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Arms Trade Treaty
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Arms Trade Treaty
Financial Rules for the Conferences of States Parties and the Secretariat

Definitions

For the purpose of these Financial Rules:

- (a) “CSP” means the Conference of States Parties pursuant to Article 17 of the Arms Trade Treaty
- (b) “Secretariat” means the Secretariat of the Arms Trade Treaty
- (c) “Treaty” means the Arms Trade Treaty;
- (d) “[Head]” means the [Head] of the Arms Trade Treaty Secretariat
- (e) “President” means the President of the Conference of States Parties to the Arms Trade Treaty;
- (f) “Committee” means the Management Committee.

Application

Rule 1

In accordance with Article 17.3 of the Arms Trade Treaty, these financial rules shall govern the financial administration of the CSP, any subsidiary bodies it may establish, and the Secretariat.

Decision making on matters with financial implications

Rule 2

Unless otherwise stated in these rules, all decisions on matters with financial implications shall be taken in accordance with Rule 35 of the Rules of Procedure.

Financial Period

Rule 3

The financial period shall be a calendar year, and the annual budget shall include a twelve month outlook for the subsequent calendar year.

Management Committee

Rule 4

1. The committee, [established pursuant to the decision of the 1CSP] [the mandate of which is provided in the Rules of Procedure], shall provide oversight of financial matters, including management of draft budget estimates, operating budgets, and expenditures, to ensure predictability and sustainability in the cash flow.
2. The Secretariat, following review by the committee, shall submit the budget estimates, as well as providing the actual income and expenditure for each year of the financial period to all States Parties at least 90 days before the opening of the meeting of the Conference of States Parties at which the budget is to be adopted.
3. If the President deems a decision to be taken by the CSP would have significant financial implications, the President will request that a report be prepared by the Secretariat, which must be reviewed independently by the committee and submitted to the CSP at least 24 hours prior to the taking of any decision.
4. The CSP shall, prior to the commencement of the financial period that the budget covers, consider the budget estimates provided pursuant to Rule 4.2 and any recommendations of the committee and adopt an operational budget for the following financial period.
5. If the CSP does not approve the budget estimates, it shall return the estimates together with its recommendations to the Secretariat. The Secretariat shall then submit further budget estimates, reviewed by the committee, to the CSP for its approval.

Contributions for the CSP and any subsidiary bodies it may establish.

Rule 5

1. All States Parties, irrespective of attendance, shall be assessed a contribution towards each CSP, or any subsidiary bodies it may establish including towards the cost of preparing and holding the CSP, or subsidiary body meeting as applicable, calculated on the basis the UN scale of assessment, adjusted to take into account the difference between the UN membership and the number of states in attendance. The adjustment shall ensure that [no state contributes less than USD\$100 which would cover the administrative cost of levying and collecting its contribution and that] no one contribution exceeds [22 per cent][12%] of the total.
2. All signatories and observer states in attendance at each CSP, or at any subsidiary bodies it may establish shall be levied an attendance fee towards the cost of preparing and holding the CSP, or subsidiary body meeting as applicable, calculated on the basis the UN scale of assessment, adjusted to take into account the difference between the UN membership and the number of states in attendance. The adjustment shall ensure that: [no state contributes less than USD\$100 which would cover the administrative cost of levying and collecting its contribution], and that no one contribution exceeds [22 per cent][12%] of the total.

- a. Invoices issued for the estimated CSP costs shall be calculated on the assumption that all States Parties, signatory states, and observer states which attended the CSP in the preceding year shall attend the following CSP.
 - b. The Secretariat shall produce final costings on the basis of the actual CSP costs and actual number of states which participated within 3 months of the CSP being held. Consequent adjustments shall be made at the end of each calendar year, with any debits or credits due to states to be taken into account in the contributions to be made for the following calendar year.
3. The costs of preparing and holding a CSP, or a meeting of any subsidiary bodies it may establish, as referred to in Rule 5.1 shall comprise:
 - a. The costs for the: meeting venue; documentation, including translation; in-session interpretation; conference equipment and supplies; and IT support as necessary;
 - b. The costs for the Secretariat's activities related to the organisation of the CSP, or any subsidiary bodies it may establish, shall be calculated by the management committee as 30 per cent of the Secretariat's core costs;
 - i. The management committee shall verify, and keep under review, the proportion of the Secretariat's costs to be charged pursuant to paragraph (b) above, and reflected in the budget estimates prepared by the Secretariat pursuant to Rule 4.2.
4. A separate sponsorship programme to support the participation of delegates from developing countries to attend the CSP shall be financed by contributions made on a voluntary basis.
5. Ninety days ahead of the scheduled opening of the CSP, the Secretariat shall advise the President, who shall inform States Parties on the status of contributions received towards the cost of preparing and holding the CSP.
6. If 80 per cent of the budget required to prepare and hold a CSP has not been received two months ahead of the scheduled opening of the CSP, the President, at his or her discretion, may advise States Parties that the CSP must be postponed pending the availability of adequate financial support towards the cost of preparing and holding the CSP.

Contributions for the Secretariat

Rule 6

1. All States Parties shall be charged each year an assessed contribution for the Secretariat's costs in undertaking its core tasks, aside from the proportion attributed as work related to the organisation of the CSP which is accounted for under Rule 5.3.
2. Assessed contributions made pursuant to Rule 6.1 will be calculated on the basis of the UN scale of assessment, adjusted to take into account the difference between the UN membership and the number of States Parties. The adjustment shall ensure that [no state contributes less than USD\$100 which would cover the administrative cost of

levying and collecting its contribution and that] no one contribution exceeds [22 per cent][12%]of the total.

3. The costs for the core tasks of the Secretariat referred to in Rule 6.1 shall comprise: staff salaries, equipment, office overheads, financial administration, human resources administration, insurance, communications and IT, and any other items essential for the functioning of the Secretariat as decided by the CSP.
4. Other duties to be undertaken by the Secretariat at the direction of the CSP shall be financed by contributions made on a voluntary basis.

Payment of contributions

Rule 7

1. In respect of contributions made pursuant to Rule 5 and/or Rule 6:
 - a. Contributions for each calendar year are due and payable in full within 90 days of the receipt of the invoice from the Secretariat. States should be notified of the amount of their contributions for a given year by 15 October of the previous year;
 - b. Each State shall, as far in advance as possible of the date due for the contribution, inform the Secretariat of the projected timing of that contribution; and in the case of any voluntary contribution, of the amount it intends to contribute;
 - c. If contributions of any State have not been received by 1 March of the relevant year the Secretariat shall advise the President, who shall write to those States to impress upon them the importance of paying their respective arrears. The President's consultations with such States shall be reported to the CSP at its next meeting;
 - d. Any State Party whose contributions are in arrears for two or more years shall not be eligible to nominate a representative as an office-holder, nor become a member of any committee or subsidiary body of the CSP. The CSP may, nevertheless, permit such a member to nominate if it is satisfied that the failure to pay is due to conditions beyond the control of the State Party;
 - e. Any State Party which has not discharged its financial obligations within four years shall have its voting rights suspended. The CSP may, nevertheless, permit such a State Party to vote if it is satisfied that the failure to pay is due to conditions beyond the control of the State Party.
2. Contributions made pursuant to Rule 6 from States that become States Parties to the Treaty after the beginning of a financial period shall be made *pro rata temporis* for the balance of that financial period. Consequent adjustments shall be made at the end of each financial period for other States Parties.

3. The Secretariat shall acknowledge promptly the receipt of all pledges and contributions, and shall inform the States Parties by publishing up-to-date information on the status of pledges and payments of contributions.
4. The uncommitted balance of appropriations from previous financial periods shall be rolled-over to the next financial period, thereby reducing the States Parties' contributions for the next financial period.

Amendments

Rule 8

Any amendment to the present rules shall be adopted by the CSP by consensus, or when consensus cannot be reached, as a last resort by voting, as for voting on other substantive issues, according to the Rules of Procedure ie [3/4][2/3] majority.

Audit Requirements

Rule 9

1. The CSP shall appoint an internationally recognized independent auditor with experience in the audit of international organizations. The independent auditor shall be appointed for a period of four years coinciding with a given financial period, and may be reappointed by the CSP for one additional term of four years.
2. The audit shall be conducted in conformity with generally accepted common auditing standards and in accordance with any relevant instructions from the CSP.
3. The Auditor shall issue a report on the audit of the Secretariat's annual financial report and the underlying records relating to the operation of the Secretariat and the activities of the CSP and subsidiary bodies.
4. The Auditor shall, as appropriate, make observations with respect to the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the administration and management of the Secretariat.
5. The management committee shall, after the adoption of the audit report, oversee the implementation of the audit observations and recommendations; and seek to ensure the correctness of the financial decisions and activities, prior to the succeeding reporting year.