

From Russia with threats

The PACE summer session and a dramatic turn

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The Council of Europe © ESI

Could it be that a Council of Europe that investigates corruption, restores its credibility and returns to its core mission of defending human rights is not in fact an institution the current Russian government wants to be a member of? Could the possible end of the era of caviar diplomacy push autocracies to leave on their own volition Europe's oldest club of democracies? Could the most dramatic outcome of a serious fight against corruption in Strasbourg be the exit of the Council of Europe's largest member state?

“The tide has turned”

It has been a dramatic few weeks for the Council of Europe, foreshadowing an even more dramatic confrontation in the autumn. The [summer session of the Parliamentary Assembly of the Council of Europe, held between 26 and 30 June in Strasbourg](#), began with a focus on corruption allegations linked to Azerbaijan, and ended with an unexpected escalation on the part of Russia. Taken together the battles of this session – over corruption and transparency, human rights standards and (symbolic) sanctions of those who violate them – will define the future identity of the Council of Europe. Following this session there is reason to believe that it will emerge stronger, as a credible defender of human rights on the European continent. And yet those who want to see a weak institution, brought down by blackmail and pressure and subject to an autocratic understanding of human rights, continue to resist.

On the eve of the June session the Council of Europe’s anti-corruption body, GRECO, published a devastating assessment of the assembly’s current rules and procedures, which, it noted, were weak, contradictory and until now not enforced. On the first day of the session, the assembly sent a powerful signal that it was determined to change this, approving the appointment of three respected judges to lead an independent external investigation into [the biggest corruption scandal in the history of the Council of Europe](#). On the second day, the assembly adopted procedures that allow it to dismiss its president and other senior elected officials, including for violations of the assembly code of conduct. Following this, members of the assembly launched a motion to remove Pedro Agramunt, the current president. On the final day of the session 158 members tabled a motion to ensure that a vote on Agramunt’s dismissal will be on the agenda at the October session. “The tide has turned,” said Pieter Omtzigt, a Christian Democrat from the Netherlands who has fought for many years to restore the integrity of PACE.

Then the Russian government struck back.



The Russian foreign ministry © [Chris Guy](#)

On Friday afternoon, after most members of PACE had left Strasbourg, [the Russian foreign ministry](#) announced that it would not pay its mandatory contribution to the 2017 budget of the Council of Europe. It [blamed](#) PACE, and the decisions taken during the June session:

“... The situation in PACE has only been deteriorating: a frenzied campaign is being run to persecute parliamentarians who wish to normalize interaction with Russia in the framework of the Council of Europe as early as possible.”

Leonid Slutsky, a former Russian PACE member and Chairman of the International Affairs Committee of the Russian Duma, [presented the June PACE session as a succession of disasters:](#)

“The June PACE session turned into the triumph of antidemocrats and Russophobes. Each day was marked by double standards and decisions contrary to the common sense.”

The Russian government had opposed both the independent anti-corruption investigation and the possible removal of president Pedro Agramunt. It now threatened the Council of Europe as a whole:

“In view of the current developments, the Russian Federation decided to suspend payment of its contribution to the budget of the Council of Europe for 2017 until full and unconditional restoration of the credentials of the delegation of the Federal Assembly of the Russian Federation in PACE.”

In April 2014 PACE had suspended the voting rights of the Russian delegation due to [the annexation of Crimea](#). After PACE extended this decision in 2015, the Russian delegation walked out. It has since boycotted the assembly altogether.

This behaviour is unprecedented. Where there have been late payments in the past they were insignificant ([On 30 June 2016, last year’s due date](#), the total amount of unpaid contributions by all 47 member countries for 2016 was 2.3 million Euro.) Russia is one of the biggest contributors to the budget of the Council of Europe. Its 2017 contribution is 33 million Euro, of which 22 million were due on 30 June. The Council of Europe’s 2017 budget is 454 million, so the missing 22 million are a shortfall of 5 percent.

What happens to member countries that do not pay their contribution? Article 9 of the [Statute of the Council of Europe](#) spells it out:

“The Committee of Ministers may suspend the right of representation on the Committee and on the Consultative Assembly of a member which has failed to fulfil its financial obligation during such period as the obligation remains unfulfilled.”

This will not happen immediately. A [1994 decision of the Committee of Ministers](#) specifies that “Article 9 of the Council of Europe’s Statute will be applied to any state which has failed to fulfill all or a substantial part of its financial obligation for a period of two years.” Russia faces the possible suspension of its representation in the Committee of Ministers by July 2019.¹

This was not the first Russian warning to PACE. In October 2016, [Leonid Slutsky stated](#) that Russia’s delegation would only return to PACE if the regulations of the institutions were changed:

“Russia will return [to PACE] only if certain decisions are changed, namely, the denial of the right to vote and other discriminatory actions, which drew a kind of dividing line within the Council of Europe ... if such discriminating decisions cannot be taken in the future with respect to the delegation of Russia or other national delegations, then we will be able to return to work on the PACE platform in full force.”

In March 2017, several Russian MPs visited the assembly and [declared](#), again, that their delegation would return only after PACE made it impossible for any national delegation to ever lose its voting rights. Russia was not only not willing to respect the vote by PACE on its illegal annexation of Crimea from 2014; it insisted that PACE give up its right to censure any delegation in the future.

How will PACE respond? It cannot step back from its inquiry into corruption allegations. It will not revoke its new rules on votes of no-confidence. It cannot leave in place Pedro Agramunt, who has lost the confidence of all political groups, including his own European

¹ In the meantime, the Council of Europe [will calculate a monthly interest](#) of 0.5 percent on the unpaid amount on the first day of each of the following six months (from 1 July 2017 onwards), and 1% on amounts remaining unpaid on the first day of each month thereafter (from 1 January 2018).

People's Party (EPP). And it cannot give in to open and blatant Russian blackmail to weaken its own rules. In all of these positions, it should be backed up by the Committee of Ministers (the member states) of the Council of Europe.

This latest, surprising escalation raises a fundamental question. Could it be that a Council of Europe that investigates corruption, restores its credibility and returns to its core mission of defending human rights is not in fact an institution the Kremlin wants Russia to be a member of? Could the end of caviar diplomacy mark the end of the membership of European autocracies in a club of democracies? Could the most serious outcome of a serious corruption investigation be the exit of the Council of Europe's largest member state?

Holding up a mirror - the GRECO report

On 21 June 2017, the Council of Europe's anti-corruption body GRECO (Group of States against Corruption) presented its [assessment](#) of the PACE Code of Conduct, as requested by the assembly earlier in the year.

The report paints a bleak picture of the current ethical framework. Existing provisions are generally weak. Rules contradict each other. Many important provisions – on periodic declarations of interests and income or the transparency of lobbying efforts – are missing. Moreover, PACE has no single code of conduct, but [a confusing plethora of rules and provisions](#) dealing with specific issues, such as election monitoring. Most importantly, none of these rules are actually enforced. GRECO [notes](#):

“... The restrictions and declaratory obligations concerning gifts and other benefits lack consistency and they can too easily be circumvented: it is noteworthy that, to date, only two declarations of gifts have been made.”



Pieter Omtzigt © ESI

GRECO also criticises the fact that rules do not spell out how compliance is monitored. Where consequences are mentioned – in the “[Code of Conduct](#)” from 2012 – “excessive discretion” is given to the assembly's president.

Anti-corruption campaigner and PACE member Peter Omtzigt described the [report](#) as “[damning](#)“. In a letter to PACE's leaders he called for urgent action:

“I would like to ask that the Bureau seizes the Rules Committee to provide the Bureau with an update on the steps which it is taking to respond to each and every GRECO recommendation.”

The investigation is launched

A crucial step towards dealing with corruption allegations in PACE was taken on the first day of the PACE summer session. On Monday 26 June, the assembly unanimously [approved](#) the appointment of three judges to lead an independent external investigation.²

PACE had approved the [terms of reference](#) for this unprecedented inquiry already at the end of April. At the end of May, three names were [proposed by the PACE Bureau, the 33-member body leading the assembly](#): Nicolas Bratza, a former judge and former president of the European Court of Human Rights (ECtHR) from the UK; Jean-Louis Bruguiere, a former judge familiar with terrorism investigations from France; and Elisabet Fura, another former ECtHR judge and former parliamentary ombudsperson of Sweden. On 21 June, the Committee of Ministers authorised a transfer of 120,000 Euro to a special independent account to pay for the enquiry. Azerbaijan, Russia and Turkey voted against this. The Secretary-General of PACE made available office space and a secretariat for the investigators.



Frank Schwabe and Michele Nicoletti © PACE

The debate on the judges revealed immense support in the assembly, with no dissenting voice. Michele Nicoletti, the Italian chairperson for the socialist group, called on the assembly to “give very strong backing to the external investigation body.” German member Frank Schwabe, who had [initiated a petition](#) for an independent investigation in January, [said](#):

“The integrity of the Parliamentary Assembly is at stake... certainly across all of the political groups there is a big majority for us to set in motion a process to investigate these matters.”

The three judges met for their first session on 4 and 5 July. The investigation team [called for anyone possessing evidence](#) to come forward:

“Those wishing to provide any documentary, testimonial and/or material evidence which they consider necessary for the fulfilment of the Investigation Body’s mission may contact its secretariat, no later than 1 September 2017, via the following e-mail address: IBAC-GIAC@coe.int.”

² ESI reported on this in [five newsletters from January to early June](#) 2017 and in its report “[The European Swamp - Caviar Diplomacy Part 2](#)” from December 2016.

The mandate of the investigation body is ambitious: to examine whether corruption or conflicts of interest have influenced debates and votes in PACE and the outcome of rapporteur and election observation missions. It will begin hearing witnesses on 4 September.



The investigation team: Nicolas Bratza, Elisabet Fura and Jean-Louis Bruguiere

The last days of a lonely president

On Tuesday 27 June, the second day of the session, Swiss member Liliane Maury Pasquier [made a strong case](#) to a well-attended chamber of some 200 members for the need to introduce a procedure to dismiss a president who lost the trust of the members:

“Today is a crucial moment in the history of our Parliamentary Assembly. Its credibility has never been as shaken as it is today, its reputation has never been as tarnished and its image has never been as besmirched.”



Rapporteur Liliane Maury Pasquier © PACE

Ingjerd Schou from Norway, like Agramunt a member of the EPP, [declared](#):

“When we lose confidence in our leaders, the Assembly must have the necessary means to handle the situation in a prompt and credible manner. Not being able to do so is severely damaging to the integrity and credibility of the organisation.”

Swiss Elisabeth Schneider-Schneiter, also an EPP member, [noted](#): “I had expected Pedro Agramunt to announce that he was stepping down this morning. How can a man of honour cling

to his post when both his group and the Assembly have lost confidence in him?” In fact, during a meeting on Monday 26 June, the EPP parliamentary group had [decided](#) that it had no confidence in Agramunt, by 38 votes to 26.

Anne Brasseur (ALDE; from Luxembourg), herself a widely respected former president of PACE, [said](#):

“Mr Agramunt no longer enjoys the confidence of any political group, but he is refusing to step down ... I am speaking for the overwhelming majority of members of the Assembly when I say, please go!”

One of Agramunt’s few remaining friends, EPP president Axel Fischer from Germany, proposed [an amendment](#) stating that “this new Rule cannot be applied to acts or omissions which took place before the entry into force of this new procedure.” When Fischer realised that this would not pass he withdrew it and decided not to participate in the vote at all.



Former PACE president Anne Brasseur © PACE

In the end, the [resolution](#) passed with the support of all five political groups and an overwhelming majority of 154 votes to 30 (and 13 abstentions). Forty of the 59 EPP members who voted backed it (12 voted against and 7 abstained). Most national delegations were also in favour. The only delegations to vote against the proposed procedures *en bloc* were those of Azerbaijan and Hungary. Significant opposition came also from the delegations of Spain (4 out of 6) and Turkey (6 out of 12).

[The new rules](#) open the way to dismiss the PACE president:

“The Assembly may terminate the functions of the President of the Parliamentary Assembly or a Vice-President of the Assembly on the ground that he or she no longer enjoys the confidence of the Assembly, be it that he or she no longer fulfils the conditions required for the exercise of that office or is guilty of serious misconduct by seriously or repeatedly violating the provisions of the Code of Conduct for members of the Parliamentary Assembly.”

Immediately after the rules were adopted, Nordic and Baltic delegations led by Ingjerd Schou, the chair of the Norwegian delegation, initiated a motion for the dismissal of Agramunt. To trigger a vote on dismissal, the motion had to be signed by at least one-fifth of the component members (representatives and substitutes) of the assembly – currently 123 deputies (without the Russians).³

By Friday, the day it was submitted, the motion had already gathered 158 signatures. The vote on Agramunt will therefore take place at the opening of the autumn session in October. It will then require a two-third majority of votes cast to be successful.

³ An alternative procedure would require the motion to be signed only by one-tenth – currently 62 – members. In this case, the Rules Committee has to decide on its admissibility. Chairs and vice-chairs of committees can be voted out under the new rules at the request of one-third of the full members of the committee belonging to at least three political groups and five national delegations, and then by a two-thirds majority of the votes cast.



Pedro Agramunt and the motion for his dismissal with 158 signatures © PACE

Despite all this pressure Pedro Agramunt still refused to budge, again. At the April session, after the PACE Bureau [stripped him of his rights to make official visits or public statements](#), he refused to resign. Instead he wrote a letter to Wojciech Sawicki, the Secretary-General of PACE, on 7 June, arguing that the Statute of the Council of Europe does not allow for the dismissal of a president of PACE:

“Very unfortunately all this artificially created turmoil will generate a lot of legal uncertainty, and will eventually affect the global credibility of the Assembly, and even many previous good decisions taken. I strongly regret this, and I repeat that this needs to be avoided.”

Sawicki’s response came one day later, explaining that the Statute of the Council of Europe “allows the Assembly to define in its Rules of Procedure the length of the President’s mandate as well as conditions for its exercise.”



Pedro Agramunt (Jan. 2016) and PACE Secretary-General Wojciech Sawicki © PACE

Agramunt then turned to the Paris-based law firm LVI to represent his interests. In a letter dated 20 June to the Strasbourg-based ambassadors of all Council of Europe member states, the firm warned:

“This project is attacking our client, Mr. Pedro Agramunt Font de Mora in his quality of President of the Parliamentary Assembly, since his mandate should last for one

uninterrupted year... The sole objective is the dismissal of Mr. Agramnut Font de Mora at any cost, despite the outrageous violation of the main principles of the rule of law.”

MPs were not impressed. The June [debate](#) included even more severe criticism of Agramunt, who was nowhere to be seen. As PACE members left Strasbourg, many wondered what he was waiting for since a humiliating vote for dismissal in October seemed inevitable. Then came the Russian intervention.

PACE members can look back at the last months of successful efforts to confront a legacy of corruption with pride, but their struggle is far from over. Now members of the Committee of Ministers and the Council’s Secretary-General must rise to the challenge and join PACE in defending the integrity of the Council of Europe. Those who believe that a weak Council of Europe, unable to defend itself against capture by outside interests, serves their purposes will not give up.

The curtain has been raised; the battle lines are clear. How it ends the second half of the year will show.

Further reading

ESI’s work on the Council of Europe since December 2016:

- Newsletter, “[The phoenix and the black knight in Strasbourg – three things to do now](#)”, 5 June 2017
- Newsletter, “[Merchants of Doubt or Investigating Corruption](#)”, 21 April 2017
- Open letter to PACE members, “[Backing Sawicki – how to investigate corruption in Strasbourg](#)”, 27 March 2017
- Discussion paper, ‘[The Biggest Scandal’: The Sawicki Memorandum and the way forward for the Council of Europe](#)’, 27 March 2017
- Newsletter, “[Three days that shook Strasbourg – human rights and corruption](#)”, 27 January 2017
- Newsletter, “[The FIFA of human rights – beyond lip-service on anti-corruption](#)”, 18 January 2017
- Report, “[The European Swamp \(Caviar Diplomacy Part 2\) – Prosecutors, corruption and the Council of Europe](#)”, 17 December 2016
- Newsletter, “[A European swamp – corruption and human rights](#)”, 17 December 2016

For previous ESI work on the Council of Europe, and to stay up to date on new publications:
www.esiweb.org/caviardiplomacy

Recent press articles:

- El Mundo, “[Pedro Agramunt, el 'lobista' español en el corazón de Europa](#)” (“Pedro Agramunt, the Spanish 'lobbyist' at the heart of Europe”) (3 July 2017)
- Deutschlandfunk, “[Der Europarat hat seine Seele an ein autokratisches Regime verkauft](#)” - Interview with Gerald Knaus (“The Council of Europe has sold its soul to an autocratic regime”) (30 June 2017)
- Deutschlandfunk, Martin Durm, “[Die Baku-Connection im Visier](#)” (“The Baku connection in sight”) (30 June 2017)

- Independent, [“Russia cancels payments to Council of Europe after claiming its delegates are being persecuted over Crimea”](#) (30 June 2017)
- Deutsche Welle, [“‘Икорная дипломатия’ и коррупция в Совете Европы?”](#) (“‘Caviar Diplomacy’ and corruption in the Council of Europe?”) (30 June 2017)
- Eenvandaag Politiek, [“Groeidend corruptieschandaal ondermijnt Raad van Europa”](#) (“Growing corruption scandal undermines the Council of Europe”) (29 June 2017)
- Trouw, Arjen van der Ziel, [“Escalerend omkooptschandaal brengt Raad van Europa in diskrediet”](#) (“Widening bribery scandal discredits Council of Europe”) (29 June 2017)
- El País, [“El Consejo de Europa inicia los trámites para destituir al español Agramunt”](#) (“The Council of Europe begins proceedings to remove the Spaniard Agramunt”) (28 June 2017)
- El País, Miguel González, [“El Consejo de Europa inicia los trámites para destituir al español Agramunt”](#) (“The Council of Europe is starting proceedings to remove the Spaniard Agramunt”) (28 June 2017)
- Le Matin, [“Le Conseil de l'Europe veut virer son président”](#) (“The Council of Europe wants to oust its president”) (27 June 2017)
- Elsevier, Elif Isitman, [“Politieke chaos rond corruptieonderzoek Raad van Europa”](#) (“Political chaos around corruption research on the Council of Europe”) (27 June 2017)
- NRC Handelsblad, Wilmer Heck, [“Wat deed het mensenrechtengeweten van Europa bij Assad?”](#) (“Why did Europe’s human rights conscience meet Assad?”) (25 June 2017)
- Svenska Dagbladet, Mats Johansson, [“Mörkret, i Europas ruttna kärna”](#) (“Darkness in the rotten core of Europe”) (10 June 2017)
- BBC, [“Corruption inquiry at Council of Europe over Azerbaijan”](#) - Also available in Russian: [Совет Европы расследует данные о взятках членам ПАСЕ от Азербайджана](#) - (30 May 2017)
- ARD, Europamagazin, [“Europarat: Parlamentarier im Dienst von Autokraten?”](#) (“Council of Europe: parliamentarians in the service of autocrats?”) (30 April 2017)
- Focus, Yuri Bozic, [“Просчет дона Педро. Почему неизбежна отставка президента ПАСЕ”](#) (“Don Pedro's miscalculation. Why the resignation of the President of PACE is inevitable”) (29 April 2017)
- El Confidencial, Rafael Méndez, [“Las horas más bajas de Agramunt, el amigo de Rita que derivó en el 'diplomático caviar’”](#) (“The lowest hour of Agramunt, Rita's friend, who established 'caviar diplomacy’”) (28 April 2017)
- El País, Lucía Abellán, [“La Asamblea del Consejo de Europa retira el mandato al español que la preside”](#) (“The assembly of the Council of Europe revoked the mandate of its Spanish president”) (28 April 2017)
- SRF, Florian Imbach and Daniel Krähenbühl, [“Käuflicher Europarat? Bestechungsversuch bei Doris Fiala”](#) (“Council of Europe for sale? Attempt to bribe Doris Fiala”) (26 April 2017)
- BuzzFeed, J. Lester Feder and Alberto Nardelli, [“This Anti-Abortion Leader Is Charged With Laundering Money From Azerbaijan”](#) (26 April 2017)
- Elsevier, Jelte Wiersma, [“Onderzoek naar smeergeldcampagne Raad van Europa”](#) (“Investigation into the slush money campaign at the Council of Europe”) (26 April 2017)
- El Confidencial, Rafael Méndez, [“Cerco al 'embajador del caviar': el Consejo de Europa, contra Agramunt por ver a Assad”](#) (“‘Caviar Ambassador’ under siege: the Council of Europe speaks out against Agramunt over his visit to Assad”) (25 April 2017)