

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)

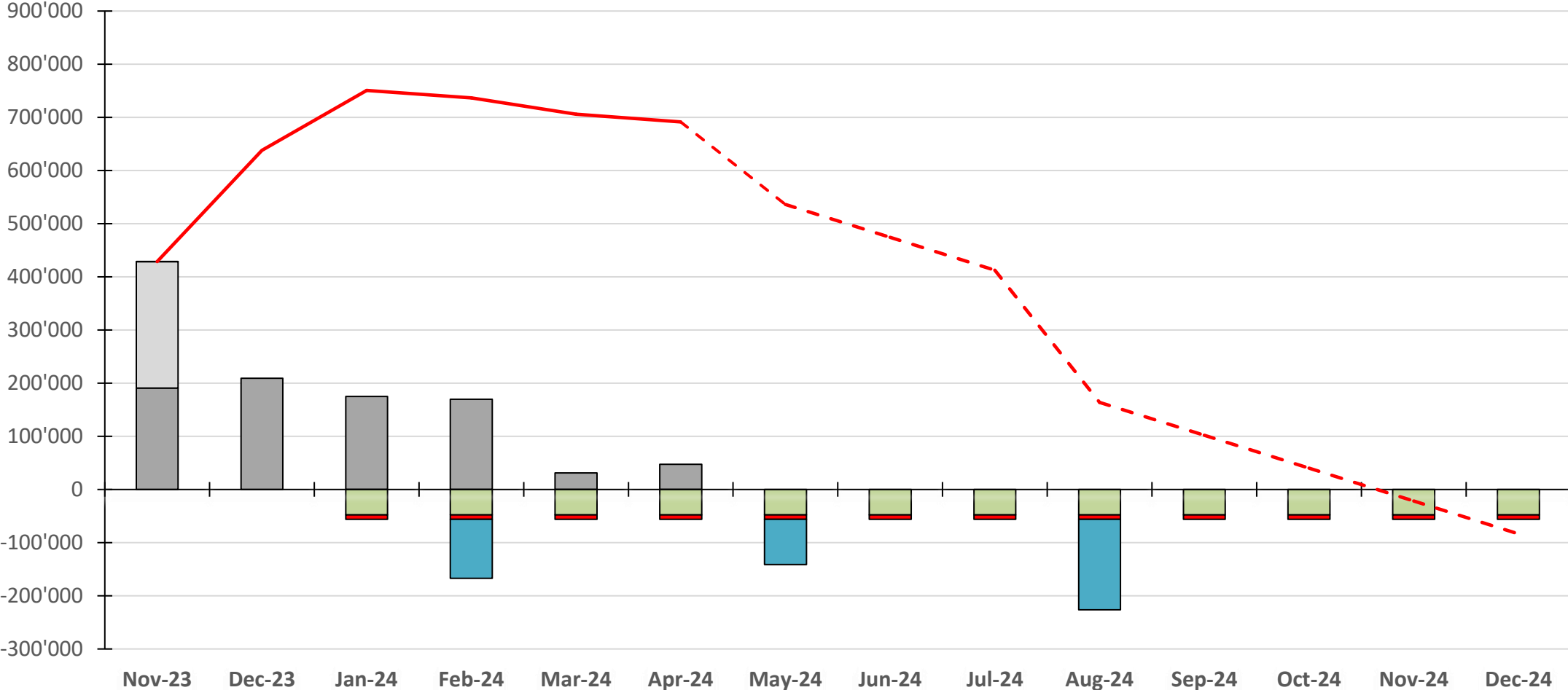
Overview of Contributions received (17 May)

	<i>2015/16 to 2020 Budgets (average)</i>	2021 Budget	2022 Budget	2023 Budget	2024 Budget
Contributions Assessed	1,032,591.54	1,068,200.00	1,196,710.00	1,201,958.00	1,164,312.00
% of Budget Received	95.85%	97.38%	97.46%	96.49%	91.10%
Contributions Outstanding	-42'902.68	-27'993.06	-30'350.67	-42'144.18	-103'656.52
% of States having paid	86.64%	82.64%	79.53%	75.76%	57.04%
In-kind Contribution by Switzerland	288,000.20	249,523.00	274,017.00	289,139.00	289,139.00

Outstanding Contributions

2015/16 to 2020 Budgets (sum)	2021 Budget	2022 Budget	2023 Budget	2024 Budget	Total
+ 90'354.92	+ 40'404.88	+ 56'129.68	+ 48'214.82		+ 235'104.30
-214'513.39	-27'993.06	-30'350.67	-42'144.18	-103'656.52	-418'657.81
82 Contributions outstanding from 34 States	Contributions outstanding from 21 States	Contributions outstanding from 26 States	Contributions outstanding from 32 States	Contributions outstanding from 58 States	

Cash Flow Projection: 2024



Contributions ATT 2024 Budget Received
 Rollover
 Staff Costs
 Operations
 Preparatory Meetings and CSP10
 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**. **CSP5 decision is fully implemented**.
- The ATT is building an **annual deficit of 5% 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

Reserve Fund	2022
Contribution: Germany	50,000.00 EUR

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