COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 11.6.2004
COM(2004) 424 final

Proposal for a

COUNCIL REGULATION

laying down the weightings applicable from 1 January 2004 to the remuneration of officials of the European Communities serving in third countries

(presented by the Commission)

EXPLANATORY MEMORANDUM

I. 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, including special arrangements for emoluments, 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 requires the Council to determine the weightings for third countries every six months.

This proposal concerns the adjustment of weightings applicable to the remuneration of officials of the European Communities serving in third countries from 1 January 2004.

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

II. Council Regulation (ECSC, EEC, Euratom) No 2175/88 of 18 July 1988 laid down the initial weightings applicable from 10 October 1987. Since then these weightings have been adjusted by the Council every six months, most recently by Regulation No 64/2004 of 9 January 2004, which took effect on 1 July 2003.

The remuneration system for staff serving in countries outside the Community is based on purchasing power parity of remuneration paid in local currency to officials serving in third countries 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 for accounting purposes are those of December 2003.

Table A sets out the new economic parities, the corresponding exchange rates and the resulting weightings as at 1 January 2004 for all places of employment.

Table B shows the variation in percentage terms between the figures in Table A and those of the previous half-year for all places of employment.

ANNEX

TABLE A

	PLACE OF EMPLOYMENT	Economic parities January 2004	Exchange rates December 2003 (*)	Weightings January 2004 (**)
(***)	Afghanistan	0	0	0,0
	Albania	109,7	136,036	80,6
	Algeria	73,54	84,8545	86,7
	Angola	1,401	1,1902	117,7
	Argentina	2,1	3,442	61,0
	Australia	1,649	1,6477	100,1
	Bangladesh	39,37	69,3887	56,7
	Barbados	2,481	2,3685	104,7
	Benin	575,4	655,957	87,7
	Bolivia	4,618	9,25976	49,9
	Bosnia and Herzegovina	1,458	1,95583	74,5
	Botswana	3,917	5,23512	74,8
	Brazil	2,045	3,49308	58,5
	Bulgaria	1,426	1,95583	72,9
	Burkina Faso	541,9	655,957	82,6
(***)	Burundi	0	0	0,0
	Cambodia	3073	4778	64,3
	Cameroon	650,1	655,957	99,1
	Canada	1,237	1,5567	79,5
	Cape Verde	82,8	110,265	75,1
	Central African Republic	738	655,957	112,5
	Chad	751,5	655,957	114,6
	Chile	550,1	749,38	73,4
	China	7,484	9,863	75,9
	Colombia	1882	3375,94	55,7

PLACE OF EMPLOYMENT	Economic parities January 2004	Exchange rates December 2003 (*)	Weightings January 2004 (**)
Congo	851,3	655,957	129,8
Costa Rica	356	493,469	72,1
Côte d'Ivoire	701,9	655,957	107,0
Croatia	7,193	7,65809	93,9
Cuba	1,089	1,1902	91,5
Cyprus	0,5793	0,58408	99,2
Czech Republic	25,65	32,03	80,1
Democratic Republic of the Congo	1,677	1,1902	140,9
Djibouti	204,3	211,524	96,6
Dominican Republic	20,04	46,9177	42,7
Ecuador	0,8279	1,1902	69,6
Egypt	3,339	7,3518	45,4
Eritrea	6,749	15,8513	42,6
Estonia	11,6	15,6466	74,1
Ethiopia	7,096	10,1883	69,6
Fiji	1,533	2,10327	72,9
Former Yugoslav Republic of Macedonia	45,86	61,2797	74,8
Gabon	746	655,957	113,7
Georgia	0,9724	1,1902	81,7
Ghana	7186	10200	70,5
Guatemala	6,877	9,59099	71,7
Guinea	1804	2393,59	75,4
Guinea-Bissau	923,6	655,957	140,8
Guyana	138,2	234,161	59,0
Haiti	43,37	50,5835	85,7
Hong Kong	8,008	9,2421	86,6
Hungary	183,6	264,29	69,5
India	26,4	54,45	48,5

	PLACE OF EMPLOYMENT	Economic parities January 2004	Exchange rates December 2003 (*)	Weightings January 2004 (**)
	Indonesia	8545	10117,5	84,5
	Israel	4,84	5,29758	91,4
	Jamaica	59,3	71,8628	82,5
	Japan (Naka)	167,3	129,99	128,7
	Japan (Tokyo)	178,5	129,99	137,3
	Jordan	0,633	0,843852	75,0
	Kazakhstan	1,094	1,1902	91,9
	Kenya	69,61	90,7771	76,7
	Laos	8641	12133,5	71,2
	Latvia	0,4593	0,6529	70,3
	Lebanon	1638	1794,68	91,3
	Lesotho	5,421	7,6396	71,0
(***)	Liberia	0	0	0,0
	Lithuania	2,526	3,4528	73,2
	Madagascar	6577	7357	89,4
	Malawi	88,03	126,639	69,5
	Malaysia	3,299	4,5378	72,7
	Mali	592,9	655,957	90,4
	Malta	0,4127	0,4284	96,3
	Mauritania	189,4	300,85	63,0
	Mauritius	24,4	33,088	73,7
	Mexico	9,868	13,5095	73,0
	Morocco	9,175	10,9095	84,1
	Mozambique	20640	27998,7	73,7
	Namibia	6,235	7,6396	81,6
	Nepal	59,29	88,045	67,3
	New Caledonia	144,3	119,332	120,9
	Nicaragua	12,43	18,4421	67,4

	PLACE OF EMPLOYMENT	Economic parities January 2004	Exchange rates December 2003 (*)	Weightings January 2004 (**)
	Niger	565,7	655,957	86,2
	Nigeria	115,7	163,45	70,8
	Norway	10,49	8,1645	128,5
	Pakistan	33,47	66,327	50,5
	Papua New Guinea	2,976	4,02091	74,0
	Paraguay	4469	7260,81	61,5
	Peru	3,305	4,14011	79,8
	Philippines	32,07	65,8044	48,7
	Poland	3,087	4,6611	66,2
	Romania	19960	40322	49,5
	Russia	35,63	35,1836	101,3
	Rwanda	519,3	673,392	77,1
(***)	Saudi Arabia	0	0	0,0
	Senegal	519,1	655,957	79,1
	Serbia and Montenegro	42,27	67,1893	62,9
	Sierra Leone	2023	2941,84	68,8
	Singapore	1,945	2,0528	94,7
	Slovakia	32,89	40,95	80,3
	Slovenia	197,2	236,45	83,4
	Solomon Islands	7,227	8,88363	81,4
(***)	Somalia	0	0	0,0
	South Africa	5,268	7,6396	69,0
	South Korea	1262	1431,87	88,1
	Sri Lanka	66,75	113,028	59,1
	Sudan	117,4	310,107	37,9
	Suriname	1721	3260	52,8
	Swaziland	5,248	7,6396	68,7
	Switzerland	1,799	1,5489	116,1

	PLACE OF EMPLOYMENT	Economic parities January 2004	Exchange rates December 2003 (*)	Weightings January 2004 (**)
	Syria	34,45	60,7	56,8
	Taiwan	35,41	40,72	87,0
	Tanzania	747,3	1245,31	60,0
	Thailand	28,81	47,4763	60,7
	The Gambia	12,66	35,7	35,5
	Togo	639,3	655,957	97,5
	Trinidad and Tobago	5,084	7,29135	69,7
	Tunisia	1,128	1,4882	75,8
	Turkey	1405000	1741410	80,7
	Uganda	1577	2356,47	66,9
	Ukraine	1,088	1,1902	91,4
	United States (New York)	1,233	1,1902	103,6
	United States (Washington DC)	1,191	1,1902	100,1
	Uruguay	20,28	34,6943	58,5
	Vanuatu	162,6	136,753	118,9
	Venezuela	1397	1828,57	76,4
	Vietnam	9480	18598	51,0
	West Bank and Gaza Strip	4,65	5,29758	87,8
(***)	Yemen	0	0	0
	Zambia	2684	5643,97	47,6
	Zimbabwe	1223	954,48	128,1

(*) € 1 = local currency (Angola, Democratic Republic of the Congo, Georgia, Kazakhstan, Ukraine = USD)
(**) Brussels = 100%
(***) Not available

ANNEX

TABLE B

	PLACE OF EMPLOYMENT	VARIATION (%) January 2004 compared with July 2003		
		Economic parities	Exchange rates	Weightings
(***)	Afghanistan	0	0	0,0
	Albania	-1,7	3,08	1,4
	Algeria	2,78	8,51	12,3
	Angola	8,77	-1,24	7,4
	Argentina	0,24	-0,35	-0,1
	Australia	0,67	9,74	11,5
	Bangladesh	1,36	-1,3	0,1
	Barbados	0,24	-1,24	-1,0
(***)	Benin	0	0	0,0
	Bolivia	0,74	-3,37	-2,5
(***)	Bosnia and Herzegovina	0	0	0,0
	Botswana	1,63	6,68	8,9
	Brazil	0,89	0,03	0,9
	Bulgaria	2,15	0	2,2
	Burkina Faso	0,22	0	0,2
(***)	Burundi	0	0	0,0
	Cambodia	0,2	-1,59	-1,4
	Cameroon	0,12	0	0,1
	Canada	0,16	4,46	4,8
	Cape Verde	-1,05	0	-1,1
	Central African Republic	1,03	0	1,0
	Chad	0,03	0	0,0
	Chile	0,9	10,35	12,5
	China	-0,4	-0,83	-1,2

	PLACE OF EMPLOYMENT	VARIATION (%) January 2004 compared with July 2003		
		Economic parities	Exchange rates	Weightings
	Colombia	2,67	1,18	3,9
	Congo	-0,32	0	-0,3
	Costa Rica	2,09	-6,48	-4,1
	Côte d'Ivoire	0,63	0	0,6
	Croatia	0,06	-1,75	-1,7
(***)	Cuba	0	0	0,0
	Cyprus	-1,43	0,47	-1,0
	Czech Republic	-1,19	-2,08	-3,2
	Democratic Republic of the Congo	2,82	-1,24	1,6
	Djibouti	0,2	-1,24	-1,0
	Dominican Republic	24,39	-50,66	-17,4
(***)	Ecuador	0	0	0,0
	Egypt	5	-5,61	-0,6
	Eritrea	11,08	-1,3	9,7
	Estonia	-1,78	0	-1,8
	Ethiopia	0,61	-1,05	-0,4
	Fiji	-0,33	3,62	3,4
	Former Yugoslav Republic of Macedonia	-1,31	0,12	-1,2
	Gabon	0,34	0	0,3
	Georgia	0,85	-1,24	-0,4
	Ghana	4,8	-4,08	0,7
	Guatemala	1,15	-3,34	-2,1
	Guinea	7,7	-1,82	5,8
	Guinea-Bissau	3,06	0	3,1
	Guyana	1,69	-2,55	-0,8
	Haiti	5,78	-2,07	3,6
	Hong Kong	-0,16	-0,8	-1,0

PLACE OF EMPLOYMENT	VARIATION (%) January 2004 compared with July 2003		
	Economic parities	Exchange rates	Weightings
Hungary	0,27	-5,75	-5,2
India	0,04	0,57	0,6
Indonesia	1,82	-4,37	-2,4
Israel	-1,51	-1,08	-2,6
Jamaica	6,85	-0,16	6,7
Japan (Naka)	-1,18	6,84	6,1
Japan (Tokyo)	-1	6,84	6,3
Jordan	0,64	-1,24	-0,6
Kazakhstan	2,53	-1,24	1,3
Kenya	0,16	-8,43	-7,6
Laos	0,14	1,41	1,6
Latvia	-0,13	0,81	0,7
Lebanon	0,18	-1,66	-1,5
Lesotho	2,52	20,59	29,1
(***) Liberia	0	0	0,0
Lithuania	-3,07	0	-3,1
Madagascar	18,38	-4,06	13,8
Malawi	3,53	-17,21	-11,7
Malaysia	-1,02	-1,9	-2,9
Mali	-0,03	0	0,0
Malta	1	0,46	1,5
Mauritania	1,12	-4,98	-3,7
Mauritius	0,78	-4,36	-3,4
Mexico	0,55	-10,7	-9,2
Morocco	0,15	-0,02	0,1
Mozambique	7,5	-1,49	5,9
Namibia	0,89	20,59	27,1

	PLACE OF EMPLOYMENT	VARIATION (%) January 2004 compared with July 2003		
		Economic parities	Exchange rates	Weightings
	Nepal	4,72	1,21	6,0
	New Caledonia	0,84	0	0,8
	Nicaragua	2,05	-4,58	-2,4
	Niger	-1,45	0	-1,5
	Nigeria	3,12	-9,69	-6,0
	Norway	-1,04	-3,62	-4,5
	Pakistan	-1,27	-2,96	-4,1
	Papua New Guinea	2,55	5,27	8,3
	Paraguay	-1,89	3,08	1,2
	Peru	-0,33	-0,91	-1,2
	Philippines	1,71	-7,46	-5,4
	Poland	-1,03	-5,86	-6,5
	Romania	6,51	-6,6	-0,1
	Russia	2813,33	-2892,82	-2,7
	Rwanda	4,05	-9,01	-4,6
(***)	Saudi Arabia	0	0	0,0
	Senegal	-0,15	0	-0,2
	Serbia and Montenegro	5,91	-2,12	3,6
	Sierra Leone	3,48	-9,77	-5,7
(***)	Singapore	0	0	0,0
	Slovakia	0,8	0,87	1,7
	Slovenia	-0,45	-1,85	-2,3
	Solomon Islands	1,63	-1,15	0,5
(***)	Somalia	0	0	0,0
	South Africa	0,78	20,59	26,9
	South Korea	0	-0,91	-0,9
	Sri Lanka	0,85	2,25	3,2

	PLACE OF EMPLOYMENT	VARIATION (%) January 2004 compared with July 2003		
		Economic parities	Exchange rates	Weightings
	Sudan	4,08	-0,97	3,1
	Suriname	5,71	-0,62	5,1
	Swaziland	-0,79	20,59	24,9
	Switzerland	-1,26	-1,31	-2,5
	Syria	1,26	-1	0,3
(***)	Taiwan	0	0	0,0
	Tanzania	3,56	-1,15	2,4
	Thailand	0	3,24	3,4
	The Gambia	11,94	-20	-6,7
	Togo	0,25	0	0,3
	Trinidad and Tobago	0,26	0,14	0,4
	Tunisia	2,17	-0,79	1,4
	Turkey	2,93	-1,66	1,3
	Uganda	2,8	-1,68	1,1
	Ukraine	0,46	-1,24	-0,8
	United States (New York)	0,16	-1,24	-1,1
	United States (Washington DC)	0	-1,24	-1,2
	Uruguay	3,21	-0,73	2,5
	Vanuatu	0,43	2,67	3,2
	Venezuela	10,43	2,39	13,1
	Vietnam	-0,57	-3,21	-3,7
	West Bank and Gaza Strip	1,13	-1,08	0,1
(***)	Yemen	0	0	0,0
	Zambia	4,35	0,05	4,4
(***)	Zimbabwe	0	0	0,0

(***) Not available

Proposal for a

COUNCIL REGULATION

laying down the weightings applicable from 1 January 2004 to the remuneration of officials of the European Communities serving in third countries

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, ECSC, Euratom) No 2182/2003[2] and in particular the first paragraph of Article 13 of Annex X thereto,

Having regard to the proposal from the Commission,

Whereas:

(1) Account should be taken of changes in the cost of living in countries outside the Community and the weightings applicable from 1 January 2004 to remuneration paid in the currency of the country of employment to officials serving in third countries should be determined accordingly.

(2) The weightings, in respect of which payment has been made on the basis of Regulation (EC, Euratom) No 64/2004[3], may lead to retrospective upward or downward adjustments to remuneration.

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

(4) Provision should be made for the recovery of sums overpaid in the event of a reduction in remuneration as a result of the new weightings for the period between 1 January 2004 and the date of entry into force of this Regulation.

(5) Provision should be made for any such recovery to be restricted to a period of no more than six months preceding the decision laying down the weightings and for its effects to be spread over a period of no more than twelve months following the date of that decision, 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,

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1 OJ L 56, 4.3.1968, p. 1.
2 OJ L 327, 16.12.2003, p. 3.
3 OJ L 10, 16.1.2004, p. 1.

HAS ADOPTED THIS REGULATION:

Article 1

With effect from 1 January 2004, the weightings applicable to the remuneration of officials of the European Communities serving in third countries payable in the currency of the country of employment shall be as shown in the annex.

The exchange rates for the calculation of such remuneration shall be those used for implementation of the general budget of the European Union for the month preceding the date referred to in the first paragraph.

Article 2

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

2. The institutions shall make retrospective downward adjustments to remuneration in the event of a reduction as a result of the weightings shown in the annex for the period between 1 January 2004 and the date of entry into force of this Regulation.

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

Article 3

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

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

Done at Brussels, […]

For the Council
The President

ANNEX

	PLACE OF EMPLOYMENT	Weightings January 2004
(***)	Afghanistan	0,0
	Albania	80,6
	Algeria	86,7
	Angola	117,7
	Argentina	61,0
	Australia	100,1
	Bangladesh	56,7
	Barbados	104,7
	Benin	87,7
	Bolivia	49,9
	Bosnia and Herzegovina	74,5
	Botswana	74,8
	Brazil	58,5
	Bulgaria	72,9
	Burkina Faso	82,6
(***)	Burundi	0,0
	Cambodia	64,3
	Cameroon	99,1
	Canada	79,5
	Cape Verde	75,1
	Central African Republic	112,5
	Chad	114,6
	Chile	73,4
	China	75,9
	Colombia	55,7

PLACE OF EMPLOYMENT	Weightings January 2004
Congo	129,8
Costa Rica	72,1
Côte d'Ivoire	107,0
Croatia	93,9
Cuba	91,5
Cyprus	99,2
Czech Republic	80,1
Democratic Republic of the Congo	140,9
Djibouti	96,6
Dominican Republic	42,7
Ecuador	69,6
Egypt	45,4
Eritrea	42,6
Estonia	74,1
Ethiopia	69,6
Fiji	72,9
Former Yugoslav Republic of Macedonia	74,8
Gabon	113,7
Georgia	81,7
Ghana	70,5
Guatemala	71,7
Guinea	75,4
Guinea-Bissau	140,8
Guyana	59,0
Haiti	85,7
Hong Kong	86,6
Hungary	69,5
India	48,5

	PLACE OF EMPLOYMENT	Weightings January 2004
	Indonesia	84,5
	Israel	91,4
	Jamaica	82,5
	Japan (Naka)	128,7
	Japan (Tokyo)	137,3
	Jordan	75,0
	Kazakhstan	91,9
	Kenya	76,7
	Laos	71,2
	Latvia	70,3
	Lebanon	91,3
	Lesotho	71,0
(***)	Liberia	0,0
	Lithuania	73,2
	Madagascar	89,4
	Malawi	69,5
	Malaysia	72,7
	Mali	90,4
	Malta	96,3
	Mauritania	63,0
	Mauritius	73,7
	Mexico	73,0
	Morocco	84,1
	Mozambique	73,7
	Namibia	81,6
	Nepal	67,3
	New Caledonia	120,9
	Nicaragua	67,4

	PLACE OF EMPLOYMENT	Weightings January 2004
	Niger	86,2
	Nigeria	70,8
	Norway	128,5
	Pakistan	50,5
	Papua New Guinea	74,0
	Paraguay	61,5
	Peru	79,8
	Philippines	48,7
	Poland	66,2
	Romania	49,5
	Russia	101,3
	Rwanda	77,1
(***)	Saudi Arabia	0,0
	Senegal	79,1
	Serbia and Montenegro	62,9
	Sierra Leone	68,8
	Singapore	94,7
	Slovakia	80,3
	Slovenia	83,4
	Solomon Islands	81,4
(***)	Somalia	0,0
	South Africa	69,0
	South Korea	88,1
	Sri Lanka	59,1
	Sudan	37,9
	Suriname	52,8
	Swaziland	68,7
	Switzerland	116,1

	PLACE OF EMPLOYMENT	Weightings January 2004
	Syria	56,8
	Taiwan	87,0
	Tanzania	60,0
	Thailand	60,7
	The Gambia	35,5
	Togo	97,5
	Trinidad and Tobago	69,7
	Tunisia	75,8
	Turkey	80,7
	Uganda	66,9
	Ukraine	91,4
	United States (New York)	103,6
	United States (Washington DC)	100,1
	Uruguay	58,5
	Vanuatu	118,9
	Venezuela	76,4
	Vietnam	51,0
	West Bank and Gaza Strip	87,8
(***)	Yemen	0
	Zambia	47,6
	Zimbabwe	128,1

(***) Not available

FINANCIAL STATEMENT

1. TITLE OF OPERATION

Proposal for a Council Regulation laying down the weightings applicable from 1 January 2004 to the remuneration of officials of the European Communities serving in third countries

2. BUDGET HEADING INVOLVED

XX-010102-01

3. LEGAL BASIS

Articles 12 and 13 of Annex X to the Staff Regulations

4. FINANCIAL IMPACT

4.1	**Provisional real expenditure for 2004**	**€ 125 139 579 (€ 10 428 298,25 per month)**	**(1)**
4.2	**Estimate of effect of January 2004 weightings**	**+ € 10 729,56**	**(2)**
4.3	**Estimated expenditure for six months [(2) x 6]**	**+ € 64 377,36**	
4.4	**Impact in relation to provisional real expenditure [(2) : (1)]**	**+ 0,102888886%**	

This budgetary impact does not take account of the adjustment of the weightings laid down each month by the Commission.