

Finances in the context of the Convention on Cluster Munitions

**2025 Intersessional Meeting
7 – 8 April 2025**

Two CCM Funding Streams

	ISU Funding	UN Funding
Purpose	CCM implementation	MSP/RC logistics
Paid to	GICHHD bank account (CHF)	UN bank account (USD)
Invoices from	ISU	UN

Costs associated with the work of the Implementation Support Unit

Established by the 2MSP with the tasks and responsibilities defined in the Directive as contained in CCM/MSP/2011/WP.9. The latest update as of 2021, the 2nd RevCon decided to:

Maintain the current procedures on the financing of the ISU as adopted at the 1st RevCon and as complemented and amended at the 7th MSP, with the following adjustments:

- that States other than States Parties will be invoiced retrospectively under category 7 (a) of the financial procedures for their participation in the MSPS or the RevCons;
- to adjust the percentage for categories 7 (a) and 7 (b) contained in the procedures from the current 40% for 7 (a) and 60% for 7 (b) to henceforth 50% for category 7 (a) and 50% for category 7 (b),
- that the Presidency and the ISU continue to conduct regular outreach activities to ensure that all States Parties are aware of and understand the financial procedures for the ISU.


Costs and administrative tasks

As per Article 14 of the CCM

1. The MSPs, the RevCons and any Amendment Conferences shall be borne by the States Parties and States not party to this Convention participating therein, in accordance with the United Nations scale of assessment adjusted appropriately.
2. The costs incurred by the Secretary-General of the United Nations under Articles 7 (Transparency measures) and Article 8 (Facilitation and clarification of compliance) of this Convention shall be borne by the States Parties in accordance with the United Nations scale of assessment adjusted appropriately.
3. The performance by the Secretary-General of the United Nations of administrative tasks assigned to him or her under this Convention is subject to an appropriate United Nations mandate.

Reference is also made to the outcome of consultations with regards to “possible measures to address financial predictability and sustainability of the Convention on Cluster Munitions” during 2nd RevCon.


Comparison of ISU and UN invoices



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24 January 2025

INVOICE

DESCRIPTION	CURRENCY	AMOUNT
<u>CCM 2025</u>		
Total approved 2025 budget of the Convention on Cluster Munitions (CCM) Implementation Support Unit (ISU) of <u>CHF 497'138</u>	CHF Swiss Francs	
Your Government's share:		
UN scale 0.198 prorated across the current 112 States Parties to the CCM at 0.48% of 100%		
Contribution due: <u>CHF 2'380.84</u>		
Balance due to the ISU CCM	CHF	2'380.84
We should be grateful for your remittance into the account indicated below:		
ACCOUNT NO. 0240 - FP100 627 7 « CHF » IBAN CH18 0024 0240 FP10 0627 7 ACCOUNT OWNER Centre International de Déminage Humanitaire P. O. Box 1300 – 1211 Geneva 1, Switzerland BANK UBS, Geneva ADDRESS P.O. Box 2600 – 1211 Geneva 2, Switzerland SWIFT CODE UBS W CH 2H 80A		
<small>WHEN MAKING THE PAYMENT, PLEASE MENTION 'CONTRIBUTION TO THE CCM ISU 2025 BUDGET' AND NOTE THAT THE BANK ACCOUNT IS REGISTERED UNDER 'CENTRE INTERNATIONAL DE DEMINAGE HUMANITAIRE' AND NOT UNDER THE CCM ISU.</small>		


 Pamela Moraga
DIRECTOR

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 Palais des Nations, Avenue de la Paix 8-14, 1211 Geneva 10, Switzerland
 Email: unofinance@un.org
FACTURE - INVOICE

DATE: 31 October 2023
 Payee ID: 1111000300

Mission Permanente [redacted] auprès de
 l'Office des Nations Unies à Genève
 [redacted]

INVOICE CCM
Cost of the Meetings of the Convention on Cluster Munitions (CCM)

DESIGNATION DESCRIPTION	MONNAIE CURRENCY	MONTANT AMOUNT
<small>WHEN MAKING PAYMENT MENTION THE INVOICE NO. BELOW:</small>		
CCM 2024		
Assessed contributions for CCM 2024	US\$	1,910.00
Total amount due - Invoice No: 2200239871 (*)	US\$	1,910.00
CCM 2023		
Assessed contributions for CCM 2023	US\$	1,938.00
Contributions received for CCM 2023 / Credits applied from prior years	US\$	(1,938.00)
Total amount due	US\$	-
CCM 2022		
No assessment was billed for CCM 2022 as no meeting had been programmed for that year. The CCM 2021 meeting was postponed and took place in 2022.	US\$	-
Total amount due	US\$	-
CCM 2021		
Assessed contributions for CCM 2021	US\$	1,177.00
Contributions received for CCM 2021 / Credits applied from prior years	US\$	(1,177.00)
Reimbursement / Cancellation of assessed contributions for CCM 2021	US\$	-
New invoice for assessed contributions for CCM 2021	US\$	-
Share of CCM 2021 funded liabilities in your favour	US\$	(221.66)
Credit in your favour	US\$	(221.66)
CCM 2020 & prior years		
Outstanding assessed contributions for CCM 2020 & prior years	US\$	-
Overpayments for CCM 2020 & prior years	US\$	-
(*) Amount due on 1st of January 2024: US\$ 1,910.00		

We should be grateful for your remittance into the account indicated below:
BANK: JP Morgan Chase
 277 Park Avenue A/C NO./NO. DE COMPTE: 485-001802 (US\$)
 23rd Floor - NEW YORK SWIFT CODE: CHASUS33
 10172 ABA NO.: 021000021 (US Banking Code)
 USA Account Name: UN Geneva General Fund (USC41)



**CONVENTION
ON CLUSTER MUNITIONS**

CCM ISU Financial Procedures

Funding Model Overview

- Adopted at 1st Review Conference (2015)
- Based on sustainability, predictability and ownership
- Reviewed and reaffirmed at:
 - 7MSP (2017)
 - 2RC in (2021, with adjustments)



Budget Cycle and Invoicing

- **5-year budget adopted at each Review Conference**
- **Invoices issued annually by late October**
- **Payments recommended by late March to ensure cash flow**
- **Based on UN scale of assessments**
 - **UN scale updated every 3 years (usually in January)—
delayed invoicing in those years**



Category 7a – Meeting-Related

- **Covers ISU activities related to MSPs, RCs or Amendment Conferences**
- **50% of annual budget (adjusted from 40% in 2021)**
- **Intended to be covered by all participating States**
- **Based on UN scale of assessments**



Category 7b – Core Activities

- **Covers all other ISU implementation support activities**
- **50% of annual budget (adjusted from 60% in 2021)**
- **Covered by all States Parties**
- **Based on UN scale of assessments**



7a and 7b – Perception and Practice

- **Most States consider 7a and 7b as similar and mandatory**
- **2017 review recommended merging 7a and 7b into one category**
- **In practice, both categories form ISU's core budget**
- **Non-payment in either leads to shortfalls**



Category 7c – “Excess” Contributions

- **Additional contributions beyond assessed amounts (*voluntary* contributions)**
- **Financial or in-kind**
- **Open to States Parties and other stakeholders**
- **Should be utilized to strengthen implementation**
- **In practice: Often used to cover shortfalls from unpaid 7a and 7b**



Working Capital Reserve (WCR)

- Established in 2015 to ensure operational continuity
- Maintained at CHF 400'000 (7MSP decision)
- Funded by previous carry overs and additional contributions from several States Parties
- Current level: CHF 574'239 (covers 1 year of operations)
- Last contribution: 1 State Party in 2023





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UPDATE BY THE ISU ON ITS FINANCIAL STATUS

Current Financial Status – 2024 Account

- External audit currently ongoing
- States Parties that contributed: 70
- Contributions received: CHF 463'193
(97.0% of the approved 2024 budget: CHF 477'724)
- Total expenditure: CHF 462'932



Current Financial Status – 2025 Account

- **States Parties that contributed: 37**
- **Contributions received: CHF 171'359**
(34.5% of the approved 2025 budget: CHF 497'138)

Current Financial Challenges

- **Delayed and unpaid assessed contributions (7a and 7b)**
- **Overreliance on excess contributions (7c) to fill budget gaps**
- **No external donor support (unlike other ISUs)**
- **Last contribution to WCR in 2023**
- **Confusion between ISU and UN financial systems**
- **Treating assessed contributions as voluntary – undermines agreed funding model and threatens ISU operations**



Summary

- ISU funding model based on assessed (7a & 7b) and “*excess*” (7c) contributions
- Non-payment of assessed contributions threatens operational continuity
- Excess contributions, intended to enhance implementation, has been used to offset shortfalls
- Lack of external funding creates imbalance with other ISUs
- Confusion with UN funding process causes delays
- Broad participation and predictable funding are essential
- Model may need review to ensure continued effectiveness





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**Thank you for
your attention**