Opinion 248 (2004)[1]

Budgets of the Council of Europe for the financial year 2005

Parliamentary Assembly

1. Given the Council of Europe's indispensable and specific role in the future European political and institutional architecture, the Parliamentary Assembly welcomes the additional resources made available in 2004 to the Organisation and, in particular, to the European Court of Human Rights. These new funds, a positive outcome of the Committee of Ministers' budgetary discussions, will assist the Secretary General of the Council of Europe in his continuing courageous efforts to provide additional funds for the five main priorities identified by the Committee of Ministers at its 104th Session in Budapest in May 1999, to further streamline internal working methods and to make better use of existing resources.

2. As regards the 2004 ordinary budget, the Assembly welcomes the decision taken by the Government of the Russian Federation to maintain its financial contributions at the same level as France, Germany, Italy and the United Kingdom and hopes that the Russian Federation will not renounce its status of major contributor either in 2005 or in subsequent years.

3. The Assembly reiterates its request to the Committee of Ministers to cease applying the zero real growth principle to the Council of Europe and encourages member states' governments to continue to honour their financial obligations by providing the Council of Europe with the human and financial resources necessary to achieve the aim set out in Chapter I of its Statute.

4. Considering the dramatic situation of the Chechen Republic of the Russian Federation, which represents a tragedy for all democratic countries, and the recent developments in Kosovo (Serbia and Montenegro), the Assembly recommends that the Committee of Ministers increase the human and financial resources necessary to devise and implement additional assistance programmes designed to provide social rehabilitation for all those who are suffering, as well as legal expertise in different fields of work, in particular as regards respect for human rights and the application of democratic standards.

5. Given the importance and scope of the activities of the European Court of Human Right, the Assembly believes that member states should begin to take stock of the progress made by the Court over the period 2003-04 and to make special provision for its long-term needs, taking into account the reform to be adopted in May 2004, as well as the possible accession of the European Union to the European Convention on Human Rights. Failing this, the Assembly fears that further increases in the Court's funding needs could be detrimental to those of other Council of Europe activities, given the persistent budgetary constraints.

6. The Assembly also invites the Committee of Ministers to examine carefully the problem concerning the social cover and pension rights of the Court's judges. It recommends that the Committee of Ministers make provision for a new, separate pension budget for the judges, which could be set up by deducting a given percentage from their monthly emoluments and by member states' contributions. The Assembly does not consider financially sound any proposal which would allow judges to draw their future pensions from the Organisation's current pension scheme, as it would inevitably undermine its future financial viability.

7. The Assembly considers that the priorities for 2005 should be aimed at pursuing the Council of Europe's enlargement process, continuing to assist South-eastern Europe and the Caucasus, as well as Moldova and Ukraine, in their democratic and peaceful development, and contributing to the democratic

1. Assembly debate on 26 April 2004 (9th Sitting) (see Doc.Doc. 10129, report of the Committee on Economic Affairs and Development, rapporteur: Mr Figel'). Text adopted by the Assembly on 26 April 2004 (9th Sitting).

rehabilitation of the Chechen Republic of the Russian Federation. Other priority areas for the Organisation include pursuing the fight against terrorism, corruption, organised crime, human trafficking and illegal migration, which pose a threat to economic prosperity, and establishing a new structure responsible for the implementation of the Council of Europe's strategy for the orderly management of migration. The Assembly believes that resources allocated to strengthening social cohesion and developing educational and cultural co-operation, which form the basis of European identity, should not be decreased.

8. Bearing in mind the political imperative to avert a widening of the gap between the member states of the European Union and of the Council of Europe and those belonging solely to the Council of Europe, the Assembly asks governments of member states to give the Organisation the human and financial resources essential for continuing and further developing the quality and range of its assistance and co-operation programmes.

9. The Assembly trusts that the Committee of Ministers will take all the necessary steps to give the highest political and financial priority to the events connected with the holding of the 3rd Summit of Heads of State and Government of the Council of Europe.

10. The Assembly is acutely concerned by the limited human resources and funding which have so far been made available to the office of the Commissioner for Human Rights. The first and main concern of the Assembly is the composition of the Commissioner's office which has more seconded than permanent staff; this could undermine both the necessary appearance and actual existence of impartiality and independence, which must be beyond question. It therefore urges the Committee of Ministers to create new permanent posts for the office of the Commissioner, who could then select the best candidates according to the specific requirements of his specialised office. It believes, however, that it is essential for any reinforcement of the resources available to the Commissioner to be conditional on the acceptance by the Committee of Ministers of the recommendations contained in his reports.

11. Considering the imminent enlargement of the European Union and the forward-looking proposals that have emerged from the work of the European Convention on the Future of Europe, the Assembly recommends that the Committee of Ministers develop the closest possible links with the European Union as well as more diversified forms of co-operation, in particular as regards intergovernmental and assistance programmes. In particular, it considers it vital that the Secretary General of the Council of Europe and the Committee of Ministers begin to negotiate an institutional partnership with the European Commission with the aim of providing the Council of Europe with a unique and special link with the European Union, enabling the Organisation to co-operate as a full and equal partner in the management of joint programmes and to obtain more funding for activities of common interest. Such a link is fully justified by the Council of Europe's historical experience and established expertise in addressing the very issues of democracy, human rights and the rule of law involved in the type of programmes in which it co-operates with the European Union.

12. In view of the Council of Europe's observer status with the United Nations General Assembly and its fruitful and long-standing co-operation with United Nations bodies and specialised agencies, the Committee of Ministers should consider how a permanent presence for the Organisation could be established in New York in the future.

13. The Assembly welcomes the furthering and deepening of co-operation with the Organization for Security and Co-operation in Europe (OSCE), which has led to the completion of a number of joint programmes, including those in Albania, Bosnia and Herzegovina, Kosovo and Serbia and Montenegro. The Assembly is also convinced that the Council of Europe's outreach policy, which has gradually increased the number of the Organisation's information and field offices, has enhanced joint activities and fostered better co-ordination between these two international organisations.

14. The Assembly deplores the fact that the Committee of Ministers has not agreed to the measures proposed by the Assembly in Opinions Nos. 224 (2001), 236 (2002) and 243 (2003) to improve the Organisation's precarious budgetary situation. These measures are:

14.1. co-ordinating the Organisation's budgetary timetable with the national budgetary timetables of member states. In this regard, the Assembly believes that a study on prevailing budgetary procedures in the member states should be undertaken in the future. Such a change would enable governments to examine the Council of Europe's budgetary needs in detail before taking any final decision on their forthcoming national budgets;

14.2. given the major shortcomings and cumbersome nature of the current budgetary procedure, introducing a two-year system such as exists in other international organisations, as pointed out in Opinions Nos. 199 (1996), 203 (1997), 211 (1999), 218 (2000) 224 (2001), 236 (2002) and 243 (2003).

This would enable the Organisation to plan and implement multi-annual projects, in particular as regards the consolidation of democratic and political institutions in the Balkans and the Caucasus, the protection of minorities and the fight against human trafficking, corruption and social exclusion;

14.3. creating a special “Council of Europe” line within national budgets and allowing the ministries concerned – such as those responsible for cultural, educational, legal and social matters – to contribute to the financing of certain intergovernmental activities, as already requested in Opinions Nos. 199 (1996), 211 (1999), 218 (2000), 224 (2001), 236 (2002) and 243 (2003). Contributions to the Council of Europe come from allocations in the budgets of foreign affairs ministries labelled “contributions to international organisations”. The fact is that in most Council of Europe member states the lowest rate of budget growth in recent years has been precisely in the foreign affairs ministries, which explains why the Council of Europe’s justified requests for budgetary increases have been frustrated over the last four years;

14.4. reviewing the criteria set out in Resolution (94) 31 of the Committee of Ministers whereby the contributions of the five major contributors were reduced to only 12.40% of the ordinary budget, thereby aggravating the position of less wealthy member states. The Assembly continues to be greatly concerned at what it perceives as a certain lack of solidarity among member states. One option would be to amend Resolution (94) 31 by including a clause setting a minimum contribution to be paid by each member state. In this context, the Assembly wishes to underline that any possible change in the criteria set out in this resolution should not be used to reduce the Organisation’s overall budget;

14.5. exploring additional methods of financing other than the traditional approach of seeking increased contributions from member states.

15. Believing that the current consensus-based decision-making process of the Committee of Ministers has the effect of frustrating any effort to increase the Organisation’s human and financial resources, the Assembly encourages the Committee of Ministers to modify its modus operandi, in particular when it comes to taking decisions on the Council of Europe’s budget.

16. Considering that its contributions in respect of the budgetary and administrative affairs of the Organisation have significantly helped the Committee of Ministers to identify new priority areas, the Assembly suggests that, in keeping with its Recommendation 1344 (1997), joint decision-making powers be granted to the Assembly in setting the Organisation’s overall budget.

17. The Assembly reminds the Committee of Ministers of its obligation to earmark adequate financial resources whenever it takes political decisions resulting in additional tasks to be undertaken by the Organisation.

18. It encourages the Committee of Ministers to continue to make provision for the Field Mission Reserve, which enables the Council of Europe to react swiftly to unforeseen political developments. Moreover, the Assembly notes with satisfaction that the current network of information and field offices present in twenty-two member states has significantly improved the implementation and monitoring of the Organisation’s assistance programmes and has further developed the Organisation’s co-operation with the countries concerned.

19. The Assembly recommends that the Committee of Ministers carefully consider all the financial implications of new accessions. It therefore asks the Committee of Ministers to pay closer attention to the rising costs associated with treaty monitoring arrangements, in particular as new accessions place an additional strain on human and financial resources.

20. Although voluntary contributions are welcome additional resources for the Organisation, the Assembly is firmly convinced that they cannot replace obligatory contributions in the financing of the Organisation’s structural and long-term needs. In fact, voluntary contributions are always generous at the start of all programmes but tend to diminish in subsequent years. By way of example, the level of voluntary contributions in 2003 from member states (€9 136 409) was lower than that of 2000 (€9 563 850) despite the Organisation’s expanded membership. Even the activities in Kosovo, the Federal Republic of Yugoslavia and Chechnya, which were funded by voluntary contributions at the outset, are now mainly financed from the Organisation’s limited ordinary budget, to the detriment of other activities.

21. In the light of the criteria contained in the New Staff Policy, rightly initiated by the Secretary General, the Assembly recommends that the Committee of Ministers pay special attention in its future recruitment policy to the principles of equal opportunity and fair geographical distribution, which is based on member states’ mandatory contributions. The Assembly also asks the Committee of Ministers to take special measures, based on Resolution (92) 38, in respect of an early retirement scheme, including the provision of additional resources to this end, in order to speed up the renewal of the Organisation’s human resources and to foster

the systematic and efficient redeployment of staff. Finally, it asks the Committee of Ministers to increase the financial resources allocated to staff members' training courses, which amount to only 0.5% of the Organisation's payroll. In this context, it is important to underline that, in many member states, the financial resources allocated to training policies represent 1% to 2.5% of the total wage bill.

22. In view of the ongoing negotiations on future salary adjustments for all six co-ordinated organisations – the Council of Europe, the European Centre for Medium-Range Weather Forecasts, the European Space Agency, the North Atlantic Treaty Organisation (Nato), the Organisation for Economic Co-operation and Development (OECD) and Western European Union – the Assembly restates its view, already set out in Recommendation 1488 (2000), that an objective and mathematical method for salary adjustments must be established in order to enable the secretaries general of these six international institutions to recruit, retain and motivate highly trained, competent and independent staff. It is therefore crucial that staff remuneration remain competitive with regard to three recruitment markets, namely the private sector, national civil services and international civil servants, also including the European Union.