Amending budget 3/2010: modifications BEREC Office (Body of the European Regulators for Electronic Communications)

2010/2046(BUD) - 19/03/2010 - Commission draft budget

PURPOSE: presentation of the draft amending budget No 2 to the general budget 2010 with a view to providing additional financial resources to the European Economic and Social Committee and the Committee of the Regions to finance the consequences of the entry into force of the Lisbon Treaty.

CONTENT: Draft Amending Budget (DAB) No 2 for the year 2010 covers the following elements:

- impact related to the entry into force of the Lisbon Treaty for the European Economic and Social Committee (**EESC**), and the Committee of Regions (**CoR**), as adopted in their respective draft statement of estimates;
- modifications to the establishment plan of **BEREC** (Body of European Regulators for Electronic Communications) Office, without additional financial provisions.

The net financial impact of this amending budget is **EUR 10.5 million** in additional commitments and payments appropriations under heading 5 of the multiannual financial framework.

Impact related to the entry into force of the Lisbon Treaty: during the 2010 budget procedure, it was agreed that priority for the use of the available margin of heading 5 would be given to financing additional expenditure directly stemming from the entry into force of the Lisbon Treaty amending the Treaty on European Union and the Treaty establishing the European Community. This implied that the corresponding additional expenditure would have to be dealt with, if necessary, through an amending budget after the adoption of the original 2010 budget. It was emphasised that, in such a case and to the fullest possible extent, reorganisation of existing resources should be fully examined before any call for additional resources was made.

1) European Economic and Social Committee: the EESC has undertaken detailed analyses of the implications and consequences of the full implementation of the Lisbon Treaty. In undertaking these analyses and discussions, the Committee has in particular considered:

- new (energy, European research area, sport) or extended policy areas in the Treaty which will necessarily result in more formal consultations of the Committee and new possibilities for an increased role in some areas in which the EESC is already regularly consulted;
- the Committee's potential role as the platform, at EU level, for structured dialogue between the EU's institutions and organised civil society, working in partnership with those institutions,
- the Committee's possible role with regard to the implementation of the citizens' right of initiative;
- the Committee's potential monitoring role in verifying that the horizontal social clause in the new Treaty is respected and that social requirements are taken into account;
- the need for the Committee to adapt its structures and procedures so as to be able to deliver its opinions to the European Parliament in a timely way.

As a result of its reflections and calculations, the Committee requests following additional resources to fully implement the provisions of the Lisbon Treaty: **EUR 4.14 million over a period of 6 months**, including **22 new posts** (14 AD5, 6 AD9, and 2 AST3). In addition, the EESC requests the **conversion of 3 AST into 3 AD posts** without requiring additional appropriations for the requested conversions.

2) Committee of the Regions: the increase in competences attributed by the Lisbon Treaty to the Committee of Regions (CoR) implies a substantial increase in its activities and its workload:

- the Treaty strengthens significantly the EU's local and regional dimension through the definition of territorial cohesion as a new objective and the recognition of the new role of Local and Regional Authorities in the pre-legislative phase and in legislative impact assessment. It also highlights these authorities' key role in the organisation of services of general interest. In these areas the Committee must carry out its role as a lever between the local and regional authorities and the EU institutions in its capacity as their representative political body. As a consequence, these areas will become part of the core business of the CoR in its day to day activities;
- the Treaty makes explicit reference to the regional and local dimension of the subsidiarity principle with, "as a corollary" the CoR's right to take an action to the European Court of Justice. The evaluation of the territorial impact of any EU legislation in all policy areas which could potentially impact on territories together with the impact assessment of EU initiatives implies the need to reinforce the legal analysis of the EU legislative acts during the different phases of their adoption procedure and a permanent follow up of the CoR opinions;
- the existing Treaty provided for 10 areas on which the CoR had to be consulted. The Lisbon Treaty adds one new area (Energy) on which the CoR must be consulted and extends/deepens further 5 of the 10 existing ones. Furthermore, given the obligation now incumbent upon the European Parliament to consult the CoR, the CoR must be in a position to deliver quality opinions on a timely basis.

A proper implementation of these new competences and tasks implies a significant increase in the activities of the CoR. To manage this increase using only existing resources would require a significant reallocation of these resources plus the setting of negative priorities. To fulfil properly the extended tasks and responsibilities, additional financial and human resources are required. It is estimated an additional **EUR 6.4 million** (an increase of 8% on the current 2010 budget) and **37 new additional posts** including 6 temporary posts for the secretariats of the political groups and the President's Cabinet will be required.

The BEREC Office:for 2010, the budgetary authority allocated an amount of EUR 3.47 million for the Office providing professional and administrative support services to BEREC. Given the uncertainty surrounding the legal basis when presenting the Preliminary Draft Budget 2010, and pending agreement with the European regulators, the establishment plan adopted in the final 2010 budget only included the total number of staff by function groups but no breakdown by grades. To enable the Commission to set up the BEREC Office and hire the staff necessary to support its work, it is therefore necessary to amend the 2010 establishment plan in order to include the detailed establishment plan by grades, and allow the BEREC Office to fulfil all the conditions to become autonomous and carry out its mission in accordance with the adopted legal basis. The **proposed modification does not require any additional spending**, as the corresponding administrative appropriations have already been authorised in the 2010 budget. It does not change the total number of staff for each function group.

Conclusion: in total, an additional amount of **EUR 10 530 924** is requested from the budgetary authority and shall be added to heading 5 of the 2010.