Arms Trade Treaty:
Status of ATT Finances

Dumisani DLADLA, Head of the ATT Secretariat
29 April 2022
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 (29 April)

<table>
<thead>
<tr>
<th>Contributions Assessed</th>
<th>2015/16 Budget</th>
<th>2017 Budget</th>
<th>2018 Budget</th>
<th>2019 Budget</th>
<th>2020 Budget</th>
<th>2021 Budget</th>
<th>2022 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>993,102.49</td>
<td>1,046,194.66</td>
<td>975,927.00</td>
<td>1,084,125.00</td>
<td>1,069,785.00</td>
<td>1,068,200.00</td>
<td>1,196,710.00</td>
</tr>
<tr>
<td>% of Budget Received</td>
<td>93.48%</td>
<td>93.80%</td>
<td>94.26%</td>
<td>93.46%</td>
<td>91.44%</td>
<td>91.19%</td>
<td>87.53%</td>
</tr>
<tr>
<td>Contributions Outstanding</td>
<td>-64,719.50</td>
<td>-64,892.09</td>
<td>-56,003.53</td>
<td>-64,625.38</td>
<td>-91,532.38</td>
<td>-94,110.23</td>
<td>-149,282.49</td>
</tr>
<tr>
<td>% of States having paid</td>
<td>79.84%</td>
<td>84.30%</td>
<td>85.71%</td>
<td>82.68%</td>
<td>78.69%</td>
<td>68.60%</td>
<td>54.33%</td>
</tr>
</tbody>
</table>

### In-kind Contribution by Switzerland

<table>
<thead>
<tr>
<th></th>
<th>2015/16 Budget</th>
<th>2017 Budget</th>
<th>2018 Budget</th>
<th>2019 Budget</th>
<th>2020 Budget</th>
<th>2021 Budget</th>
<th>2022 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-kind</td>
<td>458,230.00</td>
<td>242,873.00</td>
<td>257,057.00</td>
<td>234,387.00</td>
<td>247,454.00</td>
<td>249,523.00</td>
<td>274,017.00</td>
</tr>
</tbody>
</table>
# Outstanding Contributions

<table>
<thead>
<tr>
<th></th>
<th>2015/16 Budget</th>
<th>2017 Budget</th>
<th>2018 Budget</th>
<th>2019 Budget</th>
<th>2020 Budget</th>
<th>2021 Budget</th>
<th>2022 Budget</th>
<th>Total Deficit</th>
</tr>
</thead>
<tbody>
<tr>
<td>+ 0.00</td>
<td>+ 0.00</td>
<td>+ 0.00</td>
<td>+ 0.00</td>
<td>+ 0.00</td>
<td>+ 1,930.80</td>
<td>+ 102,339.30</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-64,719.50</td>
<td>-64,892.09</td>
<td>-56,003.53</td>
<td>-64,625.38</td>
<td>-91,532.38</td>
<td>-94,110.23</td>
<td>-149,282.49</td>
<td>-585,165.61</td>
<td></td>
</tr>
<tr>
<td>25 States</td>
<td>19 States</td>
<td>17 States</td>
<td>22 States</td>
<td>26 States</td>
<td>38 States</td>
<td>58 States</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Cash Flow Projection: 2022

Contributions ATT 2022 Budget Received | Rollover | Staff Costs | Operations | Preparatory Meetings and CSP8 | Liquidity [USD]
Implication of Non-Payment

- CSP5 reaffirmed the application of 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. 2 years are remaining.

- The ATT is building an annual deficit of 7% avg, which is rolled over to next years’ budgets.

- The implication is that liquidity challenges will materialize in the medium term if outstanding contributions remain unpaid.
ATT Reserve Fund

- Reserve Fund established by CSP5 decision in 2019
- Financed from voluntary contributions by states

<table>
<thead>
<tr>
<th>Reserve Fund</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions Received</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</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