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Second Conference of States Parties
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DRAFT PROVISIONAL BUDGET ESTIMATES FOR FINANCIAL YEAR 2017

Introduction

1. The First Conference of States Parties held in August 2015 adopted the ATT Financial Rules¹ for the Conferences of States Parties and the Secretariat as contained in document ATT/CSP1/CONF/2. The adopted ATT Financial Rules are founded on Article 17 (3) of the Arms Trade Treaty which provides that ‘the Conference of States Parties shall adopt financial rules for itself as well as governing the funding of any subsidiary bodies it may establish as well as financial provisions governing the functioning of the Secretariat. At each ordinary session, it shall adopt a budget for the financial period until the next ordinary session’.
2. Financial Rule 4 of the ATT Financial Rules provides that the Secretariat shall prepare and, following a review by the Management Committee, submit budget estimates to States Parties 90 days before the opening of the Conference where the budget is to be adopted. Financial Rule 4 further provides that the budget estimates must also include the actual income figures for the year in review.
3. As per said Financial Rules, the budget estimates submitted for adoption by Conference of States Parties must cover the budget estimates of both the Conference as well as the Secretariat. Financial Rule 5 sets out considerations for Conference budget estimates whilst Financial Rule 6 outlines budget considerations for the Secretariat.

¹ http://thearmstradetreaty.org/images/ATT_CSP1_CONF.2.pdf

4. In accordance with its mandate arising from the CSP1 adopted States Parties' Directive to the Secretariat, the 2017 budget estimates were prepared and are being submitted by the Secretariat in line with the provisions of Financial Rules with respect to calculus and timeline. These budget estimates were duly submitted to and reviewed by the Management Committee according to its own mandate outlined in the Management Committee's Terms of Reference as adopted by the First Conference of States Parties.

2016 Financial Year Income Figures

5. Financial Rule 4.1 directs that budget estimates presented for adoption by the Conference of States Parties must provide the actual income figures for the period under review, which in this instance is the 2016 financial year.
6. The basis for the 2016 financial incomes is the 2016 budget. The provisional 2016 budget was adopted by CSP1 whilst the 2016 revised budget for the Secretariat for the financial period up to 31 December 2016, and the revised budget for the Conference, including a cost estimate for its second session as contained in ATT/CSP2/2016/EM/5 was adopted by the Extraordinary Meeting of 29 February 2016. In terms of this revised budget estimates, the total Secretariat budget stands at USD 785,525.00. In addition to that; the Secretariat budget also recognises financial overheads to the tune of USD 458,230.00 covered by Switzerland as part of the hosting offer. The total revised budget for the Conference is USD 204,397.00 with an additional USD 249,000.00 from voluntary contributions specifically earmarked for the Sponsorship Program.
7. The total ATT budget, inclusive of both the Secretariat and Conference, against which States' assessed contributions were expected, is USD 993,103.00. In terms of the Financial Rules, all States Parties are charged an assessed contribution towards the cost of the Secretariat, including staff costs. In addition to this, all states in attendance at each CSP are levied an attendance fee and share costs rendered by the Secretariat associated with the preparations of CSPs set at 30% of the total annual budget.
8. In line with this formula, in November 2016, UNDP dispatched 124 assessment notices to all the States affected by the application of Financial Rule 5 and 6. As of 01 May 2016, the total assessed financial contributions received from 34 States amounts to USD 605,592.46. This constitutes 61% of the total expected income from States. The total outstanding financial contributions from the rest of assessed States, is R387, 510.54.
9. On 05 April 2016, in accordance with Financial Rule 8.1.c, the President of the Second Conference of States Parties wrote to the States with outstanding financial contributions to remind them of this situation. In the same reminders the President advised States that once the Headquarters' Agreement has been signed and the Secretariat has opened a bank account to be used to deposit financial contributions, the relevant details of such bank will be communicated to the States.

10. It needs to be noted that a higher assessed financial contributions figure than the current one would have been achieved if the Secretariat bank account was operational.
11. On the basis of the current Secretariat's staffing levels, it is projected that savings will realize on salaries and related personnel costs. Visibility of the projected savings will be better after CSP2 when States' assessed contributions are determined in accordance with Financial Rule 8.

2017 Budget Considerations

12. The 2017 budget estimates have been prepared according to the provisions of the ATT adopted Financial Rules with particular reference to Financial Rule 5 and 6. The budget lines reflected in both the Conference and Secretariat budgets are consistent with Financial Rule 5.3.a and Financial 6.3 respectively with additional budget lines included for budget accuracy.
13. The preparation of the 2017 budget estimates has considered a number of the factors pertinent to the operations of the Arms Trade Treaty and these include:
 - a. Historical Information as it relates to previous ATT income and expenditure.
 - b. The Secretariat structure comprising of 3 staff members at salary levels P4 (Head of Secretariat), P3 (Technical Expert) and P2 (Administrative Expert) as approved by the Extraordinary Meeting in paragraph 23 of its Final Report referenced ATT/CSP2/2016/EM/6.
 - c. Use of the United Nations remuneration structure in the absence of adopted ATT Secretariat Staff Policy.
 - d. Extraordinary Meeting decision reflected in paragraph 21 of the Final Report referenced ATT/CSP2/2016/EM/6, 'that future budgets for the approval of the Conference should contain budget lines that clearly identify the overhead paid to DCAF by Switzerland'.
 - e. The extent of the Swiss government support offered to the ATT Secretariat as contained in the Agreement on Administrative Arrangements between Switzerland and the ATT Secretariat as adopted through the application of the silence procedure.

Budget Administration

14. On adoption by the Second Conference of States Parties, the budget will be managed by the Secretariat with the financial services support by DCAF as contemplated in the adopted Agreement on Administrative Arrangements between Switzerland and the ATT Secretariat.
15. In accordance with Financial Rules 5, 6 and 8, the Secretariat will notify States of their assessed financial contributions to the 2017 budget.

ATT Secretariat: Draft Provisional Budget Estimate:2017.			
Budget ⁱ	Item ⁱⁱ	est. cost (USD)	Comments
Source			
ASSESSED from States Parties ⁱⁱⁱ	Salary P4 ^{iv,v} - 12 months 2017	281,136	<i>UN Salary Scale used as a reference</i>
	Salary P3 ^v - 12 months 2017	240,239	<i>UN Salary Scale used as a reference</i>
	Salary P2 ^v - 12 months 2017	197,486	<i>UN Salary Scale used as a reference</i>
	General temporary assistance (if needed)	37,000	<i>148 days of consultancy (Junior specialist - 250 USD/day)</i>
	Consultants / Outsourcing (as needed)	30,000	<i>60 days of consultancy (Specialist - 500 USD/day)</i>
	Staff international travel costs (inclusive of travel booking services, and local transportation)	38,406	<i>Average cost of 5,000 USD/trip (4 trips for P4, 2 trips for P3, 1 trip for P2); travel booking services 306 USD (34 USD/trip (6 trips)); and local transport</i>
	Staff training	4,200	<i>1,400 USD/staff member</i>
	Utilization of IT & Telecommunication Services (cell phone calls, fix line calls, copies made)	12,500	
	Treaty website development	40,000	
	Audit fees	8,000	
	Legal services (related to procurement, personnel matters etc.)	5,000	
	Insurance	10,825	
	Miscellaneous (Stationery, Toner, etc.)	7,000	
Subtotal ASSESSED	911,792	Total of which 30% is assessed as per Financial Rule 5, 70% assessed as per Financial Rule 6	
IN-KIND by host ^{vi}	Office premises (inclusive of building management) - 12 months	80,954	<i>Covered by the host state: 2017 Office Premises= 76,606 CHF, Archival space = 6,000 CHF</i>
	Guarding and security of premises	0	<i>Covered by the host state, through host organization</i>
	IT & Telecommunication Services (IT hardware, IT software, IT support (labour) and Treaty website maintenance and support ^{vii})	42,710	<i>2017 IT line rent = 4,800 CHF, IT purchases = 2,000 CHF; 2017: IT maintenance and support = 34,214 CHF, 2017 mobile phone subscription = 1368 CHF; 2017 copy machine rent = 1,200 CHF</i>
	Accounting and financial administration (including related to the collection of contributions)	24,500	<i>financial services = 25,000 CHF</i>
	Human resources administration	29,400	<i>2016: HR 30,000 CHF</i>
	Personnel support services (DCAF staff member)	43,230	<i>2017: Assistant salary + social costs = 44,112 CHF (12 months 50%)</i>
DCAF Overhead 2017	22,079	<i>2017: DCAF overhead = 22,530 CHF</i>	
Residual Swiss ONCE-OFF START-UP CAPITAL	Office furniture, equipment (acquisition, rental and maintenance) ^{viii}	49,000	<i>Covered by the host state, through host organization</i>
	Subtotal SWISS OFFER ^{ix}	291,873	
VOLUNTARY	N/A	N/A	
	Subtotal VOLUNTARY	-	
TOTAL		1,203,665	

Conference (3CSP): Draft Provisional Budget Estimante:2017				
Budget ^x source	Type ⁱⁱ	Item	est. cost (USD)	Comments
ASSESSED from participating states ^{xi} CSP in GENEVA	3CSP^{xii}	Conference venue ^{xiii}	5,880	<i>No rent if held at CICG, Geneva; Estimated Charge for Conference Services (CICG) = CHF 6,000</i>
		Documentation ^{xiii}	16,500	<i>Translation (French and Spanish)</i>
		In-session Interpretation ^{xiii}	62,500	<i>Interpretation equipment & human resources (interpreters)</i>
		Conference equipment and supplies ^{xiii}	3,300	<i>Photocopy paper, basic office supplies</i>
		IT Support ^{xiii}	70,000	<i>IT equip. (computers/printers, document reprod., website and online registration system, streaming, wifi)</i>
	Subtotal 3CSP		158,180	
	Management Committee^{xiii}	Travel (if needed)	11,000	
	Facilitation of meetings	5,500		<i>Conference space</i>
	Subtotal Management Committee		16,500	
ASSESSED when CSP is in GENEVA	3CSP^{xii}	Design and printing	1,650	<i>Banners, posters, invitations, logo, badges, name plates, participants kits</i>
		Security	5,900	<i>CSP Security and dedicated Security Officer mandatory in the WMO premises for meetings with 60 and more participants</i>
		Medical support	550	
		Decoration	880	
		Miscellaneous	1,100	
		Staff	11,000	<i>Conference manager, local support staff</i>
	Subtotal 3CSP		21,080	
Subtotal ASSESSED			195,760	
IN-KIND by host when CSP is outside of GENEVA	3CSP	Conference venue	-	
		Catering	-	<i>Lunches, coffee breaks, reception</i>
		Design and printing	-	<i>Banners, posters, invitations, logo, badges, name plates, participants kits</i>
		Transport	-	<i>Buses/cars, for airport, opening ceremony etc.</i>
		Security	-	
		Medical support	-	
		Decoration	-	
		Miscellaneous	-	
Staff	-	<i>Conference manager, local support staff</i>		
Subtotal IN-KIND			-	
VOLUNTARY	3CSP	Sponsorship programme ^{xiv}	255,000	<i>Sponsorship programme, to support participation of delegates from developing countries^{xv}</i>
Subtotal VOLUNTARY			255,000	
TOTAL conference cost			195,760	Total does not include voluntary contributions towards the sponsorship programme

Explanatory Notes

- i. As per ATT Financial Rule 3, the Budget covers a financial period which is equivalent to a calendar year; this budget thus includes a twelve month outlook for the calendar year 2017.
- ii Budget lines are as determined by Financial Rule 6 (3) in respect of Secretariat and Financial Rule 5 (3) in respect of Conference.
- iii As per ATT Financial Rule 6
- iv Head of Secretariat Level of appointment as determined by CSP1.
- v. The Secretariat Staff Policy which covers personnel salary structure is currently under development and yet to be approved. For purposes of this budget the UN Fixed Term Appointments (FTA) are used as reference. FTA (fixed term, renewable time periods):
- (i) Salary (UN Salary Scale, net salary portion, post adjustment);
 - (ii) Recurring costs (Dependency allow. and other relevant benefits and allowances, Contrib. to UNJSPF, Contrib. to med. ins., Rental supplements, SOLA (or AHA), Danger Pay, Personal security measures (where applicable));
 - (iii) Centrally Managed Costs through Reserve accounting (Security, ICT, MAIP and Appendix D);
 - (iv) Non Recurring costs (Relocation grant and Assignment allowance, Med. evacuation, Reimb. for income tax, Commutation of accrued Annual leave balances end of TA (w/applicable)).
- [For UN salary levels please see http://www.un.org/Depts/OHRM/salaries_allowances/salary.htm](http://www.un.org/Depts/OHRM/salaries_allowances/salary.htm)
- vi Costing provided by Switzerland in CHF and converted to USD at the exchange rate of 1 USD = 0.98 CHF as of 26 April 2016
- vii The IT infrastructure support and maintenance services will be provided by e-DURABLE SA, a service provider already providing similar services to other organisations on the 2nd floor of WMO.
- viii It is anticipated that 50% of the CHF 100'000 start-up capital provided by Switzerland would have been used in 2016 with a balance of USD 49,000 carried forward to 2017
- ix This subtotal comprises of the Swiss in-kind offer for 2017 (USD 242'873) and the balance of the once-off start-up capital of USD 49'000 carried forward from 2016.
- x In order to provide for inflation, the budget line items figures from the CSP2 budget have been adjusted by a 10% margin in the CSP3 budget.
- xi As per ATT Financial Rule 5
- xii Based on CSP1 real cost in combination with estimates of experience of expenses from UNDP for a 5-day meeting. This figure will be adjusted once the CSP2 real costs are visible.
- xiii As per Financial Rule 5.3.
- xiv As per Financial Rule 5.5.
- xv Currently 85 delegates (approx. 3,000 USD/ delegate-economy flight ticket, accommodation, insurance, applicable per diem). This figure will be possibly adjusted with real information from CSP2.