

**CCM 1st Review Conference**  
**Draft decision on ISU financing**

Recalling the decision at the Fourth Meeting of States Parties to establish an Implementation Support Unit (ISU) for the Convention on Cluster Munitions as well as the decision at the Fifth Meeting of States Parties to adopt at the First Review Conference a funding model for the ISU based on the principles of sustainability, predictability and ownership, the Conference adopted the Financial Procedures for the Implementation Support Unit contained in Annex I to this report. States Parties are strongly encouraged to provide financial contributions to the ISU until the Financial Procedures take full effect.

These Financial Procedures will be reviewed two years from now at 7MSP.

With a view to enhance efficiency and further reduce costs, the Review Conference decided to mandate the President to explore and develop proposals for possible synergies with other Implementation Support Units, in particular with the Implementation Support Unit of the Anti-Personnel Mine Ban Convention as soon as possible, but no later than two years from now.

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Annex I

**Financial Procedures for the Implementation Support Unit**

1. These Procedures shall govern the financial administration of the Implementation Support Unit (ISU) of the Convention on Cluster Munitions.
2. The financial period shall be a calendar year.

The budget

3. At each Review Conference, the ISU shall prepare a work plan and accompanying indicative budget covering the following five years. The work plan will be adopted by the Review Conference.
4. The ISU shall prepare the budget for the following financial period and shall transmit it to all States Parties to the Convention at least 60 days before the Meeting of States Parties or the Review Conference at which the budget is to be adopted.
5. The Meeting of States Parties or the Review Conference shall consider and adopt the budget for the following financial period.
6. Adoption of the budget by the Meeting of States Parties shall constitute authority to the Head of the ISU to incur obligations and make payments for the purposes for which the appropriations were approved and up to the amounts so approved, provided that, unless specifically authorized by the Meeting of States Parties, commitments are covered by related income.

Contributions

7. Contributions towards the funding of the ISU shall comprise:
  - (a) Contributions by the States taking part in the Meetings of States Parties or Review Conferences or Amendment Conferences on the basis of the costs for these Meetings as per Article 14 of the Convention, covering the activities of the ISU related to the organisation of the Meetings of States

Parties or Review Conferences or Amendment Conferences and set as 40 per cent of the ISU budget;

(b) Contributions made each year by States Parties on the basis of a scale covering 60 per cent of the ISU budget, based on the scale of assessments of the United Nations adjusted to the States Parties to the Convention;

(c) Voluntary contributions made by States Parties in addition to those under (b) above, whether in a financial or in-kind form, as well as voluntary contributions made by other stakeholders.

8. In respect of contributions under 7. (b) and 7. (c) above:

(a) The ISU will notify all States Parties of the amount due as per the scale of contributions for the following financial period for the percentage of the budget referenced under 7. (b) above. This amount will be conveyed to States Parties upon adoption of the budget referenced under 4. above.

(b) Each State Party shall indicate at the Meetings of States Parties or Review Conferences the level of its contributions for the following financial period, including contributions in excess of the amount on the basis of the scale of contributions, and of contributions of a non-financial nature.

(c) States Parties are encouraged to make multi-year pledges, bearing in mind the five-year work plan under 3. above.

(d) All States Parties will inform the ISU as early as possible of the projected timing of their contributions.

9. The Head of the ISU shall acknowledge promptly all pledges and contributions and shall inform the States Parties, at least twice a year, of the status of pledges and payments of contributions.

#### Fund

10. In respect of financial contributions under 7. (b) and 7. (c) contributions shall be credited to the Trust Fund ISU-CCM established by the Geneva International Centre for Humanitarian Demining (GICHHD) as per the Agreement between the States Parties to the Convention on Cluster Munitions and the Geneva International Centre for Humanitarian Demining.

11. Within the Fund there shall be maintained a working capital reserve at a level to be determined on a regular basis by the Meeting of States Parties. The purpose of the working capital reserve shall be to ensure continuity of operations in the event of a temporary shortfall of cash. Drawdowns from the working capital reserve shall be restored from contributions as soon as possible.

#### Audit

12. An audited Annual Financial Report (as per paragraph 4 of the Agreement between the GICHHD and States Parties to the Convention) for the previous year and a preliminary Annual Financial Report for the present year shall be submitted by the ISU to the Coordinating Committee and subsequently to each Meeting of States Parties or Review Conferences for approval.