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**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND
THE COUNCIL**

**on data pertaining to the budgetary impact of the 2018 annual update of remuneration
and pensions of the officials and other servants of the European Union and the
correction coefficients applied thereto**

1. OBJECTIVE OF THE REPORT

The objective of the present report is to fulfil the obligation of the Commission under Article 65(1) of the Staff Regulations and the Conditions of Employment of Other Servants of the European Union (SR) to provide data pertaining to the budgetary impact of remuneration and pensions of Union officials in the light of the 2018 update of the remuneration and pensions of the officials and other servants of the EU and the correction coefficients applied thereto.

The 2018 update of the remuneration and pensions of the officials and other servants of the EU is implemented in accordance with Annex XI to the SR and shall take place before the end of the year. It is based on statistical data prepared by the Statistical Office of the EU in agreement with the national statistical offices of the Member States that reflects the situation as at 1 July 2018 of the Member States.

2. BACKGROUND INFORMATION

Regulation (EU, Euratom) No 1023/2013 of the European Parliament and of the Council of 22 October 2013 amended the mechanism for pay update, known as 'the method', by allowing for an automatic update of all salaries, pensions and allowances. To that effect, the relevant amounts and weightings contained in the SR should be understood as reference amounts and weightings which are subject to a regular and automatic update. Those updated amounts and weightings should be published by the Commission within two weeks after the update in the C series of the Official Journal (OJ) of the EU for information purposes.

Pursuant to Article 65(4) of the SR no update of the remuneration and pensions of the EU staff serving in Belgium and Luxembourg shall be made in the years 2013 and 2014, i.e. no update of the pay check of the EU staff in Belgium and Luxembourg took place in 2013 and 2014. This came on top of the limited adjustment of salaries and pensions for 2011 and 2012 of 0 % and 0.8 % respectively that resulted from the global approach to settle the disputes regarding the 2011 and 2012 adjustments of remuneration and pensions.

EU staff endured a significant loss in terms of real purchasing power in the period 2004-2018 and more than national civil servants in the Member States. During this period the EU staff lost around 10.5 % of their purchasing power, due to the combined effect of the reforms of the Staff Regulations in 2004 and in 2013 and cuts in salary adjustments. Over the same period civil servants in central governments of the Member States lost 1.8 %.

The combined effect of the non-application of the method for salary adjustment in 2011 and 2012 and the freeze of remuneration and pensions in 2013 and 2014 resulted in around € 3 billion savings over the 2014-2020 Multiannual Financial Framework (MFF) and around € 500 million per year in the long-term. Overall the last review of the Staff Regulations generated around € 4.3 billion administrative savings over the MFF. In addition, specific measures with no direct budgetary effect, such as increased working hours and reduced annual leave with no salary compensation are worth around € 1.5 billion for the institutions.

3. LEGAL PROVISIONS ON THE UPDATE OF THE REMUNERATION AND PENSIONS OF THE OFFICIALS AND OTHER SERVANTS OF THE EU AND THE CORRECTION COEFFICIENTS APPLIED THERETO

3.1. Update of the remuneration and pensions of the officials and other servants of the EU (Article 65(1), 2nd paragraph of the SR)

Article 65(1), 2nd paragraph of the SR provides that certain amounts referred therein which fix basic salaries, different allowances and coefficients, shall be updated annually in accordance with Annex XI. The Commission shall publish the updated amounts within two weeks after the update in the C series of the OJ of the EU for information purposes.

Furthermore, Article 65(3) of the SR stipulates that these amounts (referred to in Article 65(1), 2nd paragraph) shall be understood as amounts the actual value of which at a given point in time is subject to update without intervention of another legal act.

Article 65a of the SR provides that the rules for implementing Article 64 and 65 of the SR are set out in Annex XI.

In accordance with Article 3 of Annex XI to the SR, the update of the remuneration and pensions under Article 65 of the SR derives directly from changes in the purchasing power of salaries in national civil services (specific indicator) and the changes in the cost of living in Belgium and Luxembourg (Joint Index).

The specific indicator measures changes in the net remuneration, exclusive of inflation, of national civil servants in Member States' central governments. Eurostat calculates this indicator on the basis of information supplied by the eleven Member States referred to in Article 1(4) of Annex XI.

The Joint Index measures changes in the cost of living in Belgium and Luxembourg for EU officials according to the distribution of staff serving in these two Member States. Eurostat calculates this index on the basis of price information provided by the Belgian and Luxembourgish authorities and staff numbers information from internal databases of the EU institutions.

Furthermore, Article 10 of Annex XI to the Staff Regulations sets a moderation clause i.e. the value of the specific indicator shall be subject to an upper limit of +2 % and a lower limit of -2 %. If the value of the specific indicator exceeds this limit, then the value of the limit shall instead be used to establish the annual update. The limit will then apply with effect from 1 July and the remainder of the annual update shall be applied with effect from 1 April of the following year.

Article 11 of Annex XI to the Staff Regulations sets an exception clause applicable in case of a decrease in the EU total gross domestic product. The exception clause shall apply if the value of the specific indicator is positive, but there is a decrease in the EU total gross domestic product for the current year. In such a case only part of the specific indicator shall be used to calculate the annual update and the remainder shall be delayed or not paid at all.

3.2. Update of the correction coefficients applied to the remuneration and pensions of the officials and other servants of the EU within the EU (Article 64, 2nd paragraph)

Under Article 64 of the SR an official's remuneration expressed in euros shall be weighted at a rate above, below or equal to 100 %, depending on living conditions in the various places of employment. No correction coefficient shall be applicable in Belgium and Luxembourg, having regard to the special referential role of those places of employment as principal and original seats of most of the institutions.

Furthermore, the correction coefficients shall be created or withdrawn as well as annually updated in accordance with Annex XI. With respect to the update, all values shall be understood as reference values. The Commission shall publish the updated values within two weeks after the update in the C series of the OJ of the EU for information purposes.

In accordance with Article 3 of Annex XI to the SR, the update of the correction coefficients applicable to remuneration and pensions shall be determined on the basis of the ratios between the corresponding economic parities referred to in Article 1 of Annex XI and the exchange rates specified in Article 63 of the SR for the relevant countries.

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

The economic parities for pensions establish the purchasing power equivalence of the pension paid in Belgium, as the reference country, with that paid in the other countries of residence. Eurostat calculates those parities in agreement with the national statistical bodies. Under Article 20 of Annex XIII to the Staff Regulations, the weightings apply only to the part of the pension corresponding to pension rights acquired before 1 May 2004. The minimum applicable correction coefficient to pensions shall be 100.

Under Article 17(3) of Annex VII to the Staff Regulations, specific weightings are applicable to certain transfers made by officials and other servants.

3.3. Update of the weightings applicable to the remuneration of officials, temporary staff and contract staff of the EU serving in third countries (Article 13(1) of Annex X to the SR)

Articles 11, 12 and 13 of Annex X to the SR lay down provisions on payments of remuneration to officials and other servants serving in third countries. Remuneration shall be paid in euros in the EU and shall be subject to the weighting applicable to the remuneration of officials employed in Belgium, however upon request of an official all or part of it may be paid in the currency of the country of employment. In that event, it is subject to the weighting for this place of employment and is converted on the basis of the corresponding exchange rate.

In order to ensure as far as possible that officials, temporary and contract staff of the Union enjoy equivalent purchasing power irrespective of their place of employment, the weighting shall be updated once a year according to the rules laid down in Annex XI to the SR. With respect to the update, all values shall be understood as reference

values. The Commission shall publish the updated values within two weeks after the update in the C series of the OJ of the EU for information purposes.

To establish the purchasing power equivalence of the remuneration paid in Brussels with that paid in the other places of employment, Eurostat calculates the economic parities. The weighting is the factor obtained by dividing the economic parity by the exchange rate. The exchange rates used are established in accordance with the rules for the implementation of the general budget of the EU and correspond to the date of application of the weightings.

3.4. Intermediate update of the remuneration and pensions of the officials and other servants of the EU within the EU (Article 65(2) of the SR)

Article 65(2) provides that in the event of a substantial change in the cost of living, the amounts referred to in Article 65(1) and the weightings referred to in Article 64 shall be updated in accordance with Annex XI. The Commission shall publish the updated amounts and weightings within two weeks after the update in the C series of the OJ of the EU for information purposes.

In accordance with Article 4(1) of Annex XI to the SR, an intermediate update of remuneration and pensions, taking effect on 1 January, shall be effected in the event of a substantial change in the cost of living between June and December (by reference to the sensitivity threshold defined in Article 6 of Annex XI to the SR) and with due allowance being made for the forecast of the change in purchasing power during the current annual reference period. The intermediate updates shall be taken into account in the annual salary update.

Furthermore, under Article 6 of Annex XI to the SR, intermediate update is to be made for all places (including Brussels and Luxembourg) if the sensitivity threshold has been reached or exceeded in Brussels and Luxembourg. If that sensitivity threshold for Brussels and Luxembourg is not reached, intermediate update is only to be made for those places where the sensitivity threshold has been reached or exceeded.

In accordance with Article 7 of Annex XI to the SR, the amount of the intermediate update shall be the Joint Index, multiplied, where appropriate, by half of the specific indicator forecast if this is negative.

The correction coefficients are the ratio between the relevant economic parity and the exchange rate provided for in Article 63 of the SR multiplied, if the sensitivity threshold is not reached in Belgium and Luxembourg, by the amount of the update.

3.5. Interim updates of the weightings applicable to the remuneration of officials, temporary staff and contract staff of the EU serving in third countries (Article 13(2) of Annex X to the SR)

Further to the annual update of the remuneration of officials, temporary staff and contract staff of the EU serving in third countries pursuant to Article 13(1) of Annex X to the SR (*see point 3.3 above*), where in the case of a given country, the variation in the cost of living measured on the basis of the weighting and the corresponding exchange rate is found to have exceeded 5 % since the last update, an interim update of the weighting shall take place in accordance with the procedure laid down in Article 13(1) of Annex X to the SR.

To establish the purchasing power equivalence of the remuneration paid in Brussels with that paid in the other places of employment, Eurostat calculates the economic parities. The weighting is the factor obtained by dividing the economic parity by the exchange rate. The exchange rates used are established in accordance with the rules for the implementation of the general budget of the EU and correspond to the date of application of the weightings.

4. 2018 UPDATES OF THE REMUNERATION AND PENSIONS OF THE OFFICIALS AND OTHER SERVANTS OF THE EU AND THE CORRECTION COEFFICIENTS APPLIED THERETO

The Commission takes note of the various updates of the remuneration and pensions of the officials and other servants of the EU, which are being implemented in accordance with Annex XI to the SR during the reference period of twelve months to 1 July 2018 and which take place before the end of 2018. These updates, as listed in point 4 below, are based on statistical data prepared by the Statistical Office of the EU in agreement with the national statistical offices of the Member States that reflects the situation as at 1 July 2018 of the Member States¹.

4.1. 2018 Update of the remuneration and pensions of the officials and other servants of the EU (Article 65(1), 2nd paragraph of the SR)

In accordance with Article 1 of Annex XI to the SR, Eurostat has drawn up a report on changes in the cost of living in Belgium and Luxembourg, changes in the purchasing power of remuneration in national civil services, and the economic parities from which the various weightings derive².

The average change in the purchasing power of national civil servants' remuneration in the reference period measured by the specific indicator is equal to -0.4 %.

¹ In particular, the following Eurostat reports are referred to:

- Eurostat Report of 31 October 2018 on the 2018 annual update of remuneration and pensions of EU officials in accordance with Articles 64 and 65 and Annexes XI to the Staff Regulations, applicable to officials and other servants of the European Union, adjusting with effect from 1 July 2018 the remuneration of active staff and the pensions of retired staff, and updating with effect from 1 July 2018 the correction coefficients applied to the remuneration of active staff serving in Intra-EU and Extra-EU duty stations, to the pensions of retired staff according to their country of residence, and for pension transfers.
- Eurostat Report of 3 May 2018 on the intermediate update of remuneration and pensions of EU officials in accordance with the Articles 64, 65 and Annex XI of the Staff Regulations applicable to officials and other servants of the European Union.
- Eurostat Reports of 24 April 2018 and 10 October 2018 on the interim update of weightings (correction coefficients) applicable to the remuneration of officials, temporary staff and contract staff of the European Union serving in Extra-EU Delegations in accordance with Article 64 and Annex X and Annex XI of the Staff Regulations applicable to officials and other servants of the European Union.

² Eurostat Report of 31 October 2018 on the 2018 annual update of remuneration and pensions of EU officials in accordance with Articles 64 and 65 and Annexes XI and of the Staff Regulations, applicable to officials and other servants of the European Union, adjusting with effect from 1 July 2018 the remuneration of active staff and the pensions of retired staff, and updating with effect from 1 July 2018 the correction coefficients applied to the remuneration of active staff serving in Intra-EU and Extra-EU duty stations, to the pensions of retired staff according to their country of residence, and for pension transfers.

The change in the cost of living in Belgium and Luxembourg in the reference period, as measured by the Joint Index calculated by Eurostat is equal to + 2.1 %. According to Article 3(2) of Annex XI to the SR, the amount of the update is obtained by multiplying together the specific indicator and the Joint Index calculated by Eurostat. The update of the remuneration and pensions in Belgium and Luxembourg is therefore 1.7 %. Under Article 3(5) of Annex XI to the SR, no weighting is applicable in Belgium or Luxembourg.

The global specific indicator (- 0.4 %) is above the threshold required to trigger the moderation clause (lower limit of - 2 %), which therefore does not apply.

As the forecast evolution of GDP in real terms is positive (+ 2.3 %)³, the exception clause does not apply.

Hence, by the end of 2018 the Commission is going to publish in the C series of the OJ the updated amounts referred to Article 65(1), 2nd paragraph of the SR applicable from 1 July 2018 to the remuneration and pensions of officials and other servants of the European Union, as shown in Annex I of the present report.

4.2. 2018 Update of the correction coefficients applied to the remuneration and pensions of the officials and other servants of the EU within the EU (Article 64, 2nd paragraph)

In accordance with Article 1 of Annex XI to the SR, Eurostat has drawn up a report on changes in the cost of living in Belgium and Luxembourg, changes in the purchasing power of remuneration in national civil services, and the economic parities from which the various weightings derive⁴.

Outside Belgium and Luxembourg, the update to remuneration and pensions is obtained by multiplying the adjustment in Belgium and Luxembourg by the change in weightings and in the exchange rate.

The weightings applicable to remuneration, pensions and transfers of part of remuneration have been calculated by Eurostat as follows:

4.1.1. Weightings for staff outside Belgium and Luxembourg

Eurostat has calculated, in agreement with the national statistical bodies the economic parities which establish the purchasing power equivalence of the remuneration paid in Brussels with that paid in the other places of employment as at 1 July 2018.

The weightings applicable to the remuneration of officials and other servants employed in the Member States other than Belgium and Luxembourg are determined by the ratios between these economic parities and the exchange rates applicable as at 1 July 2018.

Hence, by the end of 2018 the Commission is going to publish in the C series of the OJ the correction coefficients applicable from 1 July 2018 to the remuneration and pensions of officials and other servants of the European Union as shown in Annex I of the present report.

³ The European Economic Forecast issued by DG ECFIN on 3 May 2018 estimated that the GDP growth for the EU as a whole for 2018 in real terms will be + 2.3 %, and stable in 2019 at + 2.0 %.

⁴ Eurostat Report of 31 October 2018 on the 2018 annual update of remuneration and pensions of EU officials (*see footnote 2 above*).

4.1.2. *Weightings for PENSIONS outside Belgium and Luxembourg and weightings for TRANSFERS:*

Eurostat has calculated, in agreement with the national statistical bodies, the economic parities which establish the purchasing power equivalence of the pension paid in Belgium with that paid in the other countries of residence as at 1 July 2018.

The weightings calculated for the pensions of individuals living outside Belgium and Luxembourg in the various countries are determined by the ratios between these economic parities and the exchange rates applicable as at 1 July 2018. Under Article 20 of Annex XIII to the SR, the weightings apply only to the part of the pension corresponding to pension rights acquired before 1 May 2004.

Under Article 17 of Annex VII to the SR, these weightings are directly applicable to transfers made by officials and other servants.

Hence, by the end of 2018 the Commission is going to publish in the C series of the OJ the correction coefficients applicable from 1 July 2018 to the pensions paid outside Belgium and Luxembourg and the weightings for transfers of officials and other servants of the European Union as shown in Annex I of the present report.

4.3. 2018 Update of the weightings applicable to the remuneration of officials, temporary staff and contract staff of the EU serving in third countries (Article 13(1) of Annex X to the SR)

The statistics available to the Commission included a list of 145 places of employment. However economic parities were not presented where data was unavailable or unreliable due to local instability of other reasons.

The correction coefficients for all extra-EU places of employment were calculated at 1 July 2018. The annual update sets out the weightings derived from the parities communicated by Eurostat for 1 July 2018.

Hence, by the end of 2018 the Commission is going to publish in the C series of the OJ the weightings applicable from 1 July 2018 to the remuneration of officials, temporary staff and contract staff of the EU serving in third countries, as shown in Annex II of the present report.

4.4. 2018 Intermediate update of the remuneration and pensions of the officials and other servants of the EU within the EU (Article 65(2) of the SR)

In accordance with Article 4 of Annex XI to the SR, the remuneration and pensions in those places in which there has been a substantial change in the cost of living had to be updated.

Eurostat has calculated, in agreement with the national statistical bodies⁵ that the change in the cost of living for Belgium and Luxembourg, measured by the Joint Index, over the period from June 2017 to December 2017 was 1.0 %.

Changes in the cost of living outside Belgium and Luxembourg during the reference period were measured by the implicit indices calculated by Eurostat⁶. These indices were calculated by multiplying the Joint Index by the change in the economic parity.

⁵ Eurostat Report of 3 May 2018 on the intermediate update of remuneration and pensions of EU officials in accordance with the Articles 64, 65 and Annex XI of the Staff Regulations applicable to officials and other servants of the European Union.

The sensitivity threshold for a substantial change in the cost of living is the percentage corresponding to 6 % for a twelve-month period (3 % for a six-month period).

Since the Joint Index for the reference period (June 2017 – December 2017) was 101.0 (i.e. + 1.0 %), this variation remained within the specified threshold (± 3.0 %). In consequence, no intermediate update of the nominal remuneration and pension of European officials in Belgium and Luxembourg was required.

The correction coefficients are the ratio between the relevant economic parity and the exchange rate multiplied, if the sensitivity threshold is not reached for Brussels and Luxembourg, by the amount of the intermediate update.

Eurostat has calculated, in agreement with the national statistical bodies⁷ that there is no Intra-EU duty station which has an implicit price index which exceeds the specified threshold for the period. In consequence, no intermediate update of the correction coefficients applicable to remuneration of officials and other servants of the European Union was required.

Likewise, Eurostat has calculated, in agreement with the national statistical bodies⁸ that there was no EU Member State which has an implicit price index exceeding the threshold for the period. In consequence, no intermediate update to the correction coefficients calculated by Eurostat for pensions in those countries was required.

Hence, no publication by the Commission in the C series of the OJ of any intermediate update of the correction coefficients applicable from 1 January 2018 to the remuneration and pensions of the officials and other servants of the EU serving within the EU was necessary.

4.5. 2018 Interim updates of the weightings applicable to the remuneration of officials, temporary staff and contract staff of the EU serving in third countries (Article 13(2) of Annex X to the SR)

4.1.3. For the period August 2017 – January 2018

The statistics available to the Commission⁹ showed that for certain third countries the variation in the cost of living measured on the basis of the weighting and the corresponding exchange rate had exceeded 5 % since weightings applicable to remuneration of officials, temporary staff and contract staff of the European Union serving in third countries and payable in the currency of their country of employment had been last laid down i.e. since 1st July 2017.

In accordance with the second paragraph of Article 13 of Annex X to the SR in such case an interim update of the weighting had to take place in accordance with the procedure laid down in Annex XI to the SR.

⁶ *Idem*

⁷ *Idem*

⁸ *Idem*

⁹ Eurostat Report of 24 April 2018 on the interim update of weightings (correction coefficients) applicable to the remuneration of officials, temporary staff and contract staff of the European Union serving in Extra-EU Delegations in accordance with Article 64 and Annex X and Annex XI of the Staff Regulations applicable to officials and other servants of the European Union.

The interim update set out the weightings derived from the parities communicated by Eurostat for 1 August, 1 September, 1 October, 1 November, 1 December 2017 and 1 January 2018, respectively.

Hence, on 13 June 2018 the Commission published in the C series¹⁰ of the OJ six monthly tables showing which countries are affected, respective weightings and the applicable dates for each one.

4.1.4. *For the period February 2018 – June 2018*

The statistics available to the Commission¹¹ shows that for certain third countries the variation in the cost of living measured on the basis of the weighting and the corresponding exchange rate had exceeded 5 % since weightings applicable to remuneration of officials, temporary staff and contract staff of the EU serving in third countries and payable in the currency of their country of employment had been last laid down.

In accordance with the second paragraph of Article 13 of Annex X to the SR in such case an interim update of the weighting had to take place in accordance with the procedure laid down in Annex XI to the SR.

The interim update set out the weightings derived from the parities communicated by Eurostat for 1 February, 1 March, 1 April, 1 May and 1 June 2018, respectively.

Hence, by the end of 2018 the Commission is going to publish in the C series of the OJ five monthly tables showing which countries are affected, respective weightings and the applicable dates for each one, as shown in Annex III of the present report.

5. BUDGETARY IMPACT OF THE REMUNERATION AND PENSIONS OF THE OFFICIALS AND OTHER SERVANTS OF THE EU AND THE CORRECTION COEFFICIENTS APPLIED THERETO

This section provides a detailed estimate of the budgetary impact of the updates affecting EU staff remuneration and pensions in 2018.

5.1. 2018 Update of the of the remuneration and pensions of the officials and other servants of the EU (Article 65(1), 2nd paragraph of the SR)

The update of the amounts referred to in Article 65(1), second paragraph of the SR has a financial impact on all budgetary lines related to staff expenditure in all institutions and agencies.

In EUR million

Heading V			Other headings (I to IV)		
<i>Year</i> <i>2018</i>	<i>Year</i> <i>2019</i>	<i>Subsequent</i> <i>years</i>	<i>Year</i> <i>2018</i>	<i>Year</i> <i>2019</i>	<i>Subsequent</i> <i>years</i>

¹⁰ OJ C/203/13 of 13 June 2018.

¹¹ Eurostat Report of 10 October 2018 on the interim update of weightings (correction coefficients) applicable to the remuneration of officials, temporary staff and contract staff of the European Union serving in Extra-EU Delegations in accordance with Article 64 and Annex X and Annex XI of the Staff Regulations applicable to officials and other servants of the European Union.

Estimated impact on expenditures	+ 54.4	+ 108.9	+ 108.9	+ 14.3	+ 28.5	+ 28.5
Estimated impact on revenues	+ 9.5	+ 19.0	+ 19.0	+ 2.4	+ 4.8	+ 4.8

5.2. 2018 Update of the correction coefficients applied to the remuneration and pensions of the officials and other servants of the EU within the EU (Article 64, 2nd paragraph & Article 20(1) of Annex XIII)

The update with effect on 1st July 2018 of the correction coefficients applied to the remuneration and pensions of EU staff in the Member States but outside Brussels and Luxembourg has a financial impact on several budgetary lines related to staff expenditure.

In EUR million

	Heading V			Other headings (I to IV)		
	<i>Year 2018</i>	<i>Year 2019</i>	<i>Subsequent years</i>	<i>Year 2018</i>	<i>Year 2019</i>	<i>Subsequent years</i>
Estimated impact on expenditures	- 0.3	- 0.7	- 0.7	+ 3.9	+ 7.8	+ 7.8

5.3. 2018 Update of the weightings applicable to the remuneration of officials, temporary staff and contract staff of the EU serving in third countries (Article 13(1) of Annex X to the SR)

The annual update with effect on 1st July 2018 of the weightings applied to the remuneration of EU staff affected in third countries has a financial impact on several budgetary lines related to staff expenditure within Heading V.

In EUR million

Heading V		
<i>Year 2018</i>	<i>Year 2019</i>	<i>Subsequent years</i>

Estimated impact on expenditures	- 1.2	- 2.4	- 2.4
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5.4. 2018 Interim updates of the weightings applicable to the remuneration of officials, temporary staff and contract staff of the EU serving in third countries (Article 13(2) of Annex X to the SR)

5.1.1. For the period August 2017 – January 2018

The interim update with effect on 1st August 2017, 1st September 2017, 1st October 2017, 1st November 2017, 1st December 2017 and 1st January 2018 of certain weightings applied to the remuneration of EU staff affected in third countries has a financial impact on several budgetary lines related to staff expenditure within Heading V.

In EUR million

	Heading V		
	<i>Year 2018</i>	<i>Year 2019</i>	<i>Subsequent years</i>
Estimated impact on expenditures	+ 0.2	+ 0.4	+ 0.4

5.1.2. For the period February 2018 – June 2018

The interim update with effect on 1st February 2018, 1st March 2018, 1st April 2018, 1st May 2018 and 1st June 2018 of certain weightings applied to the remuneration of EU staff affected in third countries has a financial impact on several budgetary lines related to staff expenditure within Heading V.

In EUR million

	Heading V		
	<i>Year 2018</i>	<i>Year 2019</i>	<i>Subsequent years</i>
Estimated impact on expenditures	- 0.5	- 1.0	- 1.0

Annexes:

- (1) Draft Publication in the C series of the Official Journal of the EU – 2018 Update of the remuneration and pensions of the officials and other servants of the EU and the correction coefficients applicable thereto
- (2) Draft Publication in the C series of the Official Journal of the EU – 2018 Update of the weightings applicable to the remuneration of officials, temporary staff and contract staff of the EU serving in third countries
- (3) Draft Publication in the C series of the Official Journal of the EU – Interim update of the weightings applicable to the remuneration of officials, temporary staff and contract staff of the EU serving in third countries for the period February 2018 – June 2018