



**Seventh Meeting of the States Parties of the
Convention on Cluster Munitions
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**Statement by Dr. Palma D'Ambrosio
Deputy Permanent Representative of Italy to the Conference on Disarmament**

Review of the ISU Financial Procedures

Mr. President,

First of all, I would like to thank Bosnia and Herzegovina and Switzerland for their report on elements for the review of the financial procedures on the financing of the ISU. We are aware that this report is the fruit of an intense work, made in consultation with all interested stakeholders, which we greatly value.

Italy has been since the very beginning a strong supporter of the ISU and we have consistently contributed to its financing throughout the years. We were also involved in the debate which led to the adoption of the financial procedures decision by the First Review Conference of 2015.

In 2016 we contributed to the ISU budget with an amount equaling the sum requested to us under categories 7a and 7b of the Decision. We are doing the same in the current year, with funds being transferred in the next few weeks. However, we are among those States considering categories 7a and 7b as being of a different nature. In particular, as Italy clarified in the declarations and reservations attached to the RevCon Final Document, we continue to consider contributions under 7b as fully voluntary in nature.

More generally, our view is that the financial procedures adopted in 2015 were the result of a creative attempt to reach a compromise among the different views of the membership on the financial model for the ISU, as well as of the flexibility shown by many delegations in order to find a solution. We are aware that there is room for improvement. However, given that these procedures have been applied only over one full financial cycle, we think that we need more time to understand whether and how they should be amended for better results. For this reason, we think that the recommendation contained in para. 40 of the draft final report to review the procedures at the second Review Conference is a wise one.

At the same time we trust that we can immediately identify ways to improve the implementation of the current financial model and, in so doing, hopefully encourage States that have not yet done so to contribute to the ISU budget.

In this regard, we support the measures contained in para. 2 of Annex I of the draft final report. Even though such measures are unlikely to impact on Italy's procedures and time-frame for the allocation and transfer of funds to the ISU, we understand that they can be helpful for other States Parties, thus contributing to the overall effectiveness of the system.

Mr. President,

Let me conclude by highlighting the importance of the principle of ownership, duly reflected in the draft final report, which seems to be challenged by the fact that in 2016 contributions to the ISU were made by fewer than half of the CCM States Parties. We believe that – independently of the voluntary or obligatory nature of contributions – we all have a moral obligation to provide the ISU with adequate resources, to allow it to effectively support implementation by the membership and work for the fulfillment of the goals of this Convention.

Thank you.