

COMMUNITY PROJECT

09



APPLICATION OF THE BUDGET IN 2004

During 2004 Caixa Galicia Group invested 61.02 million euros in carrying out the activities defined by its Community Project, an increase of 23.40% on the 2003 figure. This sum, which totals 231.5 million euros over the last five years, has allowed the company to consolidate its position as the **leading private social agent in Galicia** and to meet its targets in areas as diverse as education, care, integration into society and the world of work, international co-operation, socio-economic development and culture.

EXPENDITURE
ON THE SOCIAL
PROJECT ROSE
BY 23%

2004 SOCIAL PROJECT EXPENDITURE 000 EUROS

	Amount	% / Total
Actions included in projects	35,360	• 57.95
Socio-cultural Buildings Investment Plan	25,660	• 42.05
Total	61,020	• 100.00
Community Project Administrative Expenses	1,368	
Amortisation	2,206	
Total Expenditure (less admin. and amortisation)	57,446	

A major effort was made in 2004 with regard to the distribution of funds, since the increase in investment in social and cultural infrastructure was made at no cost to the sums assigned to funding the projects designed to meet

ADMINISTRATION
COSTS AND
AMORTISATION
REPRESENT
ONLY 5.9% OF
TOTAL BUDGET

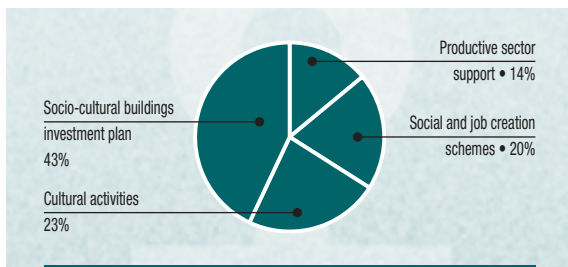


a variety of social demands. Furthermore, the fact that only 5.86% of total expenditure went to cover the administrative costs and amortisation of the Social Project's property infrastructure is more than sufficient evidence of the **end-user nature** of the funds assigned to this area.

BUDGET APPLICATION 000 EUROS		
	Budget	Expenditure
Social Project	45,206	• 46,940
Caixa Galicia Foundation	16,837	• 14,080
Total expenditure	62,043	• 61,020
Income from activities and carried over from previous years	10,543	• 6,423
Total budget	51,500	• 54,597

The extent of the activities carried out by the Social Project in 2004 meant that the net funds invested during the year exceeded initial budget by 3.10 million euros, a deficit that was financed entirely by the Social Project Fund.

The following chart shows the breakdown of expenditure by area:



The main activities organised by each area were:

- **Support for productive sectors:** Caixa Galicia Group activated a plan to support the Xacobeo 2004

programme, which apart from the specific values it upheld in the fields of religion, culture, solidarity and the creation of a pan-European identity, was also of particular relevance from a socio-economic point of view, since it created a high level of demand for goods and services within Galicia, especially in those sectors directly or indirectly linked to tourism.



- Caixa Galicia Group also continued to participate in **Risk Capital** Funds, through which it supports the creation and consolidation of companies as a means of contributing to the socio-economic development of the regions in which it has a presence. In this way, it uses the **Caixa Galicia Social Fund** to invest in those companies whose activities have a clear social content, whilst the **Fondo Emprende** serves to encourage projects by new entrepreneurs looking to open up new fields of business and/or apply new technologies.



- A further way in which Caixa Galicia Group contributes to the strengthening of the entrepreneurial tissue of the region is by collaborating with various business associations and clusters, encouraging competitiveness and quality of products and services as well as favouring the use of new information and communications technologies. In this respect, it is



worth mentioning the work done by **Ciberalia** in its centres in the cities of Corunna and Lugo, which are designed to bring people from all levels of society into contact with the new information and communications technologies, thus avoiding the social exclusion that characterises modern societies and eliminating the so-called “digital divide”. In the three years they have been in operation they have incorporated over 10,500 members and in 2004 registered over 76,000 users. Another contribution in this area, this time in a collaborative framework, was Caixa Galicia Group’s participation in the European “Digital Cities” programme, coordinated by the Spanish Ministry of Science and Technology.

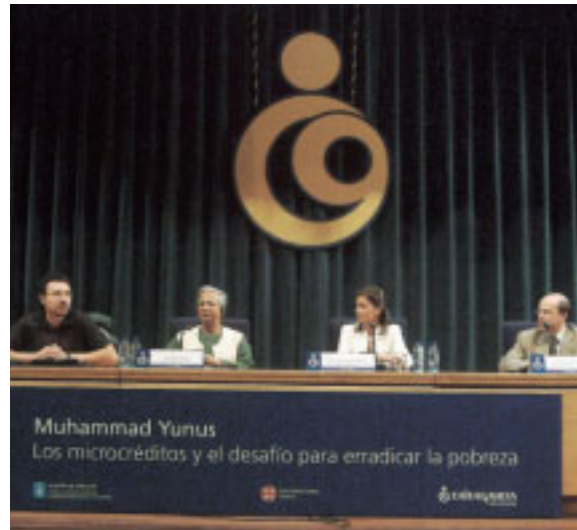
CIBERALIA NOW
HAS OVER
10,500 MEMBERS

ciberalia

Innovation and the use of new tools for social integration and socio-economic development are a constant feature in Caixa Galicia Group. In 2004 we handled over 200 applications for **microcredits** and backed co-development programmes to help the integration of Latin American immigrants into Spanish society, as a result of which 95 business projects were produced.

OVER 200
APPLICATIONS
FOR
MICROCREDITS
RECEIVED AND
PROCESSED

The Caixa Galicia Foundation, for its part, has an annual programme of grants for postgraduate students wishing to further their studies in leading universities and research centres all over the world. The



aims of this programme have been clear from the very outset, and have been maintained until the present day: to give young graduates the opportunity to specialise, thus helping their later integration into the world of work, and to contribute to a greater promotion and exchange in the fields of experimental, health and technical sciences, social sciences and the law, as well as humanities and the arts. A large number of applications were received for the 2004 call, from which the selection panel nominated 28 grantees who are currently studying and researching in the centres of their choice.

Caixa Galicia Foundation’s **Centre for Economic and Financial Research (CIEF)**, which was founded in 1999, has carried out projects that contribute to the analysis and diagnosis of our national economic and social problems, published regular reports and monographic studies in collections of growing prestige, and organised lecture cycles, debating forums, meetings and seminars, all with the aim of ensuring a continuing presence in scientific and professional media and circles.

In 2004 the CIEF carried out a wide-ranging research programme which had as its principal goal the analysis of the Galician economy and its integration into the Spanish and European economies. One of the lines that has been devel-

oped of the last four years has been that concerning the regional economy and economic growth, in which the rise of the Spanish economy and those of its autonomous regions has been approached within the framework of research into the new theory of growth. Another study tackles income distribution within Galicia on the basis of an analysis of geographical areas that has been performed over the last five years. In the financial markets area, there is an ongoing project to analyse and forecast the temporal structure of interest rates. From a micro-economic point of view work is being done on a study of the labour market and social and economic cohesion in the European Union. Another and more recent research project, of enormous interest for the sector, analyses pleasure-boat sailing as an emerging sector in the new Galician economy. The Centre is also carrying out historical research into leading Galician entrepreneurs over the last two centuries. Also with regard to the Galician economy, it publishes three regular journals: an annual report on the Galician economy, a quarterly report on the economic climate, and the latest edition to the stable, a bi-annual report on the property sector.

This line of research into the Galician economy is complemented by the publication of monographs and specialist periodicals related to major themes of interest as they arise.

THE CIEF
LAUNCHES ITS
BI-ANNUAL
REPORT ON THE
PROPERTY
SECTOR

- **Social actions and the Promotion of Employment:**

Caixa Galicia Group's social actions, aimed at meeting the new needs of society, are channelled through the various programmes of actions for the Elderly, Participation and Social Cohesion, the Information Society, International Solidarity, and Childhood and Youth.

Those actions included within the **Programme for the Elderly** are intended to improve the quality of life of those who benefit from them. In the **10 Day-care Centres for the Elderly** located throughout Galicia over 33,700 mem-

bers can enjoy a series of activities aimed at encouraging them to take part in educational and leisure pursuits. Alterations and improvements have been carried out in all of these centres during the past year to ensure that they meet the demands of their users. Progress has also been made in the **Residential Homes for the Elderly Programme** that Caixa Galicia is carrying out through the "Caixa Galicia

10 DAY-CARE
CENTRES FOR
THE ELDERLY,
WITH 34,000
MEMBERS



Social Fund, SCR”, with a home now open in Narón and work still in progress on the one in Vigo. In the field of **professional training** in care for the elderly we have organised another “International Gerontology School” in which leading professionals gave 13 intensive courses on different aspects of geriatrics and gerontology to over 150 participants.

The **Participation and Social Cohesion** programme has been marked by the widespread acceptance of **Socialia**, Caixa Galicia Group’s programme aimed at the not-for-profit sector and to encouraging volunteer

activity, in which a major factor has been the Internet portal (www.socialia.org), a meeting-point for solidarity, social action and volunteers. Various educational initiatives related to the management of volunteers have been developed within this programme, and progress has been made in the research programme carried over from previous years into the Tertiary

784 NPOS NOW
FORM PART OF
SOCIALIA



Sector. Socialia’s portal now has 784 Not-for-Profit Organisations (NPOs) associates.

Another area in which the **Social Cohesion Programme** has been active is that of social integration and promotion of employment for the most vulnerable groups in our society, through collaboration with

various bodies belonging to CERMI Galicia with the aim of promoting the **integration of the handicapped into society and the labour market**, as well as with several different local development agencies in the framework of the **PRODER and LEADER European programmes**. Another highlight has been the work performed by the seven **socio-cultural educational centres** run by Caixa Galicia in raising awareness of social problems and providing a meeting-place and forum for the not-for-profit sector.

SUPPORTING
THE
INTEGRATION
OF THE
HANDICAPPED
INTO SOCIETY

The **International Solidarity** programme continued its work with a further call for co-operation and development projects, as a result of which various projects in Latin America, Ethiopia and Mozambique were selected in the following areas: fresh water supply, disease prevention, rural development, infrastructures, literacy for women, job training, natural resource management, etc., with funds being assigned to each of them.

With regard to the **Childhood and Youth Programme**, two educational initiatives deserve particular mention because of their outreach: “The Stock Exchange Game” and “The Student *El País*”, which between them have helped in the education of over 11,700 students.

- **Cultural action:** A wide-ranging cultural offer was provided in 2004 through a programmed series of events obeying the criteria of quality, education and outreach, with particular attention being paid to the diffusion of Galician culture in the rest of Spain and abroad, this being complemented by an effective collaboration with other bodies, institutions and administrations. In addition to running this artistic and scientific programme, Caixa Galicia Group was also able to successfully meet the challenges posed every year by the constant changes in society and technology, enabling it to become an essential reference in the artistic and cultural panorama of the areas in which it operates and whose activities are aimed at specialist audiences and the general public alike, in a desire to offer society an interesting cultural and educational forum.

Caixa Galicia Group, through the agency of its Foundation, carried out a substantial number of cultural projects in areas as diverse as exhibitions, concerts, seminars, courses, conferences and publications. The exhibitions it organised covered a range of artistic medium such as painting, photography or sculpture. Worthy of particular mention, in the line of recovering our cultural heritage pursued by the Group, was the culmination of a project to restore the Wooden Chancel of Santiago de Compostela Cathedral, which is now proudly displayed in the church of St Martin Pinario in Santiago. In the art field, reference must be made to the exhibition *"Catalan painting from Naturalism to Noucentisme"*, for which thanks are due to the Thyssen-Bornemisza Foundation for their collabora-

RESTORATION
OF THE WOODEN
CHANCEL OF
SANTIAGO DE
COMPOSTELA
CATHEDRAL



tion. Chillida's concept of space could be admired in the exhibition *"Aromas"*, inspired in the eponymous book of poems written by this Basque artist.

In addition to the above-mentioned activities, mention should also be made of the variety of musical events organised in 2004 covering a wide range of styles and types, from seasons of classical music, jazz or folk to the latest trends in music, highlighting the eclectic nature of our offer in this field.

Caixa Galicia Group also maintained its ongoing collaboration in the field of prizes and awards given to researchers and professional from different fields of knowledge, and to winning writers whose works had been submitted to the various competitions it promotes and collaborates with. The lecture cycles, meetings, seminars and courses it sponsors have also had a positive effect on the educational offer

122 WORKS ON A
VARIETY OF
TOPICS
PUBLISHED
OVER THE YEAR





available to people living in Galicia, whilst with regard to publications it should be noted that a record number of 122 different works were published with our help this year.

Furthermore, Caixa Galicia Group continued to strengthen its bonds with other institutions and bodies through agreements aimed at increasing the range and depth of its artistic and cultural offer, thereby also enhancing its presence in these areas. This year we have deepened and strengthened existing ties in addition to establishing new ones, both within Spain and abroad.

In 2004 Caixa Galicia Group, through the agency of its Social Project and the Caixa Galicia Foundation, carried out over 3,870 different activities which were enjoyed by a total of 2,336,000 people.

3,870
ACTIVITIES
WITH OVER
2,336,000
BENEFICIARIES

- **Investment Plan:** In order to carry out its wide-ranging and ongoing work in the fields of society and culture Caixa Galicia Group needs to have a permanent centre in each of the main towns and cities in Galicia. For this reason it created a **Multi-year Plan** that is enabling it to endow Galicia with the largest private network of socio-cultural centres in existence, a network that will gradually be extended beyond the borders of our home region to other parts of the country where Caixa Galicia is present.

THE LARGEST
PRIVATE
NETWORK OF
SOCIO-CULTURAL
CENTRES IN
GALICIA

By the end of 2004 restoration work on the building that is to be the future headquarters of the Caixa Galicia Foundation in Ferrol, and which formerly housed the Military Governor's office, was nearing completion. Work on the Foundation's future new headquarters building in **A Coruña**, located in the central Cantón Grande, was also in progress.



2005 BUDGET

The 2005 budget for Caixa Galicia Group's Community Project was 29.7% higher than the sum required under current legislation governing the distribution of surpluses generated by savings banks, a clear indication of the company's desire to make long-lasting provision of the resources needed to tackle the economic, social and cultural requirements of its environment.

65.8 MILLION
EUROS
ASSIGNED TO
THE 2005
BUDGET

Caixa Galicia Group's activities in the social sphere in 2005 have therefore been assigned a budget totalling 65.8 million euros, of which Caixa Galicia contributes 55.40 million euros from the surplus generated in 2004 (7.6% more than the equivalent amount contributed in 2004); 1.62 million euros will come from income generated by the activities organised by the Community Project,

and the rest corresponds to budget surpluses carried over from previous years. The **amount assigned** to social actions in 2005 is equivalent to **32.41% of Group profit** for 2004.

In 2005 Caixa Galicia Group will assign 45% of the budget to Community Project activities organised within the framework of its programmes for the Elderly, Participation and Social Cohesion, the Information Society, International Solidarity, and Childhood and Youth.

The Caixa Galicia Foundation for its part will account for 27% of the total budget for the year, this amount enabling it to carry out its programmed activities in the fields of the Arts, Science and Technology and Culture and Society.

Finally, the remaining 28% of the budget will be devoted to actions contemplated in the Investment Plan in Socio-Cultural Property and to initiatives carried out by Caixa Galicia as a contribution to the socio-economic development of the regions in which it has a presence.

COMMUNITY PROJECT AND THE CAIXA GALICIA FOUNDATION: 2005 BUDGET
000 EUROS

	Productive sector	Society and employment	Culture	Other	Total
Programmed activities	11,108	13,821	3,024	-	27,953
Building Plan and Other Initiatives	2,041	-	-	12,609	14,649
Management and Administration	532	930	199	125	1,786
Amortisation	-	-	-	3,809	3,809
COMMUNITY PROJECT	13,681	14,751	3,223	16,542	48,197
CAIXA GALICIA FOUNDATION	3,476	-	14,088	-	17,564
Total Expenditure and Investment Budget	17,157	14,751	17,311	16,542	65,761
Income from Community Project and Foundation activities	386	1,151	89	-	1,626
Drawdown of accumulated surplus	6,088	1,247	1,400	-	8,734
Total Income Budget	6,474	2,398	1,489	-	10,360
Total Budget	10,683	12,354	15,822	16,542	55,401

