COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 21.12.2005
COM(2005) 686 final

Proposal for a

COUNCIL REGULATION

laying down the weightings applicable from 1 July 2005 to the remuneration of officials, temporary staff and contract staff of the European Communities serving in third countries and of certain officials remaining in post in the ten new Member States for a maximum period of fifteen months after accession

(presented by the Commission)

EXPLANATORY MEMORANDUM

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

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

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

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

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

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

The most recent weightings were laid down by the Council in Regulation (EC, Euratom) No 257/2005 of 4 February 2005, which took effect on 1 July 2004.

Article 33(4) of the Treaty on the accession of the ten new Member States created a legal basis for extending the application of Annex X of the Staff Regulations (rules applicable to staff working outside the Community) to officials remaining in post in the new Member States for a maximum period of fifteen months after accession. Therefore weightings should be set for these new Member States not only in accordance with Annex XI but in accordance with Annex X to the Staff Regulations.

This proposal concerns the adjustment of weightings applicable from 1 July 2005 to the remuneration of officials, temporary staff and contract staff of the European Communities serving in third countries and of certain officials remaining in post in the ten new Member States for a maximum period of fifteen months after accession.

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

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

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

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

Table A sets out the new economic parities, the corresponding exchange rates and the resulting weightings as at 1 July 2005 for all places of employment.

Table B shows the variation in percentage terms between the figures in Table A and those of July 2004 for all places of employment.

ANNEX

TABLE A

	PLACE OF EMPLOYMENT	Economic parities July 2005	Exchange rate July 2005 (*)	Weightings July 2005 (**)
(***)	Afghanistan	0	0	0
	Albania	106.9	124.069	86.2
	Algeria	79.43	88.9791	89.3
	Angola	1.525	1.2054	126.5
	Argentina	2.212	3.4936	63.3
	Armenia	561.9	535.69	104.9
	Australia	1.667	1.5828	105.3
	Bangladesh	41.57	78.0249	53.3
	Barbados	3.056	2.39875	127.4
	Benin	609	655.957	92.8
	Bolivia	5.101	9.76374	52.2
	Bosnia and Herzegovina	1.435	1.95583	73.4
	Botswana	4.211	6.70916	62.8
	Brazil	2.211	2.87914	76.8
	Bulgaria	1.446	1.9556	73.9
	Burkina Faso	575.1	655.957	87.7
(***)	Burundi	0	0	0
	Cambodia	3371	4984	67.6
	Cameroon	664.6	655.957	101.3
	Canada	1.258	1.4864	84.6
	Cape Verde	81.85	110.265	74.2
	Central African Republic	771.3	655.957	117.6
	Chad	856.4	655.957	130.6
	Chile	556.4	700.7	79.4
	China	7.828	9.9765	78.5
	Colombia	1994	2795.65	71.3
	Congo	851.4	655.957	129.8
	Costa Rica	416.7	575.229	72.4
	Côte d'Ivoire	729.7	655.957	111.2
	Croatia	7.443	7.3101	101.8
	Cuba	1.121	1.2054	93
	Cyprus	0.5809	0.5735	101.3
	Czech Republic	24.64	30.03	82.1
	Democratic Republic of Congo	1.671	1.2054	138.6
	Djibouti	216.6	214.225	101.1
	Dominican Republic	29.55	34.8481	84.8
	Ecuador	0.8503	1.2054	70.5
	Egypt	4.006	7.045	56.9
	El Salvador	0.985	1.2054	81.7
	Eritrea	9.659	18.938	51
	Estonia	12.15	15.6466	77.7
	Ethiopia	8.536	10.5315	81.1
	Fiji	1.598	2.03936	78.4
	Former Yugoslav Republic of Macedonia	42.92	61.3719	69.9
	Gabon	761.3	655.957	116.1

	PLACE OF EMPLOYMENT	Economic parities July 2005	Exchange rate July 2005 (*)	Weightings July 2005 (**)
	Gambia	17.36	33.95	51.1
	Georgia	2.099	2.18491	96.1
	Ghana	8828	11115	79.4
	Guatemala	7.782	9.16297	84.9
	Guinea	2770	4631.24	59.8
	Guinea-Bissau	913.3	655.957	139.2
	Guyana	138.8	229.026	60.6
	Haiti	49.95	49.5679	100.8
	Honduras	17.32	22.8193	75.9
	Hong Kong	8.205	9.3698	87.6
	Hungary	193.3	247.66	78.1
	India	27.23	52.82	51.6
	Indonesia	9216	11713.5	78.7
	Israel	5.007	5.47372	91.5
	Jamaica	68.21	74.5725	91.5
	Japan (Naka)	167.1	133.03	125.6
	Japan (Tokyo)	176.8	133.03	132.9
	Jordan	0.6493	0.854629	76
	Kazakhstan	184.3	163.37	112.8
	Kenya	81.09	91.9249	88.2
	Kyrgyzstan	41.79	49.3744	84.6
	Laos	9758	13069.5	74.7
	Latvia	0.4958	0.6963	71.2
	Lebanon	1921	1817.14	105.7
	Lesotho	6.025	8.1063	74.3
(***)	Liberia	0	0	0
	Lithuania	2.549	3.4528	73.8
	Madagascar	1788	2487.55	71.9
	Malawi	113.8	148.949	76.4
	Malaysia	3.387	4.582	73.9
	Mali	648	655.957	98.8
	Malta	0.4202	0.4293	97.9
	Mauritania	230	320.7	71.7
	Mauritius	26.35	35.1315	75
	Mexico	10.12	12.9942	77.9
(***)	Moldavia	0	0	0
	Morocco	9.435	10.961	86.1
	Mozambique	22039	30307.9	72.7
	Namibia	6.448	8.1063	79.5
	Nepal	62.27	85.595	72.7
	New Caledonia	143.7	119.332	120.4
	New Zealand	1.837	1.7219	106.7
	Nicaragua	13.67	20.2387	67.5
	Niger	602.2	655.957	91.8
	Nigeria	138.1	160.339	86.1
	Norway	10.46	7.897	132.5
	Pakistan	37.28	70.4177	52.9
	Papua New Guinea	2.922	3.78143	77.3
	Paraguay	4777	7235	66

	PLACE OF EMPLOYMENT	Economic parities July 2005	Exchange rate July 2005 (*)	Weightings July 2005 (**)
	Peru	3.391	3.92177	86.5
	Philippines	34.7	67.472	51.4
	Poland	3.161	4.0521	78
	Romania	2.031	3.6041	56.4
	Russia	38.03	34.566	110
	Rwanda	593.6	676.991	87.7
	Saudi-Arabia	3.965	4.5885	86.4
	Senegal	513.2	655.957	78.2
	Serbia and Montenegro	51.06	82.7353	61.7
	Sierra Leone	2497	3465.85	72
	Singapore	1.983	2.0314	97.6
	Slovakia	33.58	38.407	87.4
	Slovenia	183	239.46	76.4
	Solomon Islands	7.813	9.14815	85.4
(***)	Somalia	0	0	0
	South Africa	5.396	8.1063	66.6
	South Korea	1345	1243.25	108.2
	Sri Lanka	74.05	121.767	60.8
	Sudan	131.5	303.135	43.4
	Suriname	1.833	3.35	54.7
	Swaziland	5.65	8.1063	69.7
	Switzerland	1.837	1.5471	118.7
	Syria	43.91	65.055	67.5
	Taiwan	36.65	38.094	96.2
	Tajikistan	2.741	3.75603	73
	Tanzania	846.4	1372.85	61.7
	Thailand	30.8	49.803	61.8
	Togo	622.9	655.957	95
	Trinidad and Tobago	5.466	7.4041	73.8
	Tunisia	1.162	1.5998	72.6
	Turkey	1.516	1.6264	93.2
	Uganda	1607	2125.48	75.6
	Ukraine	6.164	6.0994	101.1
	United States (New York)	1.287	1.2054	106.8
	United States (Washington)	1.25	1.2054	103.7
	Uruguay	22.14	29.5926	74.8
	Vanuatu	163.7	131.89	124.1
	Venezuela	1692	2824.02	59.9
	Vietnam	10150	19261.4	52.7
	West Bank - Gaza Strip	5	5.47372	91.3
	Yemen	178	234.976	75.8
	Zambia	3149	5633.29	55.9
	Zimbabwe	7466	11907.9	62.7

(*) EUR 1 = local currency (Angola, Cuba, El Salvador, Ecuador, Democratic Republic of Congo = USD)

(**) Brussels = 100%

(***) Not available

ANNEX

TABLE B

PLACE OF EMPLOYMENT	% CHANGE July 2005 against July 2004		
	Economic parities	Exchange rate	Weightings
Afghanistan	-	-	-
Albania	-1.27	-0.52	-1.73
Algeria	9.35	-2.20	7.03
Angola	12.50	0.95	13.60
Argentina	5.51	3.29	9.14
Armenia	-	-	-
Australia	1.71	9.54	12.41
Bangladesh	6.03	-5.52	0.53
Barbados	12.80	0.94	13.84
Benin	6.65	0.00	6.71
Bolivia	9.49	-1.05	8.39
Bosnia and Herzegovina	1.65	0.00	1.64
Botswana	8.02	-18.28	-8.64
Brazil	6.22	23.80	39.40
Bulgaria	-0.14	0.01	-0.08
Burkina Faso	6.96	0.00	6.92
Burundi	-	-	-
Cambodia	7.50	-2.21	5.20
Cameroon	3.44	0.00	3.50
Canada	1.26	9.13	11.48
Cape Verde	0.28	0.00	0.31
Central African Republic	7.57	0.00	7.58
Chad	14.31	0.00	14.32
Chile	2.87	9.99	14.26
China	4.93	0.37	5.32
Colombia	4.88	15.40	24.03
Congo	1.00	0.00	1.01
Costa Rica	14.20	-8.27	5.45
Côte d'Ivoire	2.93	0.00	2.90
Croatia	2.03	0.76	2.85
Cuba	4.04	0.95	5.04
Cyprus	-0.22	1.38	1.19
Czech Republic	-4.72	6.04	1.42
Democratic Republic of Congo	-0.11	0.95	0.83
Djibouti	5.95	0.95	6.97
Dominican Republic	4.94	40.02	74.85
Ecuador	2.64	0.95	3.58
Egypt	17.13	6.06	24.70
El Salvador	-	-	-
Eritrea	42.87	-9.13	30.78

PLACE OF EMPLOYMENT	% CHANGE July 2005 against July 2004		
	Economic parities	Exchange rate	Weightings
Estonia	3.33	0.00	3.28
Ethiopia	19.17	-0.12	19.02
Fiji	3.93	6.78	11.50
Former Yugoslav Republic of Macedonia	-5.23	0.39	-4.85
Gabon	2.90	0.00	2.89
Gambia	30.06	6.39	38.97
Georgia	-	-	8.90
Ghana	20.71	-2.16	18.20
Guatemala	12.84	4.83	18.61
Guinea	47.87	-89.32	-21.93
Guinea-Bissau	1.62	0.00	1.63
Guyana	0.04	5.33	5.73
Haiti	9.62	-10.25	-0.61
Honduras	-	-	-
Hong Kong	2.61	1.29	4.00
Hungary	2.77	2.05	4.91
India	3.54	4.36	8.31
Indonesia	7.93	-2.50	5.33
Israel	3.32	0.06	3.35
Jamaica	12.63	-1.86	10.60
Japan (Naka)	0.91	-0.91	0.02
Japan (Tokyo)	0.15	-0.91	-0.76
Jordan	2.79	0.94	3.79
Kazakhstan	-	-	17.38
Kenya	16.83	3.94	21.68
Kyrgyzstan	-	-	-
Laos	12.18	-1.26	10.77
Latvia	4.38	-6.08	-1.65
Lebanon	17.84	0.95	18.90
Lesotho	9.46	-6.93	2.37
Liberia	-	-	-
Lithuania	0.10	0.00	0.15
Madagascar	-	-	26.57
Malawi	19.25	-13.06	5.48
Malaysia	3.27	0.30	3.53
Mali	10.97	0.00	10.99
Malta	1.12	-0.77	0.38
Mauritania	22.34	0.76	23.23
Mauritius	7.68	-5.03	2.46
Mexico	1.97	6.88	9.56
Moldavia	-	-	-
Morocco	3.91	0.15	4.08
Mozambique	2.99	-6.99	-3.69

PLACE OF EMPLOYMENT	% CHANGE July 2005 against July 2004		
	Economic parities	Exchange rate	Weightings
Namibia	1.95	-6.93	-4.62
Nepal	4.93	5.84	11.40
New Caledonia	0.48	0.00	0.51
New Zealand	-	-	-
Nicaragua	8.67	-4.09	4.40
Niger	4.79	0.00	4.80
Nigeria	18.91	4.76	24.78
Norway	0.43	5.18	5.93
Pakistan	8.81	-2.95	5.66
Papua New Guinea	-2.51	3.46	1.01
Paraguay	6.34	-1.12	5.13
Peru	1.92	7.11	9.72
Philippines	7.81	0.97	8.97
Poland	0.57	10.80	12.73
Romania	-	-	13.14
Russia	4.88	2.28	7.34
Rwanda	9.04	3.55	12.99
Saudi-Arabia	3.49	-2.97	0.47
Senegal	-0.63	0.00	-0.58
Serbia and Montenegro	14.94	-15.08	-0.14
Sierra Leone	9.27	-6.76	2.33
Singapore	1.68	2.52	4.28
Slovakia	-1.08	3.90	2.97
Slovenia	-7.27	0.16	-7.16
Solomon Islands	6.13	-0.35	5.70
Somalia	-	-	-
South Africa	2.86	-6.93	-3.81
South Korea	6.36	11.30	19.98
Sri Lanka	11.44	1.86	13.46
Sudan	8.13	3.82	12.38
Suriname	4.82	-1.67	3.06
Swaziland	6.54	-6.93	-0.43
Switzerland	2.49	-1.25	1.20
Syria	10.10	-4.84	4.96
Taiwan	3.62	7.30	11.75
Tajikistan	-	-	-
Tanzania	8.40	-1.83	6.48
Thailand	7.43	-0.56	6.82
Togo	-1.95	0.00	-2.00
Trinidad and Tobago	4.63	1.73	6.53
Tunisia	2.70	-4.41	-1.62
Turkey	-	-	18.72
Uganda	2.51	2.54	5.18

PLACE OF EMPLOYMENT	% CHANGE July 2005 against July 2004		
	Economic parities	Exchange rate	Weightings
Ukraine	-	-	9.84
United States (New York)	2.16	0.95	3.17
United States (Washington)	3.22	0.95	4.22
Uruguay	5.02	17.91	27.88
Vanuatu	1.39	6.29	8.24
Venezuela	15.12	-21.15	-5.04
Vietnam	4.50	-1.12	3.32
West Bank - Gaza Strip	6.18	0.06	6.21
Yemen	-	-	-
Zambia	14.18	3.86	18.69
Zimbabwe	121.74	-83.70	20.81

Proposal for a

COUNCIL REGULATION

laying down the weightings applicable from 1 July 2005 to the remuneration of officials, temporary staff and contract staff of the European Communities serving in third countries and of certain officials remaining in post in the ten new Member States for a maximum period of fifteen months after accession

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to the Staff Regulations of officials of the European Communities and the conditions of employment of other servants of the Communities laid down by Regulation (EEC, Euratom, ECSC) No 259/68,[1] as last amended by Regulation (EC, Euratom) No 31/2005,[2] and in particular the first paragraph of Article 13 of Annex X thereto,

Having regard to the Treaty of Accession of the ten new Member States, and in particular Article 33(4) thereof,

Having regard to the proposal from the Commission,

Whereas:

(1) It is necessary to take account of changes in the cost of living in countries outside the Community, and to determine accordingly the weightings applicable from 1 July 2005 to remuneration payable in the currency of the country of employment to officials, temporary staff and contract staff of the European Communities serving in third countries and of certain officials remaining in post in the ten new Member States for a maximum period of fifteen months after accession.

(2) The weightings in respect of which payment has been made on the basis of Regulation (EC, Euratom) No 257/2005 may lead to retrospective upward or downward adjustments to remuneration.[3]

(3) Provision should be made for back-payments in the event of an increase in remuneration as a result of the new weightings.

(4) Provision should be made for the recovery of sums overpaid in the event of a reduction in remuneration as a result of the new weightings for the period between 1 July 2005 and the date of entry into force of this Regulation.

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1 OJ L 56, 04.03.1968, p. 1.
2 OJ L 8, 12.01.2005, p. 1.
3 OJ L 46, 17.02.2005, p. 1.

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

HAS ADOPTED THIS REGULATION:

Article 1

With effect from 1 July 2005, the weightings applied to the remuneration of officials, temporary staff and contract staff of the European Communities serving in third countries and of certain officials remaining in post in the ten new Member States for a maximum period of fifteen months after accession, payable in the currency of the country of employment, shall be as shown in the Annex hereto.

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

Article 2

1. The institutions shall make back-payments in the event of an increase in remuneration as a result of the weightings shown in the Annex.

2. The institutions shall make retrospective downward adjustments to remuneration in the event of a reduction as a result of the weightings shown in the Annex for the period between 1 July 2005 and the date of entry into force of this Regulation.

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

Article3

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

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

Done at Brussels, […]

For the Council
The President

ANNEX

	PLACE OF EMPLOYMENT	Weightings July 2005
(***)	Afghanistan	0
	Albania	86.2
	Algeria	89.3
	Angola	126.5
	Argentina	63.3
	Armenia	104.9
	Australia	105.3
	Bangladesh	53.3
	Barbados	127.4
	Benin	92.8
	Bolivia	52.2
	Bosnia and Herzegovina	73.4
	Botswana	62.8
	Brazil	76.8
	Bulgaria	73.9
	Burkina Faso	87.7
(***)	Burundi	0
	Cambodia	67.6
	Cameroon	101.3
	Canada	84.6
	Cape Verde	74.2
	Central African Republic	117.6
	Chad	130.6
	Chile	79.4
	China	78.5
	Colombia	71.3
	Congo	129.8
	Costa Rica	72.4
	Côte d'Ivoire	111.2
	Croatia	101.8
	Cuba	93
	Cyprus	101.3
	Czech Republic	82.1
	Democratic Republic of Congo	138.6
	Djibouti	101.1
	Dominican Republic	84.8
	Ecuador	70.5
	Egypt	56.9
	El Salvador	81.7
	Eritrea	51
	Estonia	77.7
	Ethiopia	81.1
	Fiji	78.4
	Former Yugoslav Republic of Macedonia	69.9
	Gabon	116.1
	Gambia	51.1

	PLACE OF EMPLOYMENT	Weightings July 2005
	Georgia	96.1
	Ghana	79.4
	Guatemala	84.9
	Guinea	59.8
	Guinea-Bissau	139.2
	Guyana	60.6
	Haiti	100.8
	Honduras	75.9
	Hong Kong	87.6
	Hungary	78.1
	India	51.6
	Indonesia	78.7
	Israel	91.5
	Jamaica	91.5
	Japan (Naka)	125.6
	Japan (Tokyo)	132.9
	Jordan	76
	Kazakhstan	112.8
	Kenya	88.2
	Kyrgyzstan	84.6
	Laos	74.7
	Latvia	71.2
	Lebanon	105.7
	Lesotho	74.3
(***)	Liberia	0
	Lithuania	73.8
	Madagascar	71.9
	Malawi	76.4
	Malaysia	73.9
	Mali	98.8
	Malta	97.9
	Mauritania	71.7
	Mauritius	75
	Mexico	77.9
(***)	Moldavia	0
	Morocco	86.1
	Mozambique	72.7
	Namibia	79.5
	Nepal	72.7
	New Caledonia	120.4
	New Zealand	106.7
	Nicaragua	67.5
	Niger	91.8
	Nigeria	86.1
	Norway	132.5
	Pakistan	52.9
	Papua New Guinea	77.3
	Paraguay	66

	PLACE OF EMPLOYMENT	Weightings July 2005
	Peru	86.5
	Philippines	51.4
	Poland	78
	Romania	56.4
	Russia	110
	Rwanda	87.7
	Saudi-Arabia	86.4
	Senegal	78.2
	Serbia and Montenegro	61.7
	Sierra Leone	72
	Singapore	97.6
	Slovakia	87.4
	Slovenia	76.4
	Solomon Islands	85.4
(***)	Somalia	0
	South Africa	66.6
	South Korea	108.2
	Sri Lanka	60.8
	Sudan	43.4
	Suriname	54.7
	Swaziland	69.7
	Switzerland	118.7
	Syria	67.5
	Taiwan	96.2
	Tajikistan	73
	Tanzania	61.7
	Thailand	61.8
	Togo	95
	Trinidad and Tobago	73.8
	Tunisia	72.6
	Turkey	93.2
	Uganda	75.6
	Ukraine	101.1
	United States (New York)	106.8
	United States (Washington)	103.7
	Uruguay	74.8
	Vanuatu	124.1
	Venezuela	59.9
	Vietnam	52.7
	West Bank - Gaza Strip	91.3
	Yemen	75.8
	Zambia	55.9
	Zimbabwe	62.7

(***) Not available.

FINANCIAL STATEMENT

1. TITLE OF OPERATION

Proposal for a Council Regulation laying down the weightings applicable from 1 July 2005 to the remuneration of officials, temporary staff and contract staff of the European Communities serving in third countries and of certain officials remaining in post in the ten new Member States for a maximum period of fifteen months after accession

2. BUDGET LINE INVOLVED

XX-010102-01

3. LEGAL BASIS

Articles 12 and 13 of Annex X to the Staff Regulations

4. FINANCIAL IMPACT

4.1	**Estimated expenditure for 2005**	**€ 134 500 000 (€ 1 120 833.33 per month) (1)**
4.2	**Estimated impact of weightings of July 2005**	**+ € 19 710.97 (2)**
4.3	**Estimated annual expenditure [(2) x 12]**	**+ € 236 531.64**
4.4	**Impact in terms of estimated actual expenditure [(2) : (1)]**	**+ 1.7585%**

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