



Opinion 205 (1998)¹

Budgets of the Council of Europe for the financial years 1998 and 1999

Parliamentary Assembly

1. The Assembly welcomes the fact that - in accordance with the Committee of Ministers' reply, adopted on 16 April 1998, to [Recommendation 1344 \(1997\)](#) on enlargement of the Council of Europe: the budgetary and administrative powers of the Assembly - for the first time, the formal document by the Secretary General on budgetary prospects and the proposal for the ceiling has been transmitted for information to the Assembly's Committee on the Budget and the Intergovernmental Work Programme.
2. The Assembly also notes with satisfaction the intention of the Committee of Ministers to hold an exchange of views with the Assembly before taking the final decision on the budgetary ceiling, and that it envisages regular consultation with the Assembly on all issues of common interest in the budgetary and administrative fields.
3. However, the Assembly believes that these welcome initiatives could still further be improved upon were the mechanisms for consultation to be more clearly defined. The Assembly also considers that the reply given by the Committee of Ministers to [Recommendation 1344 \(1997\)](#) has only partially satisfied the Assembly's request for control over its own budget. It therefore takes this opportunity to reiterate this request.
4. With regard to the 1998 budget, the Assembly:
 - 4.1. notes that after the substantial budget increase and additional posts approved for the 1997 financial year, the 1998 budget is characterised by a relative standstill, with the ordinary budget increasing by just over 15 million French francs (1.51%) compared with the 1997 consolidated budget (ordinary budget plus the extraordinary supplement to the 1997 budget);
 - 4.2. welcomes the clarity and transparency brought about by incorporating the unspent appropriations of the 1996 financial year into the budget of receipts;
 - 4.3. regrets that the Committee of Ministers was not able to finance a greater part of the Assembly's request for its own budget (Vote III), granting it an increase of only 1 million French francs in comparison with a request for just over 6 million French francs.
5. With regard to the budget prospects for 1999, the Assembly:
 - 5.1. notes that the Secretary General's current proposals for the 1999 budget would increase the ordinary budget by some 50.6 million French francs to a total of 1 061.8 million French francs, that is by precisely 5%;
 - 5.2. notes also that this increase would be used to finance:
inflation and statutory adjustments (15.9 million French francs),
new needs of the Single Court (9.7 million French francs),

1. See [Doc. 8098](#), report of the Committee on the Budget and the Intergovernmental Work Programme, rapporteur: Mr Martínez. Text adopted by the Standing Committee, acting on behalf of the Assembly, on 26 May 1998.



follow-up to the second summit (25 million French francs), and that for other new needs the Secretary General proposes to adhere to the principle that such expenditure be financed within the total of the previous year's budget;

5.3. notes that in his document "Preliminary estimate for 1999 of additional costs arising from implementing decisions of the summit", the Secretary General advanced an estimate of between 32.1 million French francs and 48.9 million French francs for the ordinary budget, but proposes budgetary resources of only 25 million French francs for this purpose;

5.4. notes that these estimates include no financial provision for activities to be carried out by the Assembly, and indeed contain only one proposal for such an activity - the conference on terrorism (summer 1998);

5.5. notes that with the sole exception of reference to activities coming naturally to term within the framework of the Intergovernmental Programme of Activities, the Secretary General's proposals for re-deployment of existing resources are limited to the savings that could be made if the health insurance of staff were to be provided by a private insurer, and not the French national social security scheme;

5.6. notes that at this stage, little detailed information is available as to the proposed apportionment of the budget between the various sectors - Assembly, Congress of Local and Regional Authorities of Europe, Intergovernmental Programme of Activities, etc. - and neither is there mention of staffing policy;

5.7. notes that at this stage, little detailed information is available as to the proposed apportionment of the budget between the various sectors - Assembly, Congress of Local and Regional Authorities of Europe, Intergovernmental Programme of Activities, etc. - and neither is there mention of staffing policy;

6. In the light of the foregoing, and bearing in mind its recommendations in previous years, the Assembly calls upon the Committee of Ministers:

6.1. to examine whether the level of the budget proposed by the Secretary General can adequately provide for the full implementation of the decisions and proposals resulting from the second summit and is consistent with the truly pan-European vocation of the Organisation;

6.2. to pay close heed to the legitimate concerns and wishes of the staff when examining any proposal for alteration of their health insurance system;

6.3. to consider alternative financing arrangements for the Council's pension scheme, so as to alleviate the increasing budgetary impact of the states' share of the cost of the scheme and to provide the staff with the guaranteed rights earned by their contributions to the scheme;

6.4. to make adequate financial provision for events and activities to mark the fiftieth anniversary of the Organisation, whilst at the same time taking care that this exceptional item of expenditure should not be to the detriment of recurrent activities and other priorities;

6.5. to consider, in the light of increasing use of working languages, providing the Organisation with an in situ translation capacity between those languages and the Organisation's official languages;

6.6. to continue to re-assess all of the Organisation's activities so they constitute as concrete a response as possible to member states' most pressing needs;

6.7. to continue its review of personnel policy (flexible job management, leaving allowances, early retirement, creation of temporary posts or short-term established posts);

6.8. to continue to work towards structural reform, particularly in the light of the recommendations of the Committee of Wise Persons, so as to maximise the Organisation's efficiency and optimise its use of resources.