

Anti-Personnel Mine Ban Convention

Fourteenth Meeting of States Parties

Presentation, discussion and decision with regard to strengthening financial governance and transparency within the ISU

National Statement of Australia

Thursday 3 December 2015

Mr President,

Australia values highly the work done by the ISU over many years in supporting States to meet their obligations under the Mine Ban Convention and want to ensure the ISU is able to continue supporting States in the implementation of the Convention and Maputo Action Plan.

But we recognise that the voluntary contributions model on which the ISU is financed means that the ISU's activities are constrained by lack of predictability in funding from year to year and that we therefore need to introduce measures to avoid a repeat the deficit that occurred in 2014.

We join other States Parties in expressing our immense gratitude to the GICHD for covering this deficit from its own reserves.

As a Friend of the Presidency (together with Chile, Switzerland and Mozambique) we have committed to assisting the Presidency's efforts to establish greater predictability in the ISU's budget and workload, including through the development of a four-year work plan.

Since the June intersessionals we have worked closely and constructively with the ISU, the Presidency and the group of Friends to develop the 2016-2019 workplan and budget that is being considered for presentation at the 14MSP.

And we stand ready to provide any further assistance we can to the Belgian Presidency and to the Chilean Presidency-designate in implementation of this workplan and budget

Mr President,

We thank Belgium for its transparent, consultative and tireless efforts over recent months to develop a viable financial governance model to help put the ISU on a sustainable footing for the future.

And warmly welcome its generous commitment of EUR330,000 to its proposed buffer for the ISU.

We support the pillars of Belgium's proposed approach to establishing greater financial transparency, predictability and accountability around the ISU's operations, namely:

- the mandating of four year workplans, which divide the tasks of the ISU between "core support" and "enhanced support" and lay out a proposed budget to achieve these objectives;
- the establishment of a "buffer", to be built up over the next four years, which may be drawn upon only to cover a deficit between contributions received and ISU expenditure in a given year; and
- the mandating of an annual pledging conference to encourage States Parties to make voluntary contributions for the current year and following years.

We think these pillars provide a sound and necessary basis on which the future operations of the ISU can be built. We are grateful to Belgium for its work to elaborate in this decision how these pillars can be implemented and we can support the decision as it stands.

That said, we consider it important that we be honest with ourselves about the challenges that lie ahead in putting these pillars in place.

Establishing and maintaining the "buffer" at the level of the ISU's core budget may prove a difficult task, given that securing sufficient voluntary contributions for the ISU's "core support" is already a challenge in itself.

The Belgian Presidency's proposed generous injection of EUR330,000 towards the establishment of the "buffer" is a most welcome head-start, but securing the remainder of the required funds will require sustained advocacy.

The proposed annual pledging Conference to be held by the Presidency-designate is a welcome initiative that will provide a focus and platform for this advocacy.

Australia has contributed close to 1.25 million Australian dollars to the ISU since 2010, including 120,000 Australian dollars a year over the last three years, and we intend to continue with this level of support. We strongly encourage other States to contribute, as they are able, to sustaining the critical work of the Unit.

Mr President,

While we see the buffer as a necessary measure to protect the ISU – and ultimately, the GICHD – from the risk of deficit, and are comfortable with the mechanisms for its establishment and operation described in the decision on financial governance, we acknowledge that there is some discomfort amongst our fellow States Parties about the specification in paragraph 4.5 of the decision that from 2020, the annual budget for the ISU should be determined by the level of the buffer.

Mr President,

As you have explained in your introduction, the clear implication of this requirement is that, if the level of the buffer at the end of 2020 is lower than the amount required for the ISU to perform its core tasks, it will be necessary to wind back the operations, and potentially the structure, of the ISU so that these can be covered by the funding available in the buffer. Depending on the extent of the shortfall, it may in fact be necessary to cut the staff of the ISU, which would fundamentally change the nature of its operations and the support it is able to provide to States Parties and the machinery of the Convention.

Because, we value extremely highly the work the ISU has done, and continues to do, in supporting States to implement their obligations under the Convention, we do not wish to see the ISU's capacity to continue to carry out this work any further reduced.

It should be possible, through the regular ISU budgetary reporting proposed in the decision, to foresee a looming deficit in the buffer as we approach 2020. We trust – indeed we should insist - that if this is the case, the Presidency, the Coordinating Committee and the ISU will cooperate to put together a plan of action on which we can all work together to find the additional funding that will be necessary to cover the shortfall in the buffer and enable the ISU to continue as it is currently constituted.

Mr President,

While we recognise there is little appetite among the States Parties for changing the voluntary funding model on which the funding of the ISU is based, we think there may be merit in further discussions, ahead of the 15MSP, on the possibility of incorporating elements from the recently established funding structures for the Arms Trade Treaty and Convention on Cluster Munitions that could be adopted to give greater guidance to States Parties and structure to the funding process, such as:

- using the UN Scale of Assessments to provide an indication to States Parties of the appropriate level for their voluntary contribution ; and
- identifying a minimum rate of contributions that is above the administrative cost of collection ; or
- suggesting tiers for voluntary contributions.

Mr President,

While we accept the necessity of prioritising, for now, the stabilisation of the budget required for the ISU's core support work through the establishment of the buffer mechanism, we note that this means that there can be no enhanced support – that is, provision of in-country, technical advice – by the ISU until the buffer is fully constituted and unless there are earmarked funds available to support the creation of an additional staff position.

As we all know, the long-term future of this Convention is actually in victim assistance – long after all obligations on clearance and stockpile destruction are fulfilled, victim assistance commitments will remain. Our victim assistance commitments are in fact the most important and enduring under the Convention. So we should prioritise for the longer term.

Therefore, if in the future it becomes clear that the currently proposed model of financial governance has become an insurmountable barrier to the ISU providing necessary support on victim assistance, we may need to consider revisiting and adjust this model to allow the ISU to provide the support that is needed to help States fulfil their enduring commitments in this area.

Thank you, Mr President.