
Arms Trade Treaty

Eighth Conference of States Parties

Geneva, Switzerland, 22 – 26 August 2022

ATT PROVISIONAL BUDGET ESTIMATES FOR THE FINANCIAL YEAR 2023

INTRODUCTION

1. Article 17 (3) of the Arms Trade Treaty (ATT) provides that a Conference of States Parties shall, at each ordinary session, adopt a budget for the financial period until the next ordinary session.
2. The preparation and management of ATT budgets are governed by the ATT Financial Rules. Rule 4 (1) of the ATT Financial Rules states that the ATT Secretariat shall prepare and, following a review by the Management Committee, submit budget estimates to States Parties at least 90 days before the opening of the Conference at which the budget is to be adopted.
3. The budget estimates submitted for adoption by a Conference of States Parties should cover budget estimates for the Conference and the ATT Secretariat. Financial considerations for the Conference and the ATT Secretariat budget estimates are set out in Rules 5 and 6 of the ATT Financial Rules, respectively.
4. The ATT budget estimates for the 2023 financial period were prepared in accordance with the requirements of the ATT Financial Rules.

ECONOMIC SITUATION

5. The ATT budget estimates are presented and adopted in US dollars (USD), the ATT currency of budgeting and accounting. However, the approved ATT budget is expended in transactions based on the Swiss Franc (CHF). This results in ATT budgets being exposed to the fluctuation of the USD – CHF rate of exchange. The USD – CHF rate of exchange has remained constant for a number of years¹. However, in the 2020/2021 period the USD lost value against the CHF². Since the last quarter of 2021 moving to the first quarter of 2022, the USD has slightly gained value against the CHF³, however, the financial markets remain volatile. This situation impacts the outlook of the 2023 draft budget estimates.

2022 FINANCIAL YEAR INCOME FIGURES

6. Rule 4 (1) of the ATT Financial Rules provides that budget estimates presented for adoption by a Conference of States Parties must include the actual income figures for the previous period, which in this instance is the 2022 financial year.

¹ 1 CHF = 1.0081708946 USD

² 1 CHF = 1.10643947776057 USD (used for ATT 2022 budget)

³ 1 CHF = 1.080613789 USD (used for ATT 2023 budget)

7. The 2022 financial income is based on the 2022 budget adopted by the Seventh Conference of States Parties. In this regard, the total ATT budget for 2022, inclusive of the ATT Secretariat component (USD 812,615.00) and the Conference component (USD 384,095.00), is USD 1,196,710.00. It is against this amount that assessed financial contributions to the ATT 2022 budget were calculated using the formula prescribed in the ATT Financial Rules.

8. In October 2021, the ATT Secretariat issued 127 assessment notices to all relevant States in accordance with Rules 5 and 6 of the ATT Financial Rules. As of 20 May 2022, the total financial contributions received from 73 States is USD 1,075,303.16. The total outstanding financial contributions from the other 54 States assessed for the 2022 ATT budget is USD 121,406.84.

9. In March 2022, in accordance with Rule 8 (1) of the ATT Financial Rules, the President of the Eighth Conference of States Parties wrote to all States with outstanding financial contributions reminding them of this fact and impressing upon them the importance of paying their respective arrears.

BUDGET ADMINISTRATION

10. On adoption by the Eighth Conference of States Parties, the ATT budget will be managed by the ATT Secretariat according to the provisions of the ATT Financial Rules and under the oversight of the Management Committee. Accordingly, the ATT Secretariat will notify all States of their assessed financial contributions to the 2023 budget in October 2022.

CONCLUSION

11. Pursuant to Rule 4 (1) of the ATT Financial Rules, the ATT Secretariat hereby submits to States Parties the 2023 draft budget estimates for consideration and adoption at the Eighth Conference of States Parties (CSP8).

ATT Secretariat: Draft Budget Estimates 2023

Budget ⁱ Source	Item ⁱⁱ	est. cost (USD)	Comments
ASSESSSED from States	Total staff costs (P4, P3 and P2) ⁱⁱⁱ - 12 months 2023	619'886	<i>In accordance with ATT Staff Rules and Regulations</i>
	General temporary assistance (if needed)	11'250	<i>45 days of consultancy (Junior specialist - estimated 250 USD/day)</i>
	Professional services (legal, procurement, personnel, financial)	20'000	<i>40 days of consultancy (Specialist - estimated 500 USD/day)</i>
	Staff international travel costs (inclusive of air travel, ground transportation, accommodation and daily allowances)	20'000	<i>Estimated costs of 4,000 USD/trip (2 trips for P4, 2 trips for P3, 1 trip for P2)</i>
	Staff training	4'000	
	Utilization of IT & telecommunication services (cell phone calls, fixed line calls, photocopies)	5'000	
	Secretariat website	78'669	<i>Maintenance and incremental enhancement</i>
	Audit fees	16'209	
	Insurance	7'000	
	Miscellaneous (stationery, toner, etc.)	7'500	
Subtotal ASSESSED		789'514	Total of which 30% is assessed as per Financial Rule 5, 70% assessed as per Financial Rule 6
IN-KIND by host state ^{iv} (Switzerland)	Office premises (inclusive of building management) - 12 months	94'541	<i>Covered by the host state: Office Premises = 80,768 CHF, Archival space = 6,720 CHF</i>
	IT & telecommunication services (IT hardware, IT support (labour)) ^v	54'220	<i>IT line rent = 3,240 CHF, IT purchases = 6,000 CHF; IT maintenance and support = 38,055 CHF; Cell phone subscription = 480 CHF; Copy machine rent = 2,400 CHF</i>
	Accounting and financial administration (including related to the collection of contributions)	57'273	<i>Financial services = 53,000 CHF</i>
	Human resources administration	10'806	<i>HR services = 10,000 CHF</i>
	Personnel support services (DCAF staff member)	51'869	<i>Assistant salary + social costs = 48,000 CHF (12 months 50%)</i>
	DCAF overhead 2023	20'430	<i>Miscellaneous = 1,600 CHF; DCAF overhead = 17,306 CHF</i>
Subtotal IN-KIND by host		289'139	
TOTAL		1'078'653	

Conference (CSP9): Draft Budget Estimates 2023

Budget source ⁱ	Type	Item ⁱⁱ	est. cost (USD)	Comments	
ASSESSED from participating states CSP in GENEVA	CSP9 Preparatory Process	Venue for preparatory meetings	30'012	2 x Working Group Meetings, 2 x Informal Preparatory Meetings (=8 days)	
		Hybrid preparatory meetings	34'407	Copy right fee of 10% for publication of meeting recordings incl. interpretation on ATT website; equipment and technicians to conduct hybrid meetings	
		Security	8'558	2 x Working Group Meetings, 2 x Informal Preparatory Meetings (=8 days)	
		Documentation ^{vi}	36'000	Translation Services (Arabic, Chinese, French, Russian, Spanish)	
		In-session interpretation ^{vii}	106'332	2 x Working Group Meetings, 2 x Informal Preparatory Meetings (=8 days)	
	Subtotal Preparatory Process			215'310	
	CSP9	Conference venue	18'911	No rent if held at CICG, Geneva; Estimated charges for conference services at CICG (Technical support, rent of equipment)	
		Hybrid meeting	21'504	Copy right fee of 10% for publication of meeting recordings incl. interpretation on ATT website; equipment and technicians to conduct hybrid meetings	
		Video recording	5'403	subject to decision on meeting format	
		Documentation ^{vi}	40'000	Translation Services (Arabic, Chinese, French, Russian, Spanish)	
		In-session interpretation ^{vii}	69'700	Interpretation equipment & interpreters	
		Conference equipment and supplies	2'702	Computers, copy machine and corresponding supplies	
		IT Support	3'000	IT service to support computer, printers, website, online registration	
		Conference support staff	13'500	Local support staff	
		Security	15'500	CSP Security	
		Design and printing	3'400	Banners, posters, invitations, logo, badges, name plates, participants kits	
		Decoration	1'415		
		Medical support	1'000		
		Miscellaneous	1'100		
Subtotal CSP9			197'135		
Subtotal ASSESSED			412'444		
IN-KIND by host when CSP is outside of GENEVA	CSP9	Conference venue	-		
		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			-		
TOTAL conference cost			412'444		

Explanatory Notes

- i. In accordance with ATT Financial Rule 3, the budget covers a financial period which is equivalent to a calendar year (January-December). Accordingly, this budget includes a twelve-month outlook for the calendar year 2023.
- ii. Budget lines are as determined by Financial Rule 6 (3) in respect of the Secretariat and Financial Rule 5 (3) in respect of the Conference.
- iii. In accordance with the ATT Secretariat's Staff Rules and Regulations, this budget line includes remuneration and insurance.
- iv. The current in-kind contribution by the Host State (Switzerland) will terminate in December 2023. Costing of in-kind contribution is provided by Switzerland in CHF and converted to USD at the exchange rate of 1 CHF = 1.080613789 USD as of 24 February 2022.
- v. The IT infrastructure support and maintenance services is provided by e-Durable SA.
- vi. In accordance with Rule 49 (1) of the ATT Rules of Procedure.
- vii. In accordance with Rule 47 (1) of the ATT Rules of Procedure.

EXPLANATION OF CERTAIN BUDGET CONSIDERATIONS

Consideration	Explanation
Exchange rate	
	<p>The USD – CHF rate of exchange has remained constant for a number of years⁴. However, the period 2020/2021 saw the USD lose value against the CHF⁵. Since the last quarter of 2021 moving to the first quarter of 2022, the USD has slightly improved against the CHF⁶ thus yielding a slightly positive gain for the budget. We observe, however, that financial markets remain volatile due to the prevailing health and security situation, which has a bearing on the outlook of the 2023 draft budget estimates.</p>
ATT Secretariat Budget	
Staff cost	<p>The recent departure of one staff member has yielded a cost saving for the ATT Secretariat budget as the replacement (new) staff member will be remunerated at entry salary notch.</p>
CSP9 Budget	
Hybrid preparatory meetings and CSP9	<p>We have included a new budget item called ‘<i>hybrid meeting/s</i>’ for both CSP9 preparatory meetings and CSP9 itself. This budget item reflects costs associated with the organisation of hybrid meetings as conducted recently and likely to continue. Hybrid meetings entail an additional cost to the standing budget item for ‘<i>conference venue</i>’. In effect, hybrid meetings almost double the costs associated with conference venue for a normal in-person meeting. Hybrid meetings require the ATT Secretariat to set up an IT platform and equipment alongside the preparation of a normal conference venue for an in-person meeting. In addition, the ATT Secretariat is expected to publish on the ATT website meeting recordings (videos) including interpretation, and this is made possible at cost.</p> <p>Based on recent historical expenditure, the estimated cost for CSP9 working groups and informal preparatory meetings conducted in a hybrid format is USD 34’ 407.00 whereas the estimated cost of a hybrid CSP9 is USD 21’ 504.00. In summary, if hybrid meetings and publication of meeting recordings are to continue, we will need an additional amount of USD 55’ 911.00 as already included in the draft budget. This cost can be reduced or totally eliminated if CSP9 meetings are conducted in either virtual or in-person format. However, it is not possible at this stage to predict how the COVID situation will be like in 2023 and what format will be most appropriate. As a result, we have included this cost in the draft budget. If the COVID situation improves such that hybrid meetings are no longer necessary, the budget for hybrid meetings will be rolled over to States as uncommitted balance of appropriation in accordance with the relevant provision of the ATT Financial Rules.</p>

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