

Statement on behalf of the Committee on Budget and Finance

Mr. President,

1. It is an honour to present on behalf of the Committee on Budget and Finance the reports of the sixth and seventh sessions of the Committee.

2. It should be no surprise that 2006 has been the Committee's busiest year yet. The Court has grown rapidly over the past four years, and that growth has rightly been accompanied by strong interest by states parties in the Court's administrative and budgetary affairs.

3. The workload of the Committee has increased accordingly, and this year we have considered the 2007 budget, reports on the performance of the Court in 2005 and 2006, the interim and permanent premises, the Strategic Plan and the plans on outreach and IT, the conditions of service of elected officers, the question of arrears, and a number of other financial and budgetary issues.

4. In all of the issues before it, the Committee has strived to provide the Assembly with high quality advice that contributes to the continuing development of the Court as a highly effective and efficient judicial institution in the fight against impunity. In this regard, I would like to acknowledge here the outstanding work of Mr. Karl Paschke as chair of the Committee for its first three years. Karl's

leadership has help make the Committee a valuable part of the Court's governance structure, and he will continue to make an important contribution as a member of the Committee.

5. In undertaking its role the Committee works closely with Court officials. We place great value on maintaining effective dialogue, both formally and informally. At times the nature of the Committee's work often requires it to challenge assumptions and proposals: this is in the interests of the Court and the Assembly. While there will inevitably be differences of opinion from time to time, the Committee appreciates the efforts of the Court's excellent and dedicated staff to ensure that the Court succeeds, and to assist the Committee in conducting its role.

6. Today, I will introduce the Committee's recommendations on the 2007 budget and a few other major issues. At the end, I would like to return to the question of the Committee's workload. I would, of course, be happy to discuss any other aspect of our reports in the Budget Working Group or informally.

Mr President,

7. Let me begin with the Court's budget for this year, before turning to the proposed budget for 2007. As you will see in our report, the Court has forecast

expenditure for 2006 of about €67m, which is 83 per cent of the €80.5m which the Assembly approved.

8. The primary reason for underspending will be that two trials did not commence this year as was assumed in the budget. However, the Court has also not yet filled many of the posts that were budgeted in 2006, and more than a hundred remained unadvertised at 31 August. While some of the shortage has been met by overspending for consultants and GTA, it seems unlikely that the Court will fill the positions it already has this year.

Mr President,

9. The major difference in the stated assumptions for 2007 is that one trial is assumed for the full year, rather than two trials for part of the year. The opening of a fourth situation is also assumed, although most resources are to be re-deployed from the first situation. The stated assumptions therefore should not be expected to lead to increases in the budget for 2007 in real terms: if anything, the reduction in trial activity should lead to a decrease in the budget required.

10. Given that the Court has not required a large proportion of the resources budgeted in 2006, and that the assumptions for 2007 do not suggest an increased workload, the Committee looked closely at the €13m growth proposed by the Court for 2007. About €9m of this was identified by the Court as 'in-built'

costs for which the Court has little control, while €3.6m was proposed for new resources.

11. The Committee agreed that the 'in-built' costs were necessary, with the exception of the provision for inflation which the Committee recommended be absorbed. We believe this will not impact the Court's activities, since the projected vacancy rate is unlikely to be realized, and underspending on staff is likely to continue next year. The Committee also agreed that some additional resources were justified for the full costs of the first trial and the opening of the fourth situation. It also supported most of the proposed additional resources for activities in the field, which the Committee felt was well-justified.

12. However, the Committee did not believe that some other new resources were well-justified or necessary. In general, the Committee recommended against new resources for functions where the workload had not been well tested or where greater efforts could be made to prioritise work and to increase efficiency. It placed greater emphasis on experience than on theoretical systems and wanted to see evidence of efforts to prioritise and maximize efficiency. In consequence, the Committee recommended cuts to the proposed budget that total almost €5m.

14. In sum, the Committee felt confident that a budget of €88.5m will be more than adequate for the Court to carry out all its work in 2007 in accordance with the assumptions. *This would represent an increase of more than thirty per cent*

over actual expenditure in 2006, and about ten per cent over the 2006 budget level. The Court has the flexibility to move some resources around to ensure their optimal utilization. And, the contingency fund could provide for a second trial or other major development that is not foreseen in the budget.

15. It is also worth noting that the Committee believed that there should be some income returned to the Court in 2007 from its arrangements with the Special Court for Sierra Leone. This was not shown in the budget, but should offset costs in areas like detention and court management.

16. I will be happy to answer questions about specific recommendations during the Working Group.

Mr President,

17. Beyond the 2007 budget, the Committee agreed that further work on improving the format of the proposed budget could help inform a more strategic and focused discussion on the budget in the Committee and the Assembly in future. The Committee was appreciative of the efforts made by the Court to respond to the previous requests from itself and the Assembly to prepare the budget document in a particular manner. The budget presentation had improved markedly over the first one considered by the Committee.

18. However, the document remained very long, but provided insufficient analysis on the overall budget. While there was much information on proposals for new resources, these were rarely justified in terms of total workload and the resources already available to the Court. The Committee was strongly of the view that a more strategic-level discussion would be advantageous to all sides of the process: Court, Committee, Assembly and interested civil society organizations.

19. The Chair of the Committee will therefore arrange a meeting with the Court early in 2007 to discuss potential modifications to the budget format. Any advice from the Assembly would be very helpful and welcome, and the results of these discussions will of course be conveyed to the Assembly.

Mr. President,

20. As requested by the Assembly, the Committee has taken a close interest in the question of permanent premises for the Court. The Committee welcomed the progress made by the Expert Group meeting convened in The Hague in September. On that basis, the Committee recommended that preparations towards permanent premises on the Alexanderkazerne proceed, subject to the Assembly making a subsequent decision to approve the project when it is better developed and a reliable estimate of the cost becomes available.

21. The Committee will continue to monitor the project closely given its importance and the risks entailed in any such construction project. Three particular points are worth noting today. First, the Committee recommends that a strong and expert governance structure be put in place *at the outset*. Second, consideration of financing options should commence in parallel to other work, and clarification from the host state of the terms of its loan offer would assist in that regard. Third, while the Committee would like to see the project move forward swiftly, it felt strongly that the magnitude, costs and risks of the project were such that it was preferable to get decisions right rather than to rush. All of these issues are mentioned in the Committee's reports.

Mr President,

22. The Committee has also made recommendations on an array of other subjects. I wish to draw your attention to just three of these issues:

- arrears. The Committee has responded to the Assembly's request to provide advice on applications for exemption under Article 112, paragraph 8, of the Statute. In particular, the Committee has made recommendations on the timing of such applications, the information needed to support them, and the value of voluntary payment plans.

- pensions for judges. The Committee has responded to three specific requests from the Assembly to advise on aspects of judges pensions. The Committee was satisfied on the question of an external provider for the existing pension fund and believes the Assembly can make a decision at this session. The question of the pension terms available to *future* judges is more complex, and the Committee has identified some principles on which a new scheme could be based. Finally, the Committee has made recommendations which allow the Assembly to address the perceived problem of individuals receiving either two pensions, or a salary and a pension, simultaneously from both the Court and one of the other international courts (ICJ, ICTY, ICTR).

- conditions of service for the Prosecutor and Deputy Prosecutors. The Committee observed that the Assembly has not yet determined the conditions of service for these officers or created any pension scheme for them. The Committee believes that this should be rectified as soon as possible and has provided advice which we hope will assist the Assembly.

Mr President,

23. Before closing I wish to return briefly to the workload of the Committee. As I noted at the outset, the Committee's workload has grown along with the Court. Indeed, the number of papers, and the complexity of the issues, is now proving

difficult to handle within the Committee's two sessions (three days in April and five days in October). Too much needs to be done at night, and there still has not been sufficient time to consider all the issues fully.

24. In order to address this situation, the Committee proposes to increase its April session to four days, and to determine carefully its agenda in advance of each session. We hope to avoid considering the same issues at every session unless there are strong reasons to do so (as there may be with permanent premises for instance). We hope to focus on important policy issues for consideration each April, leaving October relatively-free for the budget. We have already nominated a few for next April. Of course, the Committee will always ensure it addresses those issues referred to it by the Assembly since this is our central role.

25. In this way, we hope to keep the Committee's workload manageable in 2007 while providing the Assembly with high-quality and timely advice. But, should the volume of administrative and budgetary issues under consideration continue to increase it will be necessary to revisit the length or number of the Committee's sessions in 2008.

26. A complementary measure is to strengthen the Secretariat's capacity to support administrative and budgetary discussions in the Committee, the Hague

Working Group and the Assembly. And we have made a recommendation in this regard in the 2007 budget.

Mr. President,

27. Finally, the Committee believes that enormous progress has been made by the Court over the past few years and there is already much of which the staff and the Assembly can be proud. There are nonetheless serious challenges ahead, as well as potential pitfalls. The Committee will continue to do its part to make the Court strong and effective, while ensuring that it uses resources efficiently.

Thank you.