



**Cour  
Pénale  
Internationale**  
**International  
Criminal  
Court**

**L'Assemblée des États Parties**  
**The Assembly of States Parties**

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**Briefing by**  
**Mr. Hitoshi Kozaki, Chairperson**  
**Committee on Budget and Finance**

World Forum, King Willem Alexander room  
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*Your Excellencies,*

*Distinguished delegates,*

*Ladies and gentlemen,*

It is an honour to present the main outcomes of the thirty-second and thirty-third sessions of the Committee on Budget and Finance.

At the outset, I would like to take this opportunity to thank my fellow colleagues from the Committee for their devotion and hard work in the course of the last two sessions, as well as to the Executive Secretary, his team and the Secretariat of the Assembly for their outstanding support. I would like also to thank the Court for their support.

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**Mr President,**

During its thirty-third session, which was held from 26 August to 6 September, the Committee focused on the consideration of the 2020 proposed programme budget of the Court.

I will now briefly outline the budget performance for 2019 and the main outcomes of our discussions on the recommended resources for 2020.

As regards the **budget performance**, the Committee noted that the forecast implementation rate for the Court, at the end of 2019, including the interest and capital repayments on the premises, is expected to be 99.4 per cent, or €147.3 million, against the 2019 approved budget of €148.14 million.

The Committee had received three Contingency Fund notifications so far in 2019 in the total amount of €2.45 million. Two of those notifications were related to Gbagbo/Blé Goudé (situation in Côte d'Ivoire). The third notification was related to the Yekatom/Ngaïssona (situation in the Central African Republic). The Committee requested that the Court make every effort to absorb these unforeseen expenditures within the regular budget.

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**Mr President,**

I will now proceed with the **liquidity issue**.

The Committee considered the status of contributions as at 31 August 2019 and was provided with the latest cash flow projections by the Court. To avoid a liquidity shortfall and to mitigate the risks for the operations and reputation of the Court, the Committee recommended an increase of the notional level of the WCF to €12.3 million to cover for one month of the Court's expenditures. Additionally, the Committee recommended that the surplus of €3 million from the financial year 2017 be utilized to replenish the WCF.

Furthermore, the Committee welcomed recommendation no. 9<sup>1</sup> by the External Auditor in his audit report on the Court's budget process that the Assembly delegate some responsibility to the Bureau, as previously recommended by the Committee, with a view to mitigate financial and reputational consequences in case of a liquidity shortfall.

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**Mr President,**

As regards the **Review of the AI on Classification and Reclassification of Posts**, the Committee welcomed that the Registry is constantly monitoring the AI as a "living document" and will review the AI in 2021 or earlier, as appropriate.

The Committee scrutinized the reclassification requests put forward for 2020 under the current AI and reiterated its previous recommendation that nine out of the requested 12 reclassifications be approved. At the same time, the Committee recommended that no new requests for reclassification should be submitted by the Court until the new review of the AI is finalized and all processes and financial risks are fully mitigated.

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**Mr President,**

Let me now turn to the **consideration of the 2020 proposed programme budget**.

The Committee scrutinized the Court's 2020 proposed programme budget, which amounts to €146.9million (excluding the instalments for the host State loan of €3.6 million). This represents a total requested increase of €2.4 million (or 1.7 per cent) over the 2019 approved budget, excluding the host State loan.

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**Mr President,**

I will now briefly touch upon the Committee's key recommendations for the main major programmes as contained in the Report of the Committee on the work at its thirty-third session (ICC-ASP/18/15).

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<sup>1</sup> ICC-ASP/18/2/Rev.1, Recommendation n.9:

"So as to avoid adverse financial and reputational consequences in case of a liquidity shortfall, the Auditor recommends the ASP to delegate some responsibility to the Bureau, in order:

(i) to announce, in due time (i.e. leaving a reasonable period, such as two/three weeks – needing to be more precisely defined – before the forecasted available cash only represents less than one standard month of payments), that the Court will be exceptionally authorized to use the Contingency Fund, and/or, in case there is no sufficient cash available in the fund, to pre-negotiate a credit line;

(ii) to allow the Court to effectively use either or both facilities only if and when the liquidity crisis becomes obviously unavoidable (for instance, when only one or two days of cash are left), this delay also needing to be very precisely defined in advance);

(iii) to provide for an immediate reporting of the situation to the States Parties for both previous decisions."

As for **Major Programme II (Office of the Prosecutor)**, the proposed budget for 2020 amounted to €47.9 million, representing an increase of €1.1 million (2.4 per cent) against the 2019 approved budget.

The overall assumptions in OTP in 2020 remain largely unchanged with respect to 2019. Staff costs increases are due to the application of the UN Common System (€722 thousand).

The Committee observed that the non-staff costs for the OTP were requested at the same level of the previous year. Emphasizing that all requests for resources should be based on robust forecasts, the Committee requested to be updated on ways to integrate such an approach in the budget coordination process including reprioritization of activities, as well as to discuss processes of redeployment and ways to consider requests for new staff resources against existing allocations at the next budget workshop in May 2020.

After scrutinizing all staff and non-staff costs, the Committee recommended reductions of €552.9 thousand. The Committee thus recommended the Assembly approves a total of €47.4 million for Major Programme II.

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As for **Major Programme III (Registry)**, the 2020 proposed budget amounted to €76.1 million, representing a decrease of €500 thousand (or -0.7 per cent) against the 2019 approved budget. The Committee welcomed the approach taken by Registry with regard to its proposed budget, resulting in a zero-nominal-growth request, which was achieved by offsetting increases through the reallocation of resources, savings and efficiencies, as well as through non-recurrent costs and cost reductions. As service requirements for trials have been reduced, the Registry was able to reallocate resources and absorb financial pressures resulting from the application of the UNCS.

The Committee commended the Registry for absorbing the increase for Major Programme III (Registry) in a total amount of €230.7 thousand under the Counsel for Defence budget line item for the case of Mr. Al Hassan.

After scrutinizing all staff and non-staff costs, taking into account the increases in staff costs, which were related to supporting an intensification of operations in the Central African Republic (CAR) and Mali, the Committee recommended total reductions in the amount of €217 thousand. The Committee thus recommended the Assembly approve a total of €75.9 million for Major Programme III.

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As for **Major Programme V (Premises)**, the 2020 proposed budget amounted to €3.1 million, representing an increase of €1.3 million (71.6 per cent) against the 2019 approved budget.

The Committee was of the view that capital replacement should be commenced starting in 2020. In light of the technical analysis provided by the Court and the main contractor, the Committee emphasized that delay in the commencement of capital replacement would not only

raise overall maintenance and replacement costs in the long run and reduce the asset value of the premise, but would also raise security and operational risks for the Court. From the financial point of view, the Committee highlighted the importance of securing funding for long-term capital replacement in a predictable manner without unnecessary fluctuation of annual budgets.

The Committee recommended total reductions in the amount of €313.1 thousand. The Committee thus recommended that the Assembly approve a total of €2.8 million for Major Programme V.

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As for **Major Programme VI (Secretariat of the Trust Fund for Victims)**, the 2020 proposed budget amounted to €3.3 million, representing an increase of €203 thousand (6.5 per cent) against the 2019 approved budget. The requested increase resulted mainly from increases related to the UN Common System (€105.9 thousand) and staff costs (€96.8 thousand).

The Committee noted with concern the constant under-implementation of the Major Programme, and believed that this created room for the MP to absorb the increases related to the UN Common System.

After scrutinizing all staff and non-staff costs, the Committee recommended total reductions in the amount of €107 thousand. The Committee thus recommended that the Assembly approve a total of €3.2 million for Major Programme VI.

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As for the **Major Programme VII-5 (Independent Oversight Mechanism)**, the Committee, after careful review, recommended total reductions in the amount of €233 thousand. The Committee thus recommended that the Assembly approve a total of €551.1 thousand for Major Programme VII-5.

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Lastly, as regards to the **Other major programmes**, the Committee took note of the requested resources and recommended minor reductions to the requested resources for MP I.

**Mr. President,**

On 28 November 2019, the Committee was notified of a second addendum to the Proposed Programme Budget following developments in relation to two bodies mandated by the Assembly; the Independent Expert Review of the Court, with the amount of €435.1 thousands and the Committee on the Election of the Prosecutor with an amount of €44.6 thousands. The Committee pointed the best value for money that could be achieved should the Court select the experts following a procurement process.

As this is an exceptional project to be implemented during the course of 2020 only, and taking into consideration the efficiency that might be achieved, the Committee recommended a

total amount of €435.1 thousand be approved by the Assembly to be added to the budget of Major Programme IV. Further, the Committee recommended that the usage of this exceptional budget be limited to the purpose of the Expert Review. Any surplus from this amount should go to the miscellaneous income account.

As regard to the work of the Committee on the Election of the Prosecutor, the Committee considered the additional information provided and recommended the Assembly to approve a total amount of €44.6 thousand. The Committee requested separate reports on the actual expenditure incurred on each of those two bodies to be submitted at its thirty-fourth session.

**Mr President,**

After carefully scrutinizing the 2020 proposed programme budget, its addendum and the justifications provided, the Committee recommended that total reductions could be achieved of €1.4 million. The adjusted 2020 proposed programme budget would thus amount to €146 million (or €149.6 million with host State loan). This represents an increase of €1.4 million (or 1 per cent) compared to the 2019 approved budget.

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**Mr President,**

In regards to the **review of the oversight bodies of the Court by the External Auditor**, the Committee supports this review and may wish to highlight the issue of a potential conflict of interest having the current External Auditor conducting this review being part of the oversight mechanism of the Court. However, we are willing to assist the External Auditor during this review in order to overcome this potential risk. I would also like to emphasize the importance of including the Committee in all the discussions about the review of the oversight bodies and be kept informed at all stages.

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**Mr President,**

Please allow me to briefly elaborate on the **amendments proposed by the Committee with regard to its own Rules of Procedure**.

As an advisory body to the Assembly, the Committee is continuously striving to improve its internal processes and procedures to ensure compliance with the evolution of internal best practices with a view to providing timely and quality advice to the Assembly, while tackling a continuously growing workload.

The Committee worked for the last two years to update its Rules of Procedure, which were adopted by the Assembly in 2003. The Committee reached consensus at its thirtieth session in April 2018 on amendments reflecting improvements in its internal practices and relevant decisions taken by the Assembly. Fully aware that the final decision-making pertains to the

Assembly, an amendment proposal was submitted for consideration and approval by the Assembly.

I would like to stress that a review of the Rules of Procedure is a good internal governance practice. Let me also emphasize that the proposed amendments neither have budgetary implications nor are they aimed at creating a new governance structure nor damaging, in any way, the unity of the Secretariat of the Assembly. The proposed amendments are based on the decisions of the Assembly, which created the current workable setup that allows the Committee to deliver quality advice to the Assembly and to the Court. The proposed amendments are also a reflection of the established practices of the Committee from similar international organizations such as the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and the United Nations Administrative and Budgetary Committee (Fifth Committee). The Committee emphasizes that dedicated services provided by the Executive Secretary who is responsible and accountable to the Committee has always been required to keep delivering quality advice to the Assembly and to the Court. Changing the current setup without full consideration, would weaken the efficacy of the work of the Committee and could run the risk of reducing the ability of the Committee to provide technically sound quality advice to the Assembly in a timely matter.

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**Mr President,**

I will conclude my statement by underlining that we will continue providing expert recommendations to the Assembly in close coordination with the other oversight bodies and based on the guidance by the Assembly. In line with its mandate, the Committee will continue analysing budgetary, financial and administrative matters on their technical merits.

Thank you for your attention.

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