EUROPEAN
COMMISSION

Strasbourg, 10.12.2013
COM(2013) 895 final

2013/0438 (COD)

Proposal for a

# REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**adjusting with the effect from 1 July 2011 the remuneration and pension of the officials and other servants of the European Union and the correction coefficients applied thereto**

# EXPLANATORY MEMORANDUM

## CONTEXT OF THE PROPOSAL

### Grounds for and objectives of the proposal

Following the judgment of the European Court of Justice of 19 November 2013 in Case C-63/12, the Commission must submit a new proposal on the basis of Article 10 of Annex XI to the Staff Regulations.

According to this Article, the Commission is to submit appropriate proposals on which the European Parliament and the Council shall decide in accordance with Article 336 of the Treaty on the Functioning of the European Union.

On 13 July 2011, the Commission submitted a Report to the Council on the exception clause (Article 10 of Annex XI to the Staff Regulations) (COM (2011) 440) and on 24 November 2011, it submitted a Communication to the Council providing supplementary information to the Commission Report (COM (2011) 829).

The Court of Justice stated that when the assessments made by the Commission and the Council result in opposite conclusions, the Commission must submit to the European Parliament and to the Council appropriate proposals on the basis of that Article, in order to involve the European Parliament and to allow the legislators to decide on the appropriate measures to be taken with regard to the existing economic and social situation in the Union (paragraph 76).

According to the judgment, the Commission has a margin of appraisal as regards the appropriate character of the proposals, given the economic and social data, as well as, where necessary, other factors to be taken into consideration, such as those that are relevant to human resources management and, in particular, the needs of recruitment (paragraph 74).

The Commission reports mentioned above refer systematically to a stagnation and an ongoing crisis as well as a high level of unemployment rate and a high level of public deficit and debt in the European Union, though not concluding that the criteria set in Article 10 of Annex XI to the Staff Regulations are met. As the Court judged that the Commission has no margin to decide whether or not to trigger the exception clause with regard to these criteria, the procedure laid down in Article 10 of Annex XI to the Staff Regulations constitutes the only means of taking account of an economic crisis in the adjustment of remuneration and therefore of disapplying the criteria laid down in Article 3(2) of that annex.

The Commission shall take this economic and social data into account in order to propose appropriate measures to derogate from the strict application of the method.

At the same time, since 2011, there have been a number of relevant developments. The European Parliament and the Council have adopted a reform of the Staff Regulations which includes a suspension of adjustments of salaries, allowances and pensions in 2013 and 2014 leading to a freeze for two years and several significant changes to the working conditions of staff of the EU institutions such as measures with regard to weekly working time, career, pensions and leave days which lead to significant savings.

Taking into account the result of the normal application of the method in 2011, the social and economic situation, the reform of the Staff Regulations as well as the situation with regard to recruitment and management of human resources observed

over the last years, the Commission concludes that the present proposal as well as the proposal for the adjustment of 2012 would be appropriate measures to be taken by the legislator based on Article 10 of Annex XI to the Staff Regulations.

Under Article 65 of the Staff Regulations the remuneration and pensions shall be updated before the end of each year. In this regard, the urgent implementation of the Judgment of the Court of Justice in Case C-63/12, issued on 19 November 2013, constitutes a due reason for adopting this Regulation rapidly.

**Elements of the new method determining the content of the Proposal**

The Eurostat report was submitted to the Council on 24 November 2011 (SEC(2011) 1436). According to this report, the average change in the purchasing power of national civil servants' remuneration in the reference period measured by the specific indicator is equal to -1.8%. The change in the cost of living in Brussels in the reference period is equal to 3,6%. The amount of the adjustment is obtained by multiplying together the specific indicator and the Brussels International Index calculated by Eurostat. The proposed adjustment to remuneration and pensions in Belgium and Luxembourg was therefore 1.7%.

The amount of the adjustment must be corrected to take into account the above mentioned elements. The Commission considers therefore as appropriate to reduce the proposed adjustment to remuneration and pensions in Belgium and Luxembourg to 0.9% instead of 1.7% with regard to the strict application of the method.

The economic parities for remuneration establish the purchasing power equivalence of the remuneration paid in Brussels, as the reference city, with that paid in the other places of employment. Eurostat has calculated those parities in agreement with the national statistical bodies.

The economic parities for pensions establish the purchasing power equivalence of the pension paid in Belgium, as the reference country, with that paid in the other countries of residence. Eurostat has calculated those parities in agreement with the national statistical bodies.

With regard to the parallel proposal for 2012, the same approach would result in an adjustment of 0.9% instead of 1.7%.

The new proposals for 2011 and 2012 would therefore in effect reduce the result of the normal application of the method in force in 2011 and 2012 by 47%.

**Existing provisions in the area of the proposal**

Article 65, Article 10 of Annex XI and Article 19 of Annex XIII of the modified Staff Regulations.

**CONSULTATION OF INTERESTED PARTIES AND IMPACT ASSESSMENT**

**Consultation of interested parties**

*Methods of consultation used, main sectors covered and general profile of respondents*

The elements of the proposal have been discussed with the staff representatives in accordance with the appropriate procedures.

*Summary of replies received and the way in which they have been taken into account*

The proposal takes account of the opinions of the parties consulted.

**BUDGETARY IMPLICATIONS**

The impact of the adjustment to remuneration and pensions on administrative expenditure and on revenue is detailed in the financial statement annexed hereto.

2013/0438 (COD)

Proposal for a

**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**adjusting with the effect from 1 July 2011 the remuneration and pension of the officials and other servants of the European Union and the correction coefficients applied thereto**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to the Staff Regulations of Officials of the European Union and in particular Article 10 of Annex XI thereof and the Conditions of Employment of Other Servants of the European Union,

Having regard to the proposal from the European Commission,

Acting in accordance with the ordinary legislative procedure,

Whereas:

(1) In order to comply with the Judgment of the Court of Justice in Case C-63/12, when the Council establishes that at this stage of the procedure there is a serious and sudden deterioration in the economic and social situation within the Union, the Commission must submit a Proposal under Article 336 in order to involve the European Parliament in the legislative process. Equally the Council and the European Parliament shall decide upon the Commission proposal having regard to the criteria set in Article 65 of the Staff Regulations respecting the rules set in Annex XI with the exception of its Article 3(2).

(2) The Court has confirmed that the Commission has a margin of appraisal that should be based on Article 65 of the Staff Regulations, as regards the content of appropriate proposals. The review of remuneration may, where appropriate, take into account other factors, such as the human resources management and in particular the needs of recruitment. Within this margin of appraisal, the Commission may base its decision upon economic and social data such as the 2011 stagnation and the ongoing crisis as well as the high level of unemployment rate and the high level of public deficit and debt in the European Union. The Commission has taken into account as well developments since 2011 such as the reform of the Staff Regulations and especially the two years freeze imposed to EU officials and the increase of weekly working time to 40h.

(3) According to the data supplied by Eurostat in agreement with the national statistical offices of the Member States, national civil servants lost 1.8% of their purchasing power, the same loss in purchasing power should have been applied to the EU officials and other servants for the period 1 July 2011 – 30 June 2012 if the Commission would have followed the normal application of the method. The Commission considered however as appropriate to reduce the proposed adjustment to remuneration and pensions in Belgium and Luxembourg to 0.9% instead of 1.7% with regard to the economic crisis and the efforts already consented by EU officials.

(4) The same approach would lead in 2012 to an adjustment of 0.9% instead of 1.7%. The total adjustment for both years would be therefore 47% lower than under the normal application of the method in force in 2011 and 2012.

(5) The Commission has proposed the above measures in order to involve the European Parliament in the legislative procedure and to allow the co-legislators to decide on the appropriate measures in accordance with Article 336 TFEU.

(6) Under Article 65 of the Staff Regulations the remuneration and pensions shall be updated before the end of each year. In this regard, the urgent implementation of the Judgment of the Court of Justice in Case C-63/12, issued on 19 November 2013, constitutes a due reason for adopting this Regulation expediently.

HAVE ADOPTED THIS REGULATION:

*Article 1*

With effect from 1 July 2011, the date '1 July 2010' in the second paragraph of Article 63 of the Staff Regulations shall be replaced by '1 July 2011'.

*Article 2*

With effect from 1 July 2011, the table of basic monthly salaries in Article 66 of the Staff Regulations applicable for the purposes of calculating remuneration and pensions shall be replaced by the following:

| 1/07/2011 | STEP | | | | |
|---|---|---|---|---|---|
| GRADE | 1 | 2 | 3 | 4 | 5 |
| 16 | 17.071,32 | 17.788,68 | 18.536,18 | | |
| 15 | 15.088,19 | 15.722,22 | 16.382,89 | 16.838,69 | 17.071,32 |
| 14 | 13.335,44 | 13.895,82 | 14.479,74 | 14.882,59 | 15.088,19 |
| 13 | 11.786,31 | 12.281,58 | 12.797,67 | 13.153,72 | 13.335,44 |
| 12 | 10.417,13 | 10.854,87 | 11.311,00 | 11.625,69 | 11.786,31 |
| 11 | 9.207,00 | 9.593,89 | 9.997,04 | 10.275,17 | 10.417,13 |
| 10 | 8.137,45 | 8.479,40 | 8.835,71 | 9.081,54 | 9.207,00 |
| 9 | 7.192,15 | 7.494,37 | 7.809,29 | 8.026,56 | 8.137,45 |
| 8 | 6.356,66 | 6.623,77 | 6.902,11 | 7.094,14 | 7.192,15 |
| 7 | 5.618,22 | 5.854,31 | 6.100,31 | 6.270,03 | 6.356,66 |
| 6 | 4.965,57 | 5.174,23 | 5.391,66 | 5.541,66 | 5.618,22 |
| 5 | 4.388,74 | 4.573,16 | 4.765,33 | 4.897,90 | 4.965,57 |
| 4 | 3.878,91 | 4.041,91 | 4.211,75 | 4.328,93 | 4.388,74 |
| 3 | 3.428,31 | 3.572,37 | 3.722,49 | 3.826,05 | 3.878,91 |
| 2 | 3.030,05 | 3.157,38 | 3.290,06 | 3.381,59 | 3.428,31 |
| 1 | 2.678,06 | 2.790,60 | 2.907,86 | 2.988,76 | 3.030,05 |

*Article 3*

With effect from 1 July 2011, the correction coefficients applicable to the remuneration of officials and other servants under Article 64 of the Staff Regulations shall be as indicated in column 2 of the following table.

With effect from 1 January 2012, the correction coefficients applicable under Article 17(3) of Annex VII to the Staff Regulations to transfers by officials and other servants shall be as indicated in column 3 of the following table.

With effect from 1 July 2011, the correction coefficients applicable to pensions under Article 20(1) of Annex XIII to the Staff Regulations shall be as indicated in column 4 of the following table.

With effect from 16 May 2011, the correction coefficients applicable to pensions under Article 20(1) of Annex XIII to the Staff Regulations shall be as indicated in column 5 of the following table. The effective date for the annual adjustment for those Member States shall be 16 May 2011.

With effect from 16 May 2011, the correction coefficients applicable to pensions under Article 20(1) of Annex XIII to the Staff Regulations shall be as indicated in column 6 of the following table. The effective date for the annual adjustment for those places of employment shall be 16 May 2011.

| 1 | 2 | 3 | 4 | 5 | 6 |
|---|---|---|---|---|---|
| **Country / Place** | **Remuneration** 1.7.2011 | **Transfer** 1.1.2012 | **Pension** 1.7.2011 | **Remuneration** 16.5.2011 | **Pension** 16.5.2011 |
| Bulgaria | 60.6 | 58.1 | 100.0 | | |
| Czech Rep. | 85.2 | 79.3 | 100.0 | | |
| Denmark | 134.2 | 130.5 | 130.5 | | |
| Germany | 93.7 | 95.4 | 100.0 | | |
| Bonn | 93.0 | | | | |
| Karlsruhe | 92.2 | | | | |
| Munich | 103.2 | | | | |
| Estonia | 75.4 | 77.4 | 100.0 | | |
| Greece | 92.2 | 91.0 | 100.0 | | |
| Spain | 97.4 | 91.5 | 100.0 | | |
| France | 116.4 | 108.5 | 108.5 | | |
| Ireland | 109.6 | 104.6 | 104.6 | | |
| Italy | 104.8 | 100.0 | 100.0 | | |
| Varese | 91.9 | | | | |
| Cyprus | 83.0 | 85.4 | 100.0 | | |
| Latvia | 74.4 | 70.2 | 100.0 | | |
| Lithuania | 72.7 | 70.7 | 100.0 | | |
| Hungary | 83.5 | 73.1 | 100.0 | | |
| Malta | 82.7 | 84.6 | 100.0 | | |
| Netherlands | 102.8 | 97.3 | 100.0 | | |
| Austria | 105.0 | 104.1 | 104.1 | | |
| Poland | 80.5 | 71.4 | 100.0 | | |
| Portugal | 84.0 | 83.9 | 100.0 | | |
| Romania | 72.7 | 62.1 | 100.0 | | |
| Slovenia | 86.2 | 83.6 | 100.0 | | |
| Slovakia | 78.8 | 73.5 | 100.0 | | |
| Finland | 120.5 | 113.0 | 113.0 | | |
| Sweden | 124.1 | 117.2 | 117.2 | | |
| United Kingdom | | 103.5 | | 128.0 | 103.5 |
| Culham | | | | 98.2 | |

*Article 4*

With effect from 1 July 2011, the amount of the parental leave allowance referred to in the second and third paragraphs of Article 42a of the Staff Regulations shall be EUR 919,94, and shall be EUR 1226,57 for single parents.

*Article 5*

With effect from 1 July 2011, the basic amount of the household allowance referred to in Article 1(1) of Annex VII to the Staff Regulations shall be EUR 172,05.

With effect from 1 July 2011, the amount of the dependent child allowance referred to in Article 2(1) of Annex VII to the Staff Regulations shall be EUR 375,96.

With effect from 1 July 2011, the amount of the education allowance referred to in Article 3(1) of Annex VII to the Staff Regulations shall be EUR 255,09.

With effect from 1 July 2011, the amount of the education allowance referred to in Article 3(2) of Annex VII to the Staff Regulations shall be EUR 91,84.

With effect from 1 July 2011, the minimum amount of the expatriation allowance referred to in Article 69 of the Staff Regulations and in the second subparagraph of Article 4(1) of Annex VII thereto shall be EUR 509,94.

With effect from 1 July 2011, the expatriation allowance referred to in Article 134 of the Conditions of Employment of Other Servants shall be EUR 366,58.

*Article 6*

With effect from 1 January 2012, the kilometric allowance referred to in Article 8(2) of Annex VII to the Staff Regulations shall be adjusted as follows:

EUR 0 for every km from 0 to 200 km

EUR 0,3824 for every km from 201 to 1 000 km

EUR 0,6373 for every km from 1 001 to 2 000 km

EUR 0,3824 for every km from 2 001 to 3 000 km

EUR 0,1273 for every km from 3 001 to 4 000 km

EUR 0,0614 for every km from 4 001 to 10 000 km

EUR 0 for every km over 10 000 km.

To the above kilometric allowance a flat-rate supplement shall be added, amounting to:

– EUR 191,19 if the distance by train between the place of employment and the place of origin is between 725 km and 1 450 km;

– EUR 382,34 if the distance by train between the place of employment and the place of origin is greater than 1 450 km.

*Article 7*

With effect from 1 July 2011, the daily subsistence allowance referred to in Article 10(1) of Annex VII to the Staff Regulations shall be:

– EUR 39,52 for an official who is entitled to the household allowance;

– EUR 31,86 for an official who is not entitled to the household allowance.

*Article 8*

With effect from 1 July 2011, the lower limit for the installation allowance referred to in Article 24(3) of the Conditions of Employment of Other Servants shall be:

– EUR 1125,02 for a servant who is entitled to the household allowance;

– EUR 668,94 for a servant who is not entitled to the household allowance.

*Article 9*

With effect from 1 July 2011, for the unemployment allowance referred to in the second subparagraph of Article 28a(3) of the Conditions of Employment of Other Servants, the lower limit shall be EUR 1349,22, the upper limit shall be EUR 2698,46 and the standard allowance shall be EUR 1226,57.

*Article 10*

With effect from 1 July 2011, the table of basic monthly salaries in Article 93 of the Conditions of Employment of Other Servants shall be replaced by the following:

| FUNCTION GROUP | 1/07/2011 | STEP | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | GRADE | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| IV | 18 | 5.884,91 | 6.007,29 | 6.132,22 | 6.259,74 | 6.389,92 | 6.522,80 | 6.658,45 |
| | 17 | 5.201,24 | 5.309,40 | 5.419,82 | 5.532,52 | 5.647,58 | 5.765,02 | 5.884,91 |
| | 16 | 4.596,99 | 4.692,59 | 4.790,17 | 4.889,79 | 4.991,48 | 5.095,28 | 5.201,24 |
| | 15 | 4.062,94 | 4.147,43 | 4.233,68 | 4.321,72 | 4.411,60 | 4.503,34 | 4.596,99 |
| | 14 | 3.590,93 | 3.665,61 | 3.741,84 | 3.819,65 | 3.899,09 | 3.980,17 | 4.062,94 |
| | 13 | 3.173,76 | 3.239,76 | 3.307,13 | 3.375,91 | 3.446,11 | 3.517,78 | 3.590,93 |
| III | 12 | 4.062,87 | 4.147,35 | 4.233,60 | 4.321,63 | 4.411,50 | 4.503,24 | 4.596,88 |
| | 11 | 3.590,89 | 3.665,56 | 3.741,78 | 3.819,59 | 3.899,02 | 3.980,10 | 4.062,87 |
| | 10 | 3.173,74 | 3.239,74 | 3.307,11 | 3.375,88 | 3.446,08 | 3.517,74 | 3.590,89 |
| | 9 | 2.805,05 | 2.863,38 | 2.922,92 | 2.983,70 | 3.045,75 | 3.109,09 | 3.173,74 |
| | 8 | 2.479,19 | 2.530,74 | 2.583,37 | 2.637,09 | 2.691,93 | 2.747,91 | 2.805,05 |
| II | 7 | 2.805,00 | 2.863,34 | 2.922,89 | 2.983,69 | 3.045,74 | 3.109,09 | 3.173,76 |
| | 6 | 2.479,08 | 2.530,64 | 2.583,28 | 2.637,01 | 2.691,85 | 2.747,84 | 2.805,00 |
| | 5 | 2.191,03 | 2.236,60 | 2.283,12 | 2.330,61 | 2.379,08 | 2.428,57 | 2.479,08 |
| | 4 | 1.936,45 | 1.976,73 | 2.017,84 | 2.059,81 | 2.102,65 | 2.146,39 | 2.191,03 |
| I | 3 | 2.385,56 | 2.435,07 | 2.485,60 | 2.537,19 | 2.589,85 | 2.643,59 | 2.698,46 |
| | 2 | 2.108,93 | 2.152,70 | 2.197,38 | 2.242,99 | 2.289,54 | 2.337,05 | 2.385,56 |
| | 1 | 1.864,39 | 1.903,08 | 1.942,58 | 1.982,90 | 2.024,05 | 2.066,06 | 2.108,93 |

*Article 11*

With effect from 1 July 2011, the lower limit for the installation allowance referred to in Article 94 of the Conditions of Employment of Other Servants shall be:

– EUR 846,21 for a servant who is entitled to the household allowance;

– EUR 501,69 for a servant who is not entitled to the household allowance.

*Article 12*

With effect from 1 July 2011, for the unemployment allowance referred to in the second subparagraph of Article 96(3) of the Conditions of Employment of Other Servants, the lower limit shall be EUR 1011,93, the upper limit shall be EUR 2023,83 and the standard allowance shall be EUR 919,94.

With effect from 1 July 2011, for the unemployment allowance referred to in Article 136 of the Conditions of Employment of Other Servants, the lower limit shall be EUR 890,27 and the upper limit shall be EUR 2094,75.

*Article 13*

With effect from 1 July 2011, the allowances for shiftwork laid down in the first subparagraph of Article 1(1) of Council Regulation (ECSC, EEC, Euratom) No 300/76[1] shall be EUR 385,61, EUR 582,03, EUR 636,37 and EUR 867,58.

*Article 14*

With effect from 1 July 2011, the amounts referred to in Article 4 of Council Regulation (EEC, Euratom, ECSC) No 260/68[2] shall be subject to a coefficient of 5,566417.

*Article 15*

With effect from 1 July 2011, the table in Article 8(2) of Annex XIII to the Staff Regulations shall be replaced by the following:

| 1/07/2011 | STEP | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| GRADE | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 16 | 17.071,32 | 17.788,68 | 18.536,18 | 18.536,18 | 18.536,18 | 18.536,18 | | |
| 15 | 15.088,19 | 15.722,22 | 16.382,89 | 16.838,69 | 17.071,32 | 17.788,68 | | |
| 14 | 13.335,44 | 13.895,82 | 14.479,74 | 14.882,59 | 15.088,19 | 15.722,22 | 16.382,89 | 17.071,32 |
| 13 | 11.786,31 | 12.281,58 | 12.797,67 | 13.153,72 | 13.335,44 | | | |
| 12 | 10.417,13 | 10.854,87 | 11.311,00 | 11.625,69 | 11.786,31 | 12.281,58 | 12.797,67 | 13.335,44 |
| 11 | 9.207,00 | 9.593,89 | 9.997,04 | 10.275,17 | 10.417,13 | 10.854,87 | 11.311,00 | 11.786,31 |
| 10 | 8.137,45 | 8.479,40 | 8.835,71 | 9.081,54 | 9.207,00 | 9.593,89 | 9.997,04 | 10.417,13 |
| 9 | 7.192,15 | 7.494,37 | 7.809,29 | 8.026,56 | 8.137,45 | | | |
| 8 | 6.356,66 | 6.623,77 | 6.902,11 | 7.094,14 | 7.192,15 | 7.494,37 | 7.809,29 | 8.137,45 |
| 7 | 5.618,22 | 5.854,31 | 6.100,31 | 6.270,03 | 6.356,66 | 6.623,77 | 6.902,11 | 7.192,15 |
| 6 | 4.965,57 | 5.174,23 | 5.391,66 | 5.541,66 | 5.618,22 | 5.854,31 | 6.100,31 | 6.356,66 |
| 5 | 4.388,74 | 4.573,16 | 4.765,33 | 4.897,90 | 4.965,57 | 5.174,23 | 5.391,66 | 5.618,22 |
| 4 | 3.878,91 | 4.041,91 | 4.211,75 | 4.328,93 | 4.388,74 | 4.573,16 | 4.765,33 | 4.965,57 |
| 3 | 3.428,31 | 3.572,37 | 3.722,49 | 3.826,05 | 3.878,91 | 4.041,91 | 4.211,75 | 4.388,74 |
| 2 | 3.030,05 | 3.157,38 | 3.290,06 | 3.381,59 | 3.428,31 | 3.572,37 | 3.722,49 | 3.878,91 |
| 1 | 2.678,06 | 2.790,60 | 2.907,86 | 2.988,76 | 3.030,05 | | | |

*Article 16*

With effect from 1 July 2011, for the application of Article 18(1) of Annex XIII to the Staff Regulations, the amount of the fixed allowance mentioned in the former Article 4a of Annex VII to the Staff Regulations in force before 1 May 2004 shall be:

- EUR 133,03 per month for officials in Grade C4 or C5;

- EUR 203,96 per month for officials in Grade C1, C2 or C3.

[1] Council Regulation (ECSC, EEC, Euratom) No 300/76 of 9 February 1976 determining the categories of officials entitled to allowances for shiftwork, and the rates and conditions thereof (OJ L 38, 13.2.1976, p. 1). Regulation as supplemented by Regulation (Euratom, ECSC, EEC) No 1307/87 (OJ L 124, 13.5.1987, p. 6).

[2] Regulation (EEC, Euratom, ECSC) No 260/68 of the Council of 29 February 1968 laying down the conditions and procedure for applying the tax for the benefit of the European Communities (OJ L 56, 4.3.1968, p. 8).

*Article 17*

With effect from 1 July 2011, the scale for basic monthly salaries in Article 133 of the Conditions of Employment of Other Servants shall be replaced by the following:

| Grade | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|
| Full-time basic salary | 1.695,89 | 1.975,70 | 2.142,08 | 2.322,47 | 2.518,04 | 2.730,08 | 2.959,99 |
| Grade | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| Full-time basic salary | 3.209,26 | 3.479,52 | 3.772,53 | 4.090,20 | 4.434,65 | 4.808,09 | 5.212,99 |
| Grade | 15 | 16 | 17 | 18 | 19 | | |
| Full-time basic salary | 5.651,97 | 6.127,94 | 6.643,97 | 7.203,46 | 7.810,07 | | |

*Article 18*

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

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

Done at Strasbourg,

*For the European Parliament*
*The President*

*For the Council*
*The President*

# LEGISLATIVE FINANCIAL STATEMENT FOR PROPOSALS

## 1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

### 1.1. Title of the proposal/initiative

Proposal for a Council Regulation adjusting with effect from 1 July 2011 the remuneration and pensions of officials and other servants of the European Union and the correction coefficients applied thereto

### 1.2. Policy area(s) concerned in the ABM/ABB structure[3]

All areas and activities are potentially concerned.

### 1.3. Grounds for the proposal/initiative

*1.3.1. Requirement(s) to be met in the short or long term*

To ensure that the purchasing power of EU civil servants' remuneration and pensions develops in parallel with the changes in the purchasing power of civil servants of central government in the Member States.

### 1.4. Duration and financial impact

☒ Proposal/initiative of **unlimited duration**

– Implementation with a start-up period from December 2013,

– followed by full-scale operation.

### 1.5. Management mode(s) envisaged[4]

☒ **Centralised direct management** by the Commission: PMO

## 2. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

### 2.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- The proposal has a financial impact on all budgetary lines relating to staff expenditure in all Institutions and Agencies, i.e. it concerns expenditure for salaries of staff in headquarters and in delegations, contract agents, staff in the administrative offices, Members, parliamentary assistants, research staff, staff financed under BA-lines, staff paid under the provisions of early termination of service, pensions.

In order of multiannual financial framework headings and budget lines.

| Heading of multiannual financial framework | Budget line | Type of expenditure | Contribution | | | |
|---|---|---|---|---|---|---|
| | Number [Description……...…….] | DA/NDA (5) | from EFTA[6] countries | from candidate countries[7] | from third countries | within the meaning of Article 18(1)(aa) of the Financial |

3 ABM: Activity-Based Management – ABB: Activity-Based Budgeting.

4 Details of management modes and references to the Financial Regulation may be found on the BudgWeb site: http://www.cc.cec/budg/man/budgmanag/budgmanag_en.html

5 DA= Differentiated appropriations / DNA= Non-Differentiated Appropriations

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | | Regulation |
| | XX.01.01.01 and Chapter 11, Chapter 42 Expenditure Relating to Parliamentary Assistants | DNA | NO | NO | NO | NO |

[6] EFTA: European Free Trade Association.

[7] Candidate countries and, where applicable, potential candidate countries from the Western Balkans.

## 2.2. Estimated impact on expenditure

*2.2.1. Summary of estimated impact on expenditure*

EUR million (to 3 decimal places)

| **Heading of multiannual financial framework:** | Number | XX.01.01.01 and Chapter 11, Chapter 42 Expenditure Relating to Parliamentary Assistants |
|---|---|---|

| **Heading of multiannual financial framework:** | **5** | " Administrative expenditure" |
|---|---|---|

EUR million (to 3 decimal places)

| | | Year **2013** | Year **2014** | Year **2015** | Year **2016** | Subsequent years | | | **TOTAL** |
|---|---|---|---|---|---|---|---|---|---|
| **TOTAL appropriations under HEADING 5** of the multiannual financial framework | (Total commitments = Total payments) | 129.0 | 51.6 | 51.6 | 51.6 | 51.6 | 51.6 | 51.6 | **Not available** |

EUR million (to 3 decimal places)

| | | Year **2013** | Year **2014** | Year **2015** | Year **2016** | Subsequent years | | | **TOTAL** |
|---|---|---|---|---|---|---|---|---|---|
| **TOTAL appropriations under HEADINGS 1 to 5** of the multiannual financial framework | Commitments | 129.0 | 51.6 | 51.6 | 51.6 | 51.6 | 51.6 | 51.6 | **Not available** |
| | Payments | 129.0 | 51.6 | 51.6 | 51.6 | 51.6 | 51.6 | 51.6 | **Not available** |

*2.2.2. Estimated impact on operational appropriations*

– ☒ The proposal/initiative does not require the use of operational appropriations

*2.2.3. Estimated impact on appropriations of an administrative nature*

2.2.3.1. Summary

– ☒ The proposal/initiative does not require the use of administrative appropriations

2.2.3.2. Estimated requirements of human resources

– ☒ The proposal/initiative does not require the use of human resources

*2.2.4. Compatibility with the current multiannual financial framework*

– ☒ Proposal/initiative is compatible the current multiannual financial framework.

*2.2.5. Third-party contributions*

– The proposal/initiative does not provide for co-financing by third parties

**2.3. Estimated impact on revenue**

– ☐ Proposal/initiative has no financial impact on revenue.

– ☒ Proposal/initiative has the following financial impact:

– ☐ on own resources

– ☒ on miscellaneous revenue

EUR million (to 3 decimal places)

| Budget revenue line: | Appropriations available for the ongoing budget exercise | Impact of the proposal/initiative | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Year **2013** | Year **2014** | Year **2015** | Year **2016** | Subsequent years | | |
| Article 410 Pension contribution | *437.7* | 9.8 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 |
| Article 400 Tax | *591.7* | 13.4 | 5.3 | 5.3 | 5.3 | 5.3 | 5.3 | 5.3 |
| Article 410 Special levy | *60.1* | 0.8 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |

Specify the method for calculating the impact on revenue.

The impact on revenue is calculated on the basis of the payment of remuneration and pensions for the month of July and applying the effect of the adjustment.