



COMMISSION OF THE EUROPEAN COMMUNITIES

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REPORT FROM THE COMMISSION TO THE COUNCIL

**On the application of Annex X to the Staff Regulations
(Council Regulation No 3019/1987 of 5 October 1987)
Year 2003**

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 thirteen reports. They cover the following periods: October 1987-December 1988, 1989, 1990-1991, 1992, 1993, 1994, 1995, 1996, 1997-1998, 1999, 2000, 2001 and 2002.

CHAPTER 1: GENERAL PROVISIONS

ARTICLE 1: RECRUITMENT

Staffing levels of External Service officials, which stood at 853 posts on 31 December 2002 (including 21 posts provided by non-Relex Directorates-General, 1 post frozen as a result of its secondment to the European Reconstruction Agency, and 5 “floaters”), were increased by 100 posts as part of the devolution exercise and reduced by 2 posts under the early retirement scheme, bringing the total to 951 posts at the end of 2003.

On 31 December 2003, 833 of these posts were occupied in delegations.

Note that the third phase of devolution, mainly concerning the ACP region, includes a large number of difficult postings for which there are few applications.

On 31 December 2003, 43 officials had been recruited for the 100 posts of the third phase of the devolution exercise and 25 procedures were under way.

A large number of external recruitment procedures were completed or set in motion: 22 for posts under the third phase of devolution and 12 for posts under the second phase.

33 of these 34 successful candidates come from the reserve list of competition COM/A/6/01.

ARTICLE 2: MOBILITY

Rotation

The rotation arrangements for 2003 covered 140 officials on the list (175 in 2002), of whom:

- 40 moved between delegations (76 in 2002),
- 65 moved from a delegation to headquarters (63 in 2002),
- 7 terminated their service (15 in 2002),
- 28 remained in their posts (21 in 2002).

The principle of alternate postings in delegations and at headquarters resulted in:

- 65 moves from a delegation to headquarters (63 in 2002),
- 63 moves from headquarters to a delegation (67 in 2002).

In all, 175 officials moved under the 2003 rotation exercise (compared to 221 in 2002).

Redeployment

6 posts were reassigned:

- 2 Head of Administration posts (Singapore and Paris) became “floater” posts (officials based at headquarters who provide emergency support for delegations in difficulties),
- 2 internal reorganisations (change of category of finance and contracts posts in Bulgaria and Chile),
- 1 B post redeployed from the Democratic Republic of Congo to Jordan,
- 1 post of Secretary to Head of Delegation redeployed from Croatia to the regional delegation in Guyana.

ARTICLE 3: RETRAINING

In 2003, 52 External Service officials posted back to one of the Relex DGs or departments at headquarters under the rotation policy were the subject of retraining decisions.

CHAPTER 2: OBLIGATIONS

ARTICLE 4: CARRYING OUT DUTIES AT PLACE OF EMPLOYMENT

Nothing to report.

ARTICLE 5: ACCOMMODATION

In 2003 DG Relex continued its work on the accommodation standards applicable in non-EU countries so that administrative responsibilities could be transferred to the delegations.

21 new standards were accordingly approved in 2003.

Another 14 were submitted to DG Budget for approval.

CHAPTER 3: WORKING CONDITIONS

ARTICLES 6, 7 AND 9: ANNUAL LEAVE

Officials serving abroad have continued to make an effort to use their entitlement and reduce excessive carryover of leave, in line with the recommendation from headquarters. Note that despite the increase in staffing levels, in the short term the devolution and administrative decentralisation processes have caused an extra workload, which to some extent has prevented officials from taking the desired amount of leave.

The table below shows that carryovers of more than 14 days have remained fairly stable, in percentage terms, compared with the previous period (42% against 41%) as have carryovers of between 36 and 70 days, which have remained at 6%.

| Year | Number of officials concerned | Carryovers of between 14 and 35 days | Carryovers of between 36 and 50 days | Carryovers of between 51 and 70 days |
|-------------|--------------------------------------|---|---|---|
| 1994/1995 | 590 | 180 | 67 | 25 |
| 1999/2000 | 639 | 171 | 18 | 8 |
| 2000/2001 | 615 | 208 | 24 | 8 |
| 2001/2002 | 680 | 234 | 23 | 19 |
| 2002/2003 | 707 | 253 | 35 | 10 |

Note also that in 2003 authorisation for carryovers of leave of up to 35 working days was decentralised to the level of Head of Delegation.

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

Under its regular annual exercise, the Commission decided on 6 February 2003 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 24 places of employment in 2003 (see Annex I), as against 28 in 2002. 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 11 December 2002, the Commission fixed the living-conditions allowance rates for 2003 as shown in the table in Annex II (3 increases: Solomon Islands from 25% to 35%, Israel (Tel Aviv) and Syria (from 15% to 20%).

ARTICLE 10(2) ADDITIONAL ALLOWANCE

Commission Decisions allocated additional allowances in 2003 to officials in the following posts:

| Delegation | Date of effect | Allowance (%) | Number of officials concerned |
|--|-------------------------------|---------------|-------------------------------|
| West Bank-Gaza Strip (East Jerusalem) – Israel (Tel Aviv) – Jordan (Amman) | from 03.03.2003 to 16.03.2003 | 5 | 24 |
| | from 17.03.2003 to 22.04.2003 | 10 | 24 |
| Syria (Damascus) | from 17.03.2003 to 28.04.2003 | 5 | 8 |
| Central African Republic (Bangui) | from 17.03.2003 to 05.09.2003 | 5 | 4 |
| China (Beijing) – Hong Kong (Hong Kong) – Singapore (Singapore) | from 14.04.2003 to 23.04.2003 | 5 | 27 |
| | from 24.04.2003 to 25.06.2003 | 10 | 27 |

ARTICLES 11 AND 12: ARRANGEMENTS FOR THE PAYMENT OF REMUNERATION

The currency in which officials' remuneration was paid in 2003 breaks down as follows in percentage terms:

- 79% opted to have their salaries paid in euros under Article 11 of Annex X to the Staff Regulations;
- 15% requested payment of part of their remuneration in local currency. Of these, 61% 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 15% and 78%;
- until November 2003, 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;
- a survey conducted by Unit K.2 showed that the conditions on which the 90% maximum limit had been granted no longer applied and it was therefore reduced to 80% as of December 2003;
- lastly, under the second paragraph of Article 12 of Annex X, 6% requested payment of part of their remuneration in a currency other than that of their place of employment (Angola, Georgia, Kazakhstan, Democratic Republic of Congo, Russia and Ukraine), on the basis of the necessary supporting documents.

ARTICLE 13: WEIGHTINGS

On 23 July 2003, the Council adopted Regulation No 1338/2003¹ laying down the weightings applicable to the remuneration of officials of the European Communities serving in third countries from 1 January 2003, and on 9 January 2004, Regulation No 64/2004² laying down the weightings applicable from 1 July 2003.

On 20 November 2003³ the Commission approved the decision adjusting the weightings applicable from 1 February, 1 March, 1 April, 1 May and 1 June 2003.

During 2003, bilateral talks were held between the competent departments of DG Relex and Eurostat on revising the procedures for calculating the weightings and achieving a further improvement in the cost/benefit ratio.

Agreement was reached on a procedure consisting of improving the monitoring over time of weightings in countries where the cost of living is relatively high (which reduces the frequency of more costly geographical comparisons) and of using alternative reliable sources, such as the UN, for monitoring weightings in countries where the cost of living is structurally lower than in Brussels (which allows further savings).

ARTICLE 15: EDUCATION ALLOWANCE

A total of EUR 4 371 421.80 was paid in education allowances for year 2002/2003. The system of paying advances on education allowances to staff incurring particularly high costs was retained. All the advances granted for the 2002/2003 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 2002/2003 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 over and above inflation and extremely high education costs in certain delegations, such as Washington and New York, prompted the Commission to allow the maximum reimbursement to be exceeded.

However, these authorisations were 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, e.g. the Lycée Français, British School, Deutsche Schule or American/International School.

¹ OJ L 189, 29.7.2003, p. 1.

² OJ L 10, 16.1.2004, p. 1.

³ OJ L 308, 25.11.2003, p. 25.

As was the case last year, 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, four officials undergoing retraining were accordingly also allowed to exceed the maximum limit during the 2002/2003 school year.

The total amount paid over and above the maximum for the 2002/2003 school year (including Japan) came to EUR 245 441.10.

Note that the increase in budget expenditure on education allowances is proportional to the steady rise in the number of dossiers for processing.

ARTICLE 16: INSTALLATION AND RESETTLEMENT ALLOWANCES

In 2003, the total amount paid in installation and resettlement allowances (for officials permanently leaving employment) was EUR 2 766 468.64 (as against EUR 3 011 812.79 in 2002).

This amount was broken down as follows:

- Installation allowances
 - EUR 2 141 125.32 was for payments in Belgium and
 - EUR 475 306.73 for payments in local currency with the weighting applied.
- Resettlement allowances
 - EUR 95 069.29 for payments in euros with the weighting applied and
 - EUR 54 967.30 for payments in other currencies 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

This Article was not used in 2003.

ARTICLE 18: TEMPORARY ACCOMMODATION

270 decisions authorising temporary accommodation were taken in 2003 (compared to 187 in 1998, 163 in 1999, 195 in 2000, 184 in 2001 and 318 in 2002).

ARTICLE 19: STAFF CARS/MILEAGE ALLOWANCE

Pending the approval of new standards for the vehicle fleet, which are currently being finalised, the rules for the use of vehicles, in force since 1996 and revised in 1998, still apply.

The amount of the mileage allowance has not changed (EUR 0.26 per km and EUR 0.36 per 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 a derogation from the place of leave was allowed, reimbursement could be claimed up to the same amount. Expenditure in 2003 amounted to EUR 577 569.

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

There were 331 removals in 2003 (266 in 1998, 237 in 1999, 278 in 2000, 324 in 2001 and 358 in 2002), under the rules for the removal of personal effects which were updated in 1997 and implemented in 1998.

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

Article 23 currently applies in 40 cases (10 in 1999, 8 in 2000, 7 in 2001 and 31 in 2002).

SECTION 3: SOCIAL SECURITY

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

In 2003, 33 medical repatriations were authorised by the Medical Service, of which 27 were emergencies and 6 extreme emergencies.

The SOS Air Ambulance annual premium cost EUR 15 525 in 2003.

ARTICLE 25: ACCIDENT COVER FOR DEPENDANTS

There were five claims in 2003 under the accident cover for dependants.

ANNEX I

DETERMINATION OF ENTITLEMENT TO REST LEAVE

(Article 8 of Annex X)

Effective date: 1 January 2003

| Delegation | Frequency | Place |
|--------------------------|------------------|----------------------|
| Afghanistan | 3 x 5 days | Brussels (Belgium) |
| Algeria | 2 x 5 days | Casablanca (Morocco) |
| Angola | 2 x 5 days | Windhoek (Namibia) |
| Bangladesh | 3 x 5 days | Phuket (Thailand) |
| Burundi | 1 x 5 days | Mombassa (Kenya) |
| Cameroon | 1 x 5 days | Libreville (Gabon) |
| Central African Republic | 3 x 5 days | Libreville (Gabon) |
| Congo (Brazzaville) | 2 x 5 days | Libreville (Gabon) |
| Congo (Kinshasa) | 2 x 5 days | Libreville (Gabon) |
| Georgia | 2 x 5 days | Vienna (Austria) |
| Guinea-Bissau | 1 x 5 days | Dakar (Senegal) |
| Guinea (Conakry) | 2 x 5 days | Dakar (Senegal) |
| 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) |
| Papua New Guinea | 3 x 5 days | Darwin (Australia) |
| Rwanda | 1 x 5 days | Mombassa (Kenya) |
| Solomon Islands | 1 x 5 days | Brisbane (Australia) |
| Sierra Leone | 3 x 5 days | Dakar (Senegal) |
| Sudan | 3 x 5 days | Mombassa (Kenya) |
| Chad | 3 x 5 days | Dakar (Senegal) |
| Togo | 1 x 5 days | Libreville (Gabon) |

ANNEX II

**PLACES OF POSTING AND
LIVING-CONDITIONS ALLOWANCE RATES**

(Article 10 of Annex X)

Effective date: 1 January 2003

| 35% | 25% | 20% | 15% | 10% | 0% |
|--------------------------|----------------------|------------------------|-------------------|--------------------|------------------|
| AFGHANISTAN | BENIN | FYROM | SOUTH AFRICA | ARGENTINA | CANADA |
| ALBANIA | CAPE VERDE | SAUDI ARABIA | BOTSWANA | AUSTRALIA | CYPRUS |
| ALGERIA | CHINA (Beijing) | BOLIVIA | CHILE | BARBADOS | MALTA |
| ANGOLA | WEST BANK/GAZA STRIP | BOSNIA AND HERZEGOVINA | CHINA (Hong Kong) | BRAZIL | NORWAY |
| ARMENIA | COLOMBIA | BULGARIA | COSTA RICA | CROATIA | SWITZERLAND |
| BANGLADESH | CÔTE D'IVOIRE | SOUTH KOREA | JAMAICA : | DOMINICAN REPUBLIC | USA (New York) |
| BURKINA FASO | EGYPT | CUBA | JAPAN (Tokyo) | ESTONIA | USA (Washington) |
| BURUNDI | ECUADOR | GABON | JORDAN | HUNGARY | |
| CAMBODIA | ERITREA | ISRAEL (Tel Aviv) | LEBANON | LATVIA | |
| CAMEROON | ETHIOPIA | LESOTHO | MALAYSIA | LITHUANIA | |
| CENTRAL AFRICAN REPUBLIC | FIJI | MEXICO | NEW CALEDONIA | MOROCCO | |
| CONGO (BRAZZAVILLE) | GAMBIA | ROMANIA | PARAGUAY | MAURITIUS | |
| CONGO (KINSHASA) | GHANA | SWAZILAND | SENEGAL | NAMIBIA | |
| DJIBOUTI | GUATEMALA | SYRIA | SINGAPORE | POLAND | |
| GEORGIA | HONDURAS | THAILAND | TAIWAN | SLOVAKIA | |
| GUINEA | INDIA | VANUATU | TURKEY | SLOVENIA | |
| GUINEA-BISSAU | JAPAN (Naka) | YUGOSLAVIA (Belgrade) | | CZECH REPUBLIC | |
| GUYANA | KENYA | ZIMBABWE | | TRINIDAD & TOBAGO | |
| HAITI | LAOS | | | TUNISIA | |
| INDONESIA | MADAGASCAR | | | URUGUAY | |
| KAZAKHSTAN | MALAWI | | | | |
| KYRGYZSTAN | MOZAMBIQUE | | | | |
| LIBERIA | NEPAL | | | | |
| MALI | NICARAGUA | | | | |
| MAURITANIA | UGANDA | | | | |
| NIGER | PERU | | | | |
| | PHILIPPINES | | | | |

| 35% | 25% | 20% | 15% | 10% | 0% |
|---------------------|-------------|-----|-----|-----|----|
| NIGERIA (Abuja) | RUSSIA | | | | |
| PAKISTAN | EL SALVADOR | | | | |
| PAPUA NEW GUINEA | SRI LANKA | | | | |
| RWANDA | SURINAM | | | | |
| SOLOMON ISLANDS | TANZANIA | | | | |
| SIERRA LEONE | UKRAINE | | | | |
| SUDAN | VENEZUELA | | | | |
| TAJKISTAN | VIETNAM | | | | |
| CHAD | ZAMBIA | | | | |
| TOGO | | | | | |
| YEMEN | | | | | |