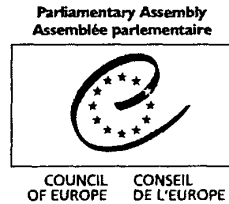


Parliamentary Assembly
Assemblée parlementaire



For debate in the Standing Committee — see Rule 15 of the Rules of Procedure

Doc. 10919
2 May 2006

Expenditure of the Parliamentary Assembly for the financial year 2007

Report
Committee on Economic Affairs and Development
Rapporteur: Mr Paul Wille, Belgium, Alliance of Liberals and Democrats for Europe

A. Draft opinion

1. In pursuance of Resolution (53) 38 of the Committee of Ministers, the Parliamentary Assembly issues an opinion each year about the appropriations relating to its operation. The amounts assigned to the Assembly appear in Vote III of the ordinary budget of the Council of Europe, and these cover expenditure on staff, the costs associated with the functioning of its political groups and its own operating expenses (including the interparliamentary co-operation programme).

2. What is more, the Committee of Ministers has, since June 1975, allowed the budgetary package technique to be applied to that part of the Assembly's budget covering its operating costs, agreeing that "the development of the Assembly's budget – which is an operating budget – cannot be linked with that of the organisation as a whole, whose evolution often depends on decisions connected with the organisation's Work Programme, and also on factors totally extraneous to operational expenditure which play their part in the annual variation of the budget total".

3. On 5 April 2006 the Secretary General of the Council of Europe transmitted to the Assembly his document "Priorities for 2007 - Budgetary implications" [AS/Inf (2006) 3]. In this document he sets out additional financing requirements for 2007 corresponding to obligatory increases compared with the appropriations voted for 2006 and additional resources requested by the European Court of Human Rights.

4. The additional financing requirements amount to € 10 188 500 and concern:

4.1. the implementation of the three-year programme (2006-2008) of reinforcement of the European Court of Human Rights and the creation of a fifth section, for which the Committee of Ministers did not wish to grant extra appropriations (approximately € 6.5 million);

- 4.2. the inclusion of the running costs of the new general building which is to be handed over in 2007 (approximately € 1.5 million);
- 4.3. the reduction in the unexpended balance for the 2005 financial year (approximately € 2 million).
5. Should the member states be unwilling to increase their contributions to the various budgets (principle of zero growth in real terms) and wish to keep the 2007 budget within the bounds of the actual 2006 budget, that would ultimately represent a "shortfall" of approximately € 10 million, i.e. 5% of the annual amount of the ordinary budget of the Council of Europe.
6. The Assembly cannot accept that the development of the European Court of Human Rights, the European body tasked with safeguarding human rights throughout the continent, should be to the detriment of the Organisation's other co-operation mechanisms, including the Assembly.
7. The Assembly draws the attention of the Committee of Ministers to the dangers of such a policy and reminds it that Article 38 e of the Statute specifies that "any resolution the implementation of which requires additional expenditure shall not be considered as adopted by the Committee of Ministers unless the Committee has also approved the corresponding estimates for such additional expenditure".
8. The Assembly emphasises the fact that it needs resources in order to fulfil its role as a pan-European parliamentary body, so as to develop its relations and co-operation with other parliamentary bodies, including the European Parliament and the national parliaments, which should be its special partners. In the current phase of European construction, such a development is in the interest of the Council of Europe.
9. The Assembly points out that its main activities are:
 - 9.1. the holding of a plenary session in four parts;
 - 9.2. meetings of the Bureau and Standing Committee held between part-sessions;
 - 9.3. meetings lasting one or more days, held in Strasbourg or Paris outside the four plenary part-sessions, of each of the 10 general committees, the sub-committees, the ad hoc committees of the Assembly, the Bureau, and the specialised working groups;
 - 9.4. committee and sub-committee meetings held elsewhere than in Strasbourg or Paris;
 - 9.5. parliamentary conferences, colloquies, seminars and hearings;
 - 9.6. activities under the Assembly's interparliamentary co-operation programme;
 - 9.7. the observation of elections;
 - 9.8. the work of the political groups.
10. The Assembly, as the Organisation's parliamentary organ and political forum, also needs to bring its equipment into line with the requirements of modern communication. In this context it requests the Committee of Ministers to adopt the Assembly's investment priorities which appear in Opinion 257 (2005) and which were not taken into account for the purposes of the 2006 budget, and more particularly the replacement of the vote display panels by two large-format video walls.
11. The Assembly refers the Committee of Ministers to its previous opinions, particularly Opinions 249 (2004) and 257 (2005), in which it drew attention to its staffing needs to enable it to carry out its tasks properly and to the reasons why it felt that its budget should be maintained (at least) at its previous level, or even increased, bearing in mind the Assembly's repeated but unfulfilled requests for the number of posts that it needs.
12. The Assembly thus considers that its budget for 2007 should be maintained at least at the same level as for 2006 in order to enable it to pursue its activities, to perform its tasks as defined in the Statute of the Council of Europe and to continue to play a significant role alongside Europe's other parliamentary institutions.

13. Nevertheless, the Assembly, aware of the aforementioned budgetary constraints and bearing in mind the general interest of the Organisation, is in a position to endorse the proposals put forward by the Secretary General, Terry Davis, as set out in document AS/Inf (2006) 3 "Priorities for 2007 - budgetary implications".

14. The Assembly is in favour of the Secretary General's recommendation which, while continuing to apply the principle of zero real growth to the ordinary budget for 2007, would consist in:

14.1. financing the running costs of the Council of Europe's new building and offsetting the reduction in the credit balance remaining on the 2005 budget within the ordinary budget based on zero growth in real terms;

14.2. pursuing the implementation of the Action Plan activities defined at the time of adoption of the 2006 programme of activities and strengthening them in certain areas;

14.3. financing the additional needs of the European Court of Human Rights outside zero real growth.

15. To remain within zero real growth, while avoiding supplementary cuts in the programme of activities, new savings must be achieved through efficiency gains and other reductions.

16. The Assembly is ready to join the efforts required. It is in a position to present budgetary proposals for the 2007 financial year taking into account a € 107 700 reduction in its expenditure compared with the appropriations granted in the 2006 budget. This reduction, obtained through efficiency gains, will be centred on certain operating expenditure items (see Appendix III).

17. Furthermore, subsequent to Recommendation 1739 (2006), the Assembly undertakes, in so far as is possible, to incorporate a gender perspective into the management of its activities and expenditure, endeavouring to take better account of the principle of equality between the sexes.

18. In conclusion, the Assembly more than ever reaffirms its wish for its budgetary powers in line with its status as a parliamentary and political organ of the Council of Europe to be recognised by the Committee of Ministers, in accordance with Recommendation 1728 (2005), which calls on the Committee of Ministers, on the basis of Article 41.d of the Statute of the Council of Europe, to amend Article 38 of the Statute and to add after paragraph c two new paragraphs worded as follows:

"The Assembly shall fix the amount of its expenditure, the annual increment being determined by agreement between the Committee of Ministers and the Assembly.

"The Assembly shall be consulted by the Committee of Ministers before the latter fixes the amount of the overall budget of the Council of Europe for the coming year. This consultation shall take place at the earliest possible stage in order to allow the Assembly to take it into account in its opinion on the budget".

Appended to this Opinion are:

i. a table of the requests for 2007 compared with the estimated expenditure for 2006, presented according to the results-based budgeting method which has led the Secretariat of the Assembly to divide the budget into two activity sectors:

- a. plenary sessions;
- b. functioning of the Assembly's various bodies.

Expenditure is similarly itemised in each sector;

ii. a brief explanation of the various items of expenditure;

iii. a table on the adjustments made for 2007 as compared to the estimated expenditure for 2006

iv. a table setting out the Assembly's work programme according to the results-based budgeting method.

Appendix I

VOTE III of the ordinary budget – Expenditure of the Assembly TITRE III DU BUDGET ORDINAIRE – DÉPENSES RELATIVES À L'ASSEMBLÉE	Appropriations for 2007 Crédits ouverts au budget de 2007 EUROS	Expenditure foreseen for 2006 Dépenses prévues pour 2006 EUROS
HEAD 0310 – Sessions plénières CHAPITRE 0310 – Plenary Sessions		
<u>Dépenses de personnel/Staff expenditure</u>		
Sub-heads/Articles		
0000001 - Remuneration of staff recruited on established posts Rémunération du personnel recruté dans le cadre des emplois permanents	1 421 500	1 421 500
0000003 - Remuneration and accessory charges of temporary staff Rémunération et charges accessoires du personnel temporaire	817 900	817 900
0000005 - Salary, allowances and social charges of the Secretary General of the Assembly Rémunération, indemnités et charges sociales du Secrétaire Général de l'Assemblée	65 900	65 900
0000007 - Overtime – statutory and other allowances Heures supplémentaires – indemnités statutaires et autres	21 300	21 300
<u>Supplies, services and other operational expenditure</u>		
<u>Dépenses de matériel et autres dépenses de fonctionnement</u>		
Sub-heads/Articles		
0000080 - Official journeys Frais de missions.....	p.m.	p.m.
0000095 - Representational expenditure, other official expenditure and travelling expenses of members of the Assembly / Dépenses de représentation, frais de fonction et de déplacement des Membres de l'Assemblée.....	29 400	29 400
0000115 - Interpretation Interprétation.....	1 040 000	1 040 000
0000116 - Translation Traduction.....	165 600	175 700
0000124 - Publishing and printing Publications et impressions.....	495 000	510 000
0000125 – Outsourced production of documents Production externalisée de documents	28 000	28 000
0000129 - Consultation of experts Consultation d'experts.....	125 400	125 400
0000166 - Expenses for inviting guests of the Parliamentary Assembly Dépenses d'accueil des invités de l'Assemblée parlementaire.....	3 500	3 500
0000204 - Modernisation of the Assembly's equipment Modernisation de l'équipement de l'Assemblée.....	p.m.	p.m.
0000206 - Operating and maintenance costs of the electronic voting system Coûts de maintenance et d'exploitation du vote électronique.....	42 000	42 000
0000250 - Co-operation and monitoring programme Programme de coopération et du suivi des engagements	p.m.	p.m.
0000392 - Other expenditure not specifically provided for in this vote Autres dépenses non spécialement prévues au présent titre.....	15 000	15 000

TOTAL HEAD 0310 TOTAL DU CHAPITRE 0310.....	4 270 500	4 295 600
HEAD 0311 – Functioning of the Assembly's various bodies CHAPITRE 0311 – Fonctionnement des diverses instances de l'Assemblée		
<u>Dépenses de personnel/Staff expenditure</u>		
Sub-heads/Articles		
0000001 - Remuneration of staff recruited on established posts Rémunération du personnel recruté dans le cadre des emplois permanents	6 441 300	6 441 300
0000003 - Remuneration and accessory charges of temporary staff Rémunération et charges accessoires du personnel temporaire	403 900	403 900
0000005 - Salary, allowances and social charges of the Secretary General of the Assembly Rémunération, indemnités et charges sociales du Secrétaire Général de l'Assemblée	153 800	153 800
0000013 - Secondment of national civil servants to the Assembly Fonctionnaires nationaux mis à disposition de l'Assemblée	61 000	61 000
0000016 - Recruitment, arrival and departure expenses – Home leave Frais de recrutement à l'arrivée et au départ – congé dans le pays d'origine	30 500	40 000
<u>Supplies, services and other operational expenditure</u> <u>Dépenses de matériel et autres dépenses de fonctionnement</u>		
Sub-heads/Articles		
0000080 - Official journeys Frais de missions.....	380 000	420 000
0000095 - Representational expenditure, other official expenditure and travelling expenses of members of the Assembly / Dépenses de représentation, frais de fonction et de déplacement des Membres de l'Assemblée.....	158 000	158 000
0000115 - Interpretation Interprétation.....	1 068 900	1 068 900
0000116 - Translation Traduction.....	346 000	366 000
0000124 - Publishing and printing Publications et impressions.....	152 000	162 500
0000125 – Outsourced production of documents Production externalisée de documents	10 600	13 200
0000129 - Consultation of experts Consultation d'experts.....	60 000	60 000
0000162 - Expenditure pertaining to the Private Office of the President of the Assembly / Dépenses du Cabinet du Président de l'Assemblée.....	108 200	108 200
0000163 - Official expenses of the President of the Assembly Frais de fonction du Président de l'Assemblée.....	121 000	121 000
0000166 - Expenses for inviting guests of the Parliamentary Assembly Dépenses d'accueil des invités de l'Assemblée parlementaire.....	p.m.	p.m.
0000171 - Organisation of ad hoc conferences Organisation de conférences ad hoc.....	110 000	110 000
0000203 - Forum for the future of Democracy Forum pour l'avenir de la démocratie.....	21 100	21 100
0000204 - Modernisation of the Assembly's equipment Modernisation de l'équipement de l'Assemblée.....	p.m.	p.m.

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0000205 - European prizes Prix européens.....	78 400	78 400
0000250 - Co-operation and monitoring programme Programme de coopération et du suivi des engagements	710 000	710 000
0000370 - Allocation to Assembly's political groups Dotation des groupes politiques de l'Assemblée.....	685 500	685 500
0000392 - Other expenditure not specifically provided for in this vote Autres dépenses non spécialement prévues au présent titre.....	59 300	59 300
TOTAL HEAD 0303 TOTAL DU CHAPITRE 0303.....	11 159 500	11 242 100
TOTAL VOTE III TOTAL DU TITRE III.....	15 430 000	15 537 700

Appendix II

VOTE III – EXPENDITURE OF THE ASSEMBLY

HEADS 0310 and 0311 - STAFF

These heads cover the basic salaries, allowances (non-recurring and periodic) and social cover of the permanent staff of the Secretariat of the Assembly (87 posts), as well as those of temporary staff. Expenditure on staff is shown for the Assembly's two activity sectors, namely the holding of plenary sessions and the functioning of the Assembly's various bodies.

The Assembly currently has 10 committees, nine of which have 83 members (with 83 alternates), while the tenth has 51 (with 51 alternates). The Secretariat comprises 87 posts, broken down as shown below:

1 A7	2 B6	1 C4
2 A6	5 B5	
11 A5	16 B4	
10 A4	12 B3	
19 A2/A3	8 B2	

Experience in the last few years has shown that, to be fully operational, each of the nine 83-member committees needs four A-grade staff members (one A5 Head of Secretariat, one A4 Secretary and two A2/A3 co-secretaries), one B4 administrative assistant and one B2/B3 official. The 51-member committee needs two A-grade staff members (one A4 Secretary and one A2/A3 co-secretary), one B4 administrative assistant and one B2/B3 official. This structure means that the 10 Assembly committees should have a total of 58 members of staff (38 A-grades and 20 B-grades).

At present, the Secretariat of the Assembly is organised so that the 10 Assembly committees have 49 staff members (29 A-grade and 20 B-grade) working for them. Thus there is a shortfall of nine A-grade staff for these committees.

The remaining 38 staff members work for the Bureau of the Assembly, the Private Office of the President of the Assembly, the Table Office and the Interparliamentary Co-operation, Administration and Finance, Communication, Information Technology and Research Units.

The current establishment table, however, does not allow the Secretary General of the Assembly to redeploy the Assembly's permanent staff in order to achieve the desired structure. In fact, some of the hardest-worked committees and units have experienced difficulties caused by the increased tasks and responsibilities resulting from their enlarged membership or heavier workload.

The Assembly would like to draw the Committee of Ministers' attention to Opinion No. 257 (2005) on its expenditure for 2006, in which it had already referred to the shortfall in administrative officer posts needed in order to be fully operational, and would like to state that this request remains valid.

The Assembly, aware of the current budgetary constraints, will not request the creation of new posts, but would like the Secretary General to give kind consideration to any requests that it might make for posts at A2/A3 level to be redeployed to the Secretariat of the Assembly.

HEADS 0310 and 0311 – SUPPLIES, SERVICES AND OTHER OPERATIONAL EXPENDITURE

Since 1975, following a decision by the Committee of Ministers, the allocations under these heads have been voted in the form of a single appropriation, which continues to be divided into sub-heads. If the Assembly wishes to change the relative amounts in the package at a later date, either because of an overall reduction or for any other reason dictated by the implementation of the budget, such a change is effected by the Secretary General at the Assembly's request and in accordance with Article 31 of the Financial Regulations. Since 2005, and the

adoption for the entire Organisation of a results-based budget, which has no effect at all on the above-mentioned decision, all operational expenditure of the Assembly, namely co-operation and monitoring programmes, publications, interpretation, translation, official journeys, experts, conferences, European prizes, etc, has been set out under Heads 0310 and 0311, corresponding to the new sector-based presentation of the Parliamentary Assembly's activities. The first activity sector comprises expenditure related to the four Assembly part-sessions, while the second covers the operational expenditure of the Assembly's various bodies.

The reduction in appropriations for 2007 will neither concern monitoring and election observation missions in member states, which are part of the Assembly's interparliamentary co-operation programme, nor the implementation of that part of the programme devoted to the training of officials from parliaments in the countries of the southern Caucasus and in Kazakhstan, Ukraine and Moldova. Moreover, the co-operation programme intended to provide support to the parliamentary institutions of Serbia and Montenegro will be continued to 30 November 2007 (this is 90% financed by the European Agency for Reconstruction and 10% by a Council of Europe contribution).

Furthermore, in response to Resolution 1420 (2005) on prospects for peace in the Middle East and to the decision taken by the Bureau of the Assembly at its meeting on 18 March 2005, the Sub-Committee on the Middle East will continue its co-operation with representatives of the Knesset and the Palestinian Legislative Council.

Finally, in Opinion No. 257 (2005), the Assembly had put forward several investment priorities for inclusion in future Council of Europe investment planning:

- 1) the setting up of a permanent TV camera system remotely controlled and managed by technicians;
- 2) the replacement of the vote display panels by two large-format video walls;
- 3) the fitting of a reliable new voting system.

The Assembly notes that none of its three priorities has been taken into consideration for the 2006-2010 investment plan, and that these investments remain in the category of projects not financed. The Assembly further notes that provision is made in the 2006 budget for improvements to the anti-intruder measures in Council of Europe buildings, and this it welcomes.

On the other hand, it wishes to alter its priorities and would like particular attention to be given first and foremost to the replacement of the vote display panels on either side of the official rostrum, facing the chamber, by two large-format video walls. The setting up of two large screens in place of the current vote display panels would be beneficial to the Organisation, increasing the chamber's potential for other uses, with facilities for videoconferencing or other large-screen presentations. The Assembly hopes that its request will be able to be taken into account in the revised investment proposals for 2007-2011.

The other two investment priorities, namely the setting up of a permanent TV camera system remotely controlled and managed by technicians and the fitting of a reliable new voting system, the present system now being obsolete and increasingly costly to maintain, may wait longer in view of the budgetary constraints imposed. The Assembly would also like it to be borne in mind that there is a need for complete refurbishment of the President's desk and the rostrum, which are old-fashioned and no longer suited to the Assembly's needs.

HEAD 0311 – ALLOCATION TO THE ASSEMBLY'S POLITICAL GROUPS

Sub-head 0000370 – Allocation to the Assembly's political groups

The allocation to the political groups is based on a lump sum for secretarial assistance to each of the existing groups and an additional per capita allocation according to membership.

Appendix III

The appropriations which appear in heads 0310 and 0311 below show anticipated expenditure per sub-head, accompanied by comments relating to the adjustments made for 2007 as compared to the estimated expenditure for 2006.

Article	Description	Head 0310 Plenary Sessions		Head 0311 Functioning of the Assembly's various bodies		Comments
		2007 Euros	Reductions as compared with expenditure foreseen in 2006 €	2007 Euros	Reductions as compared with expenditure foreseen in 2006 €	
0000001	remuneration of permanent staff	1 421 500		6 441 300		
0000003	remuneration of temporary staff engaged for Assembly sessions (around 150 persons for a global cost of € 200.000, per session), meetings of Assembly bodies, ad hoc conferences and colloquies	817 900		403 900		
0000005	remuneration of the Secretary General of the Assembly (basic salary, allowances and social charges)	65 900		153 800		
0000007	overtime payments to permanent staff of the Council of Europe entitled to such payment for work during the sessions of the Assembly (e.g. payments to drivers, messengers etc.);	21 300				
0000013	allowances and travel expenses paid to civil servants from national parliaments who are on secondment to the Assembly			61 000		
0000016	recruitment costs for staff members of the Assembly on arrival and departure, expenses in respect of paid home leave			30 500	9 500	Reduction of the expenditure foreseen in 2007 to the level of 2005.
0000080	official travel (missions) by the staff of the Secretariat of the Assembly required to attend meetings of the Assembly (bodies) and other organisations			380 000	40 000	Reduction of official staff journeys by 10% (390 official staff journeys instead of 430 in 2005)
0000095	hospitality expenses incurred during visits by important personalities visiting the Assembly, travel expenses and subsistence allowances of members of the Assembly representing it at meetings of certain Council of Europe bodies (other than sessions of the Assembly and meetings of the Assembly committees), accident insurance premiums for official travelling	29 400		158 000		
0000115	interpretation costs from and into official and working languages of the Assembly (interpretation in the five official languages - French, English, German, Italian and Russian - for each plenary session (the cost of one week session is approx. € 260 000) and for the plenary meetings of Committees, interpretation in two languages for the meetings of Sub-committees).	1 040 000		1 068 900		
0000116	translation costs into official and working languages as well as non-	165 600	10 100	346 000	20 000	670 translated pages less than in 2005

	official languages. The appropriations cover the translation of 23 915 pages at € 21.35 per page)					
0000124	printing and mailing expenses	495 000	15 000	152 000	10 500	Reduction of the expenditure foreseen in 2007 by 4% as compared with that of 2005
0000125	Outsourced production of documents	28 000		10 600	2 600	Reduction of the expenditure foreseen to cover the cost of outsourced production of docs
0000129	fees, travel and subsistence expenses for experts asked to carry out technical work or called in for consultation by the Assembly bodies	125 400		60 000		
0000162	official journeys by Private Office staff or/and staff travelling at the President's request, fees, travel and subsistence expenses of experts called by the President			108 200		
0000163	representational, travel and subsistence expenses incurred by the President in the exercise of his functions			121 000		
0000166	expenditure arising from the Assembly's external relations (reception of guests, travel and subsistence expenses of invited delegations of non member states)	3 500				
0000171	expenditure arising from for the organisation of conferences, symposia or seminars (travel and subsistence expenses of participants, publishing, hospitality);			110 000		
0000203	Expenses for parliamentary participation to the Forum for the future of Democracy			21 100		
0000204	modernisation of the Assembly's equipment;					
0000205	European Prizes (Europe Prize - € 7 600 -, Council of Europe Museum Prize - € 5 000 -, expenditure incurred in connection with presentation of prizes, annual meeting of the Selection Committee of the Museum Prize);			78 400		
0000206	operating and maintenance costs of the electronic voting system	42 000				
0000250	expenditure relating to the observation of elections and within the framework of the Assembly monitoring procedure, information seminars for parliamentarians and training for parliamentary staff, official journeys by staff, legislative, statutory and technical assistance to national parliaments.			710 000		
0000370	allocation to the political groups			685 500		
0000392	expenditure in connection with the financial contribution of the Assembly to the activities of International, Interparliamentary, Intergovernmental and non-governmental Organisations.	15 000		59 300		
TOTAL		4 270 500	25 100	11 159 500	82 600	

Annexe IV

Plenary Sessions			
Intervention Logic	Performance Indicators	Sources of Verification	Assumptions
Activity	Area		Objective
The Assembly is able to fulfil its statutory tasks			
Expected Result 1 The preparatory work of par-sessions is ensured	The part-session order of business as well as the reports are sent out two weeks before the session. For each debate, the date and the time for the tabling of amendments are specified	Part-session calendar Feedback from MPs	Administrative support from secretaries of national delegations and political groups
Expected Result 2 The efficient conduct of proceedings is ensured by the Table Office	Amendments are published in the two official languages within 4 hours after being deposited. Adopted texts are published in the two official languages within the 4 hours after their adoption. A minimum of 50% of registered speakers have the floor	Part-session calendar Availability of texts and amendments in the distribution room for each debate Reports of debates List of speakers Feedback from MPs	Administrative support from secretaries of national delegations and political groups
Expected Result 3 Adopted texts are transmitted to the Organs concerned	Proposals for the follow-up of adopted texts are ready and submitted to the Bureau of the Assembly for its meeting on the last day of the part-session	Minutes of the Bureau Transmission of letters to the Organs concerned	

Functioning of the Assembly's various bodies			
Intervention Logic	Performance Indicators	Sources of Verification	Assumptions
Activity	Area		Objective
The smooth functioning of the Assembly's various bodies is ensure.			
Expected Result 1 Committee meetings, seminars and conferences are efficiently organised	Meeting agendas, relevant documents and reports are ready for distribution on time	Minutes of committee meetings Proceedings of seminars and conferences	Ongoing political support from members of relevant committees
Expected Result 2 Efficient and effective assistance to the President of the Assembly is provided	Number of speeches, press releases and official visits prepared for the President	List of speeches, press releases and official visits	
Expected Result 3 Cooperation with national parliaments is further developed	Level of satisfaction of beneficiary national parliaments Quality of the cooperation offered	Annual report prepared by the Secretariat and submitted for endorsement to the Bureau of the Assembly	Satisfaction of basic political standards necessary for establishing cooperation
Expected Result 4 Financial resources to the Assembly's five political groups are provided	Timely provision of financial resources	Annual report by the Committee on Economic Affairs and Development on the use of the appropriations by the Assembly's five political groups	Annual financial statements are submitted by the Assembly's five political groups
Expected Result 5 The Assembly's external profile is raised	Media coverage of the Assembly's activities Number of visitors to the Assembly's website	International and European press and news media The Assembly's website	

B. Explanatory memorandum by Mr Wille, Rapporteur

1. This report has been drawn up to analyse Vote III of the ordinary budget of the Council of Europe, and particularly the amounts allocated to the Assembly to cover expenditure on staff, the costs associated with the functioning of the political groups, supplies, services and other operational outlay, as well as the financing of the Organisation's interparliamentary co-operation programme. This choice of topics means that the common services of the Council of Europe, which form an integral part of the Assembly's operations, are not discussed here. For example, Vote III does not cover telephone bills, office supplies and equipment or other consumables, which are items of expenditure common to all the Organisation's departments.

2. The Rapporteur has therefore concentrated on proposals for the Assembly's allocation for the year 2007, in full compliance with existing budgetary procedures. As in previous years, the Assembly is leaving it to the Directorate of Finance to assess, in due course, the adjustments to its allocation that are being or will be made for 2006 as a result of changes in salary scales, their implications for 2007 as well as the provision that needs to be made for salary adjustment in 2007. Similarly, it is for the Secretary General of the Council of Europe to adjust the other allocations in due course to take account of inflation.

3. The Rapporteur wishes to restate that the Assembly's major tasks, which shape its programme of activities, are:

- the holding of a plenary session in four parts;
- meetings of the Bureau and the Standing Committee held between part-sessions;
- meetings lasting one or more days, held in Strasbourg or Paris outside the four plenary part-sessions, of each of the 10 general committees, their sub-committees, the ad hoc committees of the Assembly or the Bureau, and the specialised working groups;
- committee and sub-committee meetings held elsewhere than Strasbourg or Paris;
- parliamentary conferences, colloquies, seminars and hearings;
- activities under the Assembly's interparliamentary co-operation programme;
- the observation of elections;
- the work of the political groups.

4. Having examined the Assembly's *modus operandi* and current structure, the Rapporteur wishes to point to its general strategy of having 58 staff members to service its 10 parliamentary committees, since the present structure of committee secretariats may well prove inadequate to maintain quality of work and the ability, essential in a political body, to respond efficiently and rapidly to unforeseen events. Firstly, internal restructuring has added to the workload of the Assembly's committees, which are currently served by only 49 staff members. Secondly, the Organisation's enlarged membership has increased the tasks and responsibilities of the Assembly's Secretariat, which is hard pressed and under strength. In particular, the Rapporteur believes that certain committees and units (the Communication and Parliamentary Assistance Units) should be reinforced through a redeployment of posts to the Assembly Secretariat. Bearing in mind, however, the difficult budgetary period that the Council of Europe is having to go through, the Rapporteur is aware that the structure the Assembly wants should be attained through measures spread over a reasonable period, so as not to impose an excessive financial burden on member states.

5. The Rapporteur has therefore been confronted with two conflicting factors, which need to be carefully considered during the formulation of budgetary proposals. On the one hand, aware of the current budgetary difficulties and future challenges, the Rapporteur has to keep the Assembly's budgetary requests to the minimum. On the other, he considers that the budgetary difficulties, though real and tangible, should not be allowed to jeopardise the overall functioning of the Organisation's parliamentary organ, which acts in the interests of all the member states, especially in fostering parliamentary democracy, political pluralism and respect for human rights.

6. Having considered all these elements, including the Council of Europe Secretary General's recommendation that the additional needs of the European Court of Human Rights should be financed outside zero real growth, the rapporteur has drawn up proposals entailing a reduction of € 107 700 achieved through efficiency gains and centred on certain operating expenditure items. Any other reduction could necessitate political decisions with severe consequences (reduction in monitoring visits, in election observation missions and

in the numbers of committee and sub-committee meetings held other than in Strasbourg or Paris), which the rapporteur is not able to propose. The Assembly's appropriations for 2007 have therefore been cut to € 15,430,000, broken down as shown below:

Permanent and temporary staff:	€ 9 356 100
Interpretation:	€ 2 108 900
Translation:	€ 511 600
Printing of documents:	€ 685 600
Allocation to political groups:	€ 685 500

Sub-total	€ 13 347 700
Activities:	€ 2 082 300

Total	€ 15 430 000

7. The Rapporteur has also considered the Assembly's investment priorities for the years ahead as identified in Opinions No. 249 (2004) and No. 257 (2005). He notes that the Organisation's investment plan for 2006 provides for alterations to the Palais de l'Europe to provide disabled access and the improvement of anti-intruder measures in Council of Europe buildings. On the other hand, the Council of Europe has not included in its 2006-2010 investment plan the Assembly's other priorities:

7.1. the setting up of a permanent system of television cameras remotely controlled and managed by technicians from the booth located on the upper right-hand side of the Assembly Chamber. This investment should also include complete refurbishment of the President's desk and the rostrum, which are old-fashioned and no longer suited to the Assembly's needs;

7.2. the replacement of the current vote display panels, situated on either side of the rostrum, by two large video walls, of the kind used in airports and industrial control rooms. This highly effective system can be used to show speakers or high-profile guests, to display the results of votes, for PowerPoint presentations and as a video-conferencing aid;

7.3. the fitting of a reliable new voting system, since the present one is obsolete and increasingly costly to maintain.

8. Of the three investments, the Rapporteur considers that the replacement of the vote display panels by large-format video walls should take top priority. This would enable TV coverage of all events taking place in the chamber to be improved, and make it possible to put this unique conference setting to more profitable use. This is why the rapporteur would like this investment to be scheduled and funded by the Council of Europe in its 2007-2011 investment plan.

9. Before concluding, the Rapporteur wishes to point to the main features of the results-based budgeting method now used for all Council of Europe budgets, as shown in Appendix II to this Opinion:

- (a) programmes are formulated and resources justified in terms of predefined objectives, expected results, outputs and performance indicators, which constitute a "logical framework";
- (b) expected results justify resource requirements, which are derived from, or linked to, outputs required to achieve these results; and
- (c) predefined performance indicators are used to measure actual performance in achieving results.

10. The Assembly's budget is divided into two activity sectors. The first corresponds to (i) the organisation and running of plenary sessions (Head 0310), while the second concerns (ii) the functioning of the various Assembly bodies (Head 0311). Each of these heads includes staff and operational expenditure). For each activity sector, an objective has been identified and represents what it is proposed to achieve, and for each

objective a number of expected results have been defined, as well as performance indicators, sources of verification and, lastly, any eventualities which might prevent the expected results from being achieved.

11. The Rapporteur nevertheless remains sceptical as to the usefulness of such a system, especially where the Parliamentary Assembly is concerned. While it does enable objectives to be set for the Secretariat of the Assembly in order to ensure that its plenary sessions and different bodies function efficiently, the expected results are linked to the final decisions taken by members of the Assembly. It would be absurd to set a specific number of texts to be adopted by the Assembly as a quantitative objective. In practice, the reports containing Assembly opinions, recommendations and resolutions reflect a political situation at a given time, to which members wish to react.

12. Finally, the Rapporteur considers that the Assembly's contributions have significantly helped the Committee of Ministers to identify new priority areas, and suggests that it be given genuine co-decision-making powers to determine its operational appropriations, as it requested in Recommendation 1728 (2005).

Reporting committee: Committee on Economic Affairs and Development

Reference to committee: Standing mandate

Draft resolution adopted by the Committee on Economic Affairs and Development on 13 April 2006

Members of the Committee: Mr Evgeni **Kirilov** (Chairperson), Mrs Antigoni Pericleous Papadopoulos (Vice-Chairperson), Mr Márton Braun (Vice-Chairperson), Mr Konstantinos **Vrettos** (Vice-Chairperson), MM. Ruhi **Açikgöz**, Ulrich **Adam**, Hans **Ager**, Abdülkadir Ateş, Mrs Doris **Barnett**, Mrs Veronika **Bellmann**, MM. Radu-Mircea Berceanu, Akhmed Bilalov, Vidar **Bjørnstad**, Jaime Blanco, Luc Van den Brande (Alternate: Karim Van **Overmeire**), Patrick Breen, Milos Budin, Erol Aslan **Cebeci**, Mrs Ingrida **Circene**, MM. Valeriu **Cosarciuc**, Ignacio **Cosidó**, Giovanni Crema (Alternate: Andrea **Rigonì**), Iván **Farkas**, Joan Albert **Farré Santuré**, Relu Fenechiu, Mrs Urszula **Gacek**, MM. Carles Gasóliba (Alternate: Joan **Puig Cordón**), Francis **Grignon**, Alfred Gusenbauer, Kristinn H. Gunnarsson, Nick Harvey (Alternate: James **Clappison**), Norbert Hauptert, Anders G. **Högmark**, Ivan **Ivanov**, Ms Verica Kalanović, MM. Karen Karapetyan, Orest **Klypush**, Anatoliy **Korobeynikov**, Zoran **Krstevski**, Jean-Marie Le Guen (Alternate: Michel **Hunault**), Harald Leibrecht, Rune **Lund**, Gadzhly Makhachev (Alternate: Ms Liudmila **Pirozhnikova**), Edward **Maniura**, David **Marshall**, Jean-Pierre Masseret (Alternate: Ms Josette **Durrieu**), Miloš **Melčák**, José Mendes Bota, Mrs Ljiljana Miličević, MM. Neven Mimica, Gebhard **Negele**, Bujar Nishani, Conny **Öhman**, Mrs Ganira Pashayeva (Alternate: Aynur **Guliyeva**), MM. Jakob **Presečnik**, Jeffrey Pullicino Orlando, Luigi Ramponi, Maurizio Rattini, Maximilian **Reimann**, Dario Rivolta, Mrs Maria de Belém Roseira (Alternate: Mr Maximiano **Martins**), MM. Volodymyr **Rybak**, Kimmo **Sasi**, Bernard **Schreiner**, Samad Seyidov, Panagiotis Skandalakis (Alternate: Ioannis **Dragassakis**), Leonid Slutsky, Ms Geraldine Smith (Alternate: Baroness Gloria **Hooper**), Mr Christophe Spiliotis-Saquet, Mrs Aldona **Staponkienė**, MM. Frans Timmermans, Dragan Todorović, Mrs Ágnes Vadai, Mrs Jelleke **Veenendaal**, MM. Oldřich Vojříř, Varujan Vosganian, Robert **Walter**, Paul **Wille**, Tadeusz **Wita**, Mrs Rosmarie **Zapfl-Helbling**, Mr Kostyantyn Zhevago.

N.B: The names of the members who took part in the meeting are printed in **bold**

Head of Secretariat: Mr Newman

Secretaries to the committee: Ms Ramanauskaite and Mr de Buyer

