0.3	0.6	1.3	
LV Riga	-	-0.1	0.6	1.4	-0.6	1.3	
LT Vilnius	-	0.0	0.4	2.4	-0.8	2.0	
HU Budapest	-	0.0	0.5	3.5	-0.7	3.3	
MT Vallette	-	-0.1	0.8	0.1	1.2	2.0	
NL The Hague	-	-0.3	0.1	1.4	0.2	1.4	
AT Vienna	-	-0.1	0.2	0.2	-0.7	-0.3	
PL Warsaw	-	-0.5	1.3	1.5	-1.3	1.0	
PT Lisbon	-	0.4	0.8	0.0	2.1	3.4	
RO Bucharest	-	0.9	0.2	1.8	0.4	3.3	
SI Ljubljana	-	-0.8	0.6	-0.2	0.4	0.0	
SK Bratislava	-	-0.2	0.0	0.2	0.6	0.6	
FI Helsinki	-	-0.1	0.3	-0.4	-0.2	-0.4	
SE Stockholm	-	-0.3	0.3	-0.1	0.1	0.0	
UK London	-	-0.2	0.4	0.3	-0.9	-0.4	
Culham	-	0.0	0.4	0.3	-0.3	0.4	

Table 4.3 (page 1 of 4)
Changes in the average rents of accommodation in the twelve months to 1st July 2019

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

Country			3 bedroom flat			2 bedroom flat		1 bedroom flat	
			(140-160m ²)	(110-130m ²)	(80-100m ²)	(80-100m ²)	(60-80m ²)	(60-80m ²)	(40-60m ²)
Place of employment									
BE	Brussels	2018	1,663	1,319	1,037	1,046	878	802	672
		2019	1,662	1,321	1,098	1,063	894	848	725
BG	Sofia	2018	1,727	-	-	1,111	-	706	-
		2019	1,791	-	-	1,154	-	814	-
CZ	Prague	2018	-	39,111	-	28,333	-	21,000	-
		2019	-	43,750	-	31,972	-	23,611	-
DK	Copenhagen	2018	-	18,746	-	-	13,188	-	10,604
		2019	-	18,653	-	-	14,184	-	10,421
DE	Berlin	2018	-	1,752	-	1,260	-	992	-
		2019	-	1,822	-	1,360	-	1,058	-
	Bonn	2018	-	1,293	-	968	-	783	-
		2019	-	1,311	-	981	-	788	-
	Karlsruhe	2018	-	1,323	-	1,022	-	806	-
		2019	-	1,384	-	1,062	-	830	-
	Munich	2018	-	2,160	-	1,647	-	1,344	-
		2019	-	2,232	-	1,719	-	1,344	-
EE	Tallin	2018	-	-	1,160	-	848	-	600
		2019	-	-	1,341	-	904	-	629
IE	Dublin	2018	-	2,712	-	-	2,044	-	1,654
		2019	-	2,798	-	-	2,168	-	1,759
EL	Athens	2018	1,327	-	-	909	-	686	-
		2019	1,471	-	-	1,011	-	791	-
ES	Madrid	2018	-	1,732	-	-	1,281	-	961
		2019	-	1,834	-	-	1,354	-	1,004
FR	Paris	2018	-	2,678	-	2,010	-	-	1,216
		2019	-	2,900	-	2,182	-	-	1,236
HR	Zagreb	2018	-	11,280	-	6,998	-	4,562	-
		2019	-	10,309	-	7,004	-	5,258	-
IT	Rome	2018	-	1,526	-	1,177	-	914	-
		2019	-	1,663	-	1,237	-	951	-
	Varese	2018	-	1,008	-	740	-	583	-
		2019	-	1,020	-	750	-	574	-
CY	Nicosia	2018	-	903	-	713	-	619	-
		2019	-	921	-	719	-	597	-

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 4.3 (page 2 of 4)
Changes in the average rents of accommodation in the twelve months to 1st July 2019

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

Country			3 bedroom flat			2 bedroom flat		1 bedroom flat	
			(140-160m ²)	(110-130m ²)	(80-100m ²)	(80-100m ²)	(60-80m ²)	(60-80m ²)	(40-60m ²)
Place of employment									
BE	Brussels	2018	1,663	1,319	1,037	1,046	878	802	672
		2019	1,662	1,321	1,098	1,063	894	848	725
LV	Riga	2018	-	1,250	-	861	-	609	-
		2019	-	1,266	-	886	-	642	-
LT	Vilnius	2018	-	-	1,005	-	819	-	602
		2019	-	-	1,099	-	822	-	597
HU	Budapest	2018	-	468,042	-	-	311,971	-	203,428
		2019	-	508,333	-	-	343,889	-	257,625
MT	Valletta	2018	-	1,400	-	1,107	-	-	821
		2019	-	1,451	-	1,115	-	-	847
NL	The Hague	2018	-	1,983	-	1,424	-	1,058	-
		2019	-	2,021	-	1,455	-	1,080	-
AT	Vienna	2018	-	1,704	-	1,269	-	966	-
		2019	-	1,632	-	1,224	-	959	-
PL	Warsaw	2018	-	5,167	-	3,979	-	-	2,408
		2019	-	4,890	-	3,546	-	-	2,386
PT	Lisbon	2018	1,813	-	-	1,488	-	1,070	-
		2019	1,948	-	-	1,483	-	1,055	-
RO	Bucharest	2018	-	5,353	-	4,016	-	-	2,478
		2019	-	5,328	-	3,959	-	-	2,503
SI	Ljubljana	2018	-	1,329	-	915	-	-	606
		2019	-	1,500	-	1,013	-	-	683
SK	Bratislava	2018	-	1,132	-	858	-	630	-
		2019	-	1,213	-	930	-	675	-
FI	Helsinki	2018	-	2,083	-	-	1,473	-	1,125
		2019	-	2,217	-	-	1,508	-	1,178
SE	Stockholm	2018	-	32,010	-	24,310	-	15,510	-
		2019	-	30,213	-	21,267	-	15,987	-
UK	London	2018	-	-	2,671	-	2,015	-	1,561
		2019	-	-	2,769	-	2,083	-	1,622
	Culham	2018	-	-	1,271	-	1,070	-	883
		2019	-	-	1,313	-	1,123	-	904

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 4.3 (page 3 of 4)
Changes in the average rents of accommodation in the twelve months to 1st July 2019
 (Values expressed in Euro, except local currencies: BG*, CZ, DK, HR*, HU, PL, RO*, SE, UK) ¹

Country			Non-detached houses			Detached houses			Rent Parity ²
			(140-160m ²)	(110-130m ²)	(80-100m ²)	(190-220m ²)	(150-180m ²)	(110-140m ²)	
Place of employment									
BE	Brussels	2018	1,759	1,400	1,125	2,378	1,833	1,439	1.000
		2019	1,750	1,434	1,211	2,494	1,986	1,589	1.000
BG	Sofia	2018	-	-	-	2,589	-	-	0.9344
		2019	-	-	-	2,878	-	-	1.003
CZ	Prague	2018	-	41,111	-	-	61,389	-	28.05
		2019	-	44,722	-	-	72,611	-	29.52
DK	Copenhagen	2018	-	19,167	-	-	24,500	-	13.23
		2019	-	19,650	-	-	23,700	-	13.37
DE	Berlin	2018	-	1,733	-	-	2,613	-	1.173
		2019	-	1,853	-	-	2,639	-	1.217
	Bonn	2018	-	1,329	-	-	1,811	-	0.933
		2019	-	1,368	-	-	1,783	-	0.936
	Karlsruhe	2018	-	1,402	-	-	1,980	-	0.964
		2019	-	1,469	-	-	2,011	-	0.982
	Munich	2018	-	2,436	-	-	3,631	-	1.590
		2019	-	2,609	-	-	3,916	-	1.641
EE	Tallin	2018	-	1,245	-	-	1,755	-	0.898
		2019	-	1,311	-	-	1,806	-	0.935
IE	Dublin	2018	-	-	2,646	-	-	3,257	2.137
		2019	-	-	2,809	-	-	3,571	2.251
EL	Athens	2018	1,447	-	-	2,131	-	-	0.778
		2019	1,623	-	-	2,203	-	-	0.808
ES	Madrid	2018	2,154	-	-	2,976	-	-	1.140
		2019	2,159	-	-	3,116	-	-	1.188
FR	Paris	2018	-	2,768	-	-	3,449	-	1.807
		2019	-	2,679	-	-	3,603	-	1.848
HR	Zagreb	2018	11,523	0	-	18,130	-	-	6.185
		2019	11,626	0	-	18,444	-	-	6.374
IT	Rome	2018	-	1,347	-	1,906	-	-	1.074
		2019	-	1,453	-	1,987	-	-	1.060
	Varese	2018	-	1,269	-	1,917	-	-	0.762
		2019	-	1,319	-	2,047	-	-	0.767
CY	Nicosia	2018	1,102	-	-	1,875	-	-	0.558
		2019	1,146	-	-	1,729	-	-	0.587

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 4.3 (page 4 of 4)
Changes in the average rents of accommodation in the twelve months to 1st July 2019
 (Values expressed in Euro, except local currencies: BG*, CZ, DK, HR*, HU, PL, RO*, SE, UK) ¹

Country			Non-detached houses			Detached houses			Rent Parity ²
			(140-160m ²)	(110-130m ²)	(80-100m ²)	(190-220m ²)	(150-180m ²)	(110-140m ²)	
Place of employment									
BE	Brussels	2018	1,759	1,400	1,125	2,378	1,833	1,439	1.000
		2019	1,750	1,434	1,211	2,494	1,986	1,589	1.000
LV	Riga	2018	1,341	-	-	1,756	-	-	0.830
		2019	1,440	-	-	1,981	-	-	0.832
LT	Vilnius	2018	-	1,398	-	-	1,970	-	0.876
		2019	-	1,493	-	-	2,092	-	0.908
HU	Budapest	2018	604,007	-	-	831,535	-	-	329.7
		2019	605,714	-	-	830,071	-	-	347.1
MT	Valletta	2018	-	1,817	-	2,712	-	-	0.992
		2019	-	1,860	-	2,925	-	-	1.060
NL	The Hague	2018	2,328	-	-	-	3,189	-	1.389
		2019	2,424	-	-	-	3,216	-	1.417
AT	Vienna	2018	-	1,860	-	-	3,075	-	1.290
		2019	-	1,956	-	-	3,383	-	1.281
PL	Warsaw	2018	-	6,450	-	9,250	-	-	3.964
		2019	-	5,485	-	7,870	-	-	3.868
PT	Lisbon	2018	2,188	-	-	-	2,517	-	0.960
		2019	2,525	-	-	-	3,333	-	1.078
RO	Bucharest	2018	-	-	-	-	7,747	-	3.767
		2019	-	-	-	-	7,839	-	3.895
SI	Ljubljana	2018	-	1,342	-	-	1,788	-	0.835
		2019	-	1,330	-	-	2,010	-	0.879
SK	Bratislava	2018	-	1,356	-	-	2,013	-	0.903
		2019	-	1,397	-	-	1,949	-	0.917
FI	Helsinki	2018	-	2,181	-	3,294	-	-	1.496
		2019	-	2,131	-	3,139	-	-	1.498
SE	Stockholm	2018	-	25,833	-	-	32,333	-	18.88
		2019	-	25,167	-	-	33,000	-	19.07
UK	London	2018	-	-	3,143	-	-	4,168	2.733
		2019	-	-	3,171	-	-	4,363	2.645
	Culham	2018	-	-	1,261	-	-	1,569	1.178
		2019	-	-	1,370	-	-	1,622	1.160

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 5.4
Changes in rent parities in the twelve months to 1st July 2019
Decomposition of the effects (%)
(for staff)

Place of employment	Delete survey 2013	Introduce survey 2019	Rent index 2019	New SHS dwelling weights	New taper weights	Currency conversion *	Total change rent PPP
BG Sofia	5.2	1.3	0.6	-	-	0.0	7.3
CZ Prague	6.0	-1.3	0.5	-	-	-	5.2
DK Copenhagen	2.9	-0.8	-1.0	-	-	-	1.1
DE Berlin	3.6	0.4	-0.3	-	-	-	3.7
Bonn	1.2	-0.6	-0.2	-	-	-	0.3
Karlsruhe	2.2	-0.1	-0.3	-	-	-	1.9
Munich	2.9	0.6	-0.3	-	-	-	3.2
EE Tallinn	3.1	0.6	0.3	-	-	-	4.1
IE Dublin	2.6	0.1	2.6	-	-	-	5.3
EL Athens	3.2	2.2	-1.6	-	-	-	3.8
ES Madrid	4.8	0.6	-1.1	-	-	-	4.3
FR Paris	2.3	0.2	-0.2	-	-	-	2.3
HR Zagreb	4.2	-0.4	-1.0	-	-	0.2	3.0
IT Rome	-1.2	0.9	-1.0	-	-	-	-1.3
Varese	1.6	0.1	-1.0	-	-	-	0.7
CY Nicosia	7.5	-0.7	-1.5	-	-	-	5.1
LV Riga	-1.3	0.7	0.8	-	-	-	0.2
LT Vilnius	3.5	-0.2	0.4	-	-	-	3.8
HU Budapest	2.8	1.3	1.1	-	-	-	5.3
MT Valletta	6.7	0.2	0.0	-	-	-	6.9
NL The Hague	1.3	0.1	0.6	-	-	-	2.0
AT Vienna	-0.4	-0.1	-0.2	-	-	-	-0.7
PL Warsaw	0.3	-3.3	0.6	-	-	-	-2.4
PT Lisbon	10.6	2.7	-1.1	-	-	-	12.3
RO Bucharest	2.0	-1.4	1.4	-	-	1.4	3.4
SI Ljubljana	3.8	1.5	-0.1	-	-	-	5.2
SK Bratislava	1.0	0.0	0.5	-	-	-	1.6
FI Helsinki	1.4	-0.6	-0.6	-	-	-	0.1
SE Stockholm	2.9	-1.8	-0.1	-	-	-	1.0
UK London	-2.0	-0.9	-0.4	-	-	-	-3.2
Culham	-0.7	-0.5	-0.4	-	-	-	-1.5

* BG, HR, RO rent values are compiled in Euro and converted to local currency for PPP calculation.
Restatement of national currency values expressed at July 2018 exchange rates into July 2019 exchange rates.

Table 5.4a
Changes in rent parities in the twelve months to 1st July 2019
Decomposition of the effects (impact on global parity) (%)
(for staff)

Place of employment		Delete survey 2013	Introduce survey 2019	Rent index 2019	New SHS dwelling weights	New taper weights	Currency conversion *	Total rent impact
BG	Sofia	0.6	0.2	0.1	-	-	0.0	0.9
CZ	Prague	0.8	-0.2	0.1	-	-	-	0.7
DK	Copenhagen	0.9	-0.2	-0.3	-	-	-	0.3
DE	Berlin	0.7	0.1	-0.1	-	-	-	0.7
	Bonn	0.0	0.0	0.0	-	-	-	0.0
	Karlsruhe	0.4	0.0	0.0	-	-	-	0.3
	Munich	0.6	0.1	-0.1	-	-	-	0.7
EE	Tallinn	-0.3	-0.1	0.0	-	-	-	-0.4
IE	Dublin	0.1	0.0	0.1	-	-	-	0.2
EL	Athens	0.8	0.5	-0.4	-	-	-	0.9
ES	Madrid	1.0	0.1	-0.2	-	-	-	0.9
FR	Paris	0.6	0.0	0.0	-	-	-	0.7
HR	Zagreb	-0.1	0.0	0.0	-	-	0.0	-0.1
IT	Rome	-0.1	0.1	-0.1	-	-	-	-0.1
	Varese	0.8	0.1	-0.5	-	-	-	0.3
CY	Nicosia	0.8	-0.1	-0.2	-	-	-	0.6
LV	Riga	3.3	-1.8	-2.2	-	-	-	-0.6
LT	Vilnius	-0.7	0.0	-0.1	-	-	-	-0.8
HU	Budapest	-0.4	-0.2	-0.2	-	-	-	-0.7
MT	Valetta	1.2	0.0	0.0	-	-	-	1.2
NL	The Hague	0.1	0.0	0.1	-	-	-	0.2
AT	Vienna	-0.4	-0.1	-0.2	-	-	-	-0.7
PL	Warsaw	0.2	-1.8	0.3	-	-	-	-1.3
PT	Lisbon	1.8	0.5	-0.2	-	-	-	2.1
RO	Bucharest	0.2	-0.2	0.2	-	-	0.2	0.4
SI	Ljubljana	0.3	0.1	0.0	-	-	-	0.4
SK	Bratislava	0.4	0.0	0.2	-	-	-	0.6
FI	Helsinki	-1.9	0.8	0.9	-	-	-	-0.2
SE	Stockholm	0.2	-0.1	0.0	-	-	-	0.1
UK	London	-0.5	-0.2	-0.1	-	-	-	-0.9
	Culham	-0.1	-0.1	-0.1	-	-	-	-0.3

* BG, HR, RO rent values are compiled in Euro and converted to local currency for PPP calculation.
Restatement of national currency values expressed at July 2018 exchange rates into July 2019 exchange rates.

Table 5.5
Effect of rent on the correction coefficients at 1st July 2019
(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	811.5	188.5	59.3	51.3	57.5	-3.0
CZ Prague	641.6	358.4	75.3	116.1	85.5	13.5
DK Copenhagen	753.1	246.9	116.6	179.2	129.3	10.9
DE Berlin	788.8	211.2	93.8	121.7	99.4	6.0
Bonn	788.8	211.2	95.6	93.6	95.1	-0.5
Karlsruhe	788.8	211.2	96.0	98.2	96.5	0.5
Munich	788.8	211.2	98.1	164.1	110.3	12.4
EE Tallinn	807.0	193.0	80.8	93.5	83.3	3.1
IE Dublin	814.7	185.3	100.0	225.1	119.2	19.2
EL Athens	839.1	160.9	82.3	80.8	81.8	-0.6
ES Madrid	762.8	237.2	84.5	118.8	91.6	8.4
FR Paris	755.8	244.2	101.8	184.8	117.7	15.6
HR Zagreb	801.4	198.6	73.4	86.2	75.9	3.4
IT Rome	794.3	205.7	92.5	106.0	95.2	2.9
Varese	770.0	230.0	94.4	76.7	90.0	-4.7
CY Nicosia	783.8	216.2	86.0	58.7	78.9	-8.3
LV Riga	811.0	189.0	77.5	83.2	78.6	1.4
LT Vilnius	813.8	186.2	71.5	90.8	75.1	5.0
HU Budapest	732.4	267.6	67.1	107.2	75.3	12.2
MT Vallette	743.3	256.7	87.9	106.0	92.0	4.7
NL The Hague	761.3	238.7	103.5	141.7	111.5	7.7
AT Vienna	776.5	223.5	100.2	128.1	106.0	5.8
PL Warsaw	747.4	252.6	65.8	91.0	71.1	8.1
PT Lisbon	783.0	217.0	83.9	107.8	88.6	5.6
RO Bucharest	671.3	328.7	59.6	82.5	65.3	9.6
SI Ljubljana	800.6	199.4	83.7	87.9	84.6	1.1
SK Bratislava	678.0	322.0	74.6	91.7	79.0	5.9
FI Helsinki	744.3	255.7	109.3	149.8	118.1	8.1
SE Stockholm	735.6	264.4	105.4	180.8	120.5	14.3
UK London	729.8	270.2	99.8	295.7	132.9	33.2
Culham	764.5	235.5	94.8	129.7	102.0	7.6

Table 5.6
Effect of rent on the economic parities at 1st July 2019
(for staff)

Place of employment	Weight		PPP			Rent effect (%)
	Without rent	Rent	Without rent	Rent	Overall	
	[1]	[2]	[3]	[4]	[5]	[6] = [5]/[3]
BG Sofia	811.5	188.5	1.159	1.003	1.124	-3.0
CZ Prague	641.6	358.4	19.15	29.52	21.74	13.5
DK Copenhagen	753.1	246.9	8.705	13.37	9.648	10.9
DE Berlin	788.8	211.2	0.938	1.217	0.994	6.0
Bonn	788.8	211.2	0.956	0.936	0.951	-0.5
Karlsruhe	788.8	211.2	0.960	0.982	0.965	0.5
Munich	788.8	211.2	0.981	1.641	1.103	12.4
EE Tallinn	807.0	193.0	0.808	0.935	0.833	3.1
IE Dublin	814.7	185.3	1.000	2.251	1.192	19.2
EL Athens	839.1	160.9	0.823	0.808	0.818	-0.6
ES Madrid	762.8	237.2	0.845	1.188	0.916	8.4
FR Paris	755.8	244.2	1.018	1.848	1.177	15.6
HR Zagreb	801.4	198.6	5.427	6.374	5.612	3.4
IT Rome	794.3	205.7	0.925	1.060	0.952	2.9
Varese	770.0	230.0	0.944	0.767	0.900	-4.7
CY Nicosia	783.8	216.2	0.860	0.587	0.789	-8.3
LV Riga	811.0	189.0	0.775	0.832	0.786	1.4
LT Vilnius	813.8	186.2	0.715	0.908	0.751	5.0
HU Budapest	732.4	267.6	217.1	347.1	243.8	12.2
MT Vallette	743.3	256.7	0.879	1.060	0.920	4.7
NL The Hague	761.3	238.7	1.035	1.417	1.115	7.7
AT Vienna	776.5	223.5	1.002	1.281	1.060	5.8
PL Warsaw	747.4	252.6	2.798	3.868	3.023	8.1
PT Lisbon	783.0	217.0	0.839	1.078	0.886	5.6
RO Bucharest	671.3	328.7	2.816	3.895	3.082	9.6
SI Ljubljana	800.6	199.4	0.837	0.879	0.846	1.1
SK Bratislava	678.0	322.0	0.746	0.917	0.790	5.9
FI Helsinki	744.3	255.7	1.093	1.498	1.181	8.1
SE Stockholm	735.6	264.4	11.12	19.07	12.71	14.3
UK London	729.8	270.2	0.8924	2.645	1.188	33.2
Culham	764.5	235.5	0.8479	1.160	0.9118	7.6

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 parities³⁰.

2.1.1 Changes in the correction coefficients from July 2018 to July 2019

The simple average change for all Member States in the correction coefficient for the period under review was +1.4% with standard deviation 1.9%. The maximum increase was +5.4% (Hungary); the maximum decrease was -1.9% (Denmark). For 20 Member States the change was positive, and for 6 Member States the change was negative. The movements in pensioner correction coefficients for the period July 2018 - July 2019 are summarised in the table below³¹:

Range		Duty stations
$X < -2.4\%$	0	
$-2.4\% \leq X < -0.5$	4	DK, ES, HR, UK
$-0.5\% \leq X < 1.4\%$	9	DE, EL, FR, IT, CY, AT, SI, SK, SE
$1.4\% \leq X < 3.3\%$	8	CZ, EE, LT, MT, NL, PT, RO, FI
$3.3\% \leq X < 5.2\%$	4	BG, IE, LV, PL
$5.2\% \leq X$	1	HU
Total	26	excluding Belgium and Luxembourg ³²

³⁰ For a numerical example to illustrate this, see Appendix 1c Section 1.1; for details of changes in exchange rates, see Appendix 1c Section 1.1.2

³¹ Note: For this analysis, a full table is not included in the report.

³² 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.

2.1.2 Economic parities

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

- a) Basic heading 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 prices between different capital cities and Brussels³³.
- 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 is transformed into the country rent parity.

To establish the capital/national adjustment ratio, average rent values from Article 64 exercise for duty station and Brussels (ie. bilateral parity with Brussels) as used for the calculation of correction coefficients for active staff are compared with average rent values from European Comparison Programme exercise for duty station country and Belgium (ie. bilateral parity with Belgium)³⁴. That approach is applied for all Member States except Belgium (CPI), Estonia (1:1 ratio), Malta (1:1 ratio), Austria (microcensus).

- c) Basic heading parities are aggregated using specific consumption weights for the pensioners.

2.1.3 Expenditure weights

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

The current weights are established on the basis of an across-the-whole-EU family budget survey carried out in 2013 and first introduced for calculation of the July 2016 parities.

Naturally, as the pension scheme continues to mature, the number of pensioners can be expected to increase, and they may choose to reside in different locations. These factors may have an impact on the eventual spending patterns. Other things being equal, the next family budget survey amongst pensioners will be scheduled in 2020.

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.

³³ For more details, see Appendix 1c Section 1.2

³⁴ Source: Eurostat Free Data Table *prc_ppp_ind* "Purchasing power parities (PPPs), price level indices and real expenditures for ESA 2010 aggregates", AGGREG Housing, water, electricity, gas and other fuels

Table 6.1 (page 1 of 2)

**Economic parities of the 12 main expenditure groups for each country
1st July 2019
(for pensioners)**

Expenditure Groups*	BE	BG		CZ		DK		DE		EE		IE		EL	
	Weight	Weight	Parity												
1	131.0	155.0	1.469	140.7	19.58	119.0	8.503	123.4	0.908	118.6	0.822	131.1	1.079	137.0	0.934
2	24.4	32.0	1.303	29.0	19.57	31.4	8.756	27.4	0.812	24.8	1.019	27.1	1.754	28.3	1.152
3	42.4	46.0	1.504	41.7	23.99	33.3	8.808	40.6	0.889	27.3	0.826	38.9	1.157	40.6	0.938
4	337.0	186.0	0.8053	261.1	18.58	376.4	11.69	305.5	1.169	349.8	0.990	311.4	1.572	280.8	0.676
5	70.9	92.0	1.044	83.5	17.73	60.2	8.165	74.4	0.979	67.8	0.689	77.8	0.900	81.3	0.711
6	21.7	29.5	0.6895	26.8	11.59	16.8	8.439	30.9	0.944	18.5	0.476	25.0	2.027	26.1	0.751
7	118.0	147.4	1.298	133.8	20.11	131.6	9.182	117.7	1.020	124.2	0.773	124.7	1.021	130.2	0.893
8	19.6	22.1	0.9432	20.0	19.13	15.5	5.478	14.1	0.753	19.0	0.482	18.7	1.012	19.5	1.024
9	95.2	119.3	1.319	108.2	20.30	95.3	9.877	114.8	1.025	102.7	1.003	100.9	0.992	105.4	0.869
10	2.7	5.7	0.3656	5.1	11.57	4.4	4.882	7.9	0.644	6.5	0.544	4.8	0.472	5.0	0.429
11	72.2	88.0	0.9307	79.9	14.74	66.7	10.34	77.6	0.853	76.6	0.841	74.5	1.160	77.8	0.713
12	65.0	77.2	1.236	70.0	21.27	49.4	10.10	65.8	0.918	64.2	0.827	65.3	1.066	68.2	0.758
Rents	255.4	83.1	0.7245	167.8	18.20	297.2	12.59	230.1	1.206	224.5	1.080	258.0	1.967	190.0	0.675
Total without rents	744.6	916.9	1.179	832.2	19.02	702.8	9.003	769.9	0.948	775.6	0.803	742.0	1.048	810.0	0.826
Global parity	1000.0	1000.0	1.090	1000.0	18.82	1000.0	9.865	1000.0	1.005	1000.0	0.860	1000.0	1.233	1000.0	0.790
Exchange rate			1.956		25.43		7.464		1		1		1		1

Expenditure Groups*	BE	ES		FR		HR		IT		CY		LV		LT	
	Weight	Weight	Parity												
1	131.0	147.7	0.825	131.6	1.044	144.8	6.322	144.9	1.011	137.7	0.929	129.7	0.841	162.6	0.746
2	24.4	25.2	0.795	23.6	1.019	29.9	6.968	21.1	0.994	28.4	0.953	26.8	1.005	33.6	0.874
3	42.4	38.4	0.926	39.8	1.035	42.9	6.152	36.4	0.956	40.8	0.899	38.4	0.982	48.2	0.998
4	337.0	259.2	0.959	313.6	1.243	239.4	3.808	351.7	0.961	276.9	0.731	319.0	0.629	146.0	0.522
5	70.9	94.3	0.931	75.0	1.056	85.9	4.625	86.3	0.953	81.7	0.718	76.9	0.671	96.5	0.732
6	21.7	35.4	0.991	21.0	0.826	27.6	3.664	41.7	1.071	26.2	1.040	24.7	0.565	31.0	0.550
7	118.0	153.2	0.849	137.1	1.047	137.7	6.016	91.6	0.955	130.9	0.938	123.3	0.776	154.6	0.736
8	19.6	17.5	0.910	19.7	0.659	20.6	5.239	18.5	0.792	19.6	0.695	18.5	0.562	23.1	0.483
9	95.2	90.2	0.934	97.4	1.134	111.4	5.796	79.3	0.961	105.9	0.970	99.8	0.813	125.1	0.760
10	2.7	9.0	0.648	7.0	0.631	5.3	2.736	1.5	0.616	5.0	0.585	4.7	0.381	5.9	0.325
11	72.2	66.6	0.778	67.2	1.053	82.3	4.580	66.3	0.843	78.2	0.770	73.6	0.753	92.4	0.639
12	65.0	63.4	0.832	67.1	1.090	72.1	5.367	60.6	0.918	68.5	0.761	64.5	0.861	80.9	0.802
Rents	255.4	178.1	1.049	232.5	1.323	143.4	3.597	253.5	0.980	185.6	0.758	233.0	0.633	38.1	0.512
Total without rents	744.6	821.9	0.854	767.6	1.037	856.6	5.379	746.5	0.947	814.4	0.844	767.0	0.765	961.9	0.710
Global parity	1000.0	1000.0	0.892	1000.0	1.100	1000.0	4.974	1000.0	0.955	1000.0	0.824	1000.0	0.731	1000.0	0.677
Exchange rate			1		1		7.396		1		1		1		1

Table 6.1 (page 2 of 2)

**Economic parities of the 12 main expenditure groups for each country
1st July 2019
(for pensioners)**

Expenditure Groups*	BE	HU		MT		NL		AT		PL		PT		RO	
	Weight	Weight	Parity												
1	131.0	142.0	255.0	130.0	0.991	111.0	0.912	111.0	1.066	150.5	2.789	147.7	0.883	150.3	3.167
2	24.4	29.3	212.9	26.8	0.982	28.6	0.964	28.6	0.922	31.1	3.635	25.2	0.937	31.0	3.247
3	42.4	42.1	274.8	38.6	0.980	39.8	0.969	39.8	0.971	44.6	3.558	38.4	0.862	44.5	3.513
4	337.0	254.1	165.0	317.1	1.094	321.6	1.298	321.6	1.246	209.4	1.956	259.2	0.872	211.0	2.145
5	70.9	84.3	206.9	77.2	0.798	91.9	0.954	91.9	1.021	89.3	2.685	94.3	0.814	89.1	2.608
6	21.7	27.1	191.8	24.8	0.822	22.3	1.173	22.3	1.066	28.7	2.323	35.4	0.897	28.6	1.831
7	118.0	135.1	252.2	123.7	0.932	122.0	1.137	122.0	1.022	143.2	3.215	153.2	0.966	142.9	3.125
8	19.6	20.2	176.8	18.5	0.736	15.8	0.808	15.8	0.624	21.4	1.405	17.5	0.875	21.4	1.860
9	95.2	109.3	231.3	100.0	0.962	100.0	1.093	100.0	1.058	115.8	2.918	90.2	0.915	115.6	3.107
10	2.7	5.2	98.25	4.7	0.620	3.2	1.167	3.2	0.996	5.5	1.542	9.0	0.464	5.5	1.521
11	72.2	80.7	189.3	73.9	0.745	73.7	1.129	73.7	0.915	85.5	2.724	66.6	0.717	85.3	2.194
12	65.0	70.7	222.4	64.7	0.819	70.0	1.069	70.0	1.071	74.9	2.948	63.4	0.803	74.8	2.917
Rents	255.4	159.9	168.8	230.8	1.225	238.2	1.383	238.2	1.377	109.6	1.752	178.1	0.876	111.3	2.078
Total without rents	744.6	840.1	218.6	769.2	0.881	761.8	1.037	761.8	1.000	890.4	2.807	821.9	0.866	888.7	2.788
Global parity	1000.0	1000.0	207.2	1000.0	0.953	1000.0	1.113	1000.0	1.082	1000.0	2.584	1000.0	0.867	1000.0	2.641
Exchange rate			323.6		1		1		1		4.252		0.0	1	4.722

Expenditure Groups*	BE	SI		SK		FI		SE		UK	
	Weight	Weight	Parity								
1	131.0	140.8	0.844	143.1	0.858	119.0	1.086	119.0	10.68	102.6	0.7323
2	24.4	29.1	0.876	29.5	0.812	31.4	1.580	31.4	13.85	22.4	1.190
3	42.4	41.7	0.925	42.4	0.935	33.3	1.096	33.3	11.45	25.5	0.7489
4	337.0	260.5	0.773	248.7	0.553	376.4	1.341	376.4	12.21	391.1	1.447
5	70.9	83.5	0.766	84.9	0.672	60.2	1.058	60.2	11.55	64.2	0.9084
6	21.7	26.8	0.738	27.3	0.535	16.8	1.508	16.8	15.32	13.8	1.474
7	118.0	133.9	0.864	136.0	0.754	131.6	1.078	131.6	10.55	120.5	0.9504
8	19.6	20.0	0.866	20.4	0.559	15.5	0.669	15.5	8.296	15.6	0.7936
9	95.2	108.3	0.979	110.1	0.799	95.3	1.201	95.3	11.32	99.8	1.013
10	2.7	5.1	0.611	5.2	0.499	4.4	0.799	4.4	7.734	5.9	0.7330
11	72.2	80.0	0.720	81.2	0.685	66.7	1.183	66.7	12.45	77.1	0.9220
12	65.0	70.1	0.849	71.2	0.781	49.4	1.229	49.4	12.56	61.7	1.017
Rents	255.4	167.1	0.785	153.8	0.516	297.2	1.491	297.2	12.41	309.1	1.746
Total without rents	744.6	832.9	0.834	846.2	0.745	702.8	1.109	702.8	11.39	691.0	0.9007
Global parity	1000.0	1000.0	0.822	1000.0	0.692	1000.0	1.203	1000.0	11.66	1000.0	1.085
Exchange rate			1		1		1		10.55		0.8943

* For explanation of codes see table 4.1

2.2 Purchasing power parities for pensioners - analysis of results

2.2.1 Changes in the economic parities from July 2018 to July 2019

A decomposition of the changes in the economic parities for the period July 2018 - July 2019 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 +1.3% with standard deviation 1.7%. The maximum increase was +4.4% (Bulgaria). The maximum decrease was -1.7% (Denmark). For 22 Member States the change was positive, and for 4 Member States the change was negative. The movements in the global economic parities for the period are summarised in the table below:

Range		Duty stations
$X < -2.1\%$	0	
$-2.1\% \leq X < -0.4\%$	4	DK, EL, ES, HR
$-0.4\% \leq X < 1.3\%$	9	CZ, DE, FR, IT, CY, AT, SI, SE, UK
$1.3\% \leq X < 3.0\%$	8	EE, LT, MT, NL, PL, PT, SK, FI
$3.0\% \leq X < 4.7\%$	5	BG, IE, LV, HU, RO
$4.7\% \leq X$	0	
Total	26	excluding Belgium and Luxembourg ³⁵

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 consumption patterns for active staff³⁶. This can affect the magnitude of the impact of the individual components (introduction of new price surveys, price updating using indices, new rents, etc.). Consequently the movements in the overall parity differ from those reported for active staff, details of which are provided elsewhere in this report.

The other adjustment in the calculation of parity values for pensioners is the conversion of capital city rent levels to national average rent levels. The ratio values applied for the current year and the change by comparison to the previous year are shown in **Table 6.2**. For 2019 the ratio for Belgium/Brussels is 0.87 (a decrease of -2.8%). The average ratio for other countries/capitals is 0.70 with standard deviation 0.22. The minimum ratio is 0.39 (PL/Warsaw). The maximum ratio is 1.12 (CY/Nicosia). Excluding Belgium/Brussels, the rent ratio has decreased by comparison to the previous year for 16 countries/capitals, has remained stable for 3 countries/capitals and has increased for 7 countries/capitals. The average change is -1.6% with standard deviation 4.1%. The largest increase is +7.69% (LV/Riga). There were decreases of more than 5% for 6 countries/capitals: -10.72% (PT/Lisbon), -9.16% (ES/Madrid), -6.34% (EL/Athens), -5.98% (HR/Zagreb), -5.69% (CZ/Prague) and -5.52% (CY/Nicosia).

³⁵ Belgium is the reference country for the bilateral comparisons (CC for pensioners). In accordance with Article 3(5) of Annex XI to the Staff Regulations, Luxembourg = Belgium.

³⁶ The most recent family budget survey amongst pensioners in EU28 Member States was conducted in 2013 and results were integrated for 2016 calculation exercise. Other things being equal, the next survey will be organized during 2020-21 (see also section 1.3.2).

2.2.2 Impact of rents on the overall parity for pensioners

Details of the impact of rent on the overall correction coefficient are given in **Table 7.1** and on the overall parity in **Table 7.2**.

In 2019, for 14 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 12 countries, the rent correction coefficient is greater than 100.

The correction coefficients for rents (compared to Belgium =100) are very high in Ireland (196.7), UK (195.3) and Denmark (168.7), whereas they are quite low in Bulgaria (37.0), Poland (41.2), Romania (44.0) and Croatia (48.6).

Moreover, in 2019, the rent correction coefficient is lower than the correction coefficient without rent for 12 of the Member States. This means that, for these places, the rents lead to a reduction of the global correction coefficient.

When rents are integrated in the computation, the average impact is +1.8% with standard deviation 7.7%. The correction coefficient is increased by 10% or more in the United Kingdom (+20.5%) and in Ireland (+17.6%), and between 5-10% in 7 Member States (Denmark, Germany, France, Malta, Netherlands, Austria and Finland). By contrast, the impact is quite negative in Poland (-7.9%), Bulgaria (-7.6%), Croatia (-7.5%) and Slovakia (-7.1%).

2.2.3 Summary of component impacts on global parity for pensioners

Across all Member States the simple average impact on the global parity for pensioners for the current annual exercise of the individual component factors are summarised below:

Component	BH	Expenditure weight %				
		BE	Other (Avg.)	Other (St.Dev)	Min	Max
E18-1 Food, beverages and tobacco	15	155.4	161.8	16.4	125.0	196.2
E18-2 Personal appearance	8	68.5	64.9	7.9	47.2	79.9
HICP relative to JBLI	80	1000.0	1000.0	0	1000.0	1000.0
Rent	2	255.4	200.3	68.0	38.1	309.1
Rent ratios	2	255.4	200.3	68.0	38.1	309.1

Component	BH	Impact on Global PPP					
		Avg.	St.Dev	Max.	Min.	+ve or 0	-ve
E18-1 Food, beverages and tobacco	15	-0.2%	0.7%	+1.1%	-2.2%	7	19
E18-2 Personal appearance	8	+0.3%	0.3%	+1.0%	-0.1%	25	1
HICP relative to JBLI	80	+0.2%	0.9%	+1.7%	-1.3%	15	11
Rent	2	+0.6%	0.7%	+2.5%	-0.9%	22	4
Rent ratios	2	+0.3%	1.0%	+2.5%	-1.8%	18	8
GLOBAL	80	+1.3%	1.7%	+4.4%	-1.7%	22	4

Table 6.2
Rent ratios applied for the estimation
of the pensioners rent parities

Country	Ratio applied in		Diff. (absolute)	Diff. (%)
	2018	2019		
BE ¹	0.89	0.87	-0.02	-2.79
BG	0.63	0.63	-0.01	-0.95
CZ	0.57	0.53	-0.03	-5.69
DK	0.83	0.81	-0.01	-1.32
DE	0.89	0.86	-0.03	-3.60
EE ²	1.00	1.00	0.00	0.00
IE	0.73	0.76	0.02	2.89
EL	0.77	0.72	-0.05	-6.34
ES	0.84	0.76	-0.08	-9.16
FR	0.63	0.62	-0.02	-2.39
HR	0.52	0.49	-0.03	-5.98
IT	0.78	0.80	0.02	2.26
CY	1.18	1.12	-0.07	-5.52
LV	0.61	0.66	0.05	7.69
LT	0.49	0.49	-0.01	-1.05
HU	0.41	0.42	0.01	1.52
MT ²	1.00	1.00	0.00	0.00
NL	0.84	0.84	0.00	0.18
AT ¹	0.93	0.93	0.00	0.00
PL	0.39	0.39	0.00	1.07
PT	0.79	0.70	-0.08	-10.72
RO	0.48	0.46	-0.02	-4.01
SI	0.80	0.77	-0.02	-2.87
SK	0.49	0.49	0.00	-0.84
FI	0.83	0.86	0.03	4.13
SE	0.57	0.56	-0.01	-1.15
UK	0.57	0.57	0.00	-0.12

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

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

² no adjustment: EE, MT

Table 6.3

**Changes in the economic parities in the twelve months to 1st July 2019
Decomposition of the effects (%)
(for PENSIONERS)**

Country	Impact of component change on global PPP						Total
	New FBS weights	Introduction of new price data				Update rent ratios	
		E18-1 FoBeTo	E18-2 PersApp	Indexation (HICP relative to JBLI)	2018 Rents		
BG	-	0.7	0.7	1.7	1.0	0.3	4.4
CZ	-	-0.9	0.1	0.6	1.0	-0.6	0.2
DK	-	-2.2	0.4	-0.5	0.3	0.4	-1.7
DE	-	-0.9	0.1	0.2	0.9	-0.2	0.1
EE	-	-0.4	0.1	0.9	1.0	0.7	2.3
IE	-	0.9	0.5	-1.0	1.4	1.5	3.3
EL	-	0.5	0.3	-1.3	0.8	-0.8	-0.5
ES	-	-0.3	0.1	-0.8	0.9	-1.5	-1.5
FR	-	0.1	0.3	-0.1	0.6	0.1	1.0
HR	-	-0.1	0.1	-0.8	0.6	-0.6	-0.9
IT	-	-0.2	0.1	-0.6	-0.4	1.3	0.1
CY	-	0.3	0.6	-0.9	1.1	-0.6	0.4
LV	-	-0.1	0.4	1.0	0.1	2.5	3.9
LT	-	-0.1	0.3	1.3	0.4	0.2	2.2
HU	-	-0.1	0.4	1.7	1.0	0.9	4.0
MT	-	-0.2	0.6	0.1	1.6	0.7	2.9
NL	-	-0.3	0.1	1.4	0.5	0.8	2.3
AT	-	-0.2	0.1	0.0	-0.2	0.7	0.4
PL	-	-0.6	1.0	1.1	-0.4	0.6	1.7
PT	-	0.5	0.7	-0.5	2.5	-1.8	1.4
RO	-	1.1	0.2	1.7	0.6	-0.2	3.4
SI	-	-0.9	0.5	-0.2	1.1	0.0	0.4
SK	-	-0.2	-0.1	1.0	0.3	0.4	1.4
FI	-	-0.1	0.2	-0.3	0.0	1.9	1.7
SE	-	-0.2	0.2	0.2	0.3	0.5	0.9
UK	-	-0.2	0.2	0.5	-0.9	0.8	0.3

Table 7.1
Effect of rent on the correction coefficients at 1st July 2019
(for pensioners)

Country	Weight		Correction coefficient			Rent effect (%)
	Without rent	Rent	Without rent	Rent	Overall	
	[1]	[2]	[3]	[4]	[5]	[6] = [5] / [3]
BG	916.9	83.1	60.3	37.0	55.7	-7.6
CZ	832.2	167.8	74.8	71.6	74.0	-1.1
DK	702.8	297.2	120.6	168.7	132.2	9.6
DE	769.9	230.1	94.8	120.6	100.5	6.0
EE	775.6	224.5	80.3	108.0	86.0	7.2
IE	742.0	258.0	104.8	196.7	123.3	17.6
EL	810.0	190.0	82.6	67.5	79.0	-4.3
ES	821.9	178.1	85.4	104.9	89.2	4.5
FR	767.6	232.5	103.7	132.3	110.0	6.0
HR	856.6	143.4	72.7	48.6	67.3	-7.5
IT	746.5	253.5	94.7	98.0	95.5	0.9
CY	814.4	185.6	84.4	75.8	82.4	-2.4
LV	767.0	233.0	76.5	63.3	73.1	-4.4
LT	961.9	38.1	71.0	51.2	67.7	-4.6
HU	840.1	159.9	67.5	52.1	64.0	-5.2
MT	769.2	230.8	88.1	122.5	95.3	8.2
NL	761.8	238.2	103.7	138.3	111.3	7.3
AT	761.8	238.2	100.0	137.7	108.2	8.2
PL	890.4	109.6	66.0	41.2	60.8	-7.9
PT	821.9	178.1	86.6	87.6	86.7	0.1
RO	888.7	111.3	59.0	44.0	55.9	-5.3
SI	832.9	167.1	83.4	78.5	82.2	-1.4
SK	846.2	153.8	74.5	51.6	69.2	-7.1
FI	702.8	297.2	110.9	149.1	120.3	8.4
SE	702.8	297.2	107.9	117.7	110.5	2.4
UK	691.0	309.1	100.7	195.3	121.4	20.5

Table 7.2
Effect of rent on the economic parities at 1st July 2019
(for pensioners)

Country	Weight		PPP			Rent effect (%)
	Without rent	Rent	Without rent	Rent	Overall	
	[1]	[2]	[3]	[4]	[5]	[6] = [5] / [3]
BG	916.9	83.1	1.179	0.7245	1.090	-7.6
CZ	832.2	167.8	19.02	18.20	18.82	-1.1
DK	702.8	297.2	9.003	12.59	9.865	9.6
DE	769.9	230.1	0.948	1.206	1.005	6.0
EE	775.6	224.5	0.803	1.080	0.860	7.2
IE	742.0	258.0	1.048	1.967	1.233	17.6
EL	810.0	190.0	0.826	0.675	0.790	-4.3
ES	821.9	178.1	0.854	1.049	0.892	4.5
FR	767.6	232.5	1.037	1.323	1.100	6.0
HR	856.6	143.4	5.379	3.597	4.974	-7.5
IT	746.5	253.5	0.947	0.980	0.955	0.9
CY	814.4	185.6	0.844	0.758	0.824	-2.4
LV	767.0	233.0	0.765	0.633	0.731	-4.4
LT	961.9	38.1	0.710	0.512	0.677	-4.6
HU	840.1	159.9	218.6	168.8	207.2	-5.2
MT	769.2	230.8	0.881	1.225	0.953	8.2
NL	761.8	238.2	1.037	1.383	1.113	7.3
AT	761.8	238.2	1.000	1.377	1.082	8.2
PL	890.4	109.6	2.807	1.752	2.584	-7.9
PT	821.9	178.1	0.866	0.876	0.867	0.1
RO	888.7	111.3	2.788	2.078	2.641	-5.3
SI	832.9	167.1	0.834	0.785	0.822	-1.4
SK	846.2	153.8	0.745	0.516	0.692	-7.1
FI	702.8	297.2	1.109	1.491	1.203	8.4
SE	702.8	297.2	11.39	12.41	11.66	2.4
UK	691.0	309.1	0.9007	1.746	1.085	20.5

2.3 Comparison of correction coefficients for active staff and pensioners

Table 7.3 compares the country correction coefficients for pensioners (from Table 7.1) with the capital city correction coefficients for active staff (from Table 5.5), at July 2019.

Among all Member States, Denmark (Copenhagen) has the second highest capital-based global CC (129.3) and the highest country-based global CC (132.2) whilst UK (London) has the highest capital-based CC (132.9) and the third highest country-based CC (121.4); Bulgaria (Sofia) has both the lowest capital-based global CC (57.5) and the lowest country-based global CC (55.7). Romania (Bucharest) has both the second lowest capital-based CC (65.3) and the second lowest country-based CC (55.9).

The biggest absolute differences between capital city global CC values and country global CC values can be observed in Prague/CZ (-11.5), London/UK (-11.5), Budapest/HU (-11.3), Warsaw/PL (-10.3), Stockholm/SE (-10.0) and Bratislava/SK (-9.8). By contrast, in Rome/IT (+0.3), Amsterdam/NL (-0.2) and Berlin/DE (+1.1) the two CC values are nearly at the same level.

In 9 of the 26 Member States (ie. excluding Belgium and Luxembourg) - Denmark, Germany, Estonia, Ireland, Italy, Cyprus, Malta, Austria and Finland - the country CCs relative to Belgium are higher than the capital city CCs relative to Brussels. In the remaining 17 Member States, the country CCs are lower than the capital city CCs

For the CCs without rents, the capital-based and country-based values are very much closer.

It should be mentioned that the Staff Regulations set out specific rules for the application of the pensioner CC³⁷.

³⁷ See Appendix 1c, Section 2.1

Table 7.3

**Pensioners correction coefficients and Staff correction coefficients
at 1st July 2019**

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	60.3	37.0	55.7	Sofia	59.3	51.3	57.5
CZ	74.8	71.6	74.0	Prague	75.3	116.1	85.5
DK	120.6	168.7	132.2	Copenhagen	116.6	179.2	129.3
DE	94.8	120.6	100.5	Berlin	93.8	121.7	99.4
EE	80.3	108.0	86.0	Tallinn	80.8	93.5	83.3
IE	104.8	196.7	123.3	Dublin	100.0	225.1	119.2
EL	82.6	67.5	79.0	Athens	82.3	80.8	81.8
ES	85.4	104.9	89.2	Madrid	84.5	118.8	91.6
FR	103.7	132.3	110.0	Paris	101.8	184.8	117.7
HR	72.7	48.6	67.3	Zagreb	73.4	86.2	75.9
IT	94.7	98.0	95.5	Rome	92.5	106.0	95.2
CY	84.4	75.8	82.4	Nicosia	86.0	58.7	78.9
LV	76.5	63.3	73.1	Riga	77.5	83.2	78.6
LT	71.0	51.2	67.7	Vilnius	71.5	90.8	75.1
HU	67.5	52.1	64.0	Budapest	67.1	107.2	75.3
MT	88.1	122.5	95.3	Vallette	87.9	106.0	92.0
NL	103.7	138.3	111.3	The Hague	103.5	141.7	111.5
AT	100.0	137.7	108.2	Vienna	100.2	128.1	106.0
PL	66.0	41.2	60.8	Warsaw	65.8	91.0	71.1
PT	86.6	87.6	86.7	Lisbon	83.9	107.8	88.6
RO	59.0	44.0	55.9	Bucharest	59.6	82.5	65.3
SI	83.4	78.5	82.2	Ljubljana	83.7	87.9	84.6
SK	74.5	51.6	69.2	Bratislava	74.6	91.7	79.0
FI	110.9	149.1	120.3	Helsinki	109.3	149.8	118.1
SE	107.9	117.7	110.5	Stockholm	105.4	180.8	120.5
UK	100.7	195.3	121.4	London	99.8	295.7	132.9

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

3.1. Economic parities, exchange rates and correction coefficients

As at July 2019, correction coefficients are compiled for a list of 145 Extra-EU duty stations³⁸. This includes 10 locations for which no values are presented (Afghanistan; Bosnia and Herzegovina (Banja Luka); Indonesia (Banda Aceh); Iran; Iraq; Libya; Somalia; Syria; Venezuela; Yemen) mainly due to security constraints affecting the statistical reliability of the information, or due to uncertainty regarding the volatility of the reported inflation. These 10 locations are unchanged by comparison to the previous annual report.

Tables 8 and 9 in the main report show the results for all 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** therefore only shows the places where the correction coefficient is greater than or equal to 100 at July 2019 (or was greater than or equal to 100 at July 2018).

At July 2019 there were 25 duty stations with CCs greater than 100 (and 110 duty stations for which CCs are below 100 plus 10 duty stations for which CCs are not produced). By comparison in July 2018 there were 20 duty stations with CCs greater than 100 (and 115 duty stations for which CCs were below 100 plus 10 duty stations for which CCs were not produced). The change has occurred for the following reasons:

- (a) 5 locations which had CCs lower than 100 at July 2018 now have CCs higher than 100 (Japan, Russia, Turkmenistan, United Arab Emirates and Zimbabwe);
- (b) 0 locations which had CCs higher than 100 at July 2018 now have CCs lower than 100.

3.2. Changes between July 2018 and July 2019

Two interim reports were prepared in the usual way between the last annual report and the current annual report, covering the six months August 2018 - January 2019, and the five months February 2019 - June 2019. Those reports identify the locations where, in accordance with Article 13 of Annex X of the Staff Regulations, changes in the parity exceeding 5% from the previous value in force (July 2018 or subsequently) resulted in application of a new correction coefficient. For the period August 2018 - January 2019 37 duty stations were affected (some more than once), of which 8 locations had CC values above 100. For the period February 2019 - June 2019 27 duty stations were affected (some more than once), of which 5 locations had CC values above 100.

3.2.1 Changes in correction coefficients from July 2018 to July 2019

Comparing the situation at July 2018 and the situation at July 2019, CCs have decreased for 66 duty stations, and were stable or increased for 69 duty stations; for the remaining 10 duty stations no CCs were published at either the start or the end of the period.

The average CC change was +1.4% with standard deviation 9.7%. The maximum increase was +42.7% (Egypt). The maximum decrease was -26.7% (Democratic Republic of Congo).

³⁸ Op cit. (14) No Extra-EU duty station added or deleted since July 2018.

The CC increase was greater than +20.9% (two standard deviations from the mean) for 7 duty stations (Egypt, Ethiopia, Philippines, South-Sudan, Turkmenistan, Uzbekistan, Zimbabwe) and the decrease exceeded -18.0% (two standard deviations) for 1 duty station: Democratic Republic of Congo. Note that these changes partially reflect gradual impact of new survey results (see section 3.3.3).

3.2.2 Changes in exchange rates from July 2018 to July 2019

For 10 locations where no CC is published, there is no comparison made. For 2 duty stations (Kosovo, Montenegro), the local currency is the Euro and for 1 duty station (Bosnia and Herzegovina (Sarajevo)) the exchange rate is pegged to the Euro. For 13 locations, the local currency is the CFA for which exchange rate to the Euro has not changed. For 3 other locations (Cape Verde, Comoros, New Caledonia) exchange rates did not vary during the period.

A large part of the explanation for the movements in the correction coefficients of remaining 116 locations is fluctuations in their currency exchange rates relative to the Euro. Currency fluctuations relative to the Euro were positive (ie. purchasing power of Euro decreased) in 60 locations and negative in 56 locations (ie. purchasing power of Euro increased). The average exchange rate fluctuation was -2.5% with standard deviation 9.9%. The maximum increase was +9.0% (Egypt). The maximum decrease was -53.8% (Argentina). The currency decrease exceeded -22.5% (two standard deviations from the average) for 7 duty stations (Angola, Argentina, Haiti, Pakistan, Sudan, Turkey and Zambia).

For 1 location (Zimbabwe) the official currency has changed from USD to ZWD however parity is frozen and continues to be expressed in USD. For a further 7 locations, local currencies are pegged to the USD, for which exchange rate to the Euro has remained fairly stable.

No country redenominated its currency during the reference period (consequently, it was not necessary to restate any July 2018 parity in **Table 8** of the main report).

3.2.3 Changes in economic parities from July 2018 to July 2019

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 impacted³⁹.

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 +3.4% with standard deviation 10.9%. The maximum increase was +58.4% (Argentina). The maximum decrease was -28.2% (Democratic Republic of Congo). The change was positive or zero in 75 duty stations and negative in 60 duty stations; no comparison is made for the 10 locations where no CC is published.

³⁹ For a numerical example, see Appendix 1c Section 1.1.

The movements in the global economic parities for the period are summarised in the table below:

Range		Duty stations
$X < -18.5\%$	1	Democratic Republic of Congo
$-18.5\% \leq X < -7.6\%$	3	
$-7.6\% \leq X < 3.4\%$	87	
$3.4\% \leq X < 14.3\%$	31	
$14.3\% \leq X < 25.2\%$	5	
$25.2\% \leq X$	8	Argentina; Egypt; Ethiopia; South-Sudan; Sudan, Turkmenistan; Uzbekistan; Zimbabwe
Total	135	excluding Brussels ⁴⁰ and 10 locations for which no values are presented

A decomposition of the effects underlying the changes in the economic parities for the period July 2018 - July 2019 is given in **Table 9.2**, for the duty stations where the CC is greater than 100 at July 2019 (or was greater than 100 at July 2018).

3.3. Data sources

3.3.1 Spatial and temporal price data to establish detailed parities

With the exception of the 10 Extra-EU duty stations for which no values are presented, or the 10 duty stations in Extra-EU countries which participate in the European Comparison Programme (ECP) coordinated by Eurostat⁴¹ or the 7 duty stations in countries which participate in the linked programme coordinated by the Organisation for Economic Cooperation and Development⁴², or the 4 locations for which specific survey arrangements are made⁴³, the source of price data is the rolling cycle of surveys conducted by the United Nations International Civil Service Commission. Data is exchanged under a 2009 Memorandum of Understanding signed with the United Nations International Civil Service Commission and the International Service for Remuneration and Pensions of the Coordinated Organisations⁴⁴

⁴⁰ Op cit (25) Brussels is the reference city for the bilateral comparisons (CC for staff).

⁴¹ Iceland, Norway, Switzerland-Bern, Switzerland-Geneva, Turkey, Albania, Bosnia & Herzegovina-Sarajevo, North Macedonia, Montenegro, Serbia (NB. no data source for Bosnia & Herzegovina-Banja Luka).

⁴² Australia, Canada, Japan, Mexico, New Zealand, South Korea, United States of America (Washington)

⁴³ Israel (Tel Aviv: UN survey for Jerusalem pending data availability from OECD); Kosovo (direct survey on Eurostat behalf); New Caledonia (direct survey on Eurostat behalf); Taiwan (direct survey on Eurostat behalf).

⁴⁴ 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 (ECMWF), European Organisation for the Exploitation of Meteorological Satellites (EUMETSAT)

For the July 2019 exercise, new parities derived from UN price surveys have been integrated for 11 locations (Burundi; Cameroon; Congo; Democratic Republic of Congo; Ghana; Ivory Coast; Liberia; Philippines; Tajikistan; Uzbekistan; Vietnam - these duty stations are also indicated in **Tables 8 and 9** in the main report (see footnotes to the tables)). Parities are calculated using the same classification of 80 basic headings as employed for Intra-EU purposes (sole exception: housing).

Updated 2019 parities for the 7 ISRP ECP duty stations and 5 of the Eurostat ECP duty stations (Iceland, Norway, Switzerland-Bern, Switzerland-Geneva, Turkey) have also been introduced. Updated 2019 ECP parities for the other 5 Eurostat ECP duty stations (Albania, Bosnia & Herzegovina-Sarajevo, North Macedonia, Montenegro, Serbia) will be integrated for the next intermediate report (August 2019-January 2020).

For all locations, initial 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. For New York it is the official regional price index produced by the US Bureau of Labor Statistics.

With the exception of the 23 duty stations for which new UN price survey data, new ISRP ECP parities or new Eurostat ECP parities are introduced (or the gradual impact of smoothing older price survey data – see section 3.3.3), and the 10 locations for which no values are presented, the explanatory factor for price movements in the remaining 112 duty stations is the evolution of the local consumer price index relative to the evolution of the Joint Belgium-Luxembourg Index.

3.3.2 Expenditure weights

Detailed price ratios are aggregated up to a global value using the latest available consumption expenditure weighting structures.

Due to the low population sizes in many individual duty stations and the low response rate from survey participants in some locations during the last family budget surveys conducted amongst EU personnel, regional average expenditure patterns were established in 2018 using results from the most recent family budget survey amongst expatriate UN staff, recognising that under the international collaboration agreement, surveys are done using a harmonised questionnaire and the expatriate international civil servant behaviour profile is broadly similar. Six regions were defined: Africa with 49 duty stations, Asia with 33 duty stations, Oceania with 6 duty stations, Europe (non-EU) with 5 duty stations, North America with 13 duty stations, and South America with 12 duty stations. Regional weights have not been used to compute aggregate parities for the 10 Eurostat ECP duty stations or the 7 ISRP ECP duty stations, for which separate consumption weights are available, or the 10 locations for which CC are not published.

Other things being equal, a direct family budget survey amongst Extra-EU staff will be scheduled during 2020-2021 (see also section 1.3.2).

3.3.3 Gradual impact of changes

Whenever integrating the results of new price surveys or new expenditure weights generates a significantly higher or lower parity than the previous value in force, a smoothing mechanism is applied to gradually implement that change. The period over which this smoothing applies can vary, in accordance with procedural guidelines adopted by the Article 64&65 Working Group. Thus, a large impact may only partially have been taken into account in the current reporting period, with a continued gradual introduction of the change foreseeable during the next reporting period. Similarly, the current reporting period may be affected by continued gradual application of results introduced during the previous reporting period.

For example, in Democratic Republic of Congo, the parity at July 2018 would have increased during the period July 2018 - January 2019 due to higher local inflation than in Brussels, but this was outweighed by the smoothing factor applied to gradually integrate the result of the previous price survey, thus the parity decreased by -36.4% from July 2018 until January 2019. With relatively little fluctuation in exchange rate, the CC consequently decreased from July 2018 value 145.1 to January 2019 value 94.0. The parity has then increased by 13.0% during the period February 2019 to July 2019 due to higher local inflation, augmented by gradual smoothing factor following integration of new price survey data. With relatively little movement in exchange rate, the CC consequently increased from January 2019 value 94.0 until July 2019 value 106.4. The overall CC decrease between July 2018 value and July 2019 value is -26.7%.

In addition to the 11 duty stations for which new price surveys were integrated during the current period that had a significant impact, smoothing mechanism will continue to apply after July 2019 for the following location where the impact of older survey is being gradually applied: Egypt.

In **table 9.1** and **table 9.2** hereafter:

- (1) Figures are stated relative to Brussels, ie. Brussels PPP = 1, ER = 1, CC = 100%
- (2) 1 euro = USD (2 Duty Station(s) : Liberia, Zimbabwe)
- (3) 1 euro = CFA (3 Duty Station(s) : Central African Republic, Congo, Gabon)
- (6) UN P2P processed (3 Duty Station(s): Congo, Democratic Republic of the Congo, Liberia)
- (7) ISRP PPP processed (1 Duty Station(s) : Japan)
- (8) ECP PPP processed (4 Duty Station(s): Iceland, Norway, Switzerland (Bern, Geneva))
- (10) Smoothing in first six months relates to P2P, PPP or FBS impact from earlier period. New P2P, PPP introduced for second six months.

Table 9.1

**Summary of the 25 duty stations where the cost of living is higher than in Brussels at 1st July 2019 (or 1st July 2018)
(for staff serving in Extra- EU delegations)**

Place of employment				Economic Parities	Exchange Rate	Correction Coefficients	Economic Parities	Exchange Rate	Correction Coefficients	CHANGE (in %)		
										Economic Parities	Exchange Rate	Correction Coefficients
Code		Country	City	Jul-2019	Jul-2019	Jul-2019	Jul-2018	Jul-2018	Jul-2018	Jul-2019 - Jul-2018	Jul-2019 - Jul-2018	Jul-2019 - Jul-2018
SS		South-Sudan	Juba	366.5	180.271	203.3	261.0	161.775	161.3	40.4	-11.4	26.0
LR	⁽²⁾ ⁽⁶⁾	Liberia	Monrovia	2.190	1.13700	192.6	1.961	1.15830	169.3	11.7	1.8	13.8
NO	⁽⁸⁾	Norway	Oslo	12.51	9.68430	129.2	12.38	9.47400	130.7	1.1	-2.2	-1.1
CH-BE	⁽⁸⁾	Switzerland	Bern	1.412	1.11210	127.0	1.398	1.15560	121.0	1.0	3.8	5.0
CH-GE	⁽⁸⁾	Switzerland	Geneva	1.412	1.11210	127.0	1.398	1.15560	121.0	1.0	3.8	5.0
IS	⁽⁸⁾	Iceland	Reykjavik	176.9	141.700	124.8	179.4	124.200	144.4	-1.4	-14.1	-13.6
SG		Singapore	Singapore	1.906	1.53930	123.8	1.918	1.58310	121.2	-0.6	2.8	2.1
CG	⁽³⁾ ⁽⁶⁾	Congo	Brazzaville	782.5	655.957	119.3	769.4	655.957	117.3	1.7		1.7
ER		Eritrea	Asmara	20.37	17.4046	117.0	18.97	17.7961	106.6	7.4	2.2	9.8
ZW	⁽²⁾	Zimbabwe	Harare	1.310	1.13700	115.2	0.9861	1.15830	85.1	32.8	1.8	35.4
HK		Hong Kong	Hong Kong	10.12	8.88360	113.9	10.16	9.09060	111.8	-0.4	2.3	1.9
TM		Turkmenistan	Ashkhabad	4.472	3.97950	112.4	3.398	4.05405	83.8	31.6	1.8	34.1
CF	⁽³⁾	Central African Republic	Bangui	717.1	655.957	109.3	736.4	655.957	112.3	-2.6		-2.7
NC		New Caledonia	NouMea	127.7	119.332	107.0	128.8	119.332	107.9	-0.9		-0.8
SB		Solomon Islands	Honiara	9.738	9.11055	106.9	9.984	9.04922	110.3	-2.5	-0.7	-3.1
CD	⁽⁶⁾	Democratic Republic of the Congo	Kinshasa	1978	1859.06	106.4	2755	1898.97	145.1	-28.2	2.1	-26.7
PS-GZA		West Bank — Gaza Strip	East Jerusalem	4.323	4.07590	106.1	4.362	4.22710	103.2	-0.9	3.6	2.8
IL		Israel	Tel-Aviv	4.323	4.07590	106.1	4.362	4.22710	103.2	-0.9	3.6	2.8
BB		Barbados	Bridgetown	2.371	2.28618	103.7	2.424	2.32901	104.1	-2.2	1.8	-0.4
GA	⁽³⁾	Gabon	Libreville	678.7	655.957	103.5	734.2	655.957	111.9	-7.6		-7.5
AO		Angola	Luanda	398.2	387.638	102.7	343.4	285.198	120.4	16.0	-35.9	-14.7
US-NY		United States	New York	1.165	1.13700	102.5	1.171	1.15830	101.1	-0.5	1.8	1.4
JP	⁽⁷⁾	Japan	Tokyo	124.1	122.640	101.2	125.2	127.630	98.1	-0.9	3.9	3.2
RU		Russia	Moscow	72.29	71.6096	101.0	69.50	73.0951	95.1	4.0	2.0	6.2
AE		United Arab Emirates	Abu Dhabi	4.179	4.17880	100.0	4.130	4.25920	97.0	1.2	1.9	3.1

Table 9.2

Summary of the 25 duty stations where the cost of living is higher than in Brussels at 1st July 2019 (or 1st July 2018)
- Decomposition of impact from changes in components
(for staff serving in Extra- EU delegations)

Place of employment				Economic Parities	Economic Parities	Change (in %)	Change (in %)		
Code		Country	City	Jul-18	Jul-19	Jul-19 - Jul-18	Smoothing ⁽¹⁰⁾		Indexation (local/JBLI)
							Jul-18 - Jan-19	Jan-19 - Jul-19	
SS		South-Sudan	Juba	261.0	366.5	40.4	-14.8	-	55.2
LR	^{(2) (6)}	Liberia	Monrovia	1.961	2.190	11.7	-	-10.8	22.5
NO	⁽⁸⁾	Norway	Oslo	12.38	12.51	1.1	-	-	1.1
CH-BE	⁽⁸⁾	Switzerland	Bern	1.398	1.412	1.0	-	-	1.0
CH-GE	⁽⁸⁾	Switzerland	Geneva	1.398	1.412	1.0	-	-	1.0
IS	⁽⁸⁾	Iceland	Reykjavík	179.4	176.9	-1.4	-	-	-1.4
SG		Singapore	Singapore	1.918	1.906	-0.6	-	-	-0.6
CG	^{(3) (6)}	Congo	Brazzaville	769.4	782.5	1.7	-6.5	9.9	-1.7
ER		Eritrea	Asmara	18.97	20.37	7.4	-1.8	-	9.2
ZW	⁽²⁾	Zimbabwe	Harare	0.9861	1.310	32.8	-	-	32.8
HK		Hong Kong	Hong Kong	10.16	10.12	-0.4	-	-	-0.4
TM		Turkmenistan	Ashkhabad	3.398	4.472	31.6	26.6	-	5.0
CF	⁽³⁾	Central African Republic	Bangui	736.4	717.1	-2.6	-6.6	-	4.0
NC		New Caledonia	NouMea	128.8	127.7	-0.9	-	-	-0.9
SB		Solomon Islands	Honiara	9.984	9.738	-2.5	-	-	-2.5
CD	⁽⁶⁾	Democratic Republic of the Congo	Kinshasa	2755	1978	-28.2	-42.4	10.5	3.7
PS-GZA		West Bank — Gaza Strip	East Jerusalem	4.362	4.323	-0.9	-	-	-0.9
IL		Israel	Tel-Aviv	4.362	4.323	-0.9	-	-	-0.9
BB		Barbados	Bridgetown	2.424	2.371	-2.2	-1.8	-	-0.4
GA	⁽³⁾	Gabon	Libreville	734.2	678.7	-7.6	-6.1	-	-1.4
AO		Angola	Luanda	343.4	398.2	16.0	-2.3	-	18.3
US-NY		United States	New York	1.171	1.165	-0.5	-	-	-0.5
JP	⁽⁷⁾	Japan	Tokyo	125.2	124.1	-0.9	-	-	-0.9
RU		Russia	Moscow	69.50	72.29	4.0	-	-	4.0
AE		United Arab Emirates	Abu Dhabi	4.130	4.179	1.2	-	-	1.2

4. ADJUSTMENT OF REMUNERATION OUTSIDE BRUSSELS AND LUXEMBOURG

4.1 Intra-EU duty stations (for staff)

The value of the annual update for duty stations outside Brussels and Luxembourg is equal to the product of the annual update for Brussels multiplied by the implicit index (ie. the combined impact of the percentage change in the cost of living in Brussels and the percentage change in the economic parities between Brussels and the duty station).

Taking account of the figures reported in Table 1 and Table 4 of the main report, **Table 4 bis** below presents the adjustment of the nominal net remuneration of EU officials outside Brussels and Luxembourg which is necessary to maintain a parallel development of the purchasing power with the civil servants in the Member States.

Table 4 bis

Annual update outside Brussels and Luxembourg
for the twelve months to 1st July 2019
(for staff)

Country Place of employment	Global specific indicator	Implicit price index	Annual update
BE/LU Brussels/Luxembourg	0.5	1.5	2.0
BG Sofia	0.5	5.6	6.2
CZ Prague	0.5	2.3	2.8
DK Copenhagen	0.5	-0.4	0.1
DE Berlin	0.5	1.6	2.1
Bonn	0.5	1.0	1.5
Karlsruhe	0.5	1.2	1.7
Munich	0.5	1.8	2.3
EE Tallinn	0.5	2.8	3.3
IE Dublin	0.5	2.8	3.3
EL Athens	0.5	1.6	2.1
ES Madrid	0.5	1.4	1.9
FR Paris	0.5	2.3	2.8
HR Zagreb	0.5	1.0	1.5
IT Rome	0.5	0.2	0.7
Varese	0.5	0.5	1.0
CY Nicosia	0.5	2.9	3.4
LV Riga	0.5	2.8	3.3
LT Vilnius	0.5	3.5	4.0
HU Budapest	0.5	4.8	5.3
MT Valletta	0.5	3.5	4.0
NL The Hague	0.5	2.9	3.4
AT Vienna	0.5	1.2	1.7
PL Warsaw	0.5	2.5	3.0
PT Lisbon	0.5	4.9	5.4
RO Bucharest	0.5	4.8	5.3
SI Ljubljana	0.5	1.5	2.0
SK Bratislava	0.5	2.1	2.6
FI Helsinki	0.5	1.1	1.6
SE Stockholm	0.5	1.5	2.0
UK London	0.5	1.1	1.6
Culham	0.5	1.9	2.4

4.2 Intra-EU country of residence (for pensioners)

The value of the annual update for pensioners residing in Member States outside Belgium and Luxembourg is equal to the product of the annual update multiplied by the implicit index (ie. the combined impact of the percentage change in the cost of living in Brussels and the percentage change in the economic parities between Belgium and the Member State).

Taking account of the figures reported in Table 1 and Table 6 of the main report, **Table 6 bis** below presents the adjustment of the nominal net pensions of retired EU officials outside Belgium and Luxembourg.

Table 6 bis
Annual update outside Belgium and Luxembourg
for the twelve months to 1st July 2019
(for PENSIONERS)

Country	Global specific indicator	Implicit price index	Annual update
BE/LU	0.5	1.5	2.0
BG	0.5	6.0	6.6
CZ	0.5	1.7	2.2
DK	0.5	-0.2	0.3
DE	0.5	1.6	2.1
EE	0.5	3.8	4.3
IE	0.5	4.8	5.3
EL	0.5	1.0	1.5
ES	0.5	0.0	0.5
FR	0.5	2.5	3.0
HR	0.5	0.6	1.1
IT	0.5	1.6	2.1
CY	0.5	1.9	2.4
LV	0.5	5.4	6.0
LT	0.5	3.7	4.2
HU	0.5	5.5	6.1
MT	0.5	4.4	4.9
NL	0.5	3.9	4.4
AT	0.5	1.9	2.4
PL	0.5	3.3	3.8
PT	0.5	2.9	3.4
RO	0.5	4.9	5.4
SI	0.5	1.9	2.4
SK	0.5	2.9	3.4
FI	0.5	3.2	3.7
SE	0.5	2.4	2.9
UK	0.5	1.8	2.3

4.3 Extra-EU duty stations (for staff)

The value of the annual update for duty stations outside Brussels and Luxembourg working in third countries is equal to the product of the annual update for Brussels multiplied by the implicit index (ie. the combined impact of the percentage change in the cost of living in Brussels and the percentage change in the economic parities between Brussels and the duty station).

Taking account of the figures reported in Table 1 and Table 8 of the main report, **Table 8 bis** below presents the adjustment of the nominal net remuneration of EU officials outside Brussels and Luxembourg working in third countries which is necessary to maintain a parallel development of the purchasing power with the civil servants in the Member States.

This information is of particular relevance to those duty stations where application of the correction coefficient has been requested. This is only likely in practice for the 25 locations identified in **Table 9.1** earlier, where the correction coefficient is greater than or equal to 100 at July 2019, or was greater than or equal to 100 at July 2018.

Table 8 bis (page 1 of 3)

**Annual update outside Brussels and Luxembourg for the twelve months to 1st July 2019
(for staff serving in Extra-EU delegations)**

Place of employment			Global specific indicator	Implicit price index	Annual update
Code	Country	City	[a]	[b]	=100 x [a]*[b]/100-100
BE	⁽¹⁾ Belgium / Luxembourg	Brussels / Luxembourg	0.5	1.5	2.0
AF	⁽⁵⁾ Afghanistan	Kabul	0.5		
AL	⁽⁹⁾ Albania	Tirana	0.5	-0.1	0.4
DZ	Algeria	Algiers	0.5	2.8	3.3
AO	Angola	Luanda	0.5	17.7	18.3
AR	Argentina	Buenos Aires	0.5	60.8	61.6
AM	Armenia	Yerevan	0.5	-2.6	-2.1
AU	⁽⁷⁾ Australia	Canberra	0.5	0.1	0.6
AZ	Azerbaijan	Baku	0.5	20.1	20.7
BD	Bangladesh	Dhaka	0.5	-0.5	0.0
BB	Barbados	Bridgetown	0.5	-0.7	-0.2
BY	Belarus	Minsk	0.5	6.5	7.0
BZ	Belize	Belize (Belmopan)	0.5	-0.2	0.3
BJ	⁽³⁾ Benin	Cotonou	0.5	-9.4	-8.9
BO	Bolivia	La Paz	0.5	1.6	2.1
BA-BL	^{(5) (9)} Bosnia and Herzegovina	Banja Luka	0.5		
BA-SA	⁽⁹⁾ Bosnia and Herzegovina	Sarajevo	0.5	-3.1	-2.6
BW	Botswana	Gaberone	0.5	-5.1	-4.6
BR	Brazil	Brasilia	0.5	4.1	4.6
BF	⁽³⁾ Burkina Faso	Ouagadougou	0.5	-1	-0.5
BI	⁽⁶⁾ Burundi	Bujumbura	0.5	2.1	2.6
KH	Cambodia	Phnom Penh	0.5	1.3	1.8
CM	^{(3) (6)} Cameroon	Yaounde	0.5	9.8	10.3
CA	⁽⁷⁾ Canada	Ottawa	0.5	1.2	1.7
CV	Cape Verde	Praia	0.5	1.3	1.8
CF	⁽³⁾ Central African Republic	Bangui	0.5	-1.2	-0.7
TD	⁽³⁾ Chad	Ndjamena	0.5	-1.3	-0.8
CL	Chile	Santiago	0.5	2.4	2.9
CN	China	Beijing	0.5	-3.9	-3.4
CO	Colombia	Bogota	0.5	2.6	3.1
KM	Comoros	Moroni	0.5	-2.2	-1.7
CG	^{(3) (6)} Congo	Brazzaville	0.5	3.2	3.7
CR	Costa Rica	San Jose	0.5	2.3	2.8
CU	⁽²⁾ Cuba	Havana	0.5	6	6.5
CD	⁽⁶⁾ Democratic Republic of the Congo	Kinshasa	0.5	-27.1	-26.7
DJ	Djibouti	Djibouti	0.5	1.7	2.2
DO	Dominican Republic	Santo Domingo	0.5	-7	-6.5
EC	⁽²⁾ Ecuador	Quito	0.5	0.9	1.4
EG	Egypt	Cairo	0.5	32	32.7
SV	⁽²⁾ El Salvador	San Salvador	0.5	0.2	0.7
ER	Eritrea	Asmara	0.5	9	9.5
SZ	eSwatini	Mbabane	0.5	1.5	2.0
ET	Ethiopia	Addis Ababa	0.5	42.5	43.2
FJ	Fiji	Suva	0.5	0.8	1.3
GA	⁽³⁾ Gabon	Libreville	0.5	-6.2	-5.7
GM	Gambia	Banjul	0.5	-5.7	-5.2
GE	Georgia	Tbilisi	0.5	12.8	13.4
GH	⁽⁶⁾ Ghana	Accra	0.5	26.5	27.1
GT	Guatemala	Guatemala City	0.5	2.4	2.9
GN	Guinea	Conakry	0.5	11.8	12.4
GW	⁽³⁾ Guinea-Bissau	Bissau	0.5	4.1	4.6
GY	Guyana	Georgetown	0.5	-5.2	-4.7

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**Annual update outside Brussels and Luxembourg for the twelve months to 1st July 2019
(for staff serving in Extra-EU delegations)**

		Place of employment		Global specific indicator	Implicit price index	Annual update
Code		Country	City	[a]	[b]	=100 x [a]*[b]/100-100
HT		Haiti	Port-au-Prince	0.5	18.3	18.9
HN		Honduras	Tegucigalpa	0.5	5	5.5
HK		Hong Kong	Hong Kong	0.5	1.1	1.6
IS	(8)	Iceland	Reykjavik	0.5	0.1	0.6
IN		India	New Delhi	0.5	3.6	4.1
ID-AC	(5)	Indonesia	Banda Aceh	0.5		
ID-JK		Indonesia	Jakarta	0.5	-3.5	-3.0
IR	(5)	Iran	Teheran	0.5		
IQ	(5)	Iraq	Baghdad	0.5		
IL		Israel	Tel-Aviv	0.5	0.6	1.1
CI	(3) (6)	Ivory Coast	Abidjan	0.5	-4.8	-4.3
JM		Jamaica	Kingston	0.5	2.6	3.1
JP	(7)	Japan	Tokyo	0.5	0.6	1.1
JO		Jordan	Amman	0.5	-0.5	0.0
KZ		Kazakhstan	Nur-Sultan	0.5	5.2	5.7
KE		Kenya	Nairobi	0.5	7.2	7.7
XK	(4)	Kosovo	Pristina	0.5	2.3	2.8
KG		Kyrgyzstan	Bichkek	0.5	-0.5	0.0
LA		Laos	Vientiane	0.5	0.6	1.1
LB		Lebanon	Beirut	0.5	-1.2	-0.7
LS		Lesotho	Maseru	0.5	6.8	7.3
LR	(2) (6)	Liberia	Monrovia	0.5	13.4	14.0
LY	(5)	Libya	Tripoli	0.5		
MG		Madagascar	Antananarivo	0.5	6.1	6.6
MW		Malawi	Lilongwe	0.5	-2.2	-1.7
MY		Malaysia	Kuala Lumpur	0.5	-4.5	-4.0
ML	(3)	Mali	Bamako	0.5	-15	-14.6
MR		Mauritania	Nouakchott	0.5	3.4	3.9
MU		Mauritius	Port Louis	0.5	0.8	1.3
MX	(7)	Mexico	Mexico City	0.5	6	6.5
MD		Moldova	Chisinau	0.5	3.2	3.7
MN		Mongolia	Ulan Bator	0.5	8.5	9.0
ME	(4)(9)	Montenegro	Podgorica	0.5	-0.1	0.4
MA		Morocco	Rabat	0.5	1.6	2.1
MZ		Mozambique	Maputo	0.5	4.4	4.9
MM		Myanmar	Yangon	0.5	8.9	9.4
NA		Namibia	Windhoek	0.5	16	16.6
NP		Nepal	Kathmandu	0.5	-3.1	-2.6
NC		New Caledonia	NouMea	0.5	0.6	1.1
NZ	(7)	New Zealand	Wellington	0.5	4.7	5.2
NI		Nicaragua	Managua	0.5	7	7.5
NE	(3)	Niger	Niamey	0.5	-0.7	-0.2
NG		Nigeria	Abuja	0.5	10.3	10.9
MK	(9)	North Macedonia	Skopje	0.5	-0.1	0.4
NO	(8)	Norway	Oslo	0.5	2.6	3.1
PK		Pakistan	Islamabad	0.5	9.7	10.2
PA	(2)	Panama	Panama City	0.5	13.6	14.2
PG		Papua New Guinea	Port Moresby	0.5	5.2	5.7
PY		Paraguay	Asuncion	0.5	3.8	4.3
PE		Peru	Lima	0.5	2.6	3.1
PH	(6)	Philippines	Manilla	0.5	15.4	16.0
RU		Russia	Moscow	0.5	5.6	6.1
RW		Rwanda	Kigali	0.5	1.4	1.9

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**Annual update outside Brussels and Luxembourg for the twelve months to 1st July 2019
(for staff serving in Extra-EU delegations)**

Place of employment			Global specific indicator	Implicit price index	Annual update
Code	Country	City	[a]	[b]	=100 x [a]*[b]/100-100
WS	Samoa	Apia	0.5	-0.2	0.3
SA	Saudi Arabia	Riyadh	0.5	-1.4	-0.9
SN	⁽³⁾ Senegal	Dakar	0.5	-3	-2.5
RS	⁽⁹⁾ Serbia	Belgrade	0.5	2.2	2.7
SL	Sierra Leone	Freetown	0.5	19.1	19.7
SG	Singapore	Singapore	0.5	0.9	1.4
SB	Somalia	Mogadishu	0.5	-1	-0.5
SO	⁽⁵⁾ Somalia	Mogadishu	0.5		
ZA	South Africa	Pretoria	0.5	2.8	3.3
KR	⁽⁷⁾ South Korea	Seoul	0.5	3.7	4.2
SS	South-Sudan	Juba	0.5	42.5	43.2
LK	Sri Lanka	Kolombo	0.5	6.1	6.6
SD	Sudan	Khartoum	0.5	35.8	36.5
SR	Suriname	Paramaribo	0.5	7.1	7.6
CH-BE	⁽⁸⁾ Switzerland	Bern	0.5	2.5	3.0
CH-GE	⁽⁸⁾ Switzerland	Geneva	0.5	2.5	3.0
SY	⁽⁵⁾ Syria	Damascus	0.5		
TW	Taiwan	Taipei	0.5	1.1	1.6
TJ	⁽⁶⁾ Tajikistan	Duschanbe	0.5	12.7	13.3
TZ	Tanzania	Dar es Salaam	0.5	-3.8	-3.3
TH	Thailand	Bangkok	0.5	-4.5	-4.0
TP	⁽²⁾ Timor Leste	Dili	0.5	-5.6	-5.1
TG	⁽³⁾ Togo	Lome	0.5	2.4	2.9
TT	Trinidad and Tobago	Port-of-Spain	0.5	0.8	1.3
TN	Tunisia	Tunis	0.5	7.7	8.2
TR	⁽⁸⁾ Turkey	Ankara	0.5	14.9	15.5
TM	Turkmenistan	Ashkhabad	0.5	33.6	34.3
UG	Uganda	Kampala	0.5	0.4	0.9
UA	Ukraine	Kiev	0.5	3.4	3.9
AE	United Arab Emirates	Abu Dhabi	0.5	2.7	3.2
US-NY	United States	New York	0.5	1	1.5
US-WA	⁽⁷⁾ United States	Washington	0.5	-1.6	-1.1
UY	Uruguay	Montevideo	0.5	8.1	8.6
UZ	⁽⁶⁾ Uzbekistan	Tachkent	0.5	34.5	35.2
VU	Vanuatu	Port Vila	0.5	1.4	1.9
VE	⁽⁵⁾ Venezuela	Caracas	0.5		
VN	⁽⁶⁾ Vietnam	Hanoi	0.5	9.6	10.1
PS-GZA	West Bank — Gaza Strip	East Jerusalem	0.5	0.6	1.1
YE	⁽⁵⁾ Yemen	Sana a	0.5		
ZM	Zambia	Lusaka	0.5	7.4	7.9
ZW	⁽²⁾ Zimbabwe	Harare	0.5	34.8	35.5

In the table above:

- (1) Figures are stated relative to Brussels, ie. Brussels PPP = 1, ER = 1, CC = 100%
- (2) 1 euro = USD (7 Duty Station(s) : Cuba, Ecuador, El Salvador, Liberia, Panama, Timor Leste, Zimbabwe)
- (3) 1 euro = CFA (13 Duty Station(s) : Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Congo, Gabon, Guinea-Bissau, Ivory Coast, Mali, Niger, Senegal, Togo)
- (4) Currency = Euro (2 Duty Station(s) : Kosovo, Montenegro)
- (5) Not available (10 Duty Station(s) : Afghanistan, Bosnia and Herzegovina (Banja Luka), Indonesia (Banda Aceh), Iran, Iraq, Libya, Somalia, Syria, Venezuela, Yemen)
- (6) UN P2P processed (11 Duty Station(s) : Burundi, Cameroon, Rep Congo, Dem Rep of the Congo, Ghana, Ivory Coast, Liberia, Philippines, Tajikistan, Uzbekistan, Vietnam)
- (7) ISRP PPP processed (7 Duty Station(s) : Australia, Canada, Japan, Mexico, New Zealand, South Korea, United States (Washington))
- (8) ECP PPP processed (5 Duty Station(s): Iceland, Norway, Switzerland (Bern, Geneva), Turkey)
- (9) ECP Balkan Duty stations (6 Duty Station(s) : Albania, Bosnia and Herzegovina (Banja Luka, Sarajevo), North Macedonia, Montenegro, Serbia)