Arms Trade Treaty:
Status of ATT Finances

Dumisani DLADLA, Head of the ATT Secretariat
17 May 2024
Background

- ATT Financial Rules (Rule 5 and Rule 6 formula)

- Considerations for calculation of assessed contributions:
  
  ✓ CSP approved budget estimates
  ✓ Number of States Parties
  ✓ Number of other States in attendance at last CSP
  ✓ UN scale of assessment
  ✓ ATT scale of effort
Source of revenue

• Exclusive financial contributions from states

• States Parties:
  ✓ Conference costs
  ✓ ATT Secretariat costs

• Signatory and Observer states in attendance at last CSP
  ✓ Conference costs (attendance fee)
  ✓ ATT Secretariat costs (activities related to conference organisation)
Financial Management Process

- Budget estimates approved by a CSP
- Invoices: October of every year (Rule 8)
- Payable in 3 months (end of Jan (Rule 8))
- Reminders: March including info on all outstanding contributions
- Status of contributions posted on ATT website (regularly)
- Rollover register posted on ATT website (annually)
## Overview of Contributions received (17 May)

<table>
<thead>
<tr>
<th></th>
<th>2015/16 to 2020 Budgets (average)</th>
<th>2021 Budget</th>
<th>2022 Budget</th>
<th>2023 Budget</th>
<th>2024 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions Assessed</td>
<td>1,032,591.54</td>
<td>1,068,200.00</td>
<td>1,196,710.00</td>
<td>1,201,958.00</td>
<td>1,164,312.00</td>
</tr>
<tr>
<td>% of Budget Received</td>
<td>95.85%</td>
<td>97.38%</td>
<td>97.46%</td>
<td>96.49%</td>
<td>91.10%</td>
</tr>
<tr>
<td>Contributions Outstanding</td>
<td>-42'902.68</td>
<td>-27'993.06</td>
<td>-30'350.67</td>
<td>-42'144.18</td>
<td>-103'656.52</td>
</tr>
<tr>
<td>% of States having paid</td>
<td>86.64%</td>
<td>82.64%</td>
<td>79.53%</td>
<td>75.76%</td>
<td>57.04%</td>
</tr>
<tr>
<td>In-kind Contribution by</td>
<td>288,000.20</td>
<td>249,523.00</td>
<td>274,017.00</td>
<td>289,139.00</td>
<td>289,139.00</td>
</tr>
<tr>
<td>Switzerland</td>
<td></td>
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<td></td>
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</tr>
</tbody>
</table>
# Outstanding Contributions

<table>
<thead>
<tr>
<th>2015/16 to 2020 Budgets (sum)</th>
<th>2021 Budget</th>
<th>2022 Budget</th>
<th>2023 Budget</th>
<th>2024 Budget</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>+ 90'354.92</td>
<td>+ 40'404.88</td>
<td>+ 56'129.68</td>
<td>+ 48'214.82</td>
<td></td>
<td>+ 235'104.30</td>
</tr>
<tr>
<td>-214'513.39</td>
<td>-27'993.06</td>
<td>-30'350.67</td>
<td>-42'144.18</td>
<td>-103'656.52</td>
<td>-418'657.81</td>
</tr>
</tbody>
</table>

82 Contributions outstanding from 34 States

Contributions outstanding from 21 States

Contributions outstanding from 26 States

Contributions outstanding from 32 States

Contributions outstanding from 58 States
Cash Flow Projection: 2024

Contributions ATT 2024 Budget Received  Rollover  Staff Costs  Operations  Preparatory Meetings and CSP10  Liquidity [USD]
Implication of Non-Payment

• Financial Rule 8.4 *(Rollover of total uncommitted balance of appropriations)* i.e. cash and deficits).

• CSP5 decision: The rollover of the balance of total credits due (FY 2015/16, FY 2017 and FY 2018) was to be **paid back over a period of 5 years. CSP5 decision is fully implemented.**

• The ATT is building an **annual deficit of 5% average**, which is rolled over to next years’ budgets.

• Implication - **liquidity challenges** will materialize in the medium term if payment rate remain unchanged.
ATT Reserve Fund

- Reserve Fund established by CSP5 decision in 2019
- Dedicated Terms of Reference
- Financed from voluntary contributions by states

<table>
<thead>
<tr>
<th>Reserve Fund</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution: Germany</td>
<td>50,000.00 EUR</td>
</tr>
</tbody>
</table>
Guidelines: Financial Arrangements

• Guidelines for making financial arrangements under Financial Rule 8 (1) d adopted by CSP7

• No formal request for financial arrangements submitted so far
End