

# **Arms Trade Treaty: Status of ATT Finances**

# 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)

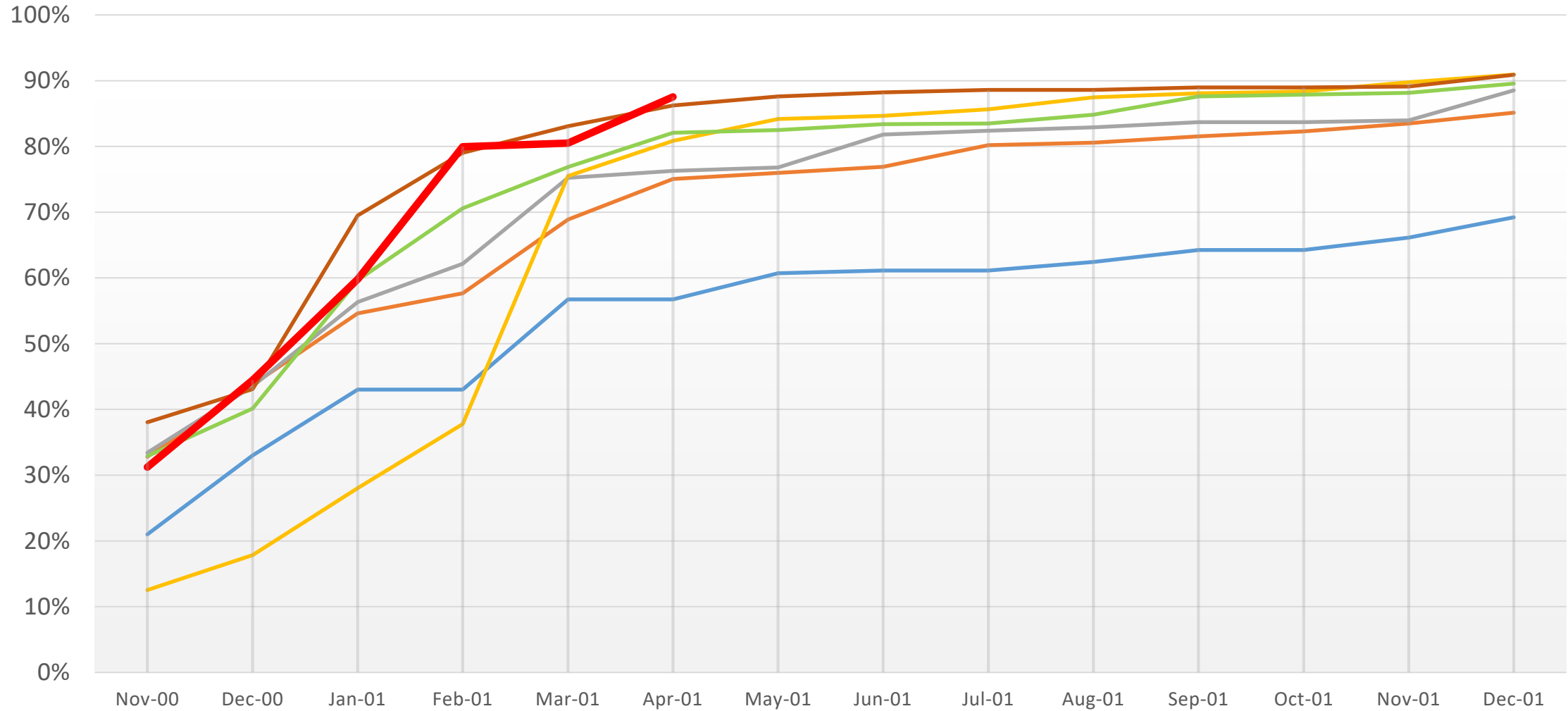
# Overview of Contributions received (29 April)

	2015/16 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget
<b>Contributions Assessed</b>	993,102.49	1,046,194.66	975,927.00	1,084,125.00	1,069,785.00	1,068,200.00	1,196,710.00
<b>% of Budget Received</b>	93.48%	93.80%	94.26%	93.46%	91.44%	91.19%	87.53%
<b>Contributions Outstanding</b>	-64,719.50	-64,892.09	-56,003.53	-64,625.38	-91,532.38	-94,110.23	-149,282.49
<b>% of States having paid</b>	79.84%	84.30%	85.71%	82.68%	78.69%	68.60%	54.33%
<b>In-kind Contribution by Switzerland</b>	458,230.00	242,873.00	257,057.00	234,387.00	247,454.00	249,523.00	274,017.00

# Outstanding Contributions

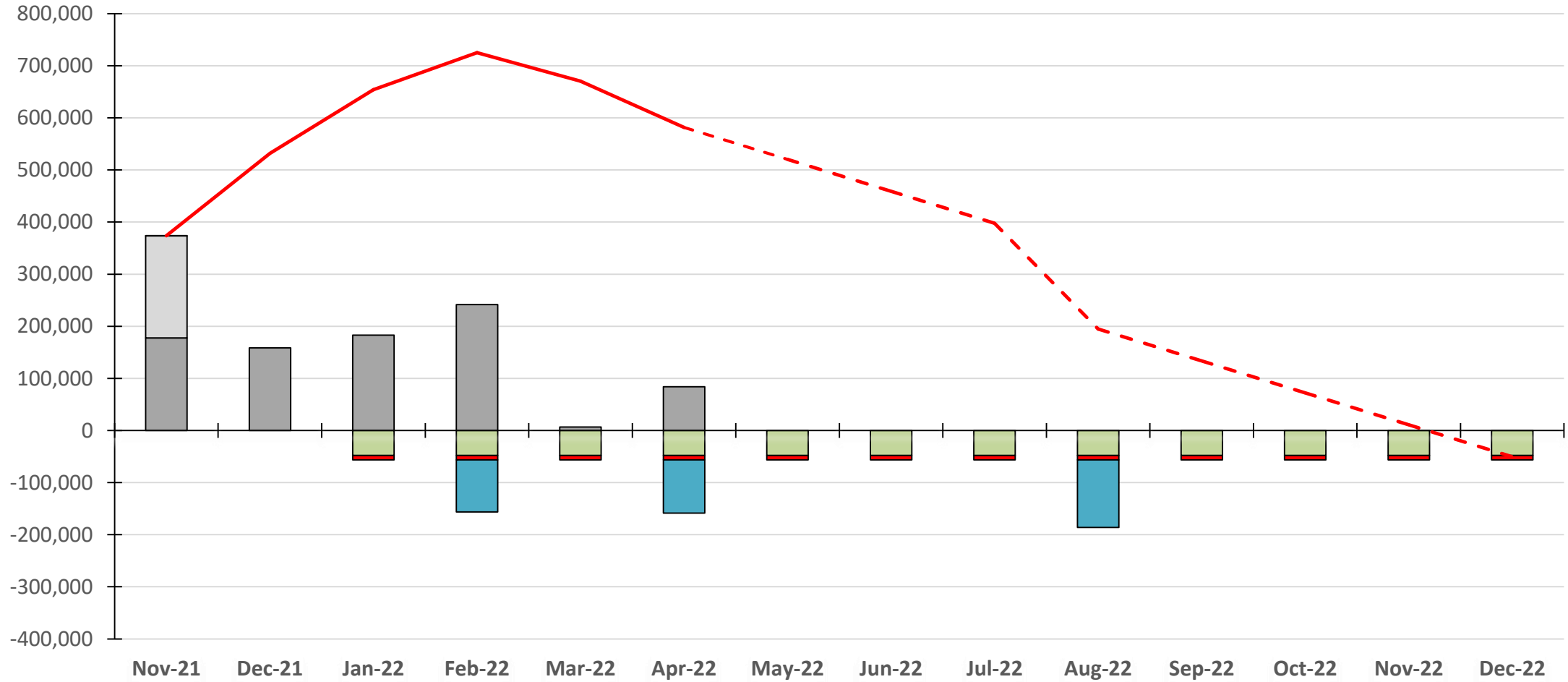
2015/16 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget	Total Deficit
+ 0.00	+ 0.00	+ 0.00	+ 0.00	+ 0.00	+ 1,930.80	+ 102,339.30	
<b>-64,719.50</b>	<b>-64,892.09</b>	<b>-56,003.53</b>	<b>-64,625.38</b>	<b>-91,532.38</b>	<b>-94,110.23</b>	<b>-149,282.49</b>	<b>-585,165.61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

# Percentage of Budget received (trend)



— 2015/2016 Budget — 2017 Budget — 2018 Budget — 2019 Budget — 2020 Budget — 2021 Budget — 2022 Budget

# 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

Reserve Fund	2019	2020	2021	2022
<b>Contributions Received</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

# 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**