

**Fourth Review Conference of the States Parties to  
the Convention on the Prohibition of the Use,  
Stockpiling, Production and Transfer of  
Anti-Personnel Mines and on Their Destruction**

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**Oslo, 26-29 November 2019**

Item 11 of the provisional agenda

**Consideration of submissions of States Parties as provided for in Article 5**

**Financial predictability and sustainability of UN  
assessed contributions**

**Report and recommendations submitted by the President of  
the Fourth Review Conference\***

**I. Introduction**

1. The Seventeenth Meeting of States Parties “noted with concern the financial situation due to late payment and arrears of assessed contributions” and “decided to continue the dialogue on this matter and to closely monitor the financial situation under the guidance of the Presidency in the lead up to the Fourth Review Conference to ensure prompt and full payment of assessed contributions and to address this issue at the Fourth Review Conference” The Meeting furthermore “called upon the States Parties and States not party participating in the Meetings of the States Parties to address issues arising from outstanding dues” and “requested the States Parties and States not party participating in the meetings of the States Parties to proceed promptly with the payment of their share of the estimated costs as soon as the assessment invoices have been received”.

**II. Background**

2. The costs of servicing annual Meetings of the States Parties (MSP) of the Anti-Personnel Mine Ban Convention are paid by assessed contributions from participating States adjusted in accordance with the United Nations (UN) scale of assessment in accordance with Article 14 of the Convention. For all conference-related activities supported from extra-budgetary funds, the United Nations needs to receive funds in advance of committing resources, at least three months prior to the meeting to ensure necessary services. At the three-months stage, a review of the financial situation is undertaken to assess whether enough funds are available

3. Given that support to the meetings of the Convention falls into the category of extra budgetary activities, the assistance rendered by the United Nations to the States Parties in organising the MSPs and Review Conferences is provided on the understanding that it will not have implications for the regular budget of the United Nations and that costs will be borne in full by the States taking part in the meeting.

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\* This document was scheduled for publication after the standard publication date owing to circumstances beyond the submitter's control.



4. Though the UN financial regulation dictate that extra budgetary activities such as the meetings of the Anti-Personnel Mine Ban Convention must not give rise to additional financial liabilities for the Organisation, upon closing the account for annual activities each year, the UN has been required to return any excess of estimates over actual expenditures as credits to those States that have paid their contribution in full. Meanwhile, unpaid assessed contributions from other States have left the UN with unfunded liabilities. In response to this situation, the UN informed the States Parties in a Note Verbale dated 1 April 2019 that the accounts for each year will not be closed until all contributions due are collected or new financial measures adopted (for example such as have been adopted within the Biological Weapons Convention).

5. The United Nations issues invoices to States consisting of their assessed contribution for the current year and their outstanding contribution from previous years. As a cost-saving and environmental measure, the invoice is sent by e-mail to all Missions and posted on a restricted part of the UNOG website.

### **III. Status of UN assessed contributions**

6. Over the past few years, the Convention has been facing financial challenges caused by non-payment and late payment of assessed contributions by States Parties as well as by the structure of the financial arrangements. All Geneva based disarmament conventions face similar issues. These structural issues have forced the States Parties to take a number of cost-cutting measures, including undesirable measures such as reducing the number of meeting days due to insufficient funds to hold meetings as planned.

7. As of 18 September 2019, unpaid contributions to the 2019 budget amount to 108,944 USD. Unpaid contributions for activities prior to 2019 amount to USD 177,595. These unfunded liabilities are currently assumed by the UN Secretariat and contravene the UN Financial Rules and Regulations.

With 86,8% collection rate for the current year, the Convention has the lowest collection rate amongst other Geneva based disarmament treaties.

### **IV. Measures established in the context of the Anti-Personnel Mine Ban Convention to ensure the financial predictability and sustainability**

8. Since 2016, the following measures have been put in place to improve the financial situation:

#### **Inclusion of a contingency line in the cost estimate**

(a) Since the Sixteenth Meeting of the States Parties (16MSP) the cost estimates include a 15% contingency line in order to help ensure greater financial predictability and liquidity for the planning and holding of meetings. This measure appears to enjoy support among States Parties and has helped create increased cash liquidity but has not addressed the structural issue of non – or late payments;

#### **Measures related to timely payment and non-payment of contributions**

(b) Since February 2017, UNOG has issued monthly reports on the status of financial contributions that are posted on the financial page of the UNODA website. These reports provide information on the current financial situation of the Convention. More detailed information, including a cash flow analysis for the Convention, is posted on the restricted area of the financial page of the UNODA website, to which all States Parties have access;

(c) An agenda item on assessed contributions has been included in all Convention-related meetings and the United Nations Office in Geneva and the United Nations Office for Disarmament Affairs has made presentations on the issue, encouraging States to pay their dues in compliance with Article 14 and to do so as early as possible and well ahead of the three- months deadline;

(d) UNODA has regularly updated the Convention's Coordinating Committee on the financial situation;

(e) In addition to communication shared by UNOG, the Convention's Implementation Support Unit has been asked to share with all States Parties the monthly status of contributions posted on the UNOG website;

(f) UNODA has informed all States Parties on the financial status of the Convention, to the purpose of allowing them to make informed decisions when adopting cost saving measures in the case in which funding is insufficient to organise activities as planned;

(g) In 2018 and 2019 letters were sent by UNODA to the President, to inform States Parties on the financial status of the Convention. In addition, States that have accumulated two or more years of arrears have been encouraged to pay as soon as possible;

(h) In 2019, the President sent letters to all States as well as to specific States encouraging payment of their 2019 contributions as well as to address arrears;

(i) Bilateral meetings were organised by the President and/or UNODA with selected States with outstanding contributions (15MSP, 16MSP, 17MSP and ahead of the Fourth Review Conference).

(j) Together, measures 2 – 5 have helped build awareness of the financial situation and served as a reminder and encouragement for States Parties to make timely payments.

## **V. Cost-cutting measures on an ad-hoc basis**

9. Since the 15MSP in 2016, a number of unfortunate measures were taken on an ad-hoc basis to reduce the costs of meetings when funds were insufficient to hold the Meetings as planned. These measures included the following:

- Reduction of the length of meetings (15MSP, 16MSP and 17MSP);
- Reduction of number of languages in which the documents are being translated (15MSP, 16MSP and 17MSP).

10. Other measures, which to a lesser degree have affected the substantial work of the Convention included:

- Reduction of number of pages of documents (15MSP, 16MSP and 17MSP);
- No distribution of Official documents during meetings (15MSP, 16MSP and 17MSP);
- Reduction of UN staff supporting meetings (15MSP and 16MSP).

## **VI. Recommendations for further for consideration**

11. While these measures taken together helped address urgent cash shortfalls, they do not in themselves remedy the current situation. While the States Parties have recognized that only payment of annual assessed contributions in full and on time can fully guarantee the financial sustainability of the Convention, a number of additional measures should be considered by the States Parties in order to improve the situation. Based on consultations and assessment of financial measures introduced or considered within other disarmament Conventions, the President recommends the following measures for consideration by the Review Conference:

(a) Decides that arrears for unpaid contributions should remain the amount of the initial assessment invoiced to the relevant State Party for the year in question, unless expenditures are higher than initial cost estimates. Currently the State Party in arrears receives a final invoice reflecting its share of the actual costs which in the majority of cases is lower than the estimated costs. This effectively rewards a State Party for paying after the end of the financial year;

(b) Requests the President to continue the measures described in points 1 – 6 above as needed and encourages the President to establish an ad-hoc group of interested States Parties from within the Coordinating Committee to support him/her in the follow-up and assessment of these and the below proposed measures. Such a group should be geographically balanced as far as possible and may consult with or include the participation of UNODA as necessary;

(c) Requests UNODA to continue to share the monthly update on the status of assessed contributions with States Parties to further build awareness and encourage timely payment;

(d) Requests States in arrears to pay outstanding amounts at the earliest possible date;

(e) Decides that a State whose contributions are in arrears for two or more years shall enter into a payment schedule with the President of the Convention, supported by the UN, to permit it to clear outstanding arrears, taking into account its financial circumstance;

(f) Requests States to notify the Presidency at the beginning of the year when they expect their assessed contribution to be paid. The Presidency will keep the UN informed to ensure sound financial planning;

(g) Requests the President to contact States that have not paid their assessed contribution by 30 April to clarify when it will be paid. This will facilitate financial planning throughout the year;

(h) Decides to close the accounts late, as appropriate. Accounts should remain open 12 months following the closing of an MSP, at which time the accounts should be closed, a final balance determined and any surplus funds allocated back to States as credit against their next assessment;

(i) Requests the United Nations to prepare a multi-year cost-estimate that covers a two-year period for the provisional approval by the States Parties and to issue invoices based on these estimates 90 days before the start of the financial period, to encourage early payment and improve the liquidity in the first half of each year;

(j) Requests the United Nations to share individualised digital invoices with States.

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