



**Opinion 268 (2008)<sup>1</sup>**

## **Budgets of the Council of Europe for the financial year 2009**

Parliamentary Assembly

1. For four years now, in its various budgetary opinions, the Parliamentary Assembly has been constantly seeking to draw member states' attention to the worsening financial situation of the Council of Europe. It regrets that its repeated calls for an awareness of this deterioration have so far come to nothing.
2. In 2009 the Council of Europe will celebrate its 60th anniversary, and the Assembly is concerned to see the image of the Organisation, Europe's democratic conscience and human rights guardian, wilting like a flower without water.
3. The Assembly is aware of the budgetary difficulties that certain member states may be encountering, but refuses to consider this a reason to further weaken the Council of Europe by starving it of resources through the maintenance of a policy based solely on the principle of zero real growth in the Organisation's budget.
4. In particular, the Assembly deems it regrettable that the zero budgetary growth principle is also applied to the partial agreements and would like them not to be subject to this rule in view of the success and the specific nature of their activities and, in some instances, their sources of funds.
5. It must be said that the financial burden is very unequally shared among the member states. For this reason, in its [Opinion No. 264 \(2007\)](#) on the budgets of the Council of Europe for the financial year 2008 and its [Recommendation 1812 \(2007\)](#) on the political dimension of the Council of Europe budget, the Assembly proposed to the Committee of Ministers a number of ways of adapting the budget of the Organisation to the current challenges and reviewing financing conditions and apportionment of the financial expense among the member states. It notes that it has unfortunately not yet received a reply to this recommendation.
6. The Assembly considers that efficient budget management must go hand in hand with a vision for the Organisation in the medium to long term. It accordingly calls on the Committee of Ministers to adopt, without delay, a multi-annual budget framework. In this connection, the Assembly invites the Committee of Ministers to refer to its [Opinion No. 256 \(2005\)](#) on the budgets of the Council of Europe for the financial year 2006, in which it set out the benefits which argue in favour of such a measure.
7. A multi-annual budget framework will indeed make it possible to assess the financial implications of earlier decisions made by the Committee of Ministers and thereby to be perfectly aware of the Council of Europe's expenditure needs in the short and medium term. The Assembly notes that a plan of this kind exists for investments (the 2007-11 Investment Plan) and thinks it would be feasible to apply a multi-annual approach to the Organisation's operating and activities budgets.
8. The fact is that the Council of Europe budget increases automatically each year by several million euros on account of the full-year effect of earlier decisions made by the Committee of Ministers, in particular concerning the additional resources allocated to the European Court of Human Rights, compulsory adjustments to the salary scales of the Organisation's staff and other expenditure on buildings maintenance and modernisation.

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1. *Text adopted by the Standing Committee, acting on behalf of the Assembly, on 29 May 2008 (see [Doc. 11599](#), report of the Committee on Economic Affairs and Development, rapporteur: Mr Wille.)*



9. In view of these requirements, the Assembly would like the Committee of Ministers to modify Article 70 of the Financial Regulations in order to leave any credit balance on closing the accounts for a financial year systematically at the Organisation's disposal, so that it can either be transferred to a reserve account or used to finance non-recurring expenditure in subsequent years.

10. For four years now, it has been clear from trends in the ordinary budget of the Council of Europe that the European Court of Human Rights' share of the budget is growing while, in parallel, the share of other sectors of the Organisation is decreasing, apart from expenditure on administrative and logistical support functions, linked in part to the growth in the Court's resources. It can be seen that the Court's budget has grown from 21.9% of the ordinary budget in 2005 to 25.3% in 2008.

11. Given the importance of the European Court of Human Rights to the Council of Europe and its member states, and in view of the financial efforts made in recent years by these states and the Organisation's various departments to enable the Court to fulfil its statutory obligations, the Assembly considers that the time has come to draw up a progress report on the Court, so as to take stock of what has been achieved with the additional resources it has received.

12. The Assembly, which is responsible for electing the judges representing each High Contracting Party to the European Convention on Human Rights (ETS No. 5) and for issuing an opinion on the budget of the Council of Europe as a whole, underlines the essential need to ensure the efficacy and the proper functioning of the Court in the medium to long term.

13. To this end, the Assembly would like a study of the Court's functioning to be scheduled in 2009 so as to assess, *inter alia*, the implementation of the recommendations made by Lord Woolf, former Lord Chief Justice of England and Wales, who, at the request of the Secretary General and the President of the Court, conducted a review to consider what administrative measures could be taken, before the entry into force of Protocol No. 14 to the European Convention on Human Rights (CETS No. 194), to help the Court cope with its caseload.

14. This study could concern in particular the Court's working methods and future staffing needs. The Assembly is convinced that a study of this kind would be beneficial should the European Union accede to the European Convention on Human Rights if the Treaty of Lisbon is ratified by the 27 European Union member states. The Council of Europe would thereby have a clearer idea of the additional resources the Court may need in coming years.

15. The Assembly would like the conclusions of this stocktaking exercise to be presented not only to the Committee of Ministers but also to itself. It is moreover convinced that, whatever the outcome, the member states will be unable to maintain the zero real growth policy and will be obliged to increase their contributions to the Council of Europe's budgets substantially.

16. The Assembly also urges the authorities of the Russian Federation to do everything in their power to enable the rapid ratification of Protocol No. 14, so as to permit the immediate implementation of certain measures proposed by the Group of Wise Persons appointed to consider the long-term effectiveness of the control mechanism of the European Convention on Human Rights. The entry into force of Protocol No. 14 is indeed an absolute priority if the aim is to give the Court the means to fulfil its statutory obligations more effectively.

17. The Assembly continues to regard the European Court of Human Rights as the Council of Europe's finest achievement, while being of the opinion that the Organisation's work should not be confined solely to the major pillars constituted by human rights, the rule of law and democracy, but should also cover other fields in which the Council of Europe is often a European leader and at which it excels, namely education, culture, youth, sport, social cohesion and public health, also matters of concern for the member states.

18. The Assembly remains convinced that the Council of Europe, with its wealth of standard-setting and other achievements, acknowledged by the member states and worldwide, has the full potential to offer these states ambitious, well targeted, innovative work programmes in line with the Warsaw Action Plan and that the human and financial resources needed to implement such programmes exist.

19. An analysis of voluntary contributions paid to the Council of Europe by member states, non-member states and other institutional partners, such as the European Commission, indeed shows that between 2005 and 2007 nearly €59 million in additional resources were granted to the Organisation to support its various activity programmes.

20. However, although this confidence in the Organisation can but be welcomed by the Assembly, it would like to temper its satisfaction with the fact that it deems it illogical to propose that activities should be financed à la carte instead of fully concentrating resources on work programmes approved by all the member states' delegations. The Assembly wishes voluntary contributions to be paid into a fund earmarked for financing activities as defined by the operational directorates and approved by the Committee of Ministers, but bearing in mind the donors' wishes.

21. The Assembly reiterates that the staff of the Council of Europe is undoubtedly one of its most precious assets, whose work to a large extent leads to the production of documents of a lasting and/or binding nature, destined to constitute authoritative standards or precedents long after the financial year in which the expenditure was incurred for their drafting. The Assembly accordingly reaffirms its concern that the staff of the Council of Europe not be considered a mere accounting variable that can be adjusted to balance the Council of Europe's finances.

22. For this reason, the Assembly calls on the member states to fully assume the consequences of their decisions and to honour their financial commitments, particularly as regards the pension reserve fund, so as to guarantee the sustainability of the pension scheme for Council of Europe staff members, who are and remain citizens of the member states.

23. The new actuarial report for this reserve fund does in fact require that the total contribution to be paid by member states in 2009 be increased by €5.9 million. Therefore, the Assembly insists that member states finance the full amount of this increase by increasing their own contribution to the pensions budget and not by reducing their appropriations for the other budgets of the Organisation (in particular the ordinary budget).

24. The Assembly also reaffirms its attachment to the Council of Europe's continued membership of the existing co-ordinated system, as already set out in its [Opinion No. 259 \(2006\)](#) on the budgets of the Council of Europe for the financial year 2007.

25. In addition, the Assembly reminds the Committee of Ministers of the desire it expressed in its [Opinion No. 264 \(2007\)](#) for the founding of a genuine "European centre of excellence for democracy and human rights" in Strasbourg around the Council of Europe and its legal and political bodies.

26. The Assembly is the only European parliamentary institution that allows the national parliaments of the 47 member states of the Council of Europe to debate and work together with a view to finding answers to the challenges confronting Europe today. It accordingly regrets the Committee of Ministers' refusal to involve it more in the decision-making mechanism concerning the Council of Europe's priorities and budgets, as it had suggested in its [Recommendation 1728 \(2005\)](#). It finds this attitude all the more incomprehensible in a context where many member states have shown their determination to reinforce the role played by their national parliaments in their countries' political systems and a number of international parliamentary institutions have been given broader remits.