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Good afternoon, the purpose of this short presentation is to provide an update of the financial situation on the 10th Meeting of States Parties and more generally a briefing on the financial measures adopted for CCM

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The agenda consists of 4 points:

- Status of contributions to 10 MSP and outstanding payments
- Suggestion for a 15% contingency presented using a concrete example
- Recap of recently adopted financial measures and next steps
- Status of unpaid contributions prior to 10 MSP

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As of end of April the unpaid contributions amounted to 92,000 USD, the total cost amounts to 341,000 USD, therefore the collection rate accounts for 73%. It's quite a low collection rate. The full amount of 341,000 should be collected by 1 June in order to provide the scope of services as per the approved cost estimate.

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The graph shows the list of top 15 states who didn't pay their assessed contributions by the end of April
In May 2022 the contributions have been received from the Netherlands though.

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The table shows the totality of the unpaid contributions for CCM. For instance, there is still around 20,000 to be collected for the 2020 meetings and 9,000 for the 2019. And an amount of over 11,000 is outstanding from 2017 and earlier meetings.

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FRMS sees the benefit in adding 15% to the costs estimates to be approved for the meetings in 2023 and onwards. That would help to ensure greater financial predictability and liquidity for the planning and holding of the meetings.

Allow me to provide an example of 10 MSP illustrating the current financial challenge. There was no contingency included in the approved cost estimates for that meeting.

- Cost estimate \$341,000 distributed among States Parties and States other than States Parties. \$92,102 still due. The conference starts 30 August 2022. By 1 June the funds should be collected to ensure the full provision of services.
- Should one of the States/Observers billed decide not to participate and not pre-pay its share (e.g., \$60,000 not paid), the maximum amount to be collected would be \$281,000.

The services of the meeting would be significantly reduced, by at least \$60,000, equivalent to 18% of the total cost estimate.

We also prepared a hypothetical scenario illustrating the same situation, but assuming the 15% had been included in the approved costs estimates.

- The cost estimate including 15% of contingency would be \$392,150, and the share of the same State would be \$69,000 ($1.15 \times 60,000$).
- The maximum amount that would be collected, excluding the non-participating State would be \$323,150.
- In this case, the scope of the meeting would be only slightly reduced vs the net cost estimate by \$17,850 i.e., 5% ($\$341,000 - \$323,150$).

The inclusion of the 15% contingency allows for more flexibility. Within the funds collected the meeting cost can be covered more easily. Also, if there is a contingency fund and most of the assessments paid in full and on time, there will be a small buffer to be used for the unexpected costs such as hybrid meetings.

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We would also like to recall the most relevant financial measures endorsed by the Second Review Conference:

The conference decided:

to request the United Nations to prepare a multi-year cost-estimate that covers a two-year period for the approval by the States Parties and to issue invoices based on these estimates at least 60 days before the start of the financial period or 60 days after the States Parties have adopted the budget for the next financial period, whichever is later

*to examine the possibility of including a **15% contingency** in the cost estimates of the Meetings of the States*

that States other than States Parties will be invoiced retrospectively for their participation in the Meeting of States Parties or the Review Conference.

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As a result of the adoption of the financial measures, the UN is now able to work on the closing of 2018, 2019 and 2020 meetings, credits will be reflected on the invoices for the 2023 assessed contributions. Invoices will be issued in October 2022

Going forward the States other than States Parties will be billed retrospectively

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Last but not least, I would like to draw your attention to- the tables showing the outstanding contributions per State for the period prior to 10MSP. This information is also available on the financial pages of UNODA website. States Parties and Observers who attended those meetings are encouraged to pay their outstanding invoices as soon as possible.