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ON BUILDINGS POLICY AND INFRASTRUCTURES IN BRUSSELS

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1. INTRODUCTION

The decision taken by the Member States in Edinburgh on 12 December 1992 to fix the headquarters of the European Commission in Brussels allowed a start to be made on planning the building needs set out in the communication of 1996 on buildings policy in Brussels and Luxembourg¹ and that of 1999 on buildings policy in Brussels².

The communications stress three principal objectives:

- the rational installation of services and better working conditions for staff,
- greater use of the purchasing option,
- intensification of the dialogue with the Belgian authorities with a view to reconciling the Commission's building needs with urban planning and the wishes of local residents, reflecting the impact of the Commission's buildings policy on the urban environment of Brussels.

At the end of 2003, the Commission occupies 734 000 m² of office space and the Institutions as a whole almost 1 600 000 m², or around 45% of all office space in the European Quarter.

These figures show the increasing importance of the Institutions in economic terms. Their presence has a considerable financial impact³ and the positive contribution of their operating expenditure to the economy of the Brussels region was estimated in 1998 at 27 billion Belgian francs⁴. To this must be added the economic impact of the presence of the personnel of the Institutions and their families, a total of more than 50 000 people. Finally, a range of sectors have developed, including the European schools, the diplomatic corps, the press corps, the representations, international associations and interest groupings connected with the European Union, banks and business services, which all make a financial contribution to the local economy and the budgets of the Belgian authorities.

As regards town planning, architecture in the European Quarter is of varying quality, the area is an enclave, which creates traffic problems, and the monopoly of administrative and service activities has created an imbalance.

Against this background, the Commission has set itself the goal of participating fully in the harmonious development of the European Quarter in order, by means of its buildings and its initiatives, to make an effective contribution to improving the image of Europe, in accordance with its policies, in particular in the social, environmental and energy fields. This includes improving the working conditions of staff, including as regards travel between the home and the workplace, and improving access for disabled people.

Since the buildings policy adopted by the Commission has a direct effect on the working conditions of its staff, in particular in the areas of health and safety at work and social welfare

¹ SEC(96) 1095 final of 18 June 1996.

² COM(1999) 713 final of 16 December 1999.

³ "The socio-economic impact of the European and international Institutions in the Brussels Region" – Irises consulting, 1998.

⁴ Of an estimated total of 42 billion francs for Belgium as a whole in that year. This sum of 27 billion Belgian francs is equal to approximately €670 000 000.

policy, it must be implemented with due regard for the statutory powers of the Staff Committee and the relevant joint committees⁵.

So, although this is still the goal and the objectives set out in the communications of 1996 and 1999 remain relevant, a more comprehensive approach is required to buildings policy and the development of Commission infrastructures over the medium term, targeted on achieving four aims:

- integrating the Commission's buildings into the urban fabric, to reflect the role of the Institution and redefine its image,
- improving the accessibility and quality of Commission buildings,
- improving mobility within Brussels,
- improving the working environment and conditions of staff, in conjunction with social policy, including as regards travel between the home and the workplace.

These four aims must form the basis for the development of buildings policy and infrastructures in Brussels over the coming years.

This quality-based approach must take account of enlargement and the corresponding increase in staff numbers and need to integrate officials from the new Member States, which will require the reorganisation of the Commission's buildings and social infrastructures.

At the end of 2003, the situation in Brussels as regards office space is problematic and there is a shortage of places in crèches and after-school centres.

What is more, the concentration of buildings of all the Institutions within the restricted area of the European Quarter has a direct impact on rents and purchase prices and on the management of office space.

While the annual cost of buildings has remained relatively stable over recent years, taking account of the area occupied⁶, this situation is probably going to change. Several economic and/or technical indicators point to rising pressure on prices in the European Quarter. In addition, buildings costs are destined to increase in 2005 with the acquisition of the Berlaymont building and then later on with the new JECL building.

This situation calls for a series of measures to reconcile increased needs with budgetary constraints and to seek, within the existing budgetary framework, better efficiency by:

- adopting a strategy of building purchases and the development of advantageous financing methods,
- examining how the Commission could locate some of its departments outside the European Quarter,
- strengthening cooperation between Institutions.

⁵ CSHT, COCEPE, CPRE, COPAS, CASS.

⁶ The cost was €123 million for 612 000 m² in 1996 and €158.2 million for 734 000 m² in 2003.

The idea of cooperation, or even partnership, between the Institutions and the Belgian authorities is also supported by the urban plan for the European Quarter⁷ presented on 3 October 2003 on the initiative of the Belgian Government. The Commission must indicate the position it intends to adopt with regard to the range of proposals put forward in the plan.

The decisions and guidelines proposed below will serve as a basis for the multiannual programmes of the Office for Infrastructure and Logistics in Brussels (OIB), in operation since 1 January 2003. They will be incorporated from 2004 in the OIB's annual work programmes and will be carried out in compliance with the administrative rules laid down by the Commission for the implementation of its policy in this field⁸.

This policy aims to promote the rational development of the European Quarter in accordance with Brussels' status as the symbol of Europe.

2. PRINCIPLES FOR ACTION

2.1. Integrating the Commission's buildings into the urban fabric

There are three possible types of measure under this heading: diversifying activities in the European Quarter, developing Europe's image through its buildings and helping to define the urban planning framework.

2.1.1. Diversifying activities in the European Quarter

The diversification of activities in the European Quarter must be based on encouraging a mix of office space, shops and housing.

Developing housing and shops will recreate a sense of community allowing solutions to be found to recurrent problems such as insecurity in streets that are deserted at certain times and a lack of access to local services.

With regard to housing within the European Quarter, the Commission is in principle in favour, on condition that the authorities responsible for granting planning permission take steps to control property development in the area.

As for commercial activities, the Commission undertakes to encourage areas open to the public, in particular shops, on the ground floor of its buildings.

The types of activity concerned must comply with the health and safety requirements, which will be incorporated in the standard building criteria, and must be in keeping with the image of the Institution.

2.1.2. Developing Europe's image

The image offered by the European Quarter must be improved, as far as possible in cooperation with the Belgian authorities, by improving town planning and endeavouring to increase the architectural quality of the buildings occupied by the Commission.

⁷ Ombudsplan Bru/Eur Médiateur – Aries consultants. Study commissioned by the Prime Minister's Office and the Office of the President of the Brussels Region.

⁸ C(2003)570/5 of 22 July 2003.

If Europe's image is to be developed, the quality of its buildings must be improved. This involves choosing quality architecture that combines efficiency, sobriety and attractiveness and ensuring that each building conveys a welcoming, open image.

The first objective of quality architecture does not conflict with budgetary constraints but depends on:

- the ability to plan purchases or rentals in order to pre-empt the choices made by promoters and architects while taking account of administrative constraints⁹. The role assigned by the Commission to the OIB¹⁰, in particular the drawing up of a multiannual buildings policy programme, meets this need;
- the possibility of the OIB's architects giving their opinion on architectural projects if they are submitted to them at a sufficiently early stage in their development;
- the launching, after evaluation of the budgetary impact, of international architectural competitions for both the complete modernisation of a building when the OIB is responsible for project development and for the construction of large new buildings that might have a significant impact on the urban environment.

The second objective, buildings that convey an open image of the Institution is currently being studied by an inter-departmental and inter-Institutional working party chaired by the OIB and made up of representatives of the Secretariat-General, of the Directorates-General ADMIN, PRESS and EAC, of GOPA and of the other Institutions. This working party has been instructed to draw up guidelines and proposals to promote the European idea, in particular based on the buildings occupied by the Institutions in the European Quarter, and to provide a warmer welcome so as to facilitate contacts with European citizens. The first two specific measures drawn up by this working party, relating to the visibility of buildings and the welcome provided, will be submitted to the Directorates-General and departments concerned for implementation. The working party is also giving priority to defining the content of the message conveying the European idea and the ways it can be spread.

2.1.3. Defining the urban planning framework

The definition of an urban planning framework incorporating the Commission's buildings requires a strengthening of its role with respect to the Belgian authorities.

Currently, the Commission's contribution is no more than that of any other resident of the European Quarter, i.e. participation in groups set up to promote improvements to the area. This role is clearly inadequate given the issues and the place our Institution occupies in the development of the European Quarter.

As a major player on the property market, the Commission should aim to play a role in drawing up projects for the development of blocks and/or streets in cooperation with the Belgian authorities and take a full part in the decision-making process.

Achieving that objective requires a single contact point on the part of the Belgian authorities in the form of a public body with the appropriate powers in the urban development field. The current fragmentation of decision-making within the Brussels Region is preventing the

⁹ See the procedures for the grant of planning permission given in Annex II.

¹⁰ Decision of 6 November 2002 establishing the Office for infrastructure and logistics in Brussels – C(2002) 4368 final.

adoption of a coherent urban-planning policy. Only if the Belgian authorities take steps to overcome this problem can coordinated and effective action be taken to translate into practice the commitment, shared by the Commission, to make Brussels the capital of Europe.

The Commission would therefore like the competent authorities to set up a public body that brings together the various administrative levels involved.

For its part, in the pursuit of the aim of harmonious and coherent development, the Commission undertakes to strengthen cooperation with the other European Institutions.

2.2.Improving the accessibility and quality of Commission buildings

2.2.1. The accessibility of buildings

The question of the accessibility of buildings can be divided into three areas:

- access by modes of transport, either individual or collective, which comes under the problem of mobility dealt with below¹¹;
- ease of access for all members of the public, which can be improved in particular by improving signposting in the European Quarter and by implementing, with the assistance of the Belgian authorities, a project similar to the “*Sentier de l’Europe*” project. Since this initiative has so far remained a dead letter, account will be taken of the difficulties it has encountered;
- Accessibility for handicap people, in particular with reduced mobility, partially sighted or with hearing problems. The Commission should put in place the necessary rules (including in the “Building Standards Manual”) and means, to apply European best practice. This principle should be applied taking account of the need to balance the budget and of the technical constraints of the buildings

¹¹ Paragraph 2(3).

2.2.2. *Quality of buildings.*

Quality of buildings is a requirement that must apply on two levels:

- from a technical perspective, the Commission must maintain high standards of equipment, basing itself in particular on recommendations and best practice in the environmental field, more especially with regard to the energy efficiency of buildings¹². The said standards cover security, hygiene and fire-detection devices that satisfy legal requirements and are aimed at safeguarding people and property. This twofold requirement will be reflected in the paper entitled "Buildings Standards Manual";
- from a functional perspective, firstly, in the interests of efficiency and consistency, by endeavouring to ensure that each Directorate-General or Service operates from a single building or group of buildings, and secondly by encouraging developers to adapt the architecture of buildings to the needs and requirements of the departments which are to use them, in the interests of a better working environment and staff welfare.

The multiannual buildings programme the OIB has been asked to implement will help to achieve these objectives.

2.3.A policy of mobility

In the Fifth Community programme of policy and action in relation to the environment and sustainable development, which the Council adopted on 1 February 1993, the management of mobility is regarded as one of the principal challenges of that development.

The Commission Decision on environment issues in the administration of the Commission¹³ advocates the need for a policy of mobility.

In accordance with its policies and amid a deterioration of transport conditions in the Brussels area, the immediate effects of which are an increase in traffic congestion and pollution, the Commission, as one of the biggest employers in the Brussels Region, must contribute to an overall improvement in transport conditions, in particular for its staff.

A major feature of the town planning and mobility policy recently drawn up by the Brussels Region is a significant reduction in the office space to parking spaces ratio.¹⁴ The legislation will apply to all new or renovated buildings in the Brussels Region and, in time, will also have a direct impact on the Commission, in particular as regards the allocation of parking spaces.

The Commission's mobility policy must accordingly be based on the one hand on the choices to be made as regards the location of office buildings and social amenities and, on the other, on the discussions on transport conditions (journeys between home and the workplace) and the alternatives in terms of work arrangements (e.g. teleworking), while also taking account of town planning and environmental constraints.

¹² In conformity with the Directive 2002/91/CE of 16 December 2002 on the energy efficiency of buildings.

¹³ COM (97) 2155 of 16 July 1996.

¹⁴ The ratio will be raised from of 75 m² (its current level) to 200 m² of offices per parking space.

The policy comprises two separate but complementary strands: one dealing with journeys between the various Commission sites and buildings, the other with travel between home and the workplace, including journeys made in connection with schools, *crèches* and after-school care services.

In the case of town planning and environmental constraints, a general debate must take place with a view to identifying concrete measures in terms of mobility policy, including how they should be financed, and restoring a balance in the way the various modes of transport are used.¹⁵

2.3.1. Journeys between the various Commission buildings

Since its departments tend to be dispersed, the Commission endeavours to implement reliable and credible alternative solutions as regards duty travel, while reducing to a minimum the impact such travel has on congestion and pollution in the European Quarter.

Promoting public transport with: since 1998, free travel on the No 21 and 22 buses on presentation of a staff card; since 1 July 2001, a free shuttle service operating between the European Quarter and Brussels airport for officials leaving on mission; and, since 1 January 2003, the possibility of free travel on the Brussels public transport system (STIB) both for staff whose buildings are situated some distance away from the European Quarter (Beaulieu and Demey) and for technicians who are called upon to make frequent trips between Commission buildings.

Promoting cycling as a mode of transport, with bicycles being made available to staff for journeys within the city. This policy cannot, however, be fully effective unless there are also safe cycle paths.

The present arrangements are supplemented by regular information on the alternative means of transport the Commission makes available to its staff and by surveys aimed at finding out about the latter's transport habits and awareness of the facilities made available by the Commission.

These initiatives constitute proof that a well thought-out policy can produce satisfactory results. In response to a September 2002 survey of about 4 000 members of staff, 63% said that they travelled on the No 22 bus, whose route covers nearly every Commission building. In this connection the principle of having buildings located on the most effective transport routes, i.e. with direct access to the underground, bus or tram or, at a later stage, the RER (Regional Express Network), needs to be confirmed and reinforced.

The emphasis must henceforth be on more intensive use of alternative means of transport, be they individual or collective, and on greater awareness of the facilities available to staff. Accordingly, collaboration with STIB and with the local authorities in charge of providing cycle paths will be stepped up.

Lastly, the Commission must be in a position to ensure the mobility of disabled staff. Suitable measures will be introduced in this respect.

¹⁵ The Commission currently provides 10 000 parking spaces, at a unit cost of €1 000 to €1 500 annually, and is engaged in a policy of cooperation with STIB costing €300 000 per annum.

2.3.2. *Journeys to work*

The September 2002 survey also showed that 56% of the staff who responded to the questionnaire used their own vehicle for journeys to work, in particular because there was no valid alternative and/or because of family or work-related constraints.

In this connection the policy of mobility, which has yet to be defined, cannot be dissociated from the choices to be made regarding the location of departments and the need to avoid a dispersal of office buildings and social amenities.

To take stock of the situation a survey will, as a matter of priority, focus on traffic flows and the modes of transport used to and from Commission buildings. It will include journeys relating to schools, *crèches* and after-school care services and will be aimed at identifying the priorities of a future mobility plan.

In the light of the findings, a number of options will be put forward in order to determine a strategy for increasing mobility by improving journeys between home and the workplace and helping to reduce the chronic problems of traffic congestion and pollution in Greater Brussels.

Consideration can already be given to several types of measure (e.g. car pooling) designed to encourage more rational use of private transport and greater use of public transport. The aim should be to strive for quality in public transport services and accessibility for as many people as possible.

Discussions on the feasibility of a self-financing general agreement with STIB should continue, under which staff would be allowed free travel on the company's entire network. In this connection, the Commission will give consideration to the incentives that might be required in order to increase public transport usage.

In the same vein and depending on the numbers concerned, the Commission should examine whether it could, possibly in agreement with the other institutions, be responsible for the administration of applications for season tickets by staff who use Belgium's national railways.

The last two measures could well constitute a major incentive for using the modes of transport concerned.

The promotion of cycling is reflected in specific amenities in Commission buildings and car parks : this policy should be reinforced by providing increased bike-parking and showering facilities. It must also be accompanied by requests to the Belgian authorities to provide additional cycle paths.

In this twin context there must be increased collaboration with the relevant Brussels authorities.

Promoting mobility week could thus take on an added dimension, allowing the Commission to increase awareness among its staff on the basis of concrete measures it had itself adopted.

The Commission must show political will vis-à-vis its staff, the other institutions and Belgian political circles. In this respect, it cannot but encourage initiatives aimed at the development of public transport, in particular the regional railway link (RER).

2.4. Working environment and conditions

While defining a policy of mobility and making sound choices as regards the location of office buildings are major factors in the quality of working and private life, a suitable working environment and satisfactory social amenities are no less important in this context.

2.4.1. A suitable working environment

The multiannual buildings programmes drawn up by the OIB are based on plans setting out the requirements in terms of office space and other premises intended for Directorates-General and Services. The plans take account of the Commission's policy priorities, foreseeable changes in staff numbers, and budget forecasts, and are expected to allow the total floorspace available to be better adapted in terms both of quantity and quality.

In quantitative terms the OIB will, on the basis of the technical criteria set out in the "Housing Conditions Manual", now under preparation, allocate overall areas in the light of requirements as notified annually by each Directorate-General or Service. Each of the said Directorates-General and Services will be responsible for managing its floorspace rationally and fairly as prescribed in the Commission Decision on the administrative rules applicable to the OIB.¹⁶ The OIB will, on request, provide the Directorates-General and Services with the technical assistance required for optimal use of the floorspace they have been allocated.

In qualitative terms, in addition to the rules laid down in the above-mentioned "Buildings Standards Manual",¹⁷ the OIB will in particular see to it that the size of individual or groups of buildings takes account of the size of the Directorates-General or Services which use them, so that the buildings can constitute operationally coherent units. In striving towards this objective, however, account will have to be taken of the fact that the rapid growth of certain Directorates-General or Services may render implementation difficult. The OIB will also see to it that the office furniture is of high quality, with ergonomic and qualitative characteristics that can help to optimise individual working conditions.

¹⁶ See footnote 8 above.

¹⁷ Paragraph 2.2.2.

Proper management of the space available with, in particular, room for manoeuvre in the context of enlargement and the ability to free relocations/reassignments from as many constraints as possible, calls for confirmation of the principle, enshrined in the above-mentioned communication of 18 June 1996, that the Commission should have a 5% reserve of office space.¹⁸

A discussion is under way on changes in working methods such as office-sharing and teleworking. It is to be supplemented by one focusing on how space should be used, e.g. the provision of open spaces. This twin approach is not intended to impose a particular solution. It seeks sound and rational use of office space and to permit services to choose the working methods best suited to their needs.

2.4.2. *Social amenities in tune with requirements*

In keeping with the objectives of the reform, a number of priorities have been set regarding catering services and staff access to sports equipment in the vicinity of the European Quarter, and a subject which comes under buildings policy and amenities, childcare facilities.

The first of these priorities is the introduction of an integrated childcare system that satisfies very strict standards and covers *crèches*, after-school care services, outdoor childminding centres and schools. It is an essential component of the Commission's social policy.

One of the priorities of the latter is an improvement in childcare facilities in order better to reconcile working and private life.¹⁹

Special attention accordingly needs to be paid to *crèches* and after-school care services, in particular in the context of enlargement, in order to welcome staff from the new Member States and help them settle in.

The shortage of *crèche* and after-school care service places in Brussels can be made good - in the medium term - only if a significant and determined policy of purchasing or leasing/renting suitable buildings is implemented.

The Commission provides the necessary facilities for *crèches* and after-school care services used by staff of the institutions generally, except for the *crèches* used by Parliament staff.

The Commission does not have enough *crèche* places to meet all the needs, as a result of which there is a long waiting list. In addition, the situation on the local market and anticipated additional demand in connection with enlargement will tend to add to the shortage.

With this rising need in mind, consideration has been given to a number of projects aimed at providing two new *crèches*. The opening of the first one, on the boulevard du Triomphe, at the end of 2006 or the beginning of 2007, will not, however, fully make good the shortage.

While pursuing the objective of providing a second new *crèche* in the vicinity of office buildings or the European schools, the OIB must now find a way of meeting - in particular via transitional solutions - the very heavy demand expected in 2004-07.

¹⁸ SEC (96) 1095 final of 18 June 1996, p. 2.

¹⁹ Decision C(2002)842 of 4 March 2002.

The demand for after-school care service and outdoor childminding centre places is rising in much the same way as that for *crèches*.

The policy pursued consists in having the after-school care services located on the same sites as the European schools, this being a principle which has been defended in the discussions on the opening of a fourth European school.

Currently, the outdoor childminding centres are partly located at the interinstitutional centre in Overijse.

The latter, which also boasts some sporting facilities, is somewhat dilapidated. Its status, use and purpose accordingly need to be reviewed. A study now under way into the advisability of renovation will examine the alternative solutions now being explored. Further arrangements have been negotiated on special advantageous terms, at certain sports facilities within Brussels.

The availability of restaurants, etc. near the workplace is a factor in the procedure for renting or leasing new buildings in the light of their geographical location. This strand of the social policy is also reflected in the renovation of the more dilapidated facilities.

3. IMPLEMENTING THE BUILDINGS POLICY IN THE SHORT AND MEDIUM TERM

The principles defined above are in keeping with the approach followed by the Commission since its 1999 communication,²⁰ i.e. grouping and concentrating buildings with a view to proper operation of the various departments and increasing the effectiveness of the mobility policy, renovating buildings in order to preserve a quality working environment, and rationalising by ensuring that building size is adapted to the requirements of the departments allocated to them.

Not only must the implementation of the buildings policy in the short and medium term be in keeping with this threefold objective, it must, bearing in mind the situation experienced at the end of 2003, also lead to a discussion on the advisability of alternative locations for departments in the light of forecasts, based on a whole series of indicators, which point to a very real risk of property and economic pressure on the European Quarter.

²⁰ See footnote 2 above.

3.1. Office space as at the end of 2003

There are four main aspects:

- (a) A tight situation as regards floorspace available.

The Commission has 734 000 m² of office space, spread out over 53 buildings.

This covers the Commission's basic requirement of 718 000 m²,²¹ but only part²² of the reserve - the need for which is reaffirmed above²³ - not allocated to the Directorates-General and Services.

There is, at the end of 2003, an overall shortage of 20 000 m². This concerns the reserve, preventing it from improving the situation with regard to office space for staff;

- (b) The distribution between three poles of different sizes and characteristics does not assist departmental operations or continuity.²⁴
- (c) A disparity in building size, with numerous Directorates-General and Services spread out between several locations. Only 15% of the buildings have more than 20 000 m² of floorspace.
- (d) Implementation of a coherent policy of acquisition of quality buildings in the European Quarter. This now accounts for 42% of the office space, almost double the corresponding figure for 1998.

3.2. 2004-05, a transition period

2004-05 should see the beginning of a rationalisation of the allocation of office space to Directorates-General and Services.

It is in 2004 that the Berlaymont - at the very heart of the European Quarter - will be made available to the Commission.

This will mean relinquishing the Genève group of buildings and entering into negotiations concerning the leases on certain replacement buildings, whose cost is currently borne by the Belgian State. The principles defined above will help to define the options available as regards the various buildings.

Without pre-empting the decisions as to which Directorates-General and Services will be assigned to the Berlaymont, the moves that take place will allow groups to be formed, in particular in the Breydel building.

²¹ This is arrived at by multiplying the total number of people concerned by 35 m², a figure set in doc. IX/2689/83 of 1 April 1984 "Rapport n°2 au Parlement Européen sur la politique immobilière des Institutions communautaires" drawn up by the Groupement Interinstitutionnel de Politique Immobilière and comprising: 12 m² of office space proper, 12 m² of washrooms, corridors and archive rooms, and an average of 11 m² for specific uses (entrance halls, conference rooms, restaurants, debating chambers, etc.).

²² Barely 50%.

²³ See 2.4.1.

²⁴ The Genève site comprises two buildings totalling 28 000 m², the Beaulieu site six and a total of 59 000 m², and the Quartier Léopold 45 buildings totalling 647 000 m².

The evacuation of the JECL building, currently set for 2005, will be programmed in the light of the availability of the Berlaymont and the decision as to where to assign the Directorate-General for Translation, the current occupant of the JECL.

In 2006-07 the Commission will have to choose between renegotiating the leases which will have expired and abandoning 11 buildings - totalling 113 500 m² - which it currently uses.

Moreover additional space will be required in connection with the anticipated setting up of a number of agencies.²⁵

This situation illustrates the need to consider whether the Commission could provide its departments with alternative locations, on condition that the latter meet certain requirements in terms of accessibility and are within reach of an effective public transport route.

3.3. On possible alternative locations for the various departments

The Commission's presence in the European Quarter is the result of not only a series of historical factors but also the convergence of certain practical considerations. With the passing of time, the European institutions have become established in what has become the "European Quarter". This proximity has undoubtedly brought benefits, in terms of improved communication and working relations, for Directorates-General and Services which are in frequent and regular contact with the other institutions. Moreover the European Quarter presents a number of advantages in terms of public transport infrastructure.

In the long run, however, having the departments of every Institution concentrate and grow in the European Quarter may well have an inflationary impact on the price of office buildings, in spite of closer institutional cooperation.

Parliament and the Council now forecast significant growth in the next five years in the wake of enlargement.

In this connection, while the way in which the institutions operate entails a geographical concentration of their departments, the Commission could consider grouping together outside the European Quarter a number of departments which do not have to be in the immediate proximity of the seat of the Commission and the other institutions. In this respect, the question as to whether certain Directorates-General, agencies and departments really need to be located at the heart of the European Quarter will have to be considered in the light of actual operational requirements.

In carrying out such a scrutiny, account must be taken of the principle of concentrating and grouping together Directorates-General and Services operating in similar policy areas.

Such a move would serve to boost competition and curb the upward pressure on property prices and rents.

²⁵ The agencies will themselves provide the financing for their buildings.

Facilities in terms of access, communication and efficient public transport, the possibility of easing journeys between home and the workplace, proximity to the European Quarter, the possibilities of expansion at the alternative site, the presence of shops and social amenities, and the possibility of projecting a European image there will have to be determining criteria in the process of discussion and selection.

4. ADOPTING A STRATEGY WITH REGARD TO RENTING, PURCHASING OR RENOVATING BUILDINGS

The 1996 communication²⁶ set out the two main conclusions of the Interinstitutional Technical Working Party on Building Programmes and Financing Arrangements:

- in the long term, purchasing is cheaper than renting/leasing;
- in the short term the annual cost of renting/leasing is lower than that of purchase.

Those conclusions are equally valid today in that, in view of the Commission's continued presence in the European Quarter, purchase allows locations to become more stable and curbs the often negative effects of market uncertainties and fluctuations.

A measure of flexibility must, however, be preserved to enable the Commission to adjust its strategy in accordance with future requirements, in particular by using renting/leasing as a flexible means of managing its office space, etc.

The guidelines set in 1996 and the buying policy implemented since then illustrate the need to define a property policy based on the strategic value of the buildings to be acquired.

This property policy must be based on a threefold budgetary dimension:

- (a) making payments over 27 years in the context of leasehold contracts with an option to buy, the only means of acquiring property which is legally compatible with the financial rules and, by providing real rights in respect of buildings, one which makes it possible to benefit from the provisions of the Protocol on privileges and immunities;
- (b) under the existing budget rules, contracting for building projects at a sufficiently early stage, to ensure that the buildings are available and meet the Commission's requirements;
- (c) the long-term cost of renovating buildings, for which plans must be drawn up and for which suitable budgetary solutions and specialised structures must be set up within the OIB so that the latter can become the contracting authority for its renovation projects.

The Commission must also be equipped with effective instruments in two fields: the selection of buildings and their financing.

²⁶ See footnote 1 above.

Concerning the first of these, an independent valuation carried out by an external expert must provide the Commission departments concerned with a clear picture of the state of the building and the trend on the Brussels property market for that geographical location when entering into negotiations.

As regards the second of the two fields referred to above, the payment applicable in connection with the option to buy will generally be raised on financial markets. This is a method which has proved effective in budgetary terms since, on the occasions when the Commission has chosen it, the interest rate has been particularly advantageous. The option to buy will be exercised at the earliest possible moment having regard to the terms of the contract. With a view to securing the Commission's real rights over buildings which are the subject of a long-term lease, consideration could be given to SPVs (Special Purpose Vehicles, legal entities distinct from the property companies holding the rights to the buildings which are the subject of the leases) in order to hedge against the financial risks if such an approach is found to have undeniable benefits.

5. INTERINSTITUTIONAL COOPERATION

Interinstitutional cooperation is at present centred on the mandate given to the ILISWG.²⁷

Its principal objective is to coordinate the actions of the institutions in order to achieve economies of scale within the wide brief it has been given and encompassing all aspects of the policy on property, amenities/infrastructure and logistics. Its role is also to coordinate the approach of the institutions in their dealings with the authorities of the host country.

In this context it constitutes an active group for the exchange of information on the objectives of each institution in terms of buildings, making it possible to steal a march on market movements.

It is responsible for the development of policy proposals presented to the Interinstitutional Group of Secretaries-General.

Either within the latter or by developing joint concerted actions, interinstitutional cooperation will have to be strengthened as regards, on the one hand, evaluating the long-term needs and, on the other, searching for buildings, conducting the negotiations concerned and making the necessary financial arrangements. Such strengthening is essential in the context of the sort of planning called for by the increased requirements of the institutions within the budget constraints applicable.

²⁷ Inter-Institutional Infrastructure, Logistics and Internal Services Working Group – ILISWG.

6. DRAFT DEVELOPMENT PLAN FOR THE EUROPEAN QUARTER

Presented by the Belgian authorities on 3 October 2003, the plan sets out a number of proposals for the European Quarter, the major aspects of which are cooperation and participation of the institutions in its development, in particular in financial terms, the creation of a major cultural pole, desegregation aimed at breaking down the functional barriers around the Quarter; mobility, with the setting of a new balance between modes of travel; the development and renovation of public spaces; and lastly an emphasis on security.

The Commission welcomes the general approach of the draft, some of whose conclusions coincide with the recommendations in this communication. The Commission wishes to be associated with the discussions that are to take place regarding the implementation of the draft plan. In this connection, when dealing with the technical aspects, the Commission will be represented by the Director of the OIB. Politically it will continue to be represented by the Member of the Commission with special responsibility for Administration. It would point out, however, that in view of the extent of the proposals in terms of infrastructures, and the implied consequences of the financial partnership suggested by the Belgian authorities, an interinstitutional approach is needed, in particular as regards providing the suitable legal and budgetary basis which may be required.

7. CONCLUSIONS

The Commission is invited to:

- approve the guidelines set out in this communication and in the attached action plan;
- instruct the OIB to present, in June 2004, concrete proposals for implementing the principles set out in this communication and to evaluate their impact in terms of the resources required, so that they can be presented to the College in July 2004;
- begin implementing the guidelines by means of specific targeted measures that are in keeping with budgetary constraints, the appropriations available, the principles set out in this communication, and the concrete proposals to be presented in June 2004.
- to transmit this communication to the European Parliament, Council and the Belgian authorities.

8. ANNEX I - ACTION PLAN

Subject matter	Action	Time limit	Lead/Associated Department
Europe's image (Chapter 2.1)	Definition of an overall approach, combined with a discussion centred on the implementation of the ideas put forward.	Under way A detailed action plan will be drawn up which will be ready in June 2004	OIB – ADMIN/ SG, GOPA, PRESS, EAC
Buildings Standards Manual (Chapters 2.1 and 2.2)	Adaptation of the Manual to take account of changes in technology, and the principles of the Communication, in particular as regards access for the disabled, environmental and energy standards and desegregation.	Document being drawn up. Consultation of the departments concerned and finalisation in the first quarter of 2004	OIB – ADMIN/ EMPL, ENV, TREN, Staff representatives
Study into the mobility of Community staff and the reinforcement of alternative modes of transport (in particular for people of reduced mobility) (Chapter 2.3)	Recruitment of a consultant and launch of a mobility survey (with a view to drawing up an action plan) - Discussion centred on the use of alternative means of transport and the funding thereof; role of the institution. - Drawing up of a mobility plan. In this connection, contacts with the Brussels authorities, SNCB and STIB with a view to pinpointing solutions and facilitating the use of those means of transport by officials.	- June 2004 - Drawing up of a detailed report which will be ready in April 2004 - December 2004	OIB – ADMIN/ ENTR, ENV, TREN
Housing Conditions Manual (Chapter 2.4)	Drafting of the Manual in collaboration with the OIL	Finalisation of the Manual in the first quarter of 2004	OIB – ADMIN/ OIL

Subject matter	Action	Time limit	Lead/associated Department
Improvement in space management and occupancy (Chapter 2.4)	- Staff training at OIB and - Conclusion of a framework agreement with a consultant specialising in space management	Third quarter of 2004	OIB – ADMIN
Adapting the social amenities (Chapter 2.4)	Drafting of a document on the state of play as regards the discussions on social amenities generally and setting out implementing measures in accordance with the principles adopted by the Commission in the context of the reform and the Communication.	Drafting of an analytical report which will be ready in January 2004	OIB – ADMIN
Development of an alternative location (Chapter 3.3)	Analysis of the advisability and possibility of finding alternative locations in line with the principles adopted by the Commission.	Drafting of an analytical report which will be ready in June 2004	OIB – ADMIN/ SG
Renovating buildings (Chapter 4)	Discussion and recommendation regarding the principle, process and financing arrangements	Drafting of an analytical report which will be ready in June 2004	OIB – ADMIN/ BUDG
Discussions on setting up SPVs and possible EIB financing (Chapter 4)	Analysis of the legal and financial system and drawing up of recommendations.	Drafting of an analytical report which will be ready in June 2004	OIB – ADMIN/ OIL, BUDG, ECFIN, SJ
Closer dialogue with the Belgian authorities (Chapter 6)	- Defining a common position at interinstitutional level	- June 2004	OIB – ADMIN/ SG

9. ANNEX II - PROCEDURE FOR THE ISSUANCE OF PLANNING PERMITS

Planning permits are issued by the municipalities or by the Region.

A permit can be issued by a municipality only if the application complies with the PRAS (*Plan Régional d'Affectation du Sol* - Regional land-use plan), under which the region's land is earmarked for office space, housing, multiple uses, etc.

Permits are issued by the Region on the basis of Article 139 of the Regional town planning Order, whereby public institutions may lodge an application direct with the Region.

Once the application has been lodged it is the subject of a public enquiry which is publicly advertised. Anyone may object to or comment on the project. Once the enquiry is over, the promoter presents his project before a concertation committee and any citizen who wishes his views to be heard.

The competent authority then decides, on the basis of the opinion of the concertation committee, whether to grant or refuse planning permission. If the application is lodged with the Region, the concertation committee meeting takes place at the level of the municipalities concerned, which deliver a non-binding opinion to the Region.

The *ad hoc* Regional Order also provides for time limits and the possibility of appeal in respect of each procedure.