

**32nd SESSION**

Report  
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**The budget and resources of the Congress for the next biennium (2018-2019)**

Bureau of the Congress

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*Summary*

Since 2008 the Congress has held regular debates on its budgetary resources, its development prospects, the resources needed and the choices to be made to achieve the objectives identified by the priorities.

As regards the operational budget, from 2011 onwards the Congress has borne the burden of savings to a greater extent than other Council of Europe entities and the proportional part of the Council of Europe budget dedicated to the Congress has diminished significantly.

The new draft recommendation on “the budget and resources of the Congress for the next biennium 2018-2019” to be adopted at the 32nd session aims at taking stock of the evolution of the budgetary needs of the Congress and identifying in this respect risks for the year(s) ahead and draws the attention of the Committee of Ministers to a number of issues in this respect.

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1 L: Chamber of Local Authorities / R: Chamber of Regions  
EPP/CCE: European People’s Party Group in the Congress  
SOC: Socialist Group  
ILDG: Independent Liberal and Democratic Group  
ECR: European Conservatives and Reformists Group  
NR: Members not belonging to a political group of the Congress

## **RECOMMENDATION 393 (2017)<sup>2</sup>**

The Congress of Local and Regional Authorities of the Council of Europe,

1. reaffirming its unique role and institutional position within the Council of Europe which confers to the Congress, as the voice of local and regional authorities from all 47 member States and the guardian of the European Charter of Local Self-Government, the responsibility of promoting and fostering the implementation of Council of Europe common standards for local autonomy and regional democracy in Europe and its neighbourhood;
2. bearing in mind that in many member States, in particular due to the need to strengthen efficiency and effectiveness at all levels of government as a consequence of the financial and economic crisis from 2008 on, intense national reform processes address the structure, finance and functioning of local and regional entities and that the role of the Congress to monitor these developments on the basis of the European Charter of Local Self-Government (ECLSG) and to give legal and practical advice or to examine and reply to numerous petitions has substantially increased over the last three years;
3. highlighting the fact that, with the ratification of the ECLSG by all 47 member States the Congress' monitoring activities, which provide that every member State shall be monitored approximately every five years, have substantially increased;
4. referring to its regular exchanges of views with the Committee of Ministers, and to the information on Congress priorities and their implementation given by the President and Secretary General of the Congress hem;
5. stressing the appreciation expressed on these occasions for the work achieved by the Congress as well as the acknowledgement and understanding of the risks that further budget cuts would incur not only for its statutory activities but also for its post-monitoring and co-operation activities, which are tailored to member States' specific needs and interests;
6. underlining the fact that, thanks to a substantial reform of its structures and working methods and despite its constant pursuit of efficiency savings, the Congress has been able to deliver quality work and achieve tangible results but regrettably has already been obliged to reduce some of its statutory activities and notably the number of its monitoring visits planned in 2015 and 2016 and those scheduled for 2017;
7. drawing attention, in particular to:
  - a. the decisions it has taken since 2010, in the framework of the reform of the Council of Europe, to refocus its priorities and activities on the core values of the Organisation;
  - b. the resulting amendments to the Congress Charter and Statutory Resolution, approved by the Committee of Ministers on 19 January 2011, and the subsequent changes it undertook, notably to improve the efficiency of its structures and working methods, as well as the additional work undertaken in this respect, in particular Congress Recommendation 367 (2014) adopted on 16 October 2014 on the Revision of the Congress Charter;
  - c. its continued contribution to the Organisation's efficiency savings and cuts in its operational budget as well as in its human resources since 2010 in a context of zero real growth followed by a zero nominal growth for the whole Organisation;
  - d. the priorities of the Congress adopted for 2017-2020 which are fully in line with those proposed by Secretary General Thorbjørn Jagland for the biennium 2018-2019;
8. strongly committed to contributing to the identification and implementation of the priorities and the programme for the 2018-2019 biennium to be adopted by the Committee of Ministers for the whole Organisation;

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<sup>2</sup> Debated and adopted by the Congress on 28 March 2017, 1st sitting (see Document [CG32\(2017\)06](#), explanatory memorandum), co-rapporteurs: Xavier CADORET, France (L, SOC), and Svetlana ORLOVA, Russian Federation (R, EPP/CCE).

9. determined to pursue its reform and concentrate its activities around its core priorities for the next biennium and to continue implementing activities which contribute at local and regional levels to the Council of Europe's ongoing and new campaigns and specific programmes launched to address highly topical issues such as the promotion of intercultural and interreligious dialogue, integration and social cohesion, the fight against hate and discrimination speech, the prevention of and the fight against corruption and the promotion of Council of Europe core values in particular among young Europeans;

10. reaffirming, however, that, in order to successfully carry out its statutory mission and implement its core priorities in respect of the promotion and development of local and regional democracy, the Congress needs to be able to count on a sustainable basis for action, which includes an appropriate level of human and financial resources;

11. highlighting in particular the situation of the European Alliance of Towns and Regions for Roma Inclusion, which networks 124 participants from Council of Europe member States, and whose sustainability is at stake due to lack of resources;

12. consequently asks the Committee of Ministers to:

a. fully examine the risks and evaluate the consequences for the Council of Europe as a whole, and for the Congress in particular, of prolonging for the next biennium 2018-2019 and beyond, a budget based upon a zero nominal growth principle as compared to at least a zero real growth principle;

b. acknowledge the results achieved and the efforts made, in increasing the efficiency and effectiveness of the Congress in recent years despite a reduced budgetary allocation and restrictions in the human resources made available to it;

c. ensure, through its regular political dialogue with the Congress, consistency between the priorities identified by the Congress and its budgetary allocations in order to achieve critical mass and impact;

d. in light of the unique role and institutional position of the Congress within the Council of Europe, and taking due account of its past efforts, decide to allocate an operational budget and its human resources to the Congress for the next biennium 2018-2019 commensurate with and in acknowledgement of the requirements of its institutional functioning as well as of its statutory tasks and the work identified as a priority for the organisation notably in the fields of preventing radicalisation, addressing the impact and consequences of the refugee and migration challenges and supporting the Alliance of Cities and Regions for Roma inclusion;

e. encourage member States to consider funding for 2017 and the next biennium, by means of voluntary contributions and/or seconded officials, targeted co-operation activities based on the monitoring by the Congress of the implementation of the European Charter of Local Self-Government and on the other Congress statutory activities;

f. examine how the Congress could rightfully benefit from budgetary resources or extra-budgetary resources in order to continue its action for Roma inclusion at local and regional levels, taking due account of its concrete experience and investment in such activities over the last years and of the prime importance of this issue in Europe;

g. invite the Secretary General of the Council of Europe to include in the draft programme and budget for the next biennium (2018-2019) a budget envelope for the Congress which will fully recognise its contribution to the Council of Europe priorities, as the unique pan-European promoter of territorial democracy, encouraging devolution and promoting citizen's participation as well as debates and exchanges of good practices among local and regional elected peers on main topical issues in our European societies.

## **EXPLANATORY MEMORANDUM**

### **2016-2017 budgets**

The 2016 budget implementation of the Congress resulted in a budget utilisation of 97.19 %, thereby showing that the financial resources allocated to the Congress are needed and fully utilised. There is very limited scope for covering unforeseen additional activities or to address political urgencies.

In 2016, the Congress carried out monitoring missions in 11 countries, continuing the effort to prioritise its role as a monitoring mechanism of the European Charter of Local Self-government (ECLSG), by making its monitoring activities more regular, systematic and open to political dialogue. Priority has also been given to election observation missions, the scope of which has been widened to systematically include pre-electoral missions, to ensure a proper understanding of the context and process of elections.

### **Budgetary perspective for 2018-2019 and beyond**

The annual budgetary envelope allocated by the Committee of Ministers to the Congress for 2017 was € 7 113 300 of which € 4 268 500 for staff and € 2 844 800 for operational expenditure. The Congress budget as a percentage of the total ordinary budget of the Council of Europe has decreased from 2.92 % in 2010 to 2.73 % in 2017.

#### **1. Staff**

The Congress has contributed more than proportionally to the cuts in staff appropriations over the last 8 years and the ratio remains better than that of other sectors within the Council of Europe. The number of permanent staff has gone from 42 in 2010 to 37 in 2017 and the number of positions from 5 in 2010 to 2 in 2017. The number of administrators decreased from 17 to 14. The Congress is therefore no longer in a position to propose further reductions in staff for 2018-2019 as it has reached the minimum level of human resources necessary to carry out its statutory obligations.

Indeed, at the same time the overall workload has continued to increase. Despite a number of measures taken to save costs and improve efficiency by the Secretariat, the workload for the remaining staff members has continued to grow.

#### **2. Activities**

As far as the operational budget is concerned, the amount of € 2 844 800 is used to a large extent by the Congress for covering its meeting costs in particular the costs of its two plenary sessions, bureau and committee meetings. Contrary to the Parliamentary Assembly, the Congress covers the cost of the reimbursement of travel and subsistence expenses for all its members. Therefore, the amount available in 2017 for statutory and thematic activities, apart from meetings, does not exceed 600 000 €.

In October 2010, at its 19<sup>th</sup> Session, in the framework of its reform, the Congress approved changes to its structures and working methods and amendments to the Congress' Charter, which were approved by the Committee of Ministers on 19 January 2011. In implementing this reform, the Congress made additional efforts for priority activities, through the reallocation of available resources. This was achieved in particular through a significant reduction in the financial support to Congress' external partners. In the years after 2010, the Congress has continued to review its working methods in a constant pursuit of efficiency savings. It is to be noted that before the 2010 reform, the Congress spent roughly 3/4 of its operational budget on covering meeting costs. As a result of the reform, this figure was lowered to roughly 2/3 in the years following the reform. As an example, the number of bureau meetings was reduced from 9 in 2010 to 6 in 2016 and the number of statutory committees from 4 to 3.