



PERMANENT MISSION OF PANAMA
TO THE UNITED NATIONS
AND OTHER INTERNATIONAL ORGANIZATIONS
Geneva, Switzerland

MPPG/641-20

The Permanent Mission of Panama to the United Nations and other International Organizations in Geneva presents its compliments to the Honourable Secretariat of the Arms Trade Treaty (ATT), and has the honour to refer to draft decision #16, entitled "*Application of Rule 8 (1) d on the ATT Sponsorship Programme and the Voluntary Trust Fund*", which was submitted for consideration and approval by the Sixth Conference of States Parties (CSP6) to the ATT through a silence procedure during the period from 29 July to 17 August 2020.

In this respect, the Permanent Mission of Panama wishes to express its objection to the draft decision in question for the reasons set out in the document attached hereto. In this document, a compromise solution is proposed.

The Permanent Mission of Panama to the United Nations and other International Organizations in Geneva takes this opportunity to reiterate to the Honourable Secretariat of the Arms Trade Treaty (ATT) the assurances of its highest esteem.

Geneva, 14 August 2020.



To the Honourable
SECRETARIAT OF THE ARMS TRADE TREATY (ATT)
Geneva



REPUBLIC OF PANAMA
PERMANENT MISSION OF PANAMA TO THE UNITED NATIONS AND OTHER INTERNATIONAL
ORGANIZATIONS IN GENEVA

Sixth Conference of States Parties (CSP6) to the Arms Trade Treaty (ATT)

From 17 to 21 August 2020

Draft Decisions

Position of Panama on Draft Decisions #16: “Application of Rule 8 (1) d on the ATT Sponsorship Programme and the Voluntary Trust Fund”

Panama, as a State Party to the Arms Trade Treaty (ATT) has serious concerns with the current wording of draft decision #16. That is why at this stage we would not be in a position to support the proposed draft decision and we wish to express our objection to this text.

Our objection is based on the following considerations:

- For Panama, it is important to take account of the lessons learned from the Fifth Conference of States Parties (CSP5), in which it was shown that the possible application of Rule 8 (1) d on the ATT Sponsorship Programme and the Voluntary Trust Fund is a highly sensitive issue which gives rise to pointed discussions in this forum and, therefore, deserves a process of broad and transparent consultations.
- As clearly indicated in the current preamble to draft decision #16, States and other stakeholders have not had the opportunity to engage in an in-depth debate on this question due to the extraordinary circumstances surrounding this Sixth Conference of States Parties (CSP6) to the ATT and which were caused by the COVID-19 pandemic.
- In the light of this situation, we are surprised that with draft decision #16, paragraph b, it is proposed to task the Management Committee with preparing a report on the application of Financial Rule 8 (1) d to decisions to be taken by the VTF Selection Committee and the ATT Sponsorship Programme for consideration and decision by CSP7, an idea which had not been suggested or discussed previously during the two preparatory phases of CSP6, so we do not recognize the justification of this paragraph.

- Financial Regulation Rule 8 (1) d is clear and precise when it provides that any State Party whose contributions have been in arrears for two or more years and which has not reached an agreement with the ATT Secretariat relating to the fulfilment of its financial obligations will have its right to vote suspended and may not designate a full representative or be a member of any committee or subsidiary organ of the Conference of States Parties. It makes no mention of the VTF or Sponsorship Programme of the ATT.
- We consider that with paragraph b of draft decision #16, it is sought to go beyond the scope of Financial Regulation Rule 8 (1) d, thus creating a dangerous precedent of reinterpretation and distortion of the rules and regulations previously established in this forum.
- From a legal point of view, Financial Regulation Rule 8 (1) d could only be applicable to the VTF and Sponsorship Programme of the ATT in two ways:
 - An amendment of Financial Regulation Rule 8 (1) d to include the VTF and Sponsorship Programme of the ATT in accordance with Financial Regulation Rule 9 and article 35 of the Rules of Procedure; or
 - Modification of the Terms of Reference of the Selection Committee of the VTF and Sponsorship Programme of the ATT to include this provision.
- In addition, the Management Committee was formed as a subsidiary organ under Article 17(4) of the ATT and Rule 42 of its Regulations, and its mandate consists of overseeing financial questions and other matters related to the Secretariat in order to ensure maximum accountability, efficiency and transparency, thus it is not an organ with the necessary structure to carry out the task that it is sought to entrust to it and which is merely of a legal character.
- In addition, it seems to us that the wording of the preamble to draft decision #16 is somewhat ambiguous in comparison with the language used in paragraph 36 of the final report of CSP5.

As a compromise solution, our delegation proposes the following wording:

CSP 16 Decision 16:

States Parties to the Arms Trade Treaty agree that the ~~effects triggered by the process for making financial arrangements to subsequent decisions of the ATT Voluntary Trust Fund (VTF) and the ATT Sponsorship Programme need further discussion as decided by CSP5 (see paragraph 36 of the *Final Report*, ATT/CSP5/2019/SEC/536/Conf.FinRep.Rev1)~~ extraordinary circumstances which surround CSP6 do not allow an in-depth debate **on a possible application of Rule 8 (1) d on the Sponsorship Programme and Voluntary Trust Fund of the ATT, as decided by CSP5 (see paragraph 36 of the *Final Report*, ATT/CSP5/2019/SEC/536/Conf.FinRep.Rev1)**. Therefore, States Parties to the Arms Trade Treaty:

- a. Decide that no State shall be prejudiced by Financial Rule 8 (1) d in applying for support from the ATT Voluntary Trust Fund or the ATT Sponsorship Programme until CSP7, when this matter will again be considered.
- b. ~~Task the Management Committee to prepare a report on the application of Financial Rule 8 (1) d on decisions to be taken by the VTF Selection Committee and the ATT Sponsorship Programme for consideration and decision by CSP7.~~