



27 August 2015

Submitted by: **Secretariat**

Original: English

Arms Trade Treaty
First Conference of States Parties
Cancun, 24-27 August 2015

Draft Provisional Budgets for financial year 2016

Background

As provided by Article 17 of the Arms Trade Treaty, the Conference of States Parties shall adopt financial rules for itself as well as governing the funding of any subsidiary bodies it may establish as well as financial provisions governing the functioning of the Secretariat. It also provides that the Conference of States Parties (CSP) shall adopt, at each ordinary session, a budget for the financial period until the next ordinary session and a budget for the Secretariat.

Following a decision by the Conference on 26 August 2015, the **Financial Rules** for the Conference of States Parties and the Secretariat, as contained in document ATT/CSP1/2015/WP.3/Rev.1, were adopted.

According to Rule 4.1 of the Financial Rules, the Secretariat shall prepare and, following review by the Committee, submit the budget estimates, as well as providing the actual income figures for each 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.

On 26 August 2015, the Conference of States Parties adopted the **Directive of the States Parties to the Secretariat** of the Arms Trade Treaty contained in document ATT/CSP1/2015/WP.2/Rev.2. Among the mandates entrusted to the Secretariat, it shall, in collaboration with the Management Committee, and in accordance with its terms of reference: prepare draft decisions concerning the administrative arrangements of the secretariat; and propose and present a budget covering the activities of the Secretariat for the coming year to the Management Committee for review, then to the Conference of States Parties for approval;

As per decision by the Conference of States Parties, the **Terms of Reference** for the Management Committee contained in document ATT/CSP1/2015/WP.5/Rev.2, were adopted.

The above mentioned Terms of Reference provide that, in carrying out its functions, the Management Committee shall rely on the provisions of the Treaty and on the Directive of the States Parties to the Secretariat agreed pursuant to as well as on any guidance agreed by States Parties during the CSPs.

Among its functions, the Management Committee may issue recommendations for decision by the Conference of States Parties. The Management Committee shall oversee in particular:

- (i) Preparation by the Secretariat of draft decisions concerning the administrative arrangements of the Secretariat;
- (ii) Preparation by the Secretariat of draft decisions on Secretariat staff: the Management Committee shall, in particular, support the Head of the Secretariat in ensuring a merit-based recruitment of the secretariat staff, which is consistent with the job description after the First Conference of States Parties.;
- (iii) Preparation by the Secretariat of draft decisions on budget and financial issues, including cost estimates and planned budgets, audit reports and Secretariat staff salaries. The Committee shall also study reports prepared by the Secretariat on the budgetary impacts of the proposals to be submitted to the Conference of States Parties for decision.

Budget for the financial year 2016

Subsequent to the decision by States Parties to designate Geneva as the seat of the Secretariat, and taking into account that the Secretariat is not fully operational and the members of the Management Committee have not yet been appointed, the provisional Secretariat has prepared draft provisional budgets for the 2016 financial year, for the Secretariat and the Conference cost estimate for its second session, as well as made provisions for potential expenditures foreseen in 2015.

Notwithstanding the above-mentioned provisions for the consideration of the Conference, the Provisional Secretariat has done so, guided by the provisions outlined in Financial Rules as contained in ATT/CSP1/2015/WP.3/Rev.1, Rule 5 and 6, and in particular Rule 5.3-5, and 6.3-4, in order to cost the budget.

In recognition of the need for the Head of the Secretariat in collaboration with the Management Committee to further develop and negotiate a proposal, with the Host Country concerning the administrative arrangements of the Secretariat, and a budget covering the activities of the Secretariat for the coming year, for approval as per paragraph 2 of the Directive of States Parties to the Secretariat as contained in ATT/CSP1/2015/WP.2/Rev.2, the President suggests, for consideration by State Parties to hold an extraordinary meeting to review and consider, for adoption, a draft proposal concerning the administrative arrangements of the Secretariat as subsequent to this, a revision of the provisional budgets referred to below.

For this purpose, the following parameters have been used for the provisional budget of the Secretariat, using as reference UNDP experience of expenses and responses by Switzerland to the questionnaire concerning the seat of the Secretariat:

- a) 3 International Staff and support staff as necessary.
- b) Proforma cost of UN temporary appointment contract according to the Salary levels as contained in the facilitators report (ATT/CPS1/2015/WP.10 para.3)
- c) Travel estimates
- d) Provisions for outsourcing of certain services.
- e) Assumptions for office premises, office furniture, equipment and supplies, Guarding and Security of premises, as covered by Host State.
- f) Provisions for voluntary contributions.
- g) Assessed budget sources in accordance to the Financial Rules 6 as contained in ATT/CSP1/2015/WP.3/Rev.1

With regard to the provisional budget of the Conference second session, including a cost estimate for CSP2,

- h) When annual regular sessions of the CSP are held at the seat of the Secretariat, the Conference venue will be covered by the Host State, as contained in the offer by Switzerland to host the Secretariat.
- i) Assessed budget sources in accordance to the Financial Rules 5 as contained in ATT/CSP1/2015/WP.3/Rev.1
- j) Provisions for voluntarily funded sponsorship programme.

Implementation

As an interim measure, to bridge the institutional arrangements between the CSP1 and the time at which the newly appointed Head of the Secretariat takes up his duties, the President suggests for the consideration of States Parties, to entrust the Management Committee, with the support of UNDP Geneva, to assist with the administrative tasks as necessary, in support of the work of the Conference whilst developing and negotiating the institutional arrangement for the Secretariat.

Further that, the interim arrangement will conclude upon the adoption of the proposal concerning the future administrative arrangements of the Secretariat and the adoption of revised budgets at an extraordinary meeting. The interim administrative arrangements will be covered on a recovery cost basis.

draft Provisional budget estimatesⁱ for the Secretariat and for the Conference for the financial period up to the next ordinary session, for consideration of States Parties.

1) Provisional draft budget estimate for the Secretariat

Contributions	Type ⁱⁱ	Estimated Costs (USD) according to the Financial Rules			Comments
		30% Financial Rule 5.1 and 5.2 (as per Financial Rule 5.4)	70% Financial Rule 6.1	Total Estimated Costs (USD)	
ASSESSSED ⁱⁱⁱ by States Parties	Salaries for 3 permanent staff members - 12 months 2016 (1x P4, 1x P3, 1x P2) ^{iv}	164,512	383,860	548,372	<i>UN Temporary Appointment (TA) for 12 months in Geneva (the actual cost will be less and the salary component of this will be commensurate with the number of staff and months hired).</i>
	Salary for P4 - 2 months 2015	10,770	25,130	35,900	
	General temporary assistance (if needed)	11,100	25,900	37,000	<i>148 days of consultancy (Junior specialist -250 USD/day)</i>
	Consultants / Outsourcing	9,000	21,000	30,000	<i>60 days of consultancy (Specialist-500 USD/day)</i>
	Staff international travel costs (inclusive of travel booking services, and local transportation)	14,522	33,884	48,406	<i>Average cost of 5,000 USD/trip (5 trips for P4, 3 trips for P3, 1 trip for P2); travel booking services 306 USD (34 USD/trip (9 trips)); and local transport</i>
	Staff training	1,260	2,940	4,200	<i>1,400 USD/staff member</i>
	Information technology and telecommunication services	3,750	8,750	12,500	<i>Assessed, but outsourced (and potentially provided on in-kind basis)</i>
	Treaty website maintenance	750	1,750	2,500	
	Accounting and financial administration (including related to the collection of contributions)	7,200	16,800	24,000	
	Audit fees	1,425	3,325	4,750	
	Human resources administration	7,200	16,800	24,000	
	Legal services (related to procurement, personnel matters etc.)	1,500	3,500	5,000	
	Travel booking services	92	214	306	
	Insurance	3,248	7,578	10,825	
	Miscellaneous, if any (please specify)	1,500	3,500	5,000	
Subtotal ASSESSED	237,828	554,931	792,759		
IN-KIND ^v by host	Office premises (inclusive of building management)				<i>Covered by the host state</i>

Contributions	Type ⁱⁱ	Estimated Costs (USD) according to the Financial Rules			Comments
		30% Financial Rule 5.1 and 5.2 (as per Financial Rule 5.4)	70% Financial Rule 6.1	Total Estimated Costs (USD)	
	Office furniture, equipment and supplies (acquisition, rental and maintenance)				<i>Covered by the host state, through a host organization</i>
	Guarding and security of premises				<i>Covered by the host state, through a host organization</i>
	Subtotal IN-KIND	-	-	-	
VOLUNTARY	N/A	N/A	N/A	N/A	
	N/A	N/A	N/A	N/A	
	N/A	N/A	N/A	N/A	
	Subtotal VOLUNTARY	-	-	-	
TOTAL		237,828	554,931	792,759	

2) Provisional draft budget estimate for the Conference

Contributions	Type ⁱⁱ	Detail	Estimated cost (USD)	Comments
ASSESSED ^{vi} by participating states	2CSP ^{vii}	Conference venue ^{viii}	-	Free of charge for 2016 (if held in Switzerland-the seat of the Secretariat)
		Documentation ^{viii}	15,000	Translation
		In-session Interpretation ^{viii}	62,500	Interpretation equipment & human resources (interpreters)
		Conference equipment and supplies ^{viii}	3,000	Photocopy paper, basic office supplies
		IT Support ^{viii}	70,000	IT equipment (computers, printers, documents reproduction, website and online registration system, streaming, wifi)
	Subtotal 2CSP		150,500	
	Management Committee	Travel ^{ix}	12,000	Travel for 7 members 1x/year for a meeting in advance of the CSP
	Facilitation of meetings ^{ix}	5,000	Conference space	
Subtotal Management Committee		17,000		
ASSESSED (when not hosted)	2CSP	Design and printing	1,500	Banners, posters, invitations, logo, badges, name plates, participants kits
		Security	4,000	
		Medical support	500	
		Decoration	800	
		Miscellaneous	1,000	
	Staff	10,000	Conference manager, local support staff	
Subtotal 2CSP		(17,800)		
Subtotal ASSESSED		185,300		
IN-KIND by host (when hosted)	2CSP	Conference venue ^{viii}	-	
		Catering	-	Lunches, coffee breaks, reception
		Design and printing	-	Banners, posters, invitations, logo, badges, name plates, participants kits
		Transport	-	Buses/cars, for airport, opening ceremony etc.
		Security	-	
		Medical support	-	
		Decoration	-	
		Miscellaneous	-	
		Staff	-	Conference manager, local support staff
Subtotal IN-KIND		-		
VOLUNTARY	2CSP	Sponsorship programme ^x	249,000	Sponsorship programme, to support participation of delegates from developing countries - 83 delegates (approx. 3,000 USD/ delegate-economy flight ticket, accommodation, insurance, applicable per diem).
Subtotal VOLUNTARY			249,000	
TOTAL			434,300	

-
- ⁱ Needs revision and local costing in accordance with price levels at actual location
- ⁱⁱ Budget lines in accordance with the questionnaire circulated by facilitators on financial issues
- ⁱⁱⁱ Average based on responses from the questionnaires by candidates and additional estimates based on experience of expenses from UNDP. Brought in accordance with provisions under draft financial rules for the ATT - Rule 6.3 and 6.4
- ^{iv} The proforma cost is an annual estimate of first year TA appointment for the duration of 364 days. Annual proforma includes:
- (i) Salary (net salary portion, post adjustment);
 - (ii) Recurring costs [Dependency allow., Contrib. to UNJSPF, Contrib. to med. ins., Rental supplements, SOLA(or AHA), Danger Pay, Personal security measures (where applicable)];
 - (iii) Centrally Managed Costs through Reserve accounting (Security, ICT, MAIP and Appendix D);
 - (iv) Non Recurring costs (Relocation grant and Assignment allowance, Med. evacuation, Reimb. for income tax, Commutation of accrued Annual leave balances end of TA (where applicable)). For UN salary levels please see http://www.un.org/Depts/OHRM/salaries_allowances/salary.htm
- ^v Average based on the response from the questionnaire by the candidate and additional estimates based on experience of expenses from UNDP. Brought in accordance with provisions under draft financial rules for the ATT - Rule 6.3 and 6.4
- ^{vi} Average based on the response from the questionnaire by the candidate and additional estimates based on experience of expenses from UNDP. Brought in accordance with provisions under draft financial rules for the ATT - Rule 5
- ^{vii} Based on real cost CSP1 in combination with estimates based on experience of expenses from UNDP
- ^{viii} As per Financial Rule 5, para 3.a (ATT/CSP1/2015/WP.3/Rev.1)
- ^{ix} As per Financial Rule 5 (ATT/CSP1/2015/WP.3/Rev.1)
- ^x As per Financial Rule 5.5 (ATT/CSP1/2015/WP.3/Rev.1)