

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

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# 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



- Financial period = calendar year (Rule 3)
- 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 (01 September)



|  | 2015/16<br>Budget | 2017<br>Budget | 2018<br>Budget                       | 2019<br>Budget | 2020<br>Budget                       | 2021<br>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                         |
| <b>Contributions Received</b>                  | 928,009.64        | 981,301.98     | 919,920.59<br>(incl. RO: 270,771.90) | 1,004,562.10   | 969,019.22<br>(incl. RO: 179,815.53) | 945,474.58<br>(incl. RO: 211,418.73) |
| <b>Contributions Outstanding</b>               | -65,092.85        | -64,892.09     | -56,407.88                           | -79,562.90     | -100,765.78                          | -122,725.42                          |
| <b>% of Budget Received</b>                    | 93.45%            | 93.80%         | 94.26%                               | 92.66%         | 90.58%                               | 88.51%                               |
| <b>States Assessed</b>                         | 124               | 121            | 119                                  | 127            | 122                                  | 121                                  |
| <b>States having paid</b>                      | 98                | 102            | 101                                  | 101            | 92                                   | 71                                   |
| <b>% of Assessed States<br/>having paid</b>    | 79.03%            | 84.30%         | 84.87%                               | 79.53%         | 75.41%                               | 58.68%                               |
| <b>In-kind Contribution by<br/>Switzerland</b> | 458,230.00        | 242,873.00     | 257,057.00                           | 234,387.00     | 247,454.00                           | 249,523.00                           |

# Further Swiss in-kind Contribution

- Movement of ATT offices from WMO to Avenue de France 23
- Procurement of office furniture
- Total further in-kind Contribution: CHF 52,531.87

# Outstanding Contributions

| 2015/16 Budget    | 2017 Budget       | 2018 Budget       | 2019 Budget       | 2020 Budget        | 2021 Budget        | Total Deficit      |
|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|--------------------|
|                   |                   |                   |                   |                    |                    |                    |
| <b>-65,092.85</b> | <b>-64,892.09</b> | <b>-56,407.88</b> | <b>-79,562.90</b> | <b>-100,765.78</b> | <b>-122,725.42</b> | <b>-489,446.93</b> |
| <b>26 States</b>  | <b>19 States</b>  | <b>18 States</b>  | <b>26 States</b>  | <b>30 States</b>   | <b>50 States</b>   |                    |

# Non-payment Implication



- CSP5 decision reaffirmed the application of Financial Rule 8.4 (Rollover of total uncommitted balance of appropriations i.e. cash and deficits).
- Balance of total credits due (FY 2015/16, 2017 and 2018) will be paid over 4 years
- Rollover effected to paid-up states is covered by received contributions and by deficit thereby reducing cash available for current planned operations.
- Since the ATT is building a deficit of 7% avg, the implication is that liquidity challenges will materialize in the medium term if outstanding contributions remain unpaid.

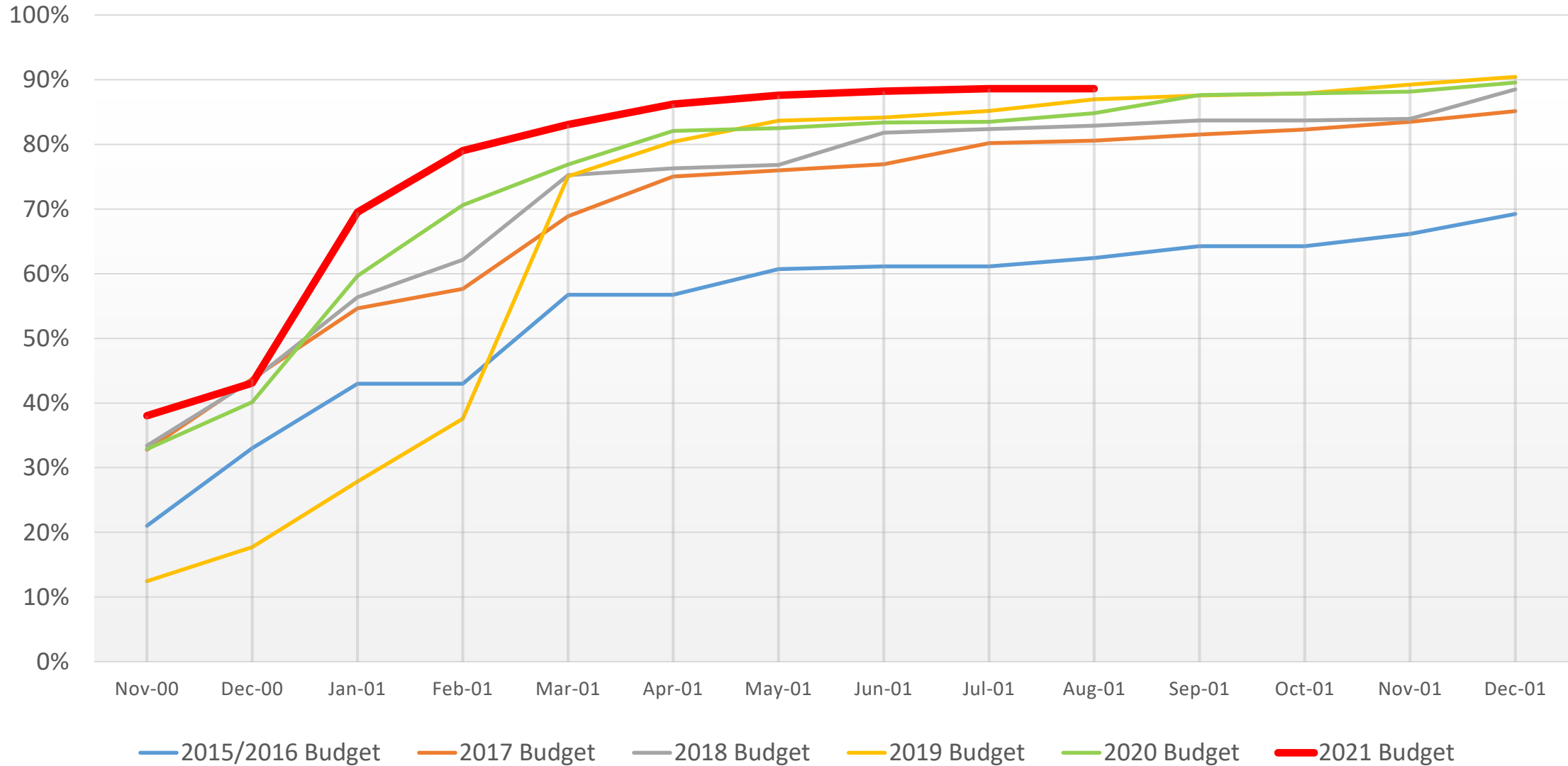
# ATT Reserve Fund



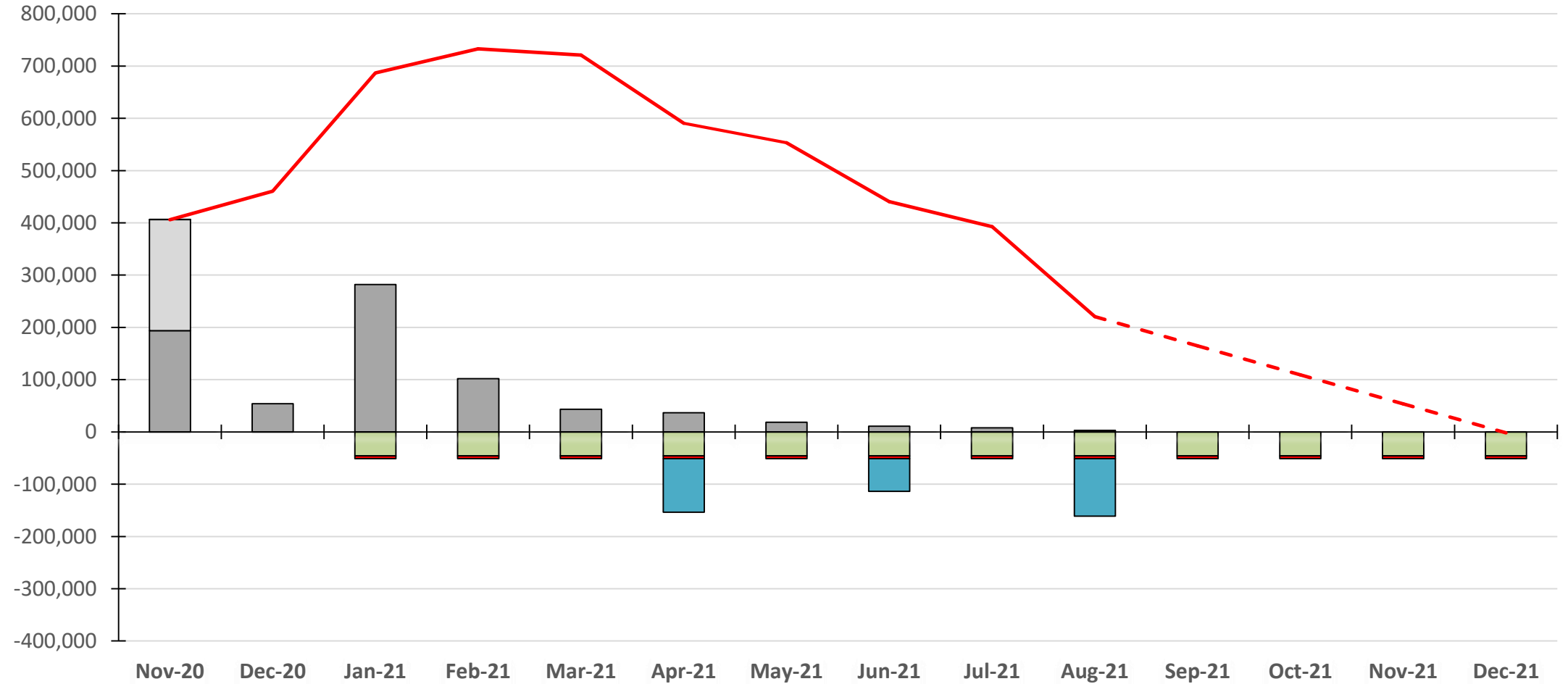
- Reserve Fund established by CSP5 decision in 2019
- Financed from voluntary contributions by states

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

# Percentage of Budget received (trend)



# Cash Flow Projection: 2021



Contributions ATT 2021 Budget Received
  Rollover
  Staff Costs
  Operations
  Preparatory Meetings and CSP7
  Liquidity [USD]

**End**