

**ASSEMBLY OF STATES PARTIES TO THE ROME STATUTE**

**TWELFTH SESSION**

**Oversight Committee**

**Oral report of the Chair on the activities of the Committee**

**Mr. Roberto Bellelli (Italy)**

1. It is an honour to report to the Assembly of States Parties on the activities carried out by the Oversight Committee since the eleventh session of the Assembly in November 2012.

2. A full report providing a detailed summary of the Committee's activities has been submitted to the Assembly as document ICC-ASP/12/43.

3. Please allow me to only briefly highlight the latest developments as well as to refer to the most important issues that have been before the Committee over the past year.

4. As you know, the Oversight Committee was established in 2005 as a subsidiary body of the Assembly, tasked with the strategic oversight of the permanent premises project, ensuring that the construction of the Court's permanent premises is achieved within budget and the agreed timelines. The Oversight Committee is particularly satisfied with the continued achievements and progress of the project, as result of the effective governance and management of the project.

5. I am pleased to inform you that the project is now well into its construction stage, and remains below the approved budget. Construction works started in March 2013 - with serious pollution in the ground being recently cleared - and are expected to be completed within deadlines, so that the Court can move to the permanent premises by the end of 2015. At the current ASP session, a tour of the construction site can be joined in by delegations.

6. The Committee has approved a **change to the design**, in order to increase the flexibility of the premises, so as to allow the holding at the seat of the Court also of ASP meetings as of 2016, should the Assembly so decide, with savings on the annual budget.

7. Including this additional requirement, the **project cost** is now €184.3 million, that is €5.7 million below the approved €190 million budget.

8. The Assembly had established the **construction project** as an ASP project for the benefit of the ICC, and had mandated the Committee to carry out on its behalf the oversight on the project, to be managed by the Project Director. Instead, as the transition of the ICC from the interim to the permanent premises involved operational matters

within the remits of the Court, the governance of the **transition project** was to be ensured by the Court. However, both the budget of the construction project and that of the transition project were managed by the Project Director, under the oversight of the Committee. This dichotomy between operations and finances had brought about issues of coordination, which required an alignment of the two projects.

9. Upon a lengthy review, the Committee took a **holistic approach** to the permanent premises, and made use for the first time of the **delegated authority** of the Assembly by deciding, in full agreement with the Court, to unify the two projects. As a result, there now exists one overall Permanent Premises Project, with one unified financial envelope. The formal report of the Chair of the Oversight Committee on the exercise of the delegated authority of the Assembly\* will be filed separately in the Official Records.

10. The change achieved is major in terms of scope of the project, actual savings for States Parties, and potential efficiencies:

(i) The **management** of the unified project is under the exclusive lead of the Project Director. His **reporting lines** are now to both the Oversight Committee and to the Registrar, which is expected to reconcile the different mandates of the ASP and the Court. The Committee will ensure that in this change remains consistent with the authority of the Assembly and its delegated exercise. In consultation with the Court, the Committee will keep the implementation of this governance structure **under review**;

(ii) **Transition costs** - formerly “2gv” costs - the remaining estimated cost of €16.8 million until the project end which were to be approved on an annual basis - were removed from the regular budget, thus alleviating the pressure on the resources approved by the Assembly for the Court’s operations. The 2gv part of transition costs are now reduced to a total of €11.3 million and are included in the unified envelope;

(iii) **Funding** of such transition costs is ensured through a mechanism that does not envisage resorting to additional contributions of States Parties. This is achieved by utilizing the €5.7 million savings realized in the construction project, and from the surplus pertaining to the financial years 2012 through 2014, up to a maximum of €5.6 million. An amendment to Regulation 4.7 of the Financial Regulations and Rules is proposed to that end;

(iv) A **unified envelope** for the construction and transition activities is established at the level of €195.7 million, with a target to reduce this to at least €193.7 million by June 2014 following a further detailed review by the Project Director of the transition costs.

11. The **cost reduction process** has already resulted in the overall construction costs being reduced against the original estimate of €212.1 million (€190 budget + € 22.1 for “3 gv”) to €184.3, a saving of €27.8 million. The **financial strategy** of the Committee has been adapted in the unified project, with any potential savings on both projects enabled to contribute to the offsetting of the overall budgeted costs.

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\* ICC-ASP/6/Res. 1, Annex II, paragraph 17.

12. Since last ASP, 13 additional States Parties have opted for a **one-time payment** of their contributions to the project, bringing the total to 46 States Parties and the amount of resources not funded through the host State loan to €46.8 million. The Committee will keep this funding channel as flexible as possible, in order to maximize the financial benefits for States Parties.

13. In 2014 the Committee is also expected to finalize consideration of the future **long-term maintenance and capital replacement** costs of the permanent premises, upon completion of the ongoing study conducted in the Working Group chaired by the Project Director.

14. All these elements are contained in the draft resolution on permanent premises submitted to the Assembly as Annex XI of the Report on the activities of the Oversight Committee.

16. Finally, I would like to mention that the two-year mandate of the members of the Committee is due to expire on 21 December this year. A consultation process is ongoing, for the renewal of the membership of the Committee for the next two-year term, ending on 20 December 2015 [in the absence of any further nominations, it is proposed that the Assembly elects the ten outgoing members of the Committee].

17. Before I conclude, allow me to thank the Committee Members, the Project Director and his Office, the Court, the host State and the Municipality of The Hague for their dedication and enthusiasm in supporting this challenging project.

Thank you.

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