

34th Session of the Congress – Strasbourg, France, 27 – 28 March 2018

Communication of Gudrun Mosler-Törnström, President of the Congress of Local and Regional Authorities

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Communication by the President of the Congress

Strasbourg, France, 27 March 2018

Dear colleagues,

As I open this session, I believe we are all entering a very serious period in the life of our organisation and, as a result, that of our Congress.

If we failed to see how new, and in many respects completely unprecedented, the situation is compared to what we have experienced in the past, this would condemn us to accepting our fate in the future rather than taking charge of it now. The true merit of politics, which comes in for so much criticism these days, lies in looking forward, planning ahead and taking action to change the course of events.

That is why I should like to use these few minutes allotted to me as President to try and describe, as clearly as possible, the situation we are in, to analyse the repercussions for our institution and to outline approaches which will enable us to find appropriate solutions to the problems.

Each time he opened one of our sessions, my predecessor, Jean-Claude Frécon, warned of the dangers building up in Europe. None of the threats which he described has been dispelled. On the contrary, if we consider the electoral dimension of the crisis alone, we can see from election to election the continuing upsurge in what is called populism. The overall picture of our democracies seems to be becoming gradually gloomier and gloomier. Today, however, I am not going to talk to you again about the general crisis affecting our societies. I am going to talk about a particular consequence of the crisis which affects us directly and has a significant impact on our own operation. That crisis is primarily budgetary in nature, and I will come back to that. However, apart from the budgetary and financial dimension, the crisis also has a political dimension which seriously affects our institutional role, our ability to act and indeed what we stand for.

Let us look, for a moment, at the budgetary crisis. It is older than it would seem: it started when the governments of our member states decided to apply the death knell of “zero nominal growth” to the Council of Europe’s budget. The effect of that decision has been to cut our budget every year by a sum corresponding exactly to the inflation rate in our countries. The application of a policy of that kind over several budgetary cycles has drastic consequences and, as Thorbjørn Jagland has so aptly said, erodes the organisation’s capacity to fulfil its mandate.

At the end of last year when the 2018 budget had already been approved, this policy of the member states was compounded by Turkey’s decision to go back to being an ordinary contributor to the Council of Europe’s budget only two years after asking to become a major contributor. This decision came in a context that had already been made difficult by Russia’s failure to pay two thirds of its contributions in 2017.

Let us all be very clear: this budgetary situation - which is difficult to say the least - has political causes and political consequences: the member states no longer recognise the Council of Europe's political role in the way they should. And some are even calling into question its political standard-settings and working activities. Against a background of this kind, the budget has become an influencing variable used to persuade us to lower our standards. That is why I am referring more to a political crisis than a financial one. And it is that political crisis which we must respond to.

As members of the Congress we must, however, understand that the structure of the Congress budget probably makes us more vulnerable to the crisis than any other institution in the Council of Europe. Each one of us represents institutions and authorities which, on their own, cannot contribute in any way to funding our presence and our activities in the Congress. That is the way things are and it is not being called into question by anyone.

The situation is different for our parliamentary friends who meet in this same chamber. But do so at the expense of their national parliaments, which provide the relevant funding. Our local authorities and regions do not have that direct relationship with the Council of Europe which would require them to fund our participation in the Congress.

This different relationship has a practical consequence: most of our operating budget goes on reimbursements, in other words, our ability to meet here in this chamber today. If in future, in keeping with what we have been doing on a trial basis at the start of this year, we have to go on making cuts in our budgets, we will be bound to reduce our reimbursements (for monitoring, elections observations and all meetings) and hence also the actual operation of our Congress. This would mean, if we do not react, fewer committee meetings, fewer sessions and sittings of the Chambers and fewer monitoring missions. That effectively means less Congress, less influence of the local and regional dimension in the organisation's work and, very quickly, marginalisation of a kind that will be detrimental to our political role and detrimental, throughout Europe, to local and regional self-government which is one of the vital components of our democracies.

And that will come about all the quicker since the modest target share which we have called for in the organisation's budget, namely 3% of the general budget, not only has not been achieved but is actually moving further away every year. We are now at 2.66% of the budget approved for 2018. In an organisation that is intergovernmental by definition, it is not easy to make the voice of local and regional authorities heard.

Yet that is the target which we must set ourselves. The target is, of course, a budgetary one, with the figure of 3%, but it is, above all, a political one. Political, because for more than 60 years within this institution, our mission has been to bring forward the proper balance of powers between central government and local and regional authorities which is such a vital asset for our democracies and our societies.

Dear colleagues, I don't think anyone is going to come and look at us compassionately and offer us ready-made solutions. That is the tough law of politics. It is up to us to re-examine the way we operate, our structures and our rules so that we are able ourselves to cope with the difficulties which are appearing on the horizon and which will, perhaps, compound those affecting us already.

The budget which was approved in December 2017 for the Congress has been cut by almost 10%, as regards both our operation and our Secretariat's payroll, where several posts have been frozen. That is why we have had to take drastic precautionary measures such as shortening our session, postponing several conferences, scaling back our monitoring programme and reducing the number of election observation exercises. If other cuts had to be made, as our operations currently stand, we would have to take steps that would have an even more painful impact on how our assembly operates. That is why our motto must be to change and not to be changed.

Given the seriousness of the situation, the Bureau has therefore set up a steering group consisting of the three presidents, the four political group presidents and the Secretary General and the Director to look into options for far-reaching reform of the way we operate so as to make our budget more sustainable. All possible avenues for reform will be looked into without any taboos, with the sole objective of restoring the means needed for the Congress's independence and safeguarding its ability to act. This strategic steering group will report to the Bureau which, as executive body, will decide on

the extent and shape of the reform to be proposed to us because, in the final analysis, it is you who will have to decide in plenary.

I intend to work hard so that we can submit a set of proposals to you at our next session in November. After the adoption, I hope, of a draft reform of our Congress, we will then have to go to the Committee of Ministers, which alone can approve a change in our statutes. This is a cumbersome procedure but there will be extensive debate, firstly, in the Congress, in the Bureau and at the plenary session and then in the Committee of Ministers, which I will address in a few weeks' time to explain our approach.

What is most important as we navigate these stormy waters is for us to be able jointly, openly and transparently to analyse our difficulties and agree appropriate solutions together. The worst outcome for us would be having decisions imposed on us de facto which failed to preserve our key responsibilities, in particular our monitoring and election observation activities. I can assure you that I will work as hard as possible with my colleagues on the Bureau to complete this process, which will demand political imagination and, still more, courage from us.

We will take decisions which will probably be difficult and will demonstrate our political maturity in so doing. As an intergovernmental organisation, the Council of Europe is lucky, and I am not afraid to use the word, to have an assembly representing local and regional authorities in its midst. That sends out a strong signal of our approach to good democratic governance, which is not possible without those authorities. We must rise to the challenges facing us and, through our determination and our willingness to reform, preserve the voice of local and regional authorities, without which our citizens' daily lives would be more difficult and the standard of our democracy would be seriously undermined.

Thank you.