



European Network of Councils
for the Judiciary (ENCJ)

Reseau européen des Conseils
de la Justice (RECJ)

Proposal for a contribution fee calculation model

Introduction

In the draft statutes for the ENCJ (version of March 8), article 8, contribution fees are mentioned. Members shall pay an annual membership fee which shall be decided annually by the General Assembly and which will not exceed a (x) sum per member. The fee will be used to cover the operating costs of the association. In paragraph 3 reference is made to financial regulations that could further arrange the annual membership fees, payment and collection.

In this memo the secretariat indicates how this membership fee could be calculated. To simplify the discussion the following assumptions are made.

1. Observers do not pay a membership fee, but can be obliged to pay for the participation in particular activities).
2. The contribution will be calculated in accordance with the member's means.
3. The subsidy that may be obtained by the European Commission is disregarded¹.

***Please note that voting rights are equal for all members and are not influenced by the amount of fee paid.**

Exploration of a possible calculation model for ENCJ membership fee

In the following explanation of the proposed calculation model it will become clear that this model will greatly influence the flexibility of the contribution fee. The budget as presented in the proposal for a permanent ENCJ office is calculated on €430,000. An equal division of these costs would amount to €25,294 per member. (430,000:17 members)

A contribution that consists of two components is proposed.

- A basic fixed membership fee and
- A flexible additional fee according to the members' means.

¹ Without any commitment on the Commission's part, a reasonable estimate of the amount of financial support which can be expected from the European Union is between €100,000 and €150,000 per year. (According to the communication of Mr Michel Verschagen provided by the Belgian High Council of Justice)

The flexible fee could be derived from the following statistics:

1. the Gross Domestic Product (GDP) per capita;
2. the total annual budget allocated to all courts per inhabitant;²
3. the budget for the Council for the Judiciary.

For these categories levels will be determined. Each level is linked to a certain amount of points.

1. For GDP per capita

< €10,000	1 point
€10,000-20,000	2 points
> €20,000	3 points

2 The total annual budget allocated to all courts per inhabitant

< €15 per inhabitant	1 point
€16-30 per inhabitant	2 points
> €30	3 points

3. The budget for the Council for the Judiciary

No information available yet. This information should be provided by the members.

Extra weight could be given to this category by increasing the amount of points.

< €x	1 point
€x- y	3 points
> €y	4 points

Calculation model

Eventually each member will have a total score composed of the points earned in the different categories. Three groups will be determined each group will have a different factor.

Group A	3 points	-> factor 1
Group B	4-6 points	-> factor 2
Group C	7-10 points	-> factor 3

Example

With reference to the proposal for the new structure, the provisional budget is determined on **€430,000**. The basic fixed membership fee could be determined at **€10,000** per member.

Currently the ENCJ has 17 members; this would amount to **€170,000**.

$€430,000 - 170,000 = €260,000$. This amount will be divided by the total amount of all members' scores.

Say there are

5 members in group A times factor 1 =	5
5 members in group B times factor 2 =	10
7 members in group C times factor 3 =	21
Total	36

² Page 20 CEPEJ Studies, European Judicial Systems, edition 2006, (court budget without excluding prosecution and legal aid)

The remaining amount after deduction of the fixed membership fee will be divided by 36
 $260,000 : 36 = \mathbf{€7,222}$

The members in group A will pay $7,222 + \text{the basic contribution of } €10,000 = €17,222$

The members in group B will pay $14,444 + \text{the basic contribution of } €10,000 = €24,444$

The members in group C will pay $21,666 + \text{the basic contribution of } €10,000 = €31,666$

23 March 2007
ENCJ secretariat
Monique van der Goes