ASSEMBLÉE PARLEMENTAIRE
DU CONSEIL DE L'EUROPE

Opinion 281 (2011)[1]

Budgets and priorities of the Council of Europe for the financial years 2012-2013

Parliamentary Assembly

1. The Parliamentary Assembly supports the reforms initiated by the Secretary General of the Council of Europe, Mr Thorbjørn Jagland, to revitalise the Council of Europe and give the Organisation a fresh political impetus in the years to come. In particular, it can give its backing to the measures being taken to rationalise structures and contain staff expenditure. It welcomes the work done by the internal governance group (Group "Agenda 2020"), responsible for putting forward proposals and recommendations on the implementation of the reform.

2. The Assembly also endorses the Secretary General's initiative, in response to a proposal from the Turkish Chairmanship of the Committee of Ministers, to set up a Group of Eminent Persons, chaired by Mr Joschka Fischer, to prepare a report on the Pan-European project "Living together – Combining diversity and freedom in 21st-century Europe". It notes with interest that this report has been published and will discuss its conclusions and proposals.

3. The Assembly takes note of the general reduction, proposed by the Secretary General, applied to the budgets of the major administrative entities and institutional bodies of the Council of Europe (the Committee of Ministers, the Parliamentary Assembly, the Congress of Local and Regional Authorities, the Office of the Commissioner for Human Rights and, solely for non-case-processing activities, the European Court of Human Rights) in the preparation of the budget for the financial years 2012 and 2013. The Assembly refers to its Resolution 1817 (2011) on the expenditure of the Parliamentary Assembly for the financial years 2012-2013.

4. Concerning the Organisation's structures, the Assembly acknowledges the need for a rationalisation and reinforcement of the Council of Europe's field capacity, particularly through the creation of 15 Council of Europe offices in member states concerned by the implementation of large-scale assistance and co-operation programmes. However, the Assembly still has reservations, on account of their potential cost, concerning the creation of the Geneva, Vienna and Warsaw offices, which are not directly linked to the implementation of co-operation programmes.

5. Although the Assembly is strongly in favour of enhanced inter-institutional co-operation, it would not like the creation of new structures to weigh on the Organisation's budgets at a time when very significant efforts to rationalise and contain the expenditure of the Organisation are being made on all sides, including by the Assembly itself.

6. Concerning the restructuring of the programme of activities, the Assembly understands that it is becoming extremely difficult to implement some 130 programmes (leaving aside legally binding activities) with an annual budget restricted to €40 million. It can accordingly accept the reduction to 38 operational programmes, which means that certain programmes lacking the critical mass to have a sufficient impact should be discontinued. However, it would not want important activities to end because the resources necessary to keep them going have been deployed elsewhere. The co-operation programmes and related activities must indeed be geared to meeting the challenges faced by the member states.

7. The Assembly considers that the same applies to the intergovernmental sector (committees of intergovernmental experts). It can accordingly comprehend that the new steering committees and their subordinate bodies are being organised under the three pillars of the co-operation programme, namely human rights, the rule of law and democracy. This will make it possible to reduce the number of steering committees from 23 to 16, and the number of subordinate bodies from 28 to 6, thereby permitting a saving of about €900 000 per year.

8. However, this refocusing of activities, which is doubtless necessary, must be well thought through and correspond to the aims of all Council of Europe member states (not just the objectives of the Committee of Ministers – that is to say the ministries of foreign affairs – but also those of all the other specialised ministries concerned). Indeed, the priorities of the capitals and of the ministries are not always the same.

9. Lastly, the Assembly wishes this restructuring exercise to be implemented taking full account of the position it adopted in its Resolution 1783 (2011) on follow-up to the reform of the Council of Europe.

10. The Assembly itself has set up an ad hoc committee on its own reform, whose proposals are set out in Resolution 1822 (2011) on the reform of the Parliamentary Assembly.

11. With regard to the conventions, the Assembly backs the Secretary General's intent to "take stock of the situation by conducting a critical review of their relevance". In this connection, the Assembly refers to its Recommendation 1920 (2010) on reinforcing the effectiveness of Council of Europe treaty law, in which it requested the Committee of Ministers to instruct the relevant steering committees to examine the treaties falling within their respective spheres of competence, so as to identify conventions that are still relevant but require updating.

1. Assembly debate on 20 June 2011 (20th Sitting) (see Doc. 12622, report of the Committee on Economic Affairs and Development, rapporteur: Mr Cebeci). Text adopted by the Assembly on 20 June 2011 (20th Sitting).

12. On this subject, the Assembly, as the instigator of many Council of Europe conventions, considers that it should itself be very closely involved in the implementation of an action plan for the conventions.

13. The Assembly also welcomes the decision by the Committee of Ministers and the Secretary General to introduce a biennial programme and budget for 2012-2013. This is consistent with the Assembly's frequently voiced desire to throw off the yoke of the annual budget, which has so far been the rule at the Council of Europe.

14. Nonetheless, the Assembly would emphasise that the introduction of a biennial programme and budget will constitute a major step forward on condition that the rules of implementation are adapted so as to permit management over a two-year cycle, namely to permit the adoption of a budget for the coming year (N) and the following year (N+1) and flexible use of funds for years N and N+1.

15. In concrete terms, the Assembly considers that any unspent funds from year N should be carried forward without restriction to year N+1. Similarly, it thinks it should be possible, under certain conditions to be determined, to draw on the funds earmarked for year N +1 if expenditure overruns the amounts budgeted for year N, for example so as to make investments that will permit the reduction of certain expenditure items in the longer term.

16. For this reason the Assembly reiterates its call to amend the current Article 70 of the Financial Regulations of the Council of Europe so that any unspent balance at the year end will be left at the Organisation's disposal and placed in a reserve account, as the Assembly suggested in its Opinions 268 (2008) on the budgets of the Council of Europe for the financial year 2009 and 279 (2010) on the budgets and priorities of the Council of Europe for the 2011 financial year.

17. With regard to priorities, the Assembly continues to follow with great interest the issue of human rights protection and the future of the European Court of Human Rights, including the follow-up process and action plan adopted by the Committee of Ministers in the wake of the Interlaken Conference in February 2010. It has also taken note of the Izmir Declaration of 27 April 2011, published on the occasion of the High-Level Conference on the Future of the European Court of Human Rights.

18. The Assembly is nonetheless surprised that, in view of its historical role in ensuring the authority and effectiveness of the Convention system and the part it plays in the election of the Court's judges, as the source of legitimacy of their mandates, it has not been asked to participate in the long-term strategic reflections about the future role of the Court.

19. The Assembly indeed attaches great importance to the good functioning of the Convention system, particularly in the context of the current negotiations on European Union accession to the European Convention on Human Rights (ETS No. 5) and the need to ensure the effective implementation of the Court's judgments.

20. With particular regard to the rule of law, the Assembly fully concurs with the decision to target the programme towards combating threats to collective and individual security, notably organised crime, corruption and money laundering. Here, the Assembly underlines the importance of ensuring the monitoring of the relevant Council of Europe conventions. In particular, it invites the member states swiftly to sign and ratify the Council of Europe Convention on the Counterfeiting of Medical Products and Similar Crimes involving Threats to Public Health, which was adopted in December 2010 and of which it was the originator, as well as the Council of Europe Convention on Preventing and Combating Violence against Women and Domestic Violence (CETS No. 210), adopted in Istanbul on 11 May 2011.

21. The Assembly moreover notes with satisfaction that the Secretary General of the Council of Europe intends to "pursue ... work in support of fair and democratic elections". In this respect, it recalls that it was behind the introduction of institutionalised observation of elections within Europe. Since 1989, the Assembly has observed over 130 parliamentary or presidential elections in European countries, and some 1 700 Assembly members have been deployed as observers.

22. The Assembly considers that it has played a leading role in building Europe's electoral heritage. It instigated the Council of Europe's standard-setting work concerning elections, which served as a basis for improving national electoral legislation. With the European Commission for Democracy through Law (Venice Commission) as its institutional partner, the Assembly will continue to play an efficient and effective role in the field, observing legislative or presidential elections.

23. Concerning its relations with external partners, particularly civil society, the Assembly wishes to obtain more information on the strategy of the Council of Europe with regard to civil society in general and the international non-governmental organisations (INGOs) enjoying participatory status in particular. In October 2010, the Conference of INGOs drew Assembly members' attention to its situation following the initial consequences of the reform, entailing a more than 50% cut in the conference's budget for 2011, which means that it cannot hold sessions in parallel with those of the Assembly.

24. The Assembly also welcomes the tangible action taken by the Secretary General in response to the call it issued in its Recommendation 1886 (2009) on the future of the Council of Europe in the light of its sixty years of experience, to set up an annual forum for democracy in Strasbourg: a sort of "Davos" for democracy with strong participation by civil society and INGOs.

25. The Assembly notes that the Secretary General's reform priorities continue to include the modernisation of human resources policy, in particular containment of staff costs. It has noted that the Committee of Ministers, acting on a proposal by the Secretary General, has amended the Staff Regulations so as to modernise – and in the longer term abolish – certain staff allowances

that do not come under the co-ordinated remuneration system (education, language and housing allowances) and to adapt conditions for start-of-career promotions.

26. The Assembly has also been informed of the governments' wish to decrease the expatriation allowance paid to non-resident staff working for one or other of the Co-ordinated Organisations, despite negative opinions from the Committee of Representatives of the Secretaries-General and from staff representatives. The Assembly reminds those concerned that it attaches the greatest importance to the principles of negotiation and respect for the rules governing the co-ordination system, which must be abided by.

27. Concerning the pensions of staff of the Council of Europe, the Assembly has been informed that a new actuarial study to assess the level of member states' contributions to the Pension Reserve Fund for the next three years (2012-2014) is to be published before the end of 2011. In this context, the Assembly wishes to draw the Committee of Ministers' attention to the rate of return set for the actuarial study, as the Committee of Ministers should not impose a virtual rate that is too high, simply with a view to minimising member states' future contributions to the fund.

28. The Assembly is also surprised that there are no proposals to link the Pension Reserve Fund and the sole financial body of the Council of Europe, the Council of Europe Development Bank (CEB). It considers that the bank's expertise in investment matters could be put to use by the fund's management board. In this connection, the Assembly invites the Committee of Ministers to consider the advisability of granting a seat on the fund's management board to the CEB and of drawing on the bank's expertise concerning financial investments in devising the strategy for investing the fund's assets.

29. The Assembly notes that the Council of Europe also receives voluntary contributions of about €29 million per year (including some €20 million from the European Union). These contributions are important to keep afloat the Council of Europe's co-operation and technical assistance activities. For 2011, extra-budgetary resource requirements have been estimated at about €37 million. In this context, the Assembly invites the Secretary General of the Council of Europe to negotiate with the European Commission the establishment of a stable, sustainable system of funding joint programmes with European Union resources.

30. In view of the importance of these additional resources, the Assembly would like the structure within the Council of Europe Secretariat in charge of fundraising to be reinforced. In this connection, it also proposes holding regular meetings between the authorities of the foreign ministries of member states and of the Council of Europe, so as to foster better understanding of the system, its improved functioning and better use of the funds.

31. In conclusion, the Assembly is aware that the purpose of all these measures is to adapt the Council of Europe to cope with new challenges. At the same time, current geopolitical developments in the Mediterranean Basin are confronting Europe, the European Union and the Council of Europe with their political, financial, social and moral responsibilities.

32. For this reason, the Assembly would like the Council of Europe to help these new democracies establish themselves, placing a premium on rights, whether concerning access to freedoms, respect for human rights or the establishment of the rule of law, which are the Council of Europe's fundamental values. This is a challenge to which the Council of Europe absolutely must respond.