



Statement by the Netherlands

Fourth Conference of States Parties of the Arms Trade Treaty

Matters pertaining to Financial Contributions

Thank you Mr. President.

The Netherlands aligns itself with the statement delivered by the EU and would like to make additional remarks in its national capacity.

We are pleased that time has been allocated on the agenda to discuss Matters pertaining to Financial Contributions. Of course, the Netherlands prefers having more time to discuss substantive issues related to the ATT, but unfortunately, the current financial situation forces us to address this issue urgently. We thank the Management Committee for its report, which it produced on the basis of the mandate received at CSP3.

As the report suggests, there is ample reason for worry as the consequences of not having enough money in the bank are well set out: it means the possible cancellation of meetings and a serious risk to the continuity of the work of the ATT Secretariat. Instead of waiting to see the ATT going down this route, we prefer taking action to prevent the ATT ever coming to this point,

as we have learned from other conventional arms related conventions. Important meetings had to be cancelled, staff of ISU lost their jobs and the lengths of meetings and services provided have been reduced in those other conventions. If we do not take urgent action, there is no reason to assume that the ATT will stay free from such drastic measures.

Let me go into the issues proposed by the Management Committee. According to its mandate, the Committee was requested to address the issue of unpaid contributions and financial liquidity. In our view, it is important to separate these two issues.

With regard to financial liquidity, this issue should be solvable. We acknowledge that there are various reasons for delayed payments as the Management Committee has fleshed out. Some of it can be fixed, as suggested, by appointing Points of Contacts etc. We can support the recommendations on those administrative measures. We must bear in mind, however, that it remains the responsibility of the paying state to prioritise payment of such contributions in our national systems as much as possible. We are open to look into the possibility of a contingency reserve, which has been done in the context of the Nuclear Non Proliferation Treaty and the Anti-Personnel Mine Ban Convention. We should also look into measures taken in the

context of the CCW, such as closing the accounts later and having two year budgets. Unfortunately the Management Committee did not address these possibilities in more detail for this CSP. We do not believe that establishing a fund, as is suggested in the report, is necessarily the way forward. In our view we might also want to look into the possibilities of applying the liquidity fund only to the Secretariat costs. We proposed this option earlier during the informal preparatory meetings. We agree that the issue of financial liquidity needs to be further addressed, but we cannot endorse the recommendation that the feasibility of establishing a reserve fund should be explored. That already points too much to a certain direction. We do not want to exclude possible other solutions as I just indicated. We would appreciate it if that is reflected in the new mandate.

With regard to the unpaid contributions, the Netherlands would like to urge again all states to pay their contributions on time and in full. The Management Committee indicates that at the current rate, the ATT is building a budget deficit of about 15% per annum. If this trend is not reversed we can be sure that it will have consequences for the work we do. The Netherlands believes that the ATT has a solid set of Financial Rules already in place and the priority is their implementation. In their report, the Management Committee raised a number of questions regarding the way of implementation and some may merit further study,

but in general we are of the opinion that the Management Committee has sufficient mandate to implement those rules. We are worried that a continued detailed discussion on this may lead to a delay in the implementation of the Financial Rules. We agree with the Management Committee's recommendation c in paragraph 25 to undertake further work on the issue of unpaid contributions including possible sanctions for non-payment to be adopted by CSP5. We invite interested states to contribute to this work.

I thank you.