

# 2005 discharge: EC general budget, Committee of the Regions CofR

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**PURPOSE:** presentation of the final annual accounts of the European Community for the financial year 2005 – Other institutions : Section VII – Committee of the Regions.

**CONTENT:** this document sets out the amount of expenditure and the financial statement of the Committee of the Regions (CoR) for 2005 and presents an analysis of its financial management. The available appropriations set out in the Committee's 2005 budget amounted to EUR 59.8 million, with a 96% utilisation rate

**Main axes of 2005 expenditure:** the budget implementation is characterised by the continuation of the consolidation of the Committee's institutional role within the EU.

In this context, **6 priority policy areas** have been defined around which the implementation of the 2005 budget is centred:

1. **territorial cohesion and financial perspectives:** special attention has been given to the preparation of the 2007-2013 financial perspectives and in particular the structural operations of the new financial framework;
2. **the debate on the European Constitution:** the CoR, in association with other institutions, has set up forums and debates on the new Constitution;
3. **Lisbon Strategy:** the CoR has centred its efforts on the social implications of the Lisbon Strategy and in particular in terms of employment. It also concentrated on the Agenda for social policy, the Community action programme on health and future investments in education and training, research, information society and eEurope 2010;
4. **review of the sustainable development strategy:** the CoR seeks to influence the Community debate which aims to place environment policy at the heart of the European debate;
5. **area of freedom, security and justice:** the CoR seeks to influence the debate so that future programmes take account of the regional dimension of the AFSJ;
6. **application of the subsidiarity principle in regional policy:** in the context of the Constitution, the region dimension and impact of the Committee of the Regions should be strengthened.

On an **internal level**, the Secretary General of the CoR continued to improve internal services. As regards administration, this is marked by the continued reform process which started in 2004.

Other salient issues of the CoR's budget implementation can be summarised as follows:

**Title I (Staff costs):** this budget item shows the effects of the enlargement process. The institution's budget was respected however certain issues were highlighted:

- mission costs and travel expenses: an implementation rate of 60% (consequently EUR 125 000 was carried over to 2006). Overall, this amount has increased given the arrival of the new members which necessitates more travel abroad. This item was also used to organise a special Summit in Wroclaw;
- reception costs: showed an implementation rate of 28% ( part of this amount has been carried over to 2006 in order to reconcile reimbursement invoices which arrived later than expected);

- interinstitutional cooperation (notably concerning translation): is behind with a 42% implementation rate. Substantial amounts have been paid to the Translation Centre for earlier work.

It should be noted that the support costs for translation (EUR 500 000 in 2005) were used at a rate of 96.5%. Most of this amount was used for external translations of the new languages.

**Title II** (Operational expenditure): this heading was characterised by;

- building projects in 2005 and the relationship with the Economic and Social Committee;
- the maintenance of Belliard 68 and Belliard 99/101;
- the renovation of the “Trèves” building; the contract for the last “enlargement” building was signed on 2 December 2005;
- the prospect of future enlargement (in particular for the Van Maerlant II and another part of the Montoyer building).

As regards building acquisition, 2005 has shown less significant investment in this area.

**For further details concerning the Committee’s expenditure in 2005, please refer to the annexed detailed analysis of expenditure.**