COMMISSION OF THE EUROPEAN COMMUNITIES



Brussels, 29.08.2001 COM(2001) 497 final

REPORT FROM THE COMMISSION TO THE COUNCIL

on the application of Annex X to the Staff Regulations

(Council Regulation No 3019/87 of 5.10.1987)

2000

INTRODUCTION

In accordance with Article 101a of the Staff Regulations, Annex X determines, without prejudice to the other provisions of the Staff Regulations, the special and exceptional provisions applicable to officials of the European Communities serving in non-member countries.

Article 14 of Annex X requires the Commission to "submit an annual report to the Council on the application of this Annex and in particular on the fixing of the rate of the allowance for living conditions as provided for in Article 10".

Since 1 January 1988, the Commission has prepared ten reports. They cover the following periods: October 1987-December 1988, 1989, 1990-1991, 1992, 1993, 1994, 1995, 1996, 1997-1998 and 1999.

Reflecting the wishes of the Council, further staff redeployment took place in 2000 and, in relation to the weightings applicable to the remuneration of officials serving outside the EU, the firm AIRINC was selected following the invitation to tender published in 1999.

In the wake of the Balkans crisis, 2000 also saw the responsibilities of the Kosovo Reconstruction Task Force transferred to the European Agency for Reconstruction.

CHAPTER 1: GENERAL PROVISIONS

ARTICLE 1: RECRUITMENT

The allocation of posts in the External Service, which stood at 693 (including five 'floaters') at 31 December 1999, remained unchanged as a result of zero growth in 2000. As at 31 December 2000, 628 External Service posts were filled and five floaters were operating from headquarters. Because of the number of posts owed by headquarters to the External Service, a result of the mechanism governing movements under the rotation system, 25 posts in delegations could not be filled as they were taken by headquarters and 35 posts in the External Service were actually vacant.

In 2000, the recruitment procedure was set in motion to take on 12 external candidates from the shortlists of various open competitions.

ARTICLE 2: MOBILITY

Rotation

The rotation arrangements for 2000 covered 175 officials (159 in 1999), of whom:

| _ | 64 moved between delegations | (63 in 1999) |
|---|--|--------------|
| _ | 62 moved from a delegation to headquarters | (49 in 1999) |
| _ | 12 terminated their service | (12 in 1999) |

- 37 remained in their posts (35 in 1999)

The principle of alternate postings in delegations and at headquarters continued to be applied:

| _ | 62 moved from a delegation to headquarters | (49 in 1999) |
|---|--|--------------|
|---|--|--------------|

- 67 moved from headquarters to a delegation (56 in 1999)

In all, 205 officials moved under the 2000 rotation exercise (compared to 180 in 1999). The overall total of actual staff movements in 2000 was 260.

Redeployment

Under the policy of staff reorganisation in the delegations and regionalisation of the network, a Commission decision of 18 July 2000 redeployed 31 posts (26 A, 3 B and 2 C). The redeployment exercise required staff to be drawn from the following delegations:

- A staff: Angola, Cameroon, Cape Verde, Central African Republic, Chad, Côte d'Ivoire, Egypt, Ghana, India, Kenya, Mali, Mauritius (2 A posts), Mauritania, Namibia, Nigeria, Republic of Guinea, Republic of the Congo, Somalia, Sudan, Swaziland, Togo, Trinidad and Tobago, Tunisia, Uruguay, Zambia and Zimbabwe
- B staff: Costa Rica, Swaziland and Togo
- C staff: Ethiopia and Tanzania.

The main purpose of this operation is to rebalance resources and increase staffing at delegations with the most pressing needs in terms of public authority functions. This will be done on the basis of an analysis of the workload of the delegations. The redeployment exercise will be staggered over the period 2000-2003. Four posts were also redeployed (Chad-Mali, Norway-Democratic Republic of the Congo, Directorate-General for Development-Togo and Democratic Republic of the Congo-Croatia) on an ad hoc basis to help deal with the workload in the receiving delegations.

ARTICLE 3: RETRAINING

In 2000, retraining decisions affected 53 External Service officials posted back to headquarters to one of the Relex DGs, in accordance with the principle of alternate postings under the rotation policy.

CHAPTER 2: OBLIGATIONS

ARTICLE 4: CARRYING OUT DUTIES AT PLACE OF EMPLOYMENT

Nothing to report.

ARTICLE 5: ACCOMMODATION

In 2000, DG Relex continued the policy of providing furnished accommodation for officials serving outside the Community. References for floor area, number of bedrooms and cost/m² by country were established.

CHAPTER 3: WORKING CONDITIONS

ARTICLES 6, 7 AND 9: ANNUAL LEAVE

Further "standardisation" of these arrangements was achieved in 2000 with regard to:

- the calculation of entitlement, done since 1998 on the basis of working days instead of calendar days
- and requests for carryover of leave from one year to the next. In line with headquarters' recommendation, officials serving abroad have made an effort to use their entitlement and reduce excessive carryover of leave.

The table below shows a clear fall from 1994/95 to 1999/2000 in carryovers of more than 14 days and in particular of those between 36 and 70 days:

| Year | Number of officials | Carryovers of | Carryovers of | Carryovers of | Carryovers of more |
|-----------|---------------------|-------------------|-------------------|-------------------|--------------------|
| | concerned | between 14 and 35 | between 36 and 50 | between 51 and 70 | than 70 days |
| | | days | days | days | |
| 1994/95 | 590 | 180 | 67 | 25 | 3 |
| 1999/2000 | 639 | 171 | 18 | 8 | 4 |

ARTICLES 8 AND 9(2): EXCEPTIONAL GRANTING OF REST LEAVE

Under its regular annual exercise, the Commission decided on 24 February 2000 to grant rest leave for the year, by way of exception, only for places of employment where living conditions were considered "particularly difficult", on the basis of the parameters used to fix the living-conditions allowance each year, and for places declared to be in crisis.

Strict application of the conditions set out in Article 8 of Annex X resulted in this decision being taken for 30 places of employment in 2000 (see Annex I), as in 1999. For places in crisis, entitlement is granted in proportion to the actual duration of the crisis.

CHAPTER 4: EMOLUMENTS AND SOCIAL SECURITY BENEFITS

SECTION 1: EMOLUMENTS AND FAMILY ALLOWANCES

ARTICLE 10(1) ALLOWANCE FOR LIVING CONDITIONS

On 21 December 1999, the Commission fixed the living-conditions allowance rates for 2000 as shown in the table in Annex II.

ARTICLE 10(2) ADDITIONAL ALLOWANCE

Commission Decisions allocated additional allowances in 2000 to officials in the following posts:

| Country | Date of effect: | Crisis level or end | Number of officials |
|-----------------------|-----------------|---------------------|---------------------|
| | beginning of | | concerned |
| Albania | March 1997 | 10% | |
| | June 1997 | 5% | 7 |
| Algeria | November 1993 | 5% | |
| | December 1993 | 10% | |
| | May 2000 | 5% | 3 |
| Burundi | January 2000 | 5% | 1 |
| Eritrea | June 1998 | 10% | |
| | July 1998 | 5% | |
| | April 2000 | End | 3 |
| FR Yugoslavia- | July 1999 | 5% | 20 |
| Pristina (Task Force) | January 2001 | End | 1 |
| Sierra Leone | July 1997 | 10% | |
| | August 1998 | 5% | |
| | December 1998 | 10% | |
| | November 1999 | 5% | |
| | May 2000 | 10% | |
| | October 2000 | 5% | 3 |

NB.: the Task Force formed in Pristina in July 1999 gradually completed its mission over the year, setting up a 40-strong unit reporting to the Agency for the Reconstruction of Kosovo which has its headquarters offices in Thessaloniki in Greece and a centre of operations in Pristina.

ARTICLES 11 AND 12: ARRANGEMENTS FOR THE PAYMENT OF REMUNERATION

The currency in which officials' remuneration was paid in 2000 breaks down as follows in percentage terms:

- 73% opted to have their salaries paid in euros under Article 11 of Annex X to the Staff Regulations;
- 22% requested payment of part of their remuneration in local currency. Of these, 55% asked for the maximum allowed by the internal directives relating to Article 12 of Annex X (80%) and the remainder opted for percentages varying between 11% and 76%. In 2000, a 90% maximum limit continued to apply in Japan under the second paragraph of Article 1 of the internal directives relating to Article 12 of Annex X to the Staff Regulations;
- lastly, under the second paragraph of Article 12 of Annex X, 5% requested payment
 of part of their remuneration in a currency other than that of their place of
 employment (Russia, Ukraine and Kazakhstan), on the basis of the necessary
 supporting documents.

ARTICLE 13: WEIGHTINGS

On 15 September 2000, the Council adopted Regulation No 1967/2000¹ laying down the weightings applicable from 1 January 2000, and on 15 January 2001, Regulation No 106/2001² laying down the weightings applicable from 1 July 2000. On 28 December 2000 and 16 May 2001 respectively the Commission approved Decisions Nos 44/2001³ and 407/2001⁴ laying down the 'provisional' weightings applicable to the remuneration of officials of the European Communities serving in third countries, the first decision relating to the weightings applicable from 1 February, 1 March, 1 April, 1 May and 1 June and the second from 1 August, 1 September, 1 October, 1 November and 1 December.

Previous years' efforts by the Commission to cut the costs of statistics culminated in the selection of a private company, AIRINC. The new procedures adopted helped reduce costs from their previous level of around EUR 2 million to the current figure of EUR 800 000 per year, without diminishing the quality. Likewise in 2000, Eurostat used a classification limited to 84 basic headings, compared to 173 in 1999, although without any significant effect on the results. The Eurostat report (Annex III), updated since the 1994 one, supplies an outline of the methodology currently employed to calculate the weightings and an appraisal of its application in practice.

OJ L 235, 19.9.2000, p. 1.

OJ L 19, 20.1.2001, p. 1.

OJ L 11, 16.1.2001, p. 50.
OJ L 144, 30.5.2001, p. 29.

ARTICLE 15: EDUCATION ALLOWANCE

A total of EUR 2 972 215 was paid in education allowances in the year 1999/2000. The system of paying advances on education allowances to staff incurring particularly high costs was retained. All the advances granted for the 1999/2000 school year were settled within the prescribed deadlines.

As in previous years, the relatively high exchange rate for the yen prompted the Commission to allow the maximum annual reimbursement to be exceeded for the 1999/2000 school year in the case of officials serving in Japan whose children attended an international school there.

The combination of a general increase in education costs and the unfavourable euro-dollar exchange rate prompted the Commission to allow the maximum reimbursement to be exceeded in other places of employment too.

However, permission was granted on an exceptional basis and only for children following a course of education at the place of employment and attending an international school offering the European or international baccalaureate, i.e. the Lycée Français, British School, Deutsche Schule or American/International School.

Furthermore, the purpose of enrolling a child at one of these schools should be to ensure continuity in its schooling. In line with this principle of continuity in education, two officials undergoing retraining were accordingly also allowed to exceed the maximum limit during the 1999/2000 school year.

The total amount paid over and above the maximum for the 1999/2000 school year (including Japan) came to EUR 55 861.

ARTICLE 16: INSTALLATION AND RESETTLEMENT ALLOWANCES

During 2000:

- 155 installation allowances were paid to officials newly posted to delegations, including 144 in euros to bank accounts in Belgium and 11 in the local currency of the place of employment; and
- 22 resettlement allowances to officials permanently leaving employment, of which
 3 in euros to bank accounts in Belgium and 19 in the currency of the country of resettlement.

The total amount paid amounted to EUR 1 958 626.47 of which:

- EUR 1 376 921.70 was for payments in Belgium and
- EUR 581 704.77 for payments in local currency with the weighting applied.

SECTION 2: RULES RELATING TO REIMBURSEMENT OF EXPENSES

ARTICLE 17: REIMBURSEMENT OF EXPENSES INCURRED IN RESPECT OF REMOVAL OF FURNITURE AND ACTUAL INSTALLATION ALLOWANCES FOR OFFICIALS NOT IN FURNISHED ACCOMMODATION PROVIDED BY THE INSTITUTION

There was no need to use this Article in 2000.

ARTICLE 18: TEMPORARY ACCOMMODATION

195 decisions authorising temporary accommodation were taken in 2000 (compared to 166 in 1997, 187 in 1998 and 163 in 1999).

ARTICLE 19: STAFF CARS/MILEAGE ALLOWANCE

The rules for the use of private cars for the purposes of work and vice versa have applied since June 1996. The rules were reworded at the end of 1998, and the revised version distributed at the beginning of 1999. The mileage allowance referred to in Article 19 was established in accordance with practice in several Member States on the basis of average running costs. At present it stands at EUR 0.26 per km (EUR 0.36/km for 4WDs).

ARTICLE 20: TRAVEL EXPENSES FOR REST LEAVE

Travel expenses for rest leave were reimbursed on the basis of the distance between the place of employment and the place of leave determined by the Commission. Where the place of rest leave was disregarded, reimbursement could be claimed up to the same amount. Expenditure in 2000 amounted to EUR 282 131.

ARTICLE 21: REIMBURSEMENT OF THE COST OF TRANSPORTING PERSONAL EFFECTS, REMOVALS AND STORAGE

There were 276 removals in 2000 (247 in 1997, 266 in 1998 and 237 in 1999).

The rules for the removal of personal effects were updated in 1997 and implemented at the beginning of 1998. An invitation to tender for the insurance of the transport of personal effects was launched in 1997 and the contract was approved by the ACPC and signed at the end of February 1998.

ARTICLE 23: REIMBURSEMENT OF RENT WHERE THE OFFICIAL IS NOT PROVIDED WITH ACCOMMODATION BY THE INSTITUTION

Article 23 currently applies in eight cases (10 in 1999). In the interests of legal protection for lessors (who are dealing with the European Commission, not private diplomats) and of housing policy (maintaining quality housing stock for the medium and long terms), experience shows that application of Article 23 should be reserved for countries where the market and legal conditions permit (e.g. Geneva and Washington).

SECTION 3: SOCIAL SECURITY

ARTICLE 24(3): REPATRIATION IN THE EVENT OF A MEDICAL EMERGENCY OR AN EXTREME MEDICAL EMERGENCY

In 2000, 20 medical evacuations were authorised by the Medical Service, including one in an extreme medical emergency. Three of the 20 cases were settled in 2000 for a total of EUR 24 884. A further seven cases from 1999 and three from 1998 were settled in 2000 for a total of EUR 10 599. The SOS Air Ambulance annual premium cost EUR 12 305 in 2000.

ARTICLE 25: ACCIDENT COVER FOR DEPENDANTS

There were no claims in 2000 under the accident cover for dependants.

CHAPTER 6: TRANSITIONAL PROVISIONS

ARTICLE 27: TRANSITIONAL PROVISIONS RELATING TO REMUNERATION

NB.: This article has been obsolete since October 1992.

ANNEX I

DETERMINATION OF ENTITLEMENT TO REST LEAVE (Article 8 of Annex X)

In force from: 1 January 2000

| COUNTRY | FREQUENCY | PLACE |
|--------------------------|------------|---------------------------|
| Albania | 3 x 5 days | Rome (Italy) |
| Algeria | 3 x 5 days | Paris (France) |
| Angola | 2 x 5 days | Windhoek (Namibia) |
| Bangladesh | 3 x 5 days | Phuket (Thailand) |
| Burundi | 1 x 5 days | Mombasa (Kenya) |
| Cameroon | 1 x 5 days | Libreville (Gabon) |
| Central African Republic | 3 x 5 days | Libreville (Gabon) |
| Chad | 3 x 5 days | Dakar (Senegal) |
| Comoros | 2 x 5 days | Antananarivo (Madagascar) |
| Congo (Brazzaville) | 3 x 5 days | Libreville (Gabon) |
| Congo (Kinshasa) | 2 x 5 days | Libreville (Gabon) |
| Eritrea | 3 x 5 days | Mombasa (Kenya) |
| Ethiopia | 1 x 5 days | Mombasa (Kenya) |
| Georgia | 2 x 5 days | Vienna (Austria) |
| Guinea-Bissau | 3 x 5 days | Dakar (Senegal) |
| Guinea (Conakry) | 2 x 5 days | Dakar (Senegal) |
| Equatorial Guinea | 2 x 5 days | Libreville (Gabon) |
| Kazakhstan | 1 x 5 days | Frankfurt (Germany) |
| Liberia | 3 x 5 days | Dakar (Senegal) |
| Mauritania | 2 x 5 days | Casablanca (Morocco) |
| Niger | 2 x 5 days | Libreville (Gabon) |
| Nigeria (Abuja) | 1 x 5 days | Libreville (Gabon) |
| Nigeria (Lagos) | 2 x 5 days | Libreville (Gabon) |
| Papua New Guinea | 3 x 5 days | Darwin (Australia) |
| Rwanda | 1 x 5 days | Mombasa (Kenya) |
| Sierra Leone | 3 x 5 days | Dakar (Senegal) |
| Sudan | 3 x 5 days | Mombasa (Kenya) |
| Togo | 1 x 5 days | Libreville (Gabon) |
| Vietnam | 1 x 5 days | Phuket (Thailand) |
| FR Yugoslavia (Belgrade) | 2 x 5 days | Brussels (Belgium) |

ANNEX II

LIST OF POSTS AND LIVING-CONDITIONS ALLOWANCE RATES (Article 10 of Annex X)

In force from: 1 January 2000 (1.7.1999 for Pristina and 1.1.1999 for Indonesia)

| 35% | 25% | 20% | 15% | 10% | 0% |
|------------------|-----------------|--------------|-------------------|----------------|----------------|
| ALBANIA | BELIZE | FYROM | SOUTH AFRICA | NETHERLANDS | CANADA |
| ALGERIA | BENIN | BOLIVIA | BOTSWANA | ANTILLES | CYPRUS |
| ANGOLA | BOSNIA AND | BULGARIA | CHILE | ARGENTINA | MALTA |
| BANGLADESH | HERZEGOVINA | FIJI | SOUTH KOREA | AUSTRALIA | NORWAY |
| BURKINA FASO | CAPE VERDE | GABON | COSTA RICA | BARBADOS | SWITZERLAND |
| BURUNDI | CHINA | JAPAN (NAKA) | HONG KONG | BRAZIL | USA-NEW YORK |
| CAMEROON | WEST BANK/GAZA | LESOTHO | ISRAEL (TEL AVIV) | CROATIA | USA-WASHINGTON |
| CENTRAL AFRICAN | STRIP | MEXICO | JAMAICA : | DOMINICAN | |
| REPUBLIC | COLOMBIA | ROMANIA | JAPAN (TOKYO) | REPUBLIC | |
| COMOROS | COTE D'IVOIRE | SWAZILAND | JORDAN | ESTONIA | |
| CONGO | EGYPT | THAILAND | LEBANON | HUNGARY | |
| (BRAZZAVILLE) | ERITREA | VANUATU | NEW CALEDONIA | LATVIA | |
| CONGO (KINSHASA) | GAMBIA | YUGOSLAVIA | SENEGAL | LITHUANIA | |
| DJIBOUTI | GHANA | (Belgrade) | SYRIA | MOROCCO | |
| ETHIOPIA | GUATEMALA | | TURKEY | MAURITIUS | |
| GEORGIA | INDIA | | | NAMIBIA | |
| GUINEA (CONAKRY) | KENYA | | | POLAND | |
| GUINEA-BISSAU | MADAGASCAR | | | SLOVAKIA | |
| EQUAT. GUINEA | MALAWI | | | SLOVENIA | |
| GUYANA | NICARAGUA | | | CZECH REPUBLIC | |
| HAITI | PAKISTAN | | | TRINIDAD & | |
| INDONESIA | PERU | | | TOBAGO | |
| KAZAKHSTAN | PHILIPPINES | | | TUNISIA | |
| LIBERIA | RUSSIA | | | URUGUAY | |
| MALI | SOLOMON ISLANDS | | | ZIMBABWE | |
| MAURITANIA | SRI LANKA | | | | |
| MOZAMBIQUE | SURINAME | | | | |
| NIGER | TONGA | | | | |
| NIGERIA (ABUJA) | UKRAINE | | | | |
| NIGERIA (LAGOS) | VENEZUELA | | | | |
| UGANDA | ZAMBIA | | | | |
| PAPUA NEW GUINEA | | | | | |
| RWANDA | | | | | |
| SÃO TOMÉ AND | | | | | |
| PRÍNCIPE | | | | | |
| SIERRA LEONE | | | | | |
| SUDAN | | | | | |
| TANZANIA | | | | | |
| CHAD | | | | | |
| TOGO | | | | | |
| VIETNAM | | | | | |
| FR YUGOSLAVIA | | | | | |
| (Pristina) | | | | | |

ANNEX III

REPORT TO THE COUNCIL OF MINISTERS

(March 2001 version)

SYSTEM FOR CALCULATING THE WEIGHTINGS APPLICABLE TO REMUNERATION IN COUNTRIES OUTSIDE THE EUROPEAN UNION

Prepared by Eurostat

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1. INTRODUCTION

The purpose of this report is to supply an outline of the methodology currently employed to calculate the weightings applicable to the remuneration of officials serving outside the European Union and an appraisal of its application in practice.

1.1. Regulatory background

Without prejudice to other provisions of the Staff Regulations, Annex X of the Staff Regulations (established by Council Regulation No 3019/87 of 5 October 1987) sets out provisions of particular relevance to officials posted outside the European Union.

Article 11 of Annex X provides that the salaries of such officials are, in principle, payable in euros in Belgium, and are subject to the weightings applicable to the remuneration of officials working in Belgium.

Article 12 of Annex X provides that, following a request from official serving abroad, the appointing authority may decide to allow the salary to be paid in the currency of the country of employment (or, exceptionally, the currency of another country), up to a maximum limit of 80% in accordance with internal rules established by the Commission. In that event, it is that sum which is subject to the weighting for the place of employment and is converted on the basis of the official exchange rate.

Article 13(1) of Annex X provides that, in order to ensure that officials enjoy equivalent purchasing power irrespective of their place of employment, the Council shall determine the weightings every six months, acting on a proposal from the Commission.

Article 13(2) of Annex X provides that, where the variation in the cost of living (measured on the basis of the weighting and the corresponding exchange rate) is found to exceed 5%, the Commission shall decide on interim measures for adjusting the weighting.

Salary weightings must accordingly be calculated for all places of employment outside the European Union (of which there are more than 120 at the date of writing this report), irrespective of whether the weightings are actually applied to the salaries of the officials living there. The cost of meeting this statutory requirement is inevitably high (about EUR 800 000 per year).

1.2. Historical background

Eurostat began working with the present system for calculating the weightings for postings outside the EU in May 1988.

The distinctive feature of this system is that Eurostat uses statistical sources of its own which take into account the specific living conditions of Community staff in the various places of employment.

In the past, weightings were computed by Eurostat on the basis of statistical sources provided by the United Nations.

It was accepted that this data was not directly relevant to the circumstances of European Commission officials, and in the light of criticism of the techniques used in UN surveys and the increasing statistical expertise available within Eurostat, it was decided to seek Council approval to develop a new system. This was forthcoming in 1991.

Since 1989 the collection of statistical data has been entrusted to a non-profit-making association set up for the purpose (EuroCost), subsidised by Eurostat.

1.3. From subsidy to open market

On account of the high cost of meeting this statutory requirement (about EUR 2 million per year) and following the Council of Ministers' request to reduce costs, it was decided to stop the subsidy to EuroCost after the 1999/2000 work programme. An invitation to tender was published in 1999 with the aim of awarding a competitive contract.

The outcome of this call for tenders was the selection of the private company AIRINC, based in the United States. A yearly renewable contract was signed in early 2000 resulting in a sharp reduction of costs. In fact the yearly costs have gone down to about EUR 800 000 per year.

Such large savings were possible because of the following factors:

- A company that carries out surveys all over the world for other clients, independently
 of Eurostat's requirements, is more cost-effective than an association carrying them
 out almost exclusively for Eurostat.
- After years of experience with extra-EU comparisons, it is now possible to plan more efficiently where and how surveys should be conducted.
- The number of place-to-place (P2P) surveys was initially very high because EuroCost was a new organisation and it had to obtain reference data for all places of employment as quickly as possible. Once a weighting was established for practically every place of employment, the number of complete surveys per year could be reduced (from 39 in 1991/1992 to 9 in 2000/2001) and less complex and costly survey procedures introduced (18 in 2000/2001).
- EuroCost also had some minor responsibilities in relation to intra-EU weightings; these tasks have been re-internalised.

2. OVERVIEW OF CURRENT SYSTEM

2.1. General

The basic principles of the system are similar to the methodology used to calculate salary weightings for officials serving in the European Union.

The current data collection system (see appendix 1) comprises the following elements:

Periodic family budget surveys in Brussels

Periodic family budget surveys in places of employment

Periodic price surveys in Brussels

Periodic price surveys in places of employment

Continuous monitoring of prices in Brussels

Continuous monitoring of prices in places of employment.

2.1.1. Periodic family budget surveys in Brussels

The purpose of these surveys is to identify the expenditure patterns of EU officials. This information is provided by family budget surveys conducted in order to calculate weightings for officials living both inside and outside the European Union. The last such survey was conducted in 2000 and results were obtained for around 700 households. Surveys are repeated every 5 years.

The total range of household expenditure on goods and services is grouped into 84 basic headings based on COICOP (the same as used for the periodic survey of prices - see 2.1.3 and appendix 3).⁵

2.1.2. Periodic family budget surveys in places of employment

The underlying principle used in the current system for calculating salary weightings for officials serving outside the European Union is that it is reasonable to expect officials serving abroad to adapt somewhat to the local market conditions, without changing their consumption habits completely (in other words, to preserve their Brussels pattern of expenditure to a certain extent).

The practical effect of this is to calculate economic parities by reference to the differing price levels in Brussels and places of employment (see 2.1.4 and appendix 1), calculated firstly using the expenditure weightings pattern for Brussels (Laspeyres index), secondly using the weightings for the place of employment (Paasche index), and then taking the geometric mean of these two approaches (Fisher index). This approach is standard practice for international comparisons.

The local consumption levels and Brussels expenditure weightings therefore have to be calculated.

Family budget surveys are conducted for all extra-EU places of employment about every 5 years.

2.1.3. Periodic price surveys in Brussels

The purpose of these surveys is to establish prices for a pre-defined master list of products. In the past, price surveys in Brussels were conducted by the Belgian National Institute of Statistics, attached to the Belgian Ministry of the Economy, and by EuroCost staff to complete the Brussels price lists.

The current master list of products contains some 600 definitions of goods and services (see appendix 2 for an example), for which 5 prices have normally been collected in Brussels. Certain types of expenditure do not appear in the master list because they are reimbursed directly to officials serving outside the European Union (for example, certain accommodation, health and education costs). This is different to the system used for calculating salary weightings for officials serving in the European Union. Various other types of expenditure are not included because they are not generally readily available in Brussels.

⁵ COICOP = Classification Of Individual Consumption by Purpose.

The list could be endless but, for reasons of practicality and economy, the range has to be restricted. Products are included only if they are considered to be representative of the basic heading to which they belong. The whole range of goods and services in the master list is grouped into 84 basic headings, the same as used for the patterns of expenditure (see 2.1.1 and appendix 3), and corresponds to the system used to calculate the weightings for officials serving in the European Union.

The prices are updated frequently and the new contractor (AIRINC) runs a supplementary survey to cover all the items in a new updated master list. Brussels ECP prices corresponding to the new definitions have been checked carefully. New Brussels prices will be collected by AIRINC for any new extra-EU definition. If any prices are missing, the contractor will collect additional prices in Brussels.

2.1.4. Periodic price surveys in places of employment (place-to-place surveys)

The next step is to compare the situation in Brussels with that in places of employment. The same master list of products is used to carry out a survey in a place of employment as for Brussels. It should be borne in mind that even if the same list is used, surveys performed on different dates may yield different results (different shops might be visited; different products might be available). This is an unavoidable feature of a sample-based system.

Price information at a place of employment is collected from the shops specified during previous surveys and on those identified during the current survey. The list of shops is always finalised with the delegation's assistance.

Price information is only collected for goods and services which correspond to the definitions in the master list, and whose quality is comparable to that of the goods and services identified during the most recent periodic survey of prices in Brussels. The prices of direct personal imports of goods and services by officials in a place of employment are not taken into account, although the prices of other imported goods and services available in the place of employment will usually be included. Clearly not all the goods and services identified in Brussels will be available in all countries. This does not necessarily affect the calculation of a weighting, because price comparisons are only made for those items which can be located.

Furthermore, there is a separate Living Conditions Allowance (Article 10 of Annex X of the Staff Regulations) which is fixed every year by the Commission by reference to five parameters: health and hospital conditions, security, climate, degree of isolation and other local conditions (such as cultural idiosyncrasies and the level of economic development). Factors considered under this latter parameter can greatly influence the availability and absolute prices of goods and services in a particular location.

More problematic is the question of comparability and, in certain circumstances, the definitions can be relaxed to include items which are equivalent, as opposed to being strictly identical. The results of surveys organised by the contractor are reviewed by Eurostat officials, and corrections made/additional work requested as necessary.

The frequency of P2P price surveys is governed by various factors. The criteria for inclusion in a particular year's survey work programme include factors such as: the level of the weighting for the place of employment; the time elapsed since the last survey in the place of employment; awareness of particular problems in the area; the adoption of a new methodology; and the possibility of combining visits to similar geographical locations.

The yearly work programme is decided by Eurostat in cooperation with DG Relex. Survey work is administered by the contractor, with occasional Eurostat participation depending on the circumstances. The process of collecting, analysing and reviewing surveys of this type can take a considerable time, and it is important that checks and controls are carried out as necessary. The results are always subject to the scrutiny of Eurostat officials.

The number of P2P price surveys carried out each year (April to March) has been as follows:

| 91/92 | 92/93 | 93/94 | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 | 99/00 | 00/01 | 01/02** |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|---------|
| 39 | 31 | 25 | 24 | 22 | 17 | 16 | 23 | 10 | 9+18* | 8+13* |

^{*} In addition to the 9 surveys in 2000/01 and 8 surveys in 2001/02, 18 and 13 Dual-purpose-surveys (DPS) are included respectively. These can be introduced into the system as P2P or time-to-time (T2T) surveys and can be considered as small P2P surveys which allow the cost-of-living level to be checked without running a complete P2P survey.

The prices obtained for the 84 basic headings during such a survey in a place of employment are compared with the prices obtained in the most recent survey in Brussels, updated with detailed price indices, to establish benchmark economic parities which can then be updated on a regular basis (see 2.1.5 and 2.1.6). In accordance with standard practice for international statistical comparisons, these parities are calculated firstly using the expenditure weightings pattern for Brussels (a Laspeyres index), secondly using the weightings for the place of employment (a Paasche index), and then taking the geometric mean of these two approaches (a Fisher index). This approach is logical, given that officials can be expected to adapt somewhat to local market conditions, without changing their consumption habits completely (see 2.1.2 and appendix 1).

2.1.5. Continuous monitoring of prices in Brussels

Having established a base level of prices during the most recent periodic survey of prices in Brussels, the movements in these prices over time need to be monitored. This is done using consumer price index data collected monthly by the Belgian Economic Affairs Ministry. This is converted into the same format as the 84 basic headings, and used to calculate a global index.

2.1.6. Continuous monitoring of prices in places of employment (time-to-time surveys)

In certain developed countries where reliable, detailed Consumer Price Indices exist, the base prices established during the most recent periodic survey of prices in the place of employment can be updated using the component indices of the national Consumer Price Index, which is analogous to the situation in Brussels. Unfortunately, in many other countries this is not possible, and an alternative solution has to be found.

The solution adopted is to conduct frequent T2T (time-to-time) surveys so as to update the prices for these countries. The frequency of the T2T surveys varies between two and twelve times per year depending on the place of employment. In a few locations, data obtained from the United Nations is used.

^{**} Surveys proposed.

Currently, data for 25 countries are obtained from National Statistical Institutes, while UN data are used for another 27 countries. The contractor is currently conducting T2T surveys in 73 countries.

The resulting T2T data for each place of employment (from whichever source) are converted into the same format as the 84 basic headings. The detailed indices by basic heading are compared with the results of the corresponding indices in Brussels, and are used to update the elementary parities calculated at the time of the most recent periodic survey of prices in the place of employment (see 2.1.4, and appendix 1). The global economic parity is then divided by the official exchange rate in force according to the official figures published by the Commission (used for the budget) to calculate the applicable weighting.

2.2. Respective roles of DG Relex/Eurostat/Contractor/Delegations

The delegations play an essential role in the periodic family budget surveys and periodic surveys of prices. The contractor is responsible for the bulk of the fieldwork and computer work, as delegated to him by Eurostat. Eurostat is responsible for determining the annual work programme with DG Relex, deciding the methodology in consultation with the Working Party on Article 64 of the Staff Regulations (including Member State representatives), and indeed for the final results of the system. Eurostat carries out whatever checks it deems necessary on a day-to-day basis in order to monitor the professional quality of the results provided by the contractor. DG Relex currently receives the final results (proposed salary weightings) from Eurostat every 6 months, and is responsible for their submission to the Council for approval every 6 months. DG Relex is also in regular contact and correspondence with the delegations. Working relations between all these groups are necessarily very close, which ensures an optimum outcome.

3. IMPROVEMENTS: RECENT AND PLANNED

The methodology and practical techniques used to calculate the weightings applicable to the salaries of officials serving in delegations outside the European Union are under continuous review and development, partly from professional desire to improve results and partly spurred by external events. Significant proposals relating to the methodology are always discussed first at meetings of the Article 64 Working Party, and a consensus obtained, before any changes are implemented.

Eurostat is confident that the results obtained are of good quality and the most appropriate for the purpose of establishing reliable extra-EU weightings. The following comments refer to some recent improvements or to improvements planned for the near future.

3.1. New classification based on COICOP and reduction of the number of basic headings

The use of a COICOP-based classification in 84 basic headings was agreed by the Article 64 Working Party at its June 1999 meeting for implementation in 2000. Basic headings are groups of products with similar characteristics. They are the lowest level at which expenditure weightings are available - which allows aggregation to higher levels. The classification used until 1999 contained 173 basic headings.

It was proved, through some simulations, that results were not significantly different using one classification or the other. But the reduction of the number of basic headings leads to more "robust" detailed results, as the products per basic heading are more representative.

Moreover a reduced number of basic headings allows a more efficient product selection (see the list under 3.2.1).

It has to be stressed that all major international organisations now use COICOP-based classifications for their price indices and cost-of-living comparisons. Thus the use of the new classification has increased the exchange of data with the UN, OECD, National Statistical Institutes etc.

The complete set of basic headings is presented in appendix 3.

3.2. Price surveys in Brussels and places of employment

3.2.1. Eurostat has recently revised the master list of product definitions (February 2001). The previous list, based on the one used for calculating weightings for officials serving in the EU, was not always adapted to markets that are completely different from the European ones. It contained over 3.000 definitions, but in most places of employment it was difficult to find products corresponding to more than 500 definitions.

The new list contains **600** definitions better adapted to the extra-EU comparisons (see appendix 2 for an example). This will lead to more effective price surveys and at the same time to better quality results. Moreover greater consistency between the different kind of price surveys will be guaranteed.

There will also be a periodic top-up survey in Brussels, to collect price data for items not included in the harmonised list, specifically to aid comparisons with the prices of goods and services typically found in countries outside the European Union.

- 3.2.2. Studies are continuing into the problems of comparison between the goods and services identified in Brussels and those available in less-developed countries. Recommendations have been put forward for certain specific items where the nature and quality of the good or service, or the shop providing it, is clearly not directly comparable. Current examples of such items include domestic services, telephone, electricity, water and other such payments.
- 3.2.3 The frequency of periodic surveys of prices in certain places of employment has been reduced. These places of employment have been selected according to criteria such as low numbers of officials and low and stable weightings.

3.3. Family budget surveys in places of employment

In order to obtain a valid consumption structure for staff serving outside the EU, due to the limited number of officials in most of the places concerned, Eurostat ran a general family budget survey in November 1999 in all extra-EU places of employment.

At the meeting held in Luxembourg on 21 February 2000, the Article 64 Working Party agreed on the application of a single weighting structure to all extra-EU places of employment. It was also agreed to make an exception for ECP⁶ countries, for which the weights will be based on average intra-EU structures by main expenditure groups, provided that detailed HICP weights are available for disaggregation. Specific "ECP" weights have been established for the Czech Republic, Romania, Norway, Switzerland, Hungary, Poland, Cyprus, Lithuania, Estonia, Latvia, Slovenia and Turkey. ECP weights for Malta will soon be available.

3.4. Continuous monitoring of prices in Brussels and in places of employment

In the past the global parity for a given place of employment was updated by applying across the board the results of the continuous monitoring of prices in Brussels and in places of employment. Since April 2000 the update has been applied across the 84 basic headings. This method is more accurate and reduces the risk of statistical errors.

More frequent T2T surveys will be done in future. This should lead to even more accurate results.

3.5. Delays in introducing survey results

The usefulness of information depends amongst other things on relevance, reliability and timeliness. During the early years of operation of this system, the results of some benchmark price surveys have taken nearly three years to be reflected in the calculation of regular monthly weightings (although the majority were incorporated within 12 months). Delays have been significantly reduced. The contractor has to provide the results within eight weeks of the survey date and Eurostat validation takes generally just a few more weeks.

3.6. Focus of work

In practice, meeting the statutory requirement to calculate the weightings applicable to salaries for all places of employment outside the European Union (of which there are more than 120) generates unavoidable costs. Whilst it may be inappropriate to cease the calculation of weightings for places of employment whose weighting is below 100, it nevertheless appears acceptable to target the use of resources and focus on those places of employment where the coefficient is above 100. This is what has been done in recent years.

In the past the frequency of P2P surveys in places of employment was triennial to decennial, depending on several factors, including the level of weighting (high-cost or low-cost countries). At present, the general tendency is to decrease the frequency of P2P surveys.

Close cooperation with the UN and with NSIs in the most developed countries is envisaged. In particular, as UN and Eurostat price surveys are now organised on similar lines, consideration should be given to joint surveys and to the use of some UN data.

-

ECP = European Comparison Programme. Countries concerned are EU15 + EFTA + Candidate countries

In some cases the need for a new price level survey can also be avoided by using data already available at Eurostat in the ECP (European Comparison Programme) framework. This involves P2P the regular conduct of surveys for a group of 29 countries: the 15 EU Member States plus another 14 European countries. The latter group includes two non-EU high-cost countries: Norway and Switzerland

To "test" price levels in the places of employment more frequently, **dual purpose surveys** (i.e. lighter benchmark surveys) are carried out in which data for a subset of products are collected and used to:

- generate all calculations associated with a normal T2T survey;
- provide a sufficiently large database to make "reasonable" P2P calculations.

4. APPLICATION OF WEIGHTINGS TO SALARIES

At the time of writing this report there are around 700 officials serving in delegations outside the European Union. Presently, salaries are denominated in euros, and it is up to officials to request payment in local currency (and therefore that local weightings be applied to their salaries).

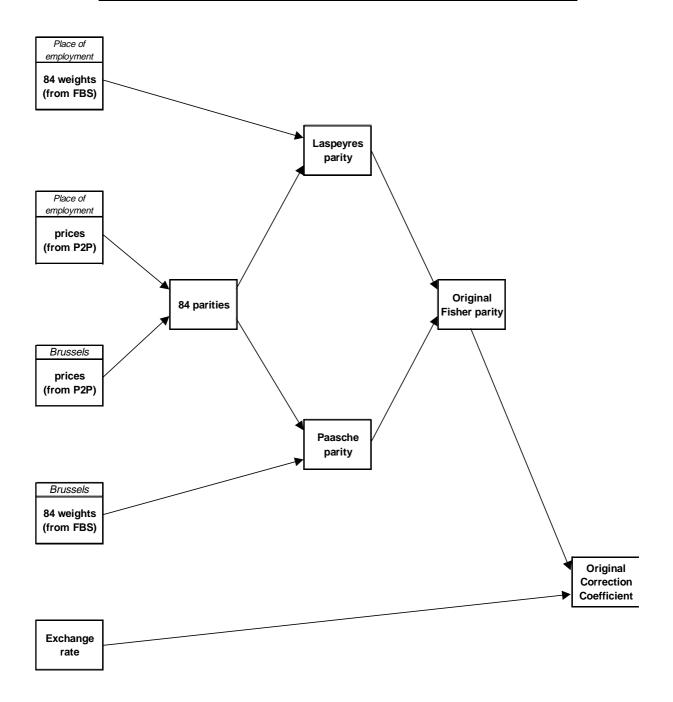
The number of officials requesting the application of the weighting to their salaries depends largely on the level of the weighting and on the stability of the local currency. A typical number of staff concerned would be around 100.

Under special transitional provisions, payments have sometimes been made in the currency of another country (e.g. payment in USD in the former Soviet Republics).

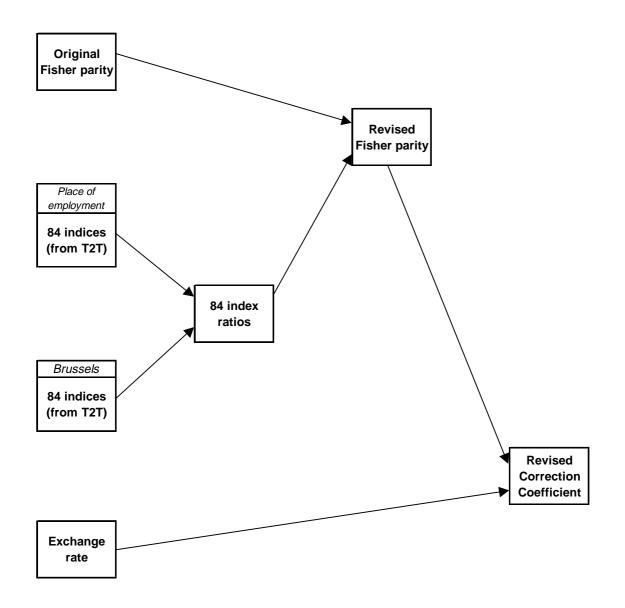
Appendix 1

A flowchart of the process for calculating the weightings applicable to the salaries of officials serving in delegations outside the European Union.

Calculation steps establishing a correction coefficient for a place of employment



Steps showing the updating of the correction coefficient



Appendix 2

Some examples of product definitions in the master list used in periodic surveys of prices in places of employment outside the European Union.

| Product | Item | Target brand |
|---------------|---|--|
| Flour | White (bleached) wheat flour, exclude: self-raising, whole-wheat | Gold Medal, Pillsbury, Heckers |
| Rice | Long grain - Basmati, polished white, no special preparation | |
| Steaks | Tenderloin filet, boneless, sliced from the short loin and sirloin, fresh (if not available, price frozen, specify) | Filet Mignon |
| Suit | Winter suit: 2-piece 100% wool, designer brands | Boss, Calvin Klein, Ralph Lauren, Pierre Cardin, Hechter |
| Trainers | Cross-trainers - running shoes | Nike, Reebok, Adidas |
| Coffee Maker | Automatic drip coffee maker, capacity: 1-1.25L (10-12 cups), power: approx. 850W | Mr Coffee, Krups, Braun, Philips, Melitta, Moulinex |
| Vacuum | Cylinder type, with disposable paper bags, power: approx. 1200W, colour: standard, accessories: standard | Philips, Rowenta, AEG, Hoover |
| Refrigerator | Fridge/freeze combo, capacity: approx. 275-360L (total), defrosting: automatic, colour: standard, 4-star, excl. automatic ice-maker and water dispenser, not built-in | GE, Westinghouse, Thompson, Whirlpool, Zanussi |
| Washer | Washing machine, without dryer, front-loader, wash capacity: approx. 5 kg, variable spin speed: up to 1000 r/m, colour: standard | Candy, Bauknecht, Electrolux, Siemens, Zanussi, GE, Westinghouse, Whirlpool, Thompson |
| Carpet-laying | Hourly wage for: laying carpet in a 4x5m room, no floor preparation, 1 door, using synthetic carpet | |
| Tyre | 16-inch, 225/60 VR-16, well-known brands, steel-belted radial, tubeless, all-season tread, excl. cost of mounting or trade-in | Michelin, Goodyear, Dunlop, Pirelli, Uniroyal |

Appendix 3

Grouping into 84 basic headings of the product definitions in the master list used in periodic surveys of prices in places of employment outside the European Union.

The COICOP classification grouped into 84 basic headings

| No. | Code | DESCRIPTION |
|-----|----------|---|
| 1 | 01.1.1 | BREAD AND CEREALS |
| 2 | 01.1.2 | MEAT |
| 3 | 01.1.3 | FISH |
| 4 | 01.1.4 | MILK, CHEESE AND EGGS |
| 5 | 01.1.5 | OILS AND FATS |
| 6 | 01.1.6 | FRUIT |
| 7 | 01.1.7 | VEGETABLES INCLUDING POTATOES AND OTHER TUBERS |
| 8 | 01.1.8 | SUGAR, JAM, HONEY, CHOCOLATE AND CONFECTIONERY |
| 9 | 01.1.9 | FOOD PRODUCTS N.E.S. |
| 10 | 01.2.1 | COFFEE, TEA AND COCOA |
| 11 | 01.2.2 | MINERAL WATERS, SOFT DRINKS, FRUIT AND VEGETABLES JUICES |
| 12 | 02.1.1 | SPIRITS |
| 13 | 02.1.2 | WINE |
| 14 | 02.1.3 | BEER |
| 15 | 02.2.0 | TOBACCO |
| 16 | 03.1.2 | GARMENTS |
| 17 | 03.1.1/3 | OTHER ARTICLES OF CLOTHING, CLOTHING ACCESSORIES AND |
| | | CLOTHING MATERIALS |
| 18 | | DRY CLEANING, REPAIR AND HIRE OF CLOTHING |
| 19 | 03.2.1/2 | FOOTWEAR INCLUDING REPAIRS AND HIRE |
| 20 | 04.1.1/2 | ACTUAL RENTALS PAID BY TENANTS AND OTHER ACTUAL RENTALS |
| 21 | | IMPUTED RENTALS (NOT IN HICP) |
| 22 | 04.3.1 | PRODUCTS FOR THE REGULAR MAINTENANCE AND REPAIR OF THE |
| | | DWELLING |
| 23 | 04.3.2 | SERVICES FOR THE REGULAR MAINTENANCE AND REPAIR OF THE DWELLING |
| 24 | 04.4.1 | WATER SUPPLY |
| 25 | | REFUSE COLLECTION |
| 26 | 04.4.3 | SEWERAGE COLLECTION |
| 27 | 04.4.4 | OTHER SERVICES RELATED TO THE DWELLING N.E.S. |
| 28 | 04.5.1 | ELECTRICITY |
| 29 | 04.5.2 | GAS |
| 30 | | LIQUID FUELS |
| 31 | 04.5.4 | SOLID FUELS |
| 32 | 04.5.5 | HEAT ENERGY |
| 33 | 05.1.1 | FURNITURE AND FURNISHINGS |
| 34 | 05.1.2 | CARPETS AND OTHER FLOOR COVERINGS |
| 35 | 05.1.3 | REPAIR OF FURNITURE, FURNISHINGS AND FLOOR COVERINGS |
| 36 | 05.2.0 | HOUSEHOLD TEXTILES |
| 37 | | MAJOR HOUSEHOLD APPLIANCES WHETHER ELECTRIC OR NOT |
| | | AND SMALL ELECTRIC HOUSEHOLD APPLIANCES |
| 38 | 05.3.3 | REPAIR OF HOUSEHOLD APPLIANCES |
| 39 | 05.4.0 | GLASSWARE, TABLEWARE, AND HOUSEHOLD UTENSILS |

| No. | Code | DESCRIPTION |
|----------|--------------------|---|
| 40 | 05.5.1/2 | TOOLS AND EQUIPMENT FOR HOUSE AND GARDEN |
| 41 | 05.6.1 | NON-DURABLE HOUSEHOLD GOODS |
| 42 | 05.6.2 | DOMESTIC SERVICES AND HOME CARE SERVICES |
| 43 | 06. | HEALTH |
| 44 | 07.1.1 | MOTOR CARS |
| 45 | 07.1.2/3/ | MOTOR CYCLES AND BICYCLES |
| | 4 | |
| 46 | 07.2.1 | SPARE PARTS AND ACCESSORIES FOR PERSONAL TRANSPORT |
| 47 | 07.2.2 | EQUIPMENT FUELS AND LUBRICANTS FOR PERSONAL TRANSPORT EQUIPMENT |
| 48 | 07.2.3 | MAINTENANCE AND REPAIR OF PERSONAL TRANSPORT |
| | 07.2.0 | EQUIPMENT |
| 49 | 07.2.4 | OTHER SERVICES IN RESPECT OF PERSONAL TRANSPORT |
| | o= o . | EQUIPMENT PARAMETER TO A MODERN BY DAMANA |
| 50 | 07.3.1 | PASSENGER TRANSPORT BY RAILWAY |
| 51 | 07.3.2 | PASSENGER TRANSPORT BY AND |
| 52 | 07.3.3 | PASSENGER TRANSPORT BY AIR |
| 53 54 | 07.3.4 | PASSENGER TRANSPORT BY SEA AND INLAND WATERWAY |
| 55 | 07.3.5 07.3.6 | COMBINED PASSENGER TRANSPORT OTHER PURCHASED TRANSPORT SERVICES |
| 56 | | POSTAL SERVICES |
| 57 | 08.1.0 08.2/3.0 | TELEPHONE AND FAX EQUIPMENT |
| 57 58 | | |
| 56 | 09.1.1 | EQUIPMENT FOR THE RECEPTION, RECORDING AND REPRODUCTION OF SOUND AND PICTURES |
| 59 | 09.1.2 | PHOTOGRAPHIC AND CINEMATOGRAPHIC EQUIPMENT AND |
| | | OPTICAL INSTRUMENTS |
| 60 | 09.1.3 | INFORMATION PROCESSING EQUIPMENT |
| 61 | 09.1.4 | RECORDING MEDIA |
| 62 | 09.1.5 | REPAIR OF AUDIO-VISUAL, PHOTOGRAPHIC AND INFORMATION |
| 63 | 09.2.1/2 | PROCESSING EQUIPMENT MAJOR DURABLES FOR INDOOR AND OUTDOOR RECREATION |
| | | INCLUDING MUSICAL INSTRUMENTS |
| 64 | 09.2.3 | MAINTENANCE AND REPAIR OF OTHER MAJOR DURABLES FOR |
| | | RECREATION AND CULTURE |
| 65 | 09.3.1 | GAMES, TOYS AND HOBBIES |
| 66 | 09.3.2 | EQUIPMENT FOR SPORT, CAMPING AND OPEN-AIR RECREATION |
| 67 | 09.3.3 | GARDENS, PLANTS AND FLOWERS |
| 68 | | PETS AND RELATED PRODUCTS |
| 69 70 | 09.4.1 09.4.2 | RECREATIONAL AND SPORTING SERVICES CULTURAL SERVICES |
| 71 | 09.4.2 | BOOKS |
| 71 72 | | NEWSPAPERS AND PERIODICALS |
| 73 | | MISCELLANEOUS |
| 74 | 09.6.0 | PACKAGE HOLIDAYS |
| 75 | | EDUCATION - PAID BY CONSUMERS |
| 76 | 11.1.1 | RESTAURANTS, CAFES AND THE LIKE |
| 76 77 | 11.1.2 | CANTEENS |
| 78 | 11.2.0 | ACCOMMODATION SERVICES |
| 79 | 12.1.1 | HAIRDRESSING SALONS AND PERSONAL GROOMING |
| 19 | 12.1.1 | ESTABLISHMENTS |
| 80 | 12.1.2/3 | APPLIANCES, ARTICLES AND PRODUCTS FOR PERSONAL CARE |
| 81 | | JEWELLERY, CLOCKS AND WATCHES |
| 82 | 12.3.2 | OTHER PERSONAL EFFECTS N.E.S. |
| | L | ı |

| | No. | Code | DESCRIPTION |
|---|-----|--------|---|
| ſ | 83 | 12.5 | INSURANCE |
| ſ | 84 | 12.6/7 | OTHER SERVICES, INCLUDING FINANCIAL SERVICES N.E.S. |

12 GROUPS

| | 12 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 ROUTINE |
| | MAINTENANCE OF THE HOUSE |
| 6 | HEALTH |
| 7 | TRANSPORT |
| 8 | COMMUNICATIONS |
| 9 | RECREATION AND CULTURE |
| 10 | EDUCATION |
| 11 | HOTELS, CAFES AND RESTAURANTS |
| 12 | MISCELLANEOUS GOODS AND SERVICES |

Appendix 4

Places of employment outside the European Union for which the weightings applicable to remuneration are currently being prepared.

| No | Country | Town | Weighting > 100 | (July 00) < 100 |
|----------|------------------------------|-------------------|-----------------|--------------------|
| 1 | South Africa | Pretoria | 7 100 | @ |
| 2 | Albania | Tirana | @ | |
| 3 | Algeria | Algiers | | |
| 4 | Angola | Luanda | | @ |
| 5 | Netherlands Antilles | Willemstad | @ | |
| 6 | Argentina | Buenos Aires | @ | |
| 7 | Australia | Canberra | | @ |
| 8 | Bangladesh | Dhaka | | @ |
| 9 | Barbados | Bridgetown | @ | |
| 10 | Belize | Belize | | @ |
| 11 | Benin | Cotonou | | @ |
| 12 | Bolivia | La Paz | | @ |
| 13 | Bosnia - Herzegovina | Sarajevo | | @ |
| 14 | Botswana | Gaborone | | @ |
| 15 | Brazil | Brasilia | | @ |
| 16 | Bulgaria | Sofia | | @ |
| 17 | Burkina Faso | Ougadougou | | @ |
| 18 | Burundi | Bujumbura | | |
| 19 | Cameroon | Yaoundé | | @ |
| 20 | Canada | Ottawa | | @ |
| 21 | Cape Verde | Praia | | @ |
| 22 | Central African Republic | Bangui | @ | |
| 23 | Chile | Santiago | @ | |
| 24 | China | Beijing | @ | |
| 25 | Cyprus | Nicosia | | @ |
| 26 | West Bank and Gaza Strip | East Jerusalem | | 9 |
| 27 | Colombia | Bogota | | @ |
| 28 | Comoros | Moroni | @ | • |
| 29 | Congo | Brazzaville | | |
| 30 | Democratic Republic of Congo | Kinshasa | | |
| 31 | South Korea | Seoul | @ | |
| 32 | Costa Rica | San Jose | <u> </u> | @ |
| 33 | | | @ | <u>@</u> |
| | Ivory Coast Croatia | Abidjan Zagreb | @ | @ |
| 34 35 | | _ | @ | <u>@</u> |
| 36 | Djibouti Dominican Republic | Djibouti | @ | @ |
| 37 | - | Santo Domingo | | @ |
| 38 | Egypt | Cairo | | @ |
| | Eritrea | Asmara | | |
| 39 | Estonia | Tallinn | | @ |
| 40 | United States | New York | @ | |
| 41 | United States | Washington DC | @ | |
| 42 | Ethiopia | Addis Ababa | | @ |
| 43 | Fiji | Suva | | @ |
| 44 | FYROM (Macedonia) | Skopje | | |
| 45 | Gabon | Libreville | @ | |
| 46 | Gambia | Banjul | | @ |
| 47 | Georgia | Tbilisi | @ | |
| 48 | Ghana | Accra | | @ |
| 49 | Guatemala | Guatemala | | @ |

| No | Country | Town | Weighting > 100 | (July 00) < 100 |
|-----|-------------------|------------------------|-----------------|--------------------|
| 50 | Guinea | Conakry | | @ |
| 51 | Guinea-Bissau | Bissau | @ | |
| 52 | Equatorial Guinea | Malabo | | @ |
| 53 | Guyana | Georgetown | | @ |
| 54 | Haiti | Port Au Prince | | @ |
| 55 | Hong Kong | Hong Kong | @ | |
| 56 | Hungary | Budapest | | @ |
| 57 | India | New Delhi | | @ |
| 58 | Indonesia | Jakarta | | @ |
| 59 | Israel | Tel Aviv | @ | |
| 60 | Jamaica | Kingston | @ | |
| 61 | Japan | Naka | @ | |
| 62 | Japan | Tokyo | @ | |
| 63 | Jordan | Amman | | @ |
| 64 | Kazakhstan | Almaty | @ | |
| 65 | Kenya | Nairobi | | @ |
| 66 | Lesotho | Maseru | | @ |
| 67 | Latvia | Riga | | @ |
| 68 | Lebanon | Beirut | @ | |
| 69 | Liberia | Monrovia | | @ |
| 70 | Lithuania | Vilnius | | @ |
| 71 | Madagascar | Antananarivo | | @ |
| 72 | Malawi | Lilongwe | | @ |
| 73 | Mali | Bamako | | @ |
| 74 | Malta | Valetta | | @ |
| 75 | Morocco | Rabat | | @ |
| 76 | Mauritius | Port Louis | | @ |
| 77 | Mauritania | Nouakchott | | @ |
| 78 | Mexico | Mexico City | | @ |
| 79 | Mozambique | Maputo | | @ |
| 80 | Namibia | Windhoek | | @ |
| 81 | Nicaragua | Managua | | @ |
| 82 | Niger | Niamey | | @ |
| 83 | Nigeria | Abuja | | |
| 84 | Nigeria | Lagos | | @ |
| 85 | Norway | Oslo | @ | |
| 86 | New Caledonia | Noumea | @ | |
| 87 | Uganda | Kampala | | @ |
| 88 | Pakistan | Islamabad | | @ |
| 89 | Papua New Guinea | Port Moresby | | @ |
| 90 | Peru | Lima | | @ |
| 91 | Philippines | Manila | | @ |
| 92 | Poland | Warsaw | | @ |
| 93 | Romania | Bucharest | | @ |
| 94 | Russia | Moscow | @ | |
| 95 | Rwanda | Kigali | | |
| 96 | Solomon Islands | Honiara | | @ |
| 97 | Samoa | Apia | | @ |
| 98 | Sao Tomé | Sao Tomé | | @ |
| 99 | Senegal | Dakar | | @ |
| 100 | Sierra Leone | | | w |
| | Slovakia | Freetown Bratislava | | @ |
| 101 | | | | @ |
| 102 | Slovenia | Ljubljana | | @ |
| 103 | Sudan | Khartoum | | @ |

| No | Country | Town | Weighting > 100 | (July 00) < 100 |
|-----|-------------------|---------------|-----------------|--------------------|
| 104 | Sri Lanka | Colombo | | |
| 105 | Switzerland | Geneva | @ | |
| 106 | Suriname | Paramaribo | | @ |
| 107 | Swaziland | Mbabane | | @ |
| 108 | Syria | Damascus | @ | |
| 109 | Tanzania | Dar Es Salaam | | @ |
| 110 | Chad | Ndjamena | | @ |
| 111 | Czech Republic | Prague | | @ |
| 112 | Thailand | Bangkok | | @ |
| 113 | Togo | Lomé | | @ |
| 114 | Tonga | Nukualofe | | @ |
| 115 | Trinidad & Tobago | Port of Spain | | @ |
| 116 | Tunisia | Tunis | | @ |
| 117 | Turkey | Ankara | | @ |
| 118 | Ukraine | Kiev | @ | |
| 119 | Uruguay | Montevideo | @ | |
| 120 | Vanuatu | Port Vila | @ | |
| 121 | Venezuela | Caracas | | @ |
| 122 | Vietnam | Hanoi | | @ |
| 123 | Yugoslavia | Belgrade | | @ |
| 124 | Zambia | Lusaka | | @ |
| 125 | Zimbabwe | Harare | | @ |