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**Meeting 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**

12 December 2011

English only

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**Eleventh Meeting  
Phnom Penh, 28 November – 2 December 2011**

**Final report and recommendations  
Open ended working group on implementation support unit  
funding models**

**Presented by the President of the Tenth Meeting of States Parties to the  
Eleventh Meeting of the States Parties in Phnom Penh, Cambodia**

**Background**

1. At the 10MSP, the States Parties took decisions involving three issues: the task and the responsibilities of the ISU, the institutional framework, and the financing of the ISU. While these three issues are interlinked, the President was tasked to establish an informal open-ended working group to examine new models for the financing of ISU and present recommendations and draft decisions on the most feasible and comprehensive financing model for adoption by the 11MSP.

**The Open Ended Working Group**

2. The Open Ended Working Group has been open to all States Parties. It met three times, while the President conducted extensive consultations in bilateral and small group consultations with the States Parties. On invitation of the President of the 10MSP, the Director of ISU attended the three meetings of the OEWG and contributed providing additional information to the participants. To better respond to the questions of the representatives of the States Parties on the support of the GICHD to the ISU, from the second meeting of the OEWG, 10MSP President invited the Director of the GICHD to attend the meetings. The Director of the GICHD and/or his representative attended the second and the third meeting of the OEWG.

**The proceedings**

3. The First meeting of the Open Ended Working Group was held in Geneva on the 8<sup>th</sup> of March 2011. The Director of Implementation Support Unit, Mr. Kerry Brinkert, participated at the meeting.

4. Before the meeting, the 10MSP prepared and sent to all States Parties a paper with possible elements for discussion, recalling that the starting point for the efforts of the open-ended working group was the Final Report to the Task Force on the Evaluation of the ISU, and the Final Report and Recommendations of the ISU Task Force, endorsed by the 10MSP. The paper recalled that there was general agreement among the Task Force members on the need to review the financing model of the ISU, in order to make it sustainable, predictable, and more equitable burden sharing. I appealed to the States Parties to contribute to the discussion and to show flexibility in the process of identification of the most appropriate financing model for the ISU. The paper also recalled that the States Parties have expressed satisfaction with the performance, efficiency, professional competence, responsiveness and dedication of the ISU in support of the implementation of the Convention.

5. The Director of ISU informed the participants on the ISU's financial situation in recent years and the challenges in meeting the expectations of the State Parties in the context of the existing financing model. The Director of the ISU drew the attention of the participants that with the existing financing scheme, the funds raised are proved to be unpredictable and unrelated to the work plan of the ISU. He also answered to a number of questions regarding the present financing scheme and how the assessed, voluntary, and in-kind contributions are used in support of the activities of the ISU.

6. Several States Parties requested more clarity and information from ISU, indicating what would be the individual responsibilities and prospective costs for the States Parties in the case of an adjusted UN scale of contributions. Some other participants argued to look on possible benefits of adopting fixed ceilings and floors.

7. Most of the States Parties representatives participating to the discussion emphasized that the current funding model of the ISU is not adequate. They expressed their readiness to explore other options, aiming at identifying the financing model that may best ensure continuity of the activities, sustainability and predictability of funding for the ISU's activities, as well as provide better burden sharing among the States Parties. Some States Parties asked either for more time, or for more information, in order to be better prepared to continue this discussion. Representatives from two States Parties expressed from relative, to full satisfaction with the existing voluntary funding scheme. Representatives from most of the States Parties participating at the meeting presented arguments in favour of covering the ISU budget on a mixed model of properly adjusted assessed scheme, with voluntary, and with in-kind contributions.

8. A summary of the discussions of the meeting was delivered to all States Parties and then posted to the Convention's website.

9. As a follow-up of the meeting, on the 28<sup>th</sup> and the 29<sup>th</sup> of March, the President of the 10MSP had a number of bilateral and small group consultations with the States Parties. The main conclusions I drew from the discussion at the open-ended working group meeting, as well as from the bilateral and small group consultations were:

(a) There was a degree of diversity as well as divergence of States Parties' positions

(b) There were certain common considerations and positions that may serve as a basis to prepare a proposal for a new financing scheme

(c) There was a large degree of flexibility by a considerable number of State Parties with regard to what the future financing scheme of the ISU might be.

10. On these grounds, on the 11<sup>th</sup> of May, the President of the 10MSP distributed the discussion paper "Towards a new financing model for the Implementation Support Unit", whose aim was to lead us from the discussion in principle, to a more concrete one.

11. The second meeting of the open-ended working group on the ISU finances was held in Geneva on the 19<sup>th</sup> of May 2011. It was attended by representatives of almost 40 States Parties. Upon request from the States Parties, the Director of ISU provided additional information on:

(a) The cost structure of the ISU and of other implementation support mechanisms (BWC, CCW).

(b) A description of the financing of the different ISU activities, under the present funding scheme.

(c) An overview of ISU's tasks related to Meetings of the States Parties, Review Conferences and the intersessional work program.

12. The States Parties highlighted the importance of ensuring the necessary funding for the activities of the ISU.

13. After the meeting, the President of the 10MSP received a number of written contributions of important value to me. Although there was confirmation of the diversity of opinions, there was a considerable degree of readiness to continue the discussion on the financing scheme for the ISU.

14. Through continued consultations, the President of the 10MSP noted that there is broad agreement among the States Parties on the value of a well functioning ISU and on the need to ensure it continues to deliver its high quality services to the States Parties. To this end, the financing of its activities through a predictable, sustainable and equitable burden sharing funding model is of paramount importance.

15. The preferences for the new financing scheme varied from a purely voluntary scheme, to a purely assessed scheme, or a combined (hybrid) one. However, most of the States Parties in favor of the assessed or the combined (the hybrid) one, in general showed a high degree of flexibility toward both these options.

16. Based upon the conclusions of the meetings of the Open Ended Working Group in March and May, on the written contributions received, as well as on the continued consultation with a considerable number of States Parties, the President of the 10MSP prepared and made available to all States Parties the third paper "Towards a new financial model for the Implementation Support Unit" which I made available in October. The aim of this paper was to propose the principles and elements of a possible new financing model for the ISU. It also proposed the possible next steps to be undertaken, both in case the States Parties would support the proposed ideas, or not.

17. The third meeting of the Open Ended Working Group on the finances of the ISU was held in Geneva, on 3 November 2011. Representatives of 43 States Parties participated to that meeting. Regretfully, while substantial support was expressed in favor of a hybrid financing scheme that is a combination of properly adjusted assessed contributions, with voluntary contributions and in-kind ones, a few States Parties expressed opposition to change the present financing model. The arguments of some of the States Parties opposing any new financing scheme were basically related to the present global financial situation.

## **Conclusions**

18. Despite the extensive consultations and serious engagement of the most of the States Parties to this process, the President of the 10MSP is unable to formulate a proposal for decision on a new financing scheme for the ISU. A certain degree of lack of understanding on how the present financing scheme works, the present global financial difficulties and

other factors, did not help advancing in the aim to identify the most feasible and comprehensive financing model for the ISU.

19. Nevertheless, the effort produced considerable progress. As mandated by the 10MSP, the OEWG discussed the challenges States Parties are facing and the President of the 10MSP was in the position to clearly identify a model that enjoys the support of the majority of the States Parties and would be more predictable, more sustainable and more equitably burden sharing.

20. The main conclusions of the proceedings of the OEWG are:

(a) There is general agreement that the present configuration of the ISU is a compromise. As such, it has to be preserved.

(b) There is a high degree of agreement that in order to ensure continuity of the work, it is essential to construct a financing model for the ISU that is sustainable, predictable and equitable burden sharing.

(c) There is broad acceptance for a new hybrid financing scheme of assessed, voluntary and in-kind contributions

(d) There was a fairly broad agreement to establish a distinction between tasks to be financed by assessed contributions and those to be financed by voluntary contributions. Such a distinction may be drawn between general implementation support and individual implementation support.

## **Recommendations**

21. As the ISU will continue to be financed through the present financing scheme, the President of the 10MSP recommends that:

### **Preservation of the results achieved**

22. The process aimed at improving the current model can be resumed at a later stage, at a time when external circumstances will be more favorable and the States Parties might be in a better position to take decisions based on the work achieved by this OEWG. In order to allow this process to continue at an appropriate time it would be beneficial that the results achieved are preserved and transferred to the 11MSP President for further consideration.

### **Improvement of the present financing model**

23. While the States Parties are waiting for better financial times, during the 11 MSP and at later stages, States Parties may wish to use the opportunity to engage in an exchange on ways how to improve the current system based on voluntary contributions with a view to improve the financial situation of the ISU, as long as the existing model remains unchanged.

### **Ensuring sufficient contributions to the Trust Fund**

24. For as long as the financing scheme remains unchanged, the President of the Meeting of the States Parties or the President of the Review Conference continue to further encourage all State Parties to contribute to the Voluntary Trust Fund of the ISU, in particular those States Parties that have not been able to contribute so far.

**Concluding remarks**

25. While the 10MSP asked the 10MSP President to establish the open-ended working group to examine new models for the financing of the ISU and to present recommendations and a draft decision for adoption at the 11MSP, it was the joint task and joint responsibility of the States Parties to make this happen.

26. The President of the 10MSP wishes to express his sincere thanks to all those that have contributed so actively to this important process, in particular those States Parties that provided written contributions with concrete ideas and suggestions.

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