Arms Trade Treaty: Status of ATT Finances

Dumisani DLADLA, Head of the ATT Secretariat
25 August 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 (25 August)

<table>
<thead>
<tr>
<th></th>
<th>2015/16 to 2019 Budgets (average)</th>
<th>2020 Budget</th>
<th>2021 Budget</th>
<th>2022 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions Assessed</td>
<td>1,023,293.18</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>94.26%</td>
<td>91.97%</td>
<td>91.91%</td>
<td>90.79%</td>
</tr>
<tr>
<td>Contributions Outstanding</td>
<td>-58,692.43</td>
<td>-85,864.40</td>
<td>-86,399.11</td>
<td>-110,262.33</td>
</tr>
<tr>
<td>% of States having paid</td>
<td>84.11%</td>
<td>80.33%</td>
<td>71.90%</td>
<td>62.99%</td>
</tr>
</tbody>
</table>

| In-kind Contribution by Switzerland | 298,136.75 | 247,454.00 | 249,523.00 | 274,017.00 |
## Outstanding Contributions

### 2015/16 to 2020 Budgets

<table>
<thead>
<tr>
<th>2015/16 to 2020 Budgets (sum)</th>
<th>2021 Budget</th>
<th>2022 Budget</th>
<th>Total Deficit</th>
</tr>
</thead>
<tbody>
<tr>
<td>+ 46,087.40</td>
<td>+ 36,326.31</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-320'634.11</td>
<td>-86,399.11</td>
<td>-110,262.33</td>
<td>-517,295.55</td>
</tr>
</tbody>
</table>

102 Contributions outstanding from 40 States

Contributions outstanding from 34 States

Contributions outstanding from 47 States
Cash Flow Projection: 2022

Contributions ATT 2022 Budget Received | Rollover | Staff Costs | Operations | Preparatory Meetings and CSP8 | 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. 2 years are remaining.

• The ATT is building an annual deficit of 7% 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>Commitment 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