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Arms Trade Treaty  
**Second Conference of States Parties**  
Geneva, 22 – 26 August 2016

### **Revised draft of 24 August 2016**

## **Terms of Reference for the ATT Voluntary Trust Fund**

### **Purpose and Scope of the Trust Fund**

1. The Conference of States Parties to the Arms Trade Treaty establishes a Voluntary Trust Fund in accordance with Art. 16 of the ATT.
2. The primary objective of this Trust Fund is to assist requesting States Parties requiring international assistance to implement the ATT.
3. The Conference of States Parties to the ATT shall decide on General Principles for Implementation Assistance Projects under the ATT, in particular specific criteria for eligibility.
4. Contributions to the Trust Fund may be allocated by donors for sole use to the benefit of States Parties.

### **Authority**

5. The Trust Fund shall be administered by the ATT Secretariat, with the support of the Selection Committee which shall be established in accordance with Article 17.4 (f) of the Arms Trade Treaty and Rule 42 of the Rules of Procedure, to execute the functions as set out in these Terms of Reference. The Secretariat shall endeavour to fulfil this function with the existing internal resources.<sup>1</sup>
6. The Selection Committee shall consist of a limited number of States Parties to be appointed by the Conference of States Parties, including States having announced financial contributions to the Voluntary Trust Fund and ensuring diverse representation. Members of the Selection Committee shall serve for two years and are eligible to be reappointed for further terms. The Selection Committee shall select one of its members to chair its deliberations. The President

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<sup>1</sup> Should it become apparent that the administration of the Trust Fund requires additional resources, the Secretariat shall propose alternative options to States Parties.

of the Conference of States Parties and a representative from the Secretariat should participate in meetings of the Selection Committee in an ex officio capacity.

7. The Selection Committee shall meet in accordance with Article 13 of the Rules of Procedure of the Conference of States Parties and draw, as appropriate, on outside expertise, in particular from UN agencies and civil society. A State Party that has submitted a project proposal as a beneficiary cannot take part in the decision making of the selection committee for that project selection cycle.

### **Operation of the Trust Fund**

8. States Parties or other entities may donate to the ATT Voluntary Trust Fund throughout the year and make pledges at a dedicated segment of each ordinary session of the Conference of States Parties. These donations shall be transferred to the ATT Voluntary Trust Fund, preferably within 30 days.
9. Following the pledging session at the ordinary session of the Conference of States Parties and on the basis of pledges made, the ATT Secretariat will inform States Parties of the amount of funds available for the following project year, and call for project proposals by States requiring implementation assistance to be submitted by 31 March.
10. The ATT Secretariat shall conduct a pre-screening of all project proposals received by the due date against “the General Principles for Implementation Assistance Projects under the ATT Voluntary Trust Fund” as decided by the Conference of States Parties to the ATT (Attachment) and draft a shortlist of eligible projects, relying on outside expertise as appropriate and needed, by 30 April, subject to approval by the Selection Committee.
11. The Selection Committee shall decide by 15 June on the initial allocation of available funds, based on the shortlist. This decision, and any subsequent allocation decisions that may be required over the course of the project year, shall follow the General Principles for Implementation Assistance Projects under the ATT as decided by the Conference of States Parties (see attachment) and shall be reported to the Conference of States Parties.
12. The Secretariat will ensure that the initial grants are paid out as decided and ensure transparent accounting. It shall report to the Conference of States Parties accordingly.
13. The Secretariat will ensure that reports on the implementation of projects by beneficiaries will be evaluated and report back to States Parties on the success of the projects. Beneficiary countries may be invited to present their results and answer questions.
14. Administrative details regarding the application procedure to be followed by beneficiaries shall be elaborated by the Secretariat.

### **Monitoring, Auditing and Reporting**

15. The audit provisions as per Rule 10 of the Financial Rules for the Conferences of States Parties and the Secretariat shall be applicable mutatis mutandis.
16. All recipients of funds shall submit a final report that should be made publicly available via the ATT Website. The final report should include a description of the outcomes, achievements and impacts as well as outline possible shortcomings and recommendations for further actions. Furthermore, the final report should include a detailed financial report on expenditures and balances. The report is due 60 days after completion of the activity financed by the fund. The ATT Secretariat shall provide technical guidelines for reporting, and ensure appropriate monitoring and evaluation.

#### **Final Provisions**

17. These Terms of Reference will be re-evaluated by the Conference of States Parties after two years.<sup>2</sup>
18. In the event of a termination of the activities of the fund, outstanding bills shall be paid and the remaining donations shall be refunded.

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<sup>2</sup> The issue of needs and geographic balance in the operation of the Voluntary Trust Fund was raised at the Second Conference of States Parties. There was a general understanding that this issue will be reconsidered at the reevaluation of these Terms of Reference in two years time.

**Attachment**  
**The General Principles for Implementation Assistance Projects**  
**under the ATT Voluntary Trust Fund**

**Eligibility Criteria**

- Any State Party to the ATT requiring assistance in the implementation of the Treaty may submit a project proposal.
- Signatory States and other States having shown clear and unambiguous political commitment to accede to the ATT requiring assistance to implement the Treaty may also submit project proposals.
- Assistance projects required by requesting States may be implemented by or in conjunction with UN agencies, international or regional organisations, civil society organisations or other competent bodies. Applicant must be the beneficiary country /countries.
- Project applications must contain a description of the state of ATT implementation in the requesting country, an outline of challenges, a description of the aim of the project, how it can help overcome the challenges identified and the added value of the project in relation to other initiatives, a timeline for project implementation, an outline of the institutional and organizational setup of the proposal and a detailed budget plan.
- Applicants must ensure that any project funding received from the Voluntary Trust Fund does not duplicate funding received for the same or a similar project from other sources.
- The Secretariat shall consult regularly with other funding entities on projects funded and discuss options and possibilities for synergies with a view to avoiding duplication.

**Selection Criteria**

- The selection shall be based on a qualitative assessment of the descriptions and outlines to be submitted as specified by the eligibility criteria.
- Priority shall be given to States Parties requiring assistance to implement the Treaty.
- If the prerequisites established by the Terms of Reference are met, applications by Signatory States and other States having shown clear and unambiguous political commitment to accede to the ATT requiring assistance to implement the Treaty may also be considered if the requesting State can provide a plausible roadmap towards ratification/accession and show how the envisaged projects will help to meet envisaged milestones and ultimately lead to speeding up (or enabling) the process of ratification/accession.
- If two or more project proposals are considered to be equally eligible after thorough assessment against the qualitative criteria priorities established by the Conference of States Parties, including on geographic requirements, may be taken into account in the allocation of funds to beneficiary countries.
- Overlap/duplication with projects funded by UNSCAR, by States Parties on a bilateral basis or through other channels, shall be avoided.

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