

# Budget Committee

## Internal Rules of Procedure

### 1. GENERAL

1.1 The Budget Committee established under Article 14(1) of the Financial Rules and Auditing Procedures applicable to the Transport Community (hereinafter referred to as “the Financial rules”)<sup>1</sup> adopts these internal Rules of Procedure as stipulated by Article 15(4) of the Financial Rules.

1.2 The tasks and duties of the Budget Committee derive from the Financial Rules. In case of contradiction between the current Rules of Procedure and the abovementioned Financial Rules, the latter shall prevail.

1.3 The Budget Committee shall perform its duties solely in the interest of the Transport Community with the objective of advising on the sound administration of the budget of the Transport Community.

### 2. INSTITUTIONAL PROVISIONS

#### 2.1. Members

2.1.1 The Budget Committee shall consist of members representing the Parties, signatories to the Treaty establishing the Transport Community (hereinafter referred to as “the Treaty”). Each of the South East European Parties shall nominate one member and the European Union, represented by the European Commission, shall nominate two members.

2.1.2 The members of the Budget Committee shall be fully qualified in the performance of the duties assigned to the Budget Committee under the Financial Rules. They shall have adequate experience in the areas of financial management and budget administration.

#### 2.2. Nomination of Members of the Budget Committee

2.2.1 The Parties of the Treaty shall nominate their respective member of the Budget Committee to the Permanent Secretariat of the Transport Community (hereinafter referred to as “Secretariat”).

2.2.2 Each Party shall further nominate an alternate. If a member is prevented from attending the Budget Committee or the position is vacant, he/she shall be replaced by his/her alternate.

2.2.3 A member may be replaced by the Party who nominated it at any time.

#### 2.3. Chair

2.3.1 The European Commission shall designate one of its two representatives as Chair of the Budget Committee and the second Commission representative as Co-Chair.

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<sup>1</sup> Decision No. 2020/06 of the Regional Steering Committee of the Transport Community on the Financial rules and auditing procedures applicable to the Transport Community

2.3.2 The Co-Chair shall assume the Chair's functions where the latter is absent or prevented from attending.

### **3. TASKS AND PROCEDURES**

#### **3.1. Implementation of the Budget**

3.1.1 In accordance with Article 36 of the Treaty and Article 16 of the Financial Rules, the primary responsibility for implementing the Budget lies with the Director of the Secretariat ("the Director").

3.1.2 The Budget Committee shall advise the Director on the financial management of the operations of the Transport Community.

3.1.3 In carrying out its functions, the Budget Committee shall respect the independence of the Secretariat as an institution under the Treaty.

3.1.4 In order to fulfil the advisory function, the Budget Committee shall be provided with all the necessary information or explanations regarding budgetary matters and matters with potential budgetary impact. The Director shall inform the Budget Committee on all matters related to financial management before they are brought to the attention of the Regional Steering Committee. The Director shall further inform the Budget Committee on the performance of his/her duties in the form of the Annual Activity Report as indicated in Article 23 of the Financial Rules, including the financial and management information mentioned therein.

3.1.5 In order to facilitate the Budget Committee's advisory function, the Director shall inform the Chairperson of all intended measures of budgetary relevance that may be in contradiction to the Financial Rules. The Director may approach the Budget Committee for advice on general matters of budgetary relevance.

3.1.6 The Budget Committee, on the initiative of its Chair, may request any necessary information or explanation from the Director on budget matters at any time. Each member of the Budget Committee may ask for access to the accounts and records of the Secretariat.

#### **3.2. Audit**

3.2.1 If so requested by the Regional Steering Committee, the Budget Committee shall present its observations to the Regional Steering Committee, as it considers appropriate, on documents submitted by external auditors, as stipulated by Article 63(4) of the Financial Rules.

3.2.2 The Budget Committee shall receive copies of the correspondence between the Secretariat and the external auditors upon request.

#### **3.3. Reporting**

3.3.1 The Budget Committee may report to the Regional Steering Committee and issue recommendations on budgetary matters and on any other matter that may have an impact on the budget.

3.3.2 The Budget Committee shall issue an annual report on its activities and submit it to the Regional Steering Committee no later than 30 March of the following year.

## 4. MEETINGS

### 4.1. Preparation of the Meetings

4.1.1 The Budget Committee shall hold at least two regular meetings a year. Additional meetings may be convened on the initiative of the Chair or at the request of at least one third of the members.

4.1.2 The dates of the meetings for each calendar year shall be fixed and announced in advance by the Chair in consultation with the Secretariat.

4.1.3 A draft agenda shall be drawn up by the Chair. It shall contain, in addition to those items whose inclusion is requested by a member, any item whose inclusion is requested by the Secretariat. Items to be included on the provisional agenda shall be submitted to the Chair not less than four weeks before the date of the start of the meeting, except in cases of a force majeure.

4.1.4 An invitation together with the draft agenda and, as the case may be, additional documents required for the meeting, shall be sent out by the Chair to the members no later than two weeks ahead of the meeting.

4.1.5 The Secretariat shall provide administrative support to the Budget Committee for the preparation of the meetings.

### 4.2. The Meetings

4.2.1 The meetings of the Budget Committee shall take place on the premises of the Permanent Secretariat of the Transport Community or via video-conference if a physical meeting is not possible.

4.2.2 The Budget Committee members shall attend all meetings of the Budget Committee. Where this is not possible, their alternate should attend and should have the possibility to vote on their behalf. Both Budget Committee members and the alternates can participate in the meetings.

4.2.3 The agenda shall be adopted at the beginning of the meeting. With the agreement of the Budget Committee, urgent items may be added to the agenda at any time prior to the end of the meeting, and items on the agenda may be deleted or carried over to a subsequent meeting.

4.2.4 The meetings of the Budget Committee shall not be public.

4.2.5 The Secretariat shall be represented in the meetings by the Director, any other Authorising Officer by delegation, the Deputy Director, the Accounting Officer and a staff member taking the minutes. Further staff may be called in where necessary. The Secretariat shall not have voting rights.

4.2.6 The Chair may invite other participants where appropriate.

4.2.7 The meetings shall be presided by the Chair, who shall moderate the discussions and facilitate the decision-making of the Budget Committee.

4.2.8 The Chair shall circulate the minutes of the meetings prepared by the Secretariat no later than two weeks after each meeting.

### **4.3. Decision-making Procedure**

4.3.1 The Budget Committee shall adopt recommendations in its advisory capacity.

4.3.2 A recommendation shall be adopted upon the proposal of the Chair or any member present at the meeting in question.

4.3.3 Each member of the Budget Committee shall have one vote.

4.3.4 The adoption of a recommendation shall require the presence of at least half of the members, provided at least one representative from the Commission is present. When the Budget Committee lacks a quorum and action is imperative and urgent, the Chair shall be authorised to provide guidance to the Secretariat on behalf of the Budget Committee. In this case, the guidance provided shall replace a recommendation. The Chair shall circulate the guidance provided to all Budget Committee members as soon as practicable.

4.3.5 The Budget Committee shall act by simple majority of the votes cast including the positive vote of the European Union. Abstentions from a vote from the members present shall not count as a vote cast. In case of tied vote, the European Union shall have the casting vote.

4.3.6 Recommendations of the Budget Committee may also be adopted by written procedure. In this case, the Chair, upon his/her own initiative or the initiative of the majority of the members, shall circulate a proposal to all members. The members shall cast their votes by e-mail.

4.3.7 The Chair shall determine the date and hour by which responses must be received, which shall in no case be earlier than 10 calendar days from the date of transmission of the information referred to in paragraph 4.3.6 of this Section. In exceptional circumstances, upon request or at its own discretion, the Chair may extend the time limit for the receipt of responses. A member who has not replied in writing within the given time limit shall be regarded as having agreed tacitly.

4.3.8 All adopted recommendations shall be signed by the Chair.

4.3.9 Recommendations adopted by the Budget Committee shall be submitted to the Regional Steering Committee for information and shall be attached to the yearly financial report presented to the Ministerial Council.

### **4.4. Language**

4.4.1 The language of communication of the Budget Committee is English.

### **4.5. Confidentiality**

4.5.1 The deliberations of the Budget Committee shall be and remain confidential. All persons present in the meetings or partaking in the written procedure shall be bound to adhere to confidentiality requirements during and beyond their terms of office.

## **5. FINAL PROVISIONS**

5.1 The members of the Budget Committee shall not receive any remuneration from the Transport Community.

5.2 The Budget Committee may amend these rules at any time by simple majority of its members, including the positive vote of the European Union.

5.3 These rules shall be adopted by a simple majority of its members, including the positive vote of the European Union, and shall become effective on the same day.

Adopted in Belgrade on 12.11.2020