



## Meeting of States Parties

Distr.: General  
9 April 2021

Original: English

---

### Thirty-first Meeting

New York, 21–25 June 2021

Item 11 (b) of the provisional agenda\*

**Consideration of administrative and budgetary matters of the International Tribunal for the Law of the Sea: report of the external auditor for the financial period 2019–2020**

### **Report of the external auditor for the financial period 2019–2020, with financial statements of the International Tribunal for the Law of the Sea as at 31 December 2020**

#### **(Presented by the Tribunal)**

1. BDO AG Wirtschaftsprüfungsgesellschaft (hereinafter “the Auditor”) audited the financial statements of the International Tribunal for the Law of the Sea for the financial period from 1 January 2019 to 31 December 2020 in February 2021 and submitted its report on 19 February 2021 (see annex). An audit of certain aspects of the Tribunal’s operational procedures was also undertaken by the Auditor, as indicated in the letter of engagement of 13 September 2019, signed by the Registrar of the Tribunal.
2. It is noted from the report that the Auditor was of the view that, on the basis of the knowledge obtained in the audit, the accompanying financial statements complied, in all material respects, with the Financial Regulations and Rules of the Tribunal and gave a true and fair view of the Tribunal’s assets, liabilities and financial position as at 31 December 2020 and of its financial performance in accordance with those Financial Regulations and Rules.
3. Financial regulation 12.8 stipulates that “the Tribunal shall examine the financial statements and the audit reports and shall forward them to the Meeting of States Parties, with such comments as it deems appropriate.”

---

\* SPLOS/31/L.1.



## Annex

### **Report of the external auditor for the financial period 2019–2020, with financial statements of the International Tribunal for the Law of the Sea as at 31 December 2020**

#### Contents

	<i>Page</i>
I. Audit engagement .....	3
II. Report of the independent Auditor .....	3
III. Subject of the audit .....	5
IV. Nature and scope of the audit .....	6
V. Explanations related to the accounting .....	7
VI. Findings from the extended scope of the audit engagement .....	8
VII. Concluding statement and signature of the Auditors .....	8

#### Appendices

I. Financial statements of the International Tribunal for the Law of the Sea .....	9
Statement of income, expenditures and changes in reserves and fund balances for the period from 1 January 2019 to 31 December 2020 .....	9
Statement of assets, liabilities, reserves and fund balances as at 31 December 2020 .....	10
Statement of cash flows for the biennium 2019–2020 .....	11
Notes to the financial statements for the period 1 January 2019 to 31 December 2020 .....	12
II. Financial report for the financial period 1 January 2019 to 31 December 2020 .....	19
III. Budget performance report for the period 2019–2020, as at 31 December 2020 .....	22
IV. Status of contributions to the International Tribunal for the Law of the Sea for the 1996/97 to 2019–2020 financial periods, as at 31 December 2020 .....	24
V. Performance reports for grants given to the International Tribunal for the Law of the Sea ...	31
A. Nippon Foundation grant for the period from 1 January 2019 to 31 December 2020 ...	31
B. Trust fund for the law of the sea for the period from 1 January 2019 to 31 December 2020.	32
C. Republic of Korea trust fund for the period from 1 January 2019 to 31 December 2020 ...	33
VI. Audit procedures and results of additional audit scope .....	34

*Note:* Differences may arise through the use of rounded amounts and percentages.

## I. Audit engagement

At the twenty-eighth Meeting of the States Parties to the United Nations Convention on the Law of the Sea, held from 11 to 14 June 2018, we were appointed as auditors of the International Tribunal for the Law of the Sea, Hamburg, for the financial period from 1 January 2019 to 31 December 2020. Thereupon, the Registrar of the Tribunal engaged us to audit the financial statements of the Tribunal for the period from 1 January 2019 to 31 December 2020 in accordance with the Financial Regulations and Rules of the Tribunal.

In accordance with paragraph 321 (4 a) of the German accounting law, we confirm that we observed the applicable independence requirements while auditing the financial statements.

The present report is solely intended for the Tribunal.

We have prepared the present audit report in accordance with the German generally accepted standards for reporting on the audits of financial statements promulgated by the Institute of Public Auditors in Germany.

The performance of the engagement and our responsibilities – also towards third parties – are governed by the special terms and conditions of the Auditor and the general terms of engagement for German public auditors and public audit firms, as amended on 1 January 2017 (see [SPLOS/192](#), annex I, appendix VI).

## II. Report of the independent Auditor

We have included the accompanying financial statements of the International Tribunal for the Law of the Sea, Hamburg, for the period from 1 January 2019 to 31 December 2020 in the present report (see appendix I). They comprise the statement of income, expenditures and changes in reserve and fund balances, the statement of assets, liabilities, reserves and fund balances, the statement of cash flows and the notes to the financial statements, in the versions for which the qualified audit opinion was signed and issued in Lübeck on 19 February 2021.

### To the International Tribunal for the Law of the Sea

We have audited the accompanying financial statements of the International Tribunal for the Law of the Sea, Hamburg, which comprise the statement of income, expenditures and changes in reserve and fund balances, the statement of assets, liabilities, reserves and fund balances, the statement of cash flows and the notes to the financial statements, including the presentation of the recognition and measurement policies.

### Audit opinion

In our opinion, on the basis of the knowledge obtained in the audit, the accompanying financial statements comply, in all material respects, with the Financial Regulations and Rules of the Tribunal, and give a true and fair view of the assets, liabilities and financial position of the Tribunal as at 31 December 2020 and of its financial performance in accordance with those Financial Regulations and Rules.

### Basis for the audit opinion

We conducted our audit of the financial statements in accordance with the German generally accepted standards for financial statement audits promulgated by the Institute of Public Auditors in Germany. Our responsibilities under those

requirements and principles are further described in the relevant section below. We are independent of the Tribunal, in accordance with the requirements of German professional law, and we have fulfilled our other German professional responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Registrar's responsibilities with regard to the financial statements**

The Registrar is responsible for the preparation of financial statements that comply, in all material respects, with the Financial Regulations and Rules of the Tribunal, and that give a true and fair view of the assets, liabilities, financial position and financial performance of the Tribunal. In addition, the Registrar is responsible for such internal control as has been deemed necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Registrar is responsible for assessing the Tribunal's ability to continue as a going concern. The Registrar is also responsible for disclosing, as applicable, matters related to the going concern and for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

#### **Auditor's responsibilities with regard to the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our audit opinion on the financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in compliance with the German generally accepted standards for financial statement audits promulgated by the Institute of Public Auditors in Germany will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

We exercise professional judgment and maintain professional scepticism throughout the audit. We also perform the following activities:

- Identify and assess the risks of material misstatements in the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery and intentional omissions, misrepresentations or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the systems of the Tribunal.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Tribunal's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Tribunal to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and assess whether the financial statements present the underlying transactions and events in a manner such that the financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Tribunal in compliance with German legally required accounting principles.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### III. Subject of the audit

The subjects of our audit were the accounting and the financial statements, comprising the statement of income, expenditures and changes in reserves and fund balances, the statement of assets, liabilities, reserves and fund balances, the statement of cash flows and the notes to the financial statements, prepared in accordance with the Financial Regulations and Rules of the Tribunal.

The scope of the audit was extended with respect to the examination of certain aspects of operating procedures for the financial period from 1 January 2019 to 31 December 2020, at the request of the Tribunal. The extended audit scope included the following:

- Whether the expenses incurred during the financial period were in accordance with the appropriations approved by the Meeting of States Parties;
- Whether expenditures incurred had been properly authorized by the party designated for that purpose in the Rules of the Tribunal or the Financial Regulations and Rules of the Tribunal;
- Whether staff and persons paid by the Tribunal had been recruited or engaged in the manner provided for in the Rules of the Tribunal or the Staff Regulations and Rules of the Tribunal;
- Whether goods and services had been procured in accordance with the procedures provided for in the Financial Regulations and Rules of the Tribunal;
- Whether goods and services that had been procured were in line with the approved budget, properly recorded and not excessive, having regard to circumstances and the functions of the Tribunal;
- Whether the grants given to the Tribunal by the Nippon Foundation and the trust fund for the law of the sea and maintained in separate trustee accounts were administered in accordance with the relevant memorandums and terms of reference.

## IV. Nature and scope of the audit

With regard to the nature and scope of the engagement performed, we refer to the general description of the basis for the audit opinion and the responsibilities of the Auditor for the audit of the financial statements and the management report in the relevant sections of the report of the Auditor, which is set out in section II of the present report. In that regard, we provide further explanations in the following paragraphs.

### Risk- and system-based audit approach

Our risk-based audit approach, which also complies with international auditing standards, is based on the development of an audit strategy. The risk assessment thereby required is based on the assessment of the Tribunal’s position, the business risks and environment and the accounting-related internal control system of the Tribunal.

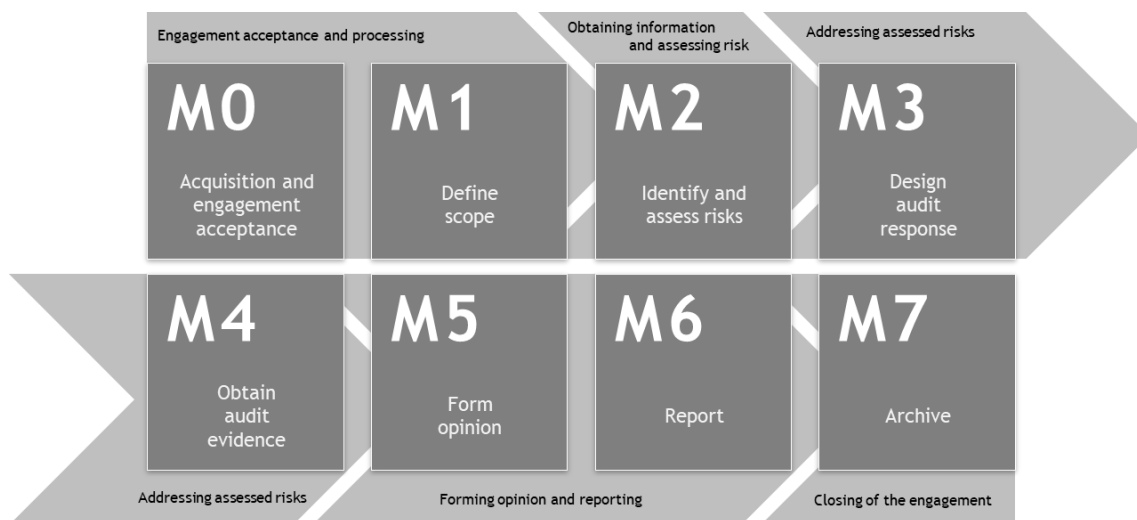
While assessing the risk of material misstatements in the financial statements, we identified and assessed risks at both the financial statement level and at the assertion level. Moreover, we categorized those risks into different types of risks, highlighting significant risks requiring special consideration during the audit and risks for which substantive procedures alone do not provide sufficient appropriate audit evidence. By definition in the auditing standards, significant risks also include the risk of management overriding controls, as well as the risk of fraud in revenue recognition.

On the basis of our risk assessment, we determined the relevant audit areas and criteria (financial statement assertions), as well as the key audit areas, and developed audit programmes. The nature and scope of the various audit procedures were detailed in the audit plan.

The audit procedures for obtaining audit evidence comprised tests of design, substantive analytical procedures and tests of details (i.e. other substantive procedures) for the audit areas selected. Materiality aspects were thereby taken into consideration.

### Description of the audit process

We subcategorized our audit process into milestones, beginning with acquisition and engagement acceptance and concluding with the archiving of documents and closing of the engagement. The milestones are illustrated in the figure below.



The milestones depicted take into account the German generally accepted standards for financial statement audits promulgated by the Institute of Public

Auditors in Germany. Accordingly, we initially performed an audit of the appropriateness of the accounting-related internal control system of the entity (design evaluation). On the basis of the knowledge we had obtained from examining the design and implementation of the accounting-related internal controls for assessing the risk of material misstatement, we defined and specified the nature, scope and timing of the tests of controls, the analytical audit procedures and the tests of details to be performed for specific audit objectives.

All audit procedures were conducted using a sample of specifically or representatively selected elements. Each sample was selected based on the knowledge we had obtained from evaluating the accounting-related internal control system, as well as on the nature and extent of the business transactions.

The key audit areas we focused on were as follows:

- Audit of the financial reporting closing process
- Design, implementation and effectiveness of the internal controls in the processes relating to contributions and expenditures
- Cash and term deposits
- Contribution receivables from States parties
- Contributions received in advance
- Surrender of savings from prior years
- Obligations, current period
- Major expenditures

For the tests of details, we obtained bank balance confirmations or statements from the banks of the Tribunal.

We performed the audit in May 2020 (interim audit) and February 2021, closing on 19 February 2021.

At the conclusion of the audit, the Registrar of the Tribunal provided us with a letter of representation, dated 19 February 2021, in which the Registrar confirmed the completeness of all explanations and evidence made available to us, as well as of the accounting and the financial statements. The Registrar provided us with all explanations and evidence requested.

## **V. Explanations related to the accounting**

### **Accounting standards**

The financial statements for the financial period from 1 January 2019 to 31 December 2020 audited by us are attached to the present report (see appendix I). In our opinion, based on the findings of our audit, they comply with the Financial Regulations and Rules of the Tribunal.

The statement of income, expenditures and changes in reserves and fund balances, the statement of assets, liabilities, reserves and fund balances and the statement of cash flows were properly derived from the bookkeeping and the underlying audited documents. The opening balance sheet figures were properly carried over from the prior period's financial statements. The recognition, presentation and measurement regulations applicable to the Tribunal were adhered to. The notes to the financial statements include all required disclosures and explanations, as well as additional requirements.

### **Material measurement bases**

The accounting policies and the measurement methods are described in the notes to the financial statements (see appendix I).

Based on our examination, the accounting principles used by the Tribunal were applied on a basis consistent with that of the preceding financial period. In the following paragraph, we outline those accounting policies and measurement methods that we believe to be material.

Consistent with prior financial periods, expenditures are accounted for on an accrual basis except for those relating to staff entitlements and pension obligations for the judges of the Tribunal, which are accounted for on a cash basis. Therefore, no provisions are made for any future liabilities arising from staff entitlements due to repatriation, accumulated annual leave, compensatory time and pension to judges in the financial statements of the Tribunal, as explained in the notes to the financial statements (see appendix I). The amounts of contingent liabilities arising from accumulated annual leave and entitlements due to repatriation are disclosed as contingent liabilities in the notes of the financial statements. The amounts of contingent liabilities arising from pension scheme costs for judges are not disclosed in the notes to the financial statements, since no actuarial calculation of the pension obligations have been prepared yet.

## **VI. Findings from the extended scope of the audit engagement**

The examination of the operational procedures, including the administration of the Nippon Foundation grant, the trust fund for the law of the sea and the Republic of Korea trust fund, did not lead to any reservation. We refer to our audit procedures and explanations in appendix VI.

## **VII. Concluding statement and signature of the Auditors**

We confirm that we have performed our financial statement audit in compliance with the applicable regulations on independence.

We have compiled the present report on the audit of the financial statements of the International Tribunal for the Law of the Sea, Hamburg, for the financial year from 1 January 2019 to 31 December 2020, in compliance with the legal regulations and the German generally accepted standards for reporting on audits of financial statements set out in the current version of auditing standard 450 promulgated by the Institute of Public Auditors in Germany.

The Auditor's report issued by us is set out in section II of the present report.

Lübeck, 19 February 2021

BDO AG  
Wirtschaftsprüfungsgesellschaft

*(Signed)* **(Lüthje)**  
Wirtschaftsprüferin  
(German Public Auditor)

*(Signed)* **(Wißmann)**  
Wirtschaftsprüferin  
(German Public Auditor)



## Appendix I

### Financial statements of the International Tribunal for the Law of the Sea

#### Statement of income, expenditures and changes in reserves and fund balances for the period from 1 January 2019 to 31 December 2020

	<i>Note</i>	<i>2019–2020 (in euros)</i>	<i>2017–2018 (in euros)</i>
<b>Income</b>	3		
Assessed contributions (appendix I)		20 521 200	21 119 904
Other income			
Savings due to cancellation of prior period obligations		25 109	27 514
Gains and losses on exchange		(20 368)	(2 918)
Miscellaneous income		3 668	57
Interest income		–	1 244
<b>Total income</b>		<b>20 529 609</b>	<b>21 145 801</b>
<b>Expenditures</b>	4		
Total expenditures and obligations (appendix II)		(19 922 263)	(18 105 109)
<b>Excess of income over expenditures</b>		<b>607 346</b>	<b>3 040 692</b>
<b>Final excess of income over expenditures</b>		<b>607 346</b>	<b>3 040 692</b>
<b>Movement in reserves</b>			
Surrender to States parties		(2 956 912)	–
<b>Total in movement in reserves</b>		<b>(2 349 566)</b>	<b>3 040 692</b>
Fund balances at the beginning of financial period		6 380 185	3 339 493
<b>Fund balances as at 31 December 2020</b>		<b>4 030 619</b>	<b>6 380 185</b>

## Statement of assets, liabilities, reserves and fund balances as at 31 December 2020

	<i>Note</i>	<i>31 December 2020 (in euros)</i>	<i>31 December 2018 (in euros)</i>
<b>Assets</b>			
Cash and term deposits		7 951 562	8 272 322
Contributions receivable from States parties		1 618 438	1 244 356
Tax reimbursements due		115 113	77 760
Accounts receivable – other		54 207	83 146
Prepaid expenses		98 182	69 361
<b>Total assets</b>		<b>9 837 502</b>	<b>9 746 945</b>
<b>Liabilities</b>			
	7		
Contributions received in advance		2 219 639	2 963 996
Surrender of savings from prior years		2 969 909	17 058
Obligations, current period		536 904	384 027
Staff assessment special account		33	37
Accounts payable		80 398	1 642
<b>Total liabilities</b>		<b>5 806 883</b>	<b>3 366 760</b>
<b>Net assets</b>		<b>4 030 619</b>	<b>6 380 185</b>
<b>Reserves and fund balances</b>			
	8		
Working Capital Fund		1 309 132	1 309 132
Prior-period gains reserve		2 114 141	2 030 361
Excess of income over expenditures		607 346	3 040 692
<b>Total reserves and fund balances</b>		<b>4 030 619</b>	<b>6 380 185</b>
<b>Total reserves</b>		<b>4 030 619</b>	<b>6 380 185</b>

## Statement of cash flows for the biennium 2019–2020

	<i>2019–2020 (in euros)</i>	<i>2017–2018 (in euros)</i>
<b>Cash flows from operating activities</b>		
Net excess (shortfall) of income over expenditures	607 346	3 040 692
(Increase) decrease in contributions receivable	(374 082)	(233 159)
(Increase) decrease in tax reimbursements due	(37 353)	(27 761)
(Increase) decrease in other accounts receivable	28 939	(7 141)
(Increase) decrease in prepaid expenses	(28 821)	(43 181)
Increase (decrease) in obligations, current period	152 877	47 983
Increase (decrease) in contributions received in advance	(744 357)	527 416
Increase (decrease) in accounts payable	78 756	(28 460)
<i>Less: interest income</i>	–	(1 244)
<b>Net cash from operating activities</b>	<b>(316 695)</b>	<b>3 275 145</b>
<b>Cash flows from investing and financing activities</b>		
<i>Plus: interest income</i>	–	1 244
<b>Net cash from operating investing and financing activities</b>	<b>(316 695)</b>	<b>3 276 389</b>
<b>Cash flows from other sources</b>		
Increase (decrease) in Working Capital Fund	–	–
Increase (decrease) in prior-period gains reserve	(2 956 912)	–
Increase (decrease) in surrender of savings from prior years	2 952 847	(1 833 107)
<b>Net increase (decrease) in cash and term deposits</b>	<b>(320 760)</b>	<b>1 443 282</b>
<b>Cash and term deposits at beginning of period</b>	<b>8 272 322</b>	<b>6 829 040</b>
<b>Cash and term deposits at end of period</b>	<b>7 951 562</b>	<b>8 272 322</b>

## Notes to the financial statements for the period 1 January 2019 to 31 December 2020

### Note 1

#### Statement of the objectives and activities of the Tribunal

The International Tribunal for the Law of the Sea is an international judicial body established by the United Nations Convention on the Law of the Sea to adjudicate disputes concerning the interpretation or application of the Convention. It began its activities in 1996. The Tribunal is open to States parties to the Convention and, in certain cases, to entities other than States parties (such as international organizations and natural or juridical persons). The jurisdiction of the Tribunal comprises all disputes submitted to it in accordance with the Convention. It also extends to all matters specifically provided for in any other agreement which confers jurisdiction upon the Tribunal. The Tribunal is composed of 21 independent members elected by the States parties to the Convention. It is assisted by a Registry consisting of 38 staff members.

### Note 2

#### Summary of significant accounting policies

On 12 June 2003, the thirteenth Meeting of States Parties adopted the Financial Regulations of the Tribunal, which became effective on 1 January 2004 and have been applied to the 2005–2006 financial period and subsequent financial periods (see [SPLOS/100](#)). Pursuant to financial regulation 10.1 (a), the Tribunal adopted its Financial Rules in 2004. The States parties took note of the Financial Rules at their fourteenth Meeting, in 2004. The Financial Rules became effective on 1 January 2005.

#### Financial period

Pursuant to financial regulation 2, the financial period shall consist of two consecutive calendar years. In the present report, that period is from 1 January 2019 to 31 December 2020.

#### Currency of accounts

Pursuant to financial regulation 11.2, the accounts of the Tribunal are presented in euros.

#### Foreign currency transactions

Transactions in currencies other than the euro are converted into the euro using the United Nations operational rates of exchange, except for assessed contributions paid in United States dollars. For the contributions paid in United States dollars, the conversion into euros is made at the most favourable rate of exchange available to the Tribunal on the date of the payment, in accordance with financial rule 105.2.

The differences in exchange rates which may occur between the date of recording and the date of settling the transactions are recorded in the statement of income, expenditures and changes in reserves and fund balances as gains or losses on exchange.

Assets and liabilities in currencies other than the euro are revalued at the end of the financial period at the prevailing United Nations operational rates of exchange. The revaluation amounts are recorded in the statement of income, expenditures and changes in reserves and fund balances as gains or losses on exchange.

## Income

Income consists of assessed contributions from the States parties. Contributions for the two-year financial period are assessed as 50 per cent in year one and 50 per cent in year two. All other income received by the Tribunal is classified as miscellaneous income and is included as general resources (see note 3).

## Expenditures

All the expenditures of the Tribunal are recorded against allocated lines of budgetary appropriation.

Expenditures of the Tribunal are recorded on an accrual basis, except for those relating to staff entitlements, which are recorded on the basis of cash disbursements. No provision is made for any future liabilities arising from staff entitlements due to repatriation or accumulated annual leave or from pension entitlements of the members of the Tribunal (see note 5).

## Assets and liabilities

All funds received are deposited into the Tribunal's bank accounts, including those under special account arrangements, and are reflected as cash holdings. Non-expendable equipment (especially computer hardware and software) is not included in the assets but is charged against the current appropriations when acquired. A separate listing of non-expendable equipment is maintained for monitoring purposes. Assets are valued at nominal value. Liabilities are valued at the repayment value.

## Working Capital Fund

The eighth Meeting of States Parties, held in 1998, authorized the establishment of a working capital fund to ensure continuity of operation in the event of temporary shortfalls in funds, and to provide the Tribunal with the necessary financial means to deal with cases, in particular those involving urgent proceedings (see [SPLOS/31](#)).

The Working Capital Fund was established to ensure financial resources for the Tribunal to meet short-term liquidity problems pending receipt of contributions. The current amount of the Working Capital Fund available to the Tribunal is €542,118, which was converted from \$650,000 in November 2005 in accordance with the Financial Regulations of the Tribunal. It represents 2.64 per cent of the approved budget of the Tribunal for 2019–2020.

In addition to the amount of €542,118 referred to above, the twelfth Meeting of States Parties, in 2002, approved, on an exceptional basis, the appropriation of \$500,000 (being part of the savings from the 2001 financial period) to the Working Capital Fund of the Tribunal, in order to provide the Tribunal with the necessary financial means, in the event of temporary shortfalls in funds, to deal with cases whenever the cost could not be met from the funds allocated for case-related costs or from the transfer of funds between appropriation sections (see [SPLOS/89](#)). This amount was converted into €417,014 in November 2005, in accordance with the Financial Regulations of the Tribunal.

In June 2014, the twenty-fourth Meeting of States Parties decided, on an exceptional basis, to transfer an amount of €350,000 from the 2011–2012 cash surplus to the Working Capital Fund, to cover the cost of considering cases that cannot be met from the funds allocated for case-related costs (see [SPLOS/275](#)).

On that basis, the total Working Capital Fund currently stands at €1,309,132, of which €767,014 may be used to cover case-related costs.

**Note 3  
Income**

The Tribunal's income in the financial period 2019–2020 totalled €20,529,609.

Total income includes assessed contributions from 168 States parties (including the European Union), totalling €20,521,200.

It also includes:

(a) Savings due to the cancellation of prior-period obligations, in the amount of €25,109;

(b) A net loss of €20,368, from gains and losses on exchange resulting from foreign currency transactions and revaluations of foreign currency account balances;

(c) Net miscellaneous income of €3,668, which includes adjustments to staff entitlements in previous periods, refunds from water suppliers and a library vendor, sales of ties and pens and non-refundable value added tax (tax amount less than €25).

**Note 4  
Expenditure**

The budget for the financial period 2019–2020, in the amount of €20,521,200, was approved by the twenty-eighth Meeting of States Parties, in June 2018 (see [SPLOS/322](#)).

Budget estimates for staff salaries and judges' allowances were based on the United States dollar/euro exchange rate of 0.815 in March 2018. At the end of the financial period, the exchange rate between the United States dollar and the euro was also 0.815. During the financial period 2019–2020, the United States dollar/euro exchange rate varied between 0.815 and 0.921. The majority of the Tribunal's expenditures were not significantly affected by the fluctuation in the exchange rate, since most of the expenditures were made in euros, and payments to judges and staff members were subject to an adjustment mechanism which has the effect of largely absorbing the fluctuations of the United States dollar against the euro. However, the appropriations for the judges' pension scheme and for the representation allowance were calculated using the United States dollar as reference currency. Consequently, although the provision for section 2, "Judges' pension scheme", was sufficient in spite of the fluctuations in the exchange rate, section 4, "Representation allowance", shows a small negative balance of €268.

The overall expenditure under section 1, "Judges", exceeded the approved appropriations by €109,944. In particular, the expenditure in the budget line "annual allowance" increased, leading to a negative balance of €267,433. The overexpenditure in this budget line was due to multiple revisions of the post adjustment for Hamburg during the financial period. The overexpenditure in the budget line "annual allowance" could partly be compensated for in part by underexpenditures in other budget lines ("special allowances" and "travel to sessions") in the same section. The savings in the budget lines "special allowances" (€59,785) and "travel to sessions" (€69,266) were due to the travel restrictions imposed during the coronavirus disease (COVID-19) pandemic, when judges were prevented from travelling to Hamburg and were thus not paid the daily subsistence allowance.

Section 3, "Staff costs", shows overexpenditures in three budget lines. The budget line "established posts" shows an overexpenditure in the amount of €64,179, owing to the above-mentioned revision of the post adjustment for Hamburg, which had an impact on the salaries of staff in the Professional and higher categories. The overexpenditure in the amount of €14,349 in the budget line "temporary assistance for meetings" is due to the fact that two local interpreters who had been working for

the Tribunal for many years retired in 2019. Non-local interpreters to whom a daily subsistence allowance is payable had to be hired, which had not been provided for in the budget. In addition, the daily subsistence allowance rate for Hamburg was raised from €266 in March 2018, when the budget was drafted, to €306 in January 2019 and €309 in March 2020. The budget line “general temporary assistance” shows an overexpenditure of €1,970, which was due to certain unpredicted charges levied by the United Nations for salary surveys to be conducted. The above-mentioned overexpenditures can be absorbed through transfers of appropriations within section 3, the balance of which stands at €131,675.

Section 4, “Representation allowance”, which is based on amounts calculated in United States dollars, shows an overexpenditure of €268, due entirely to the temporary depreciation of the euro against the United States dollar during the financial period.

The expenditure level of section 5, “Official travel”, was approximately 50 per cent, owing to the travel restrictions imposed in connection with the COVID-19 pandemic. The balance in section 5 amounts to €94,265.

Under part C, “Case-related costs”, a provision of €2,690,100 was included to cover the costs relating to the final deliberations in respect of Case No. 25 (*The M/V “Norstar” Case (Panama v. Italy)*) and to enable the Tribunal to deal with two urgent proceedings in 2019–2020. In 2019, the Tribunal completed its consideration of Case No. 25 and delivered its judgment on 10 April. In addition, two urgent proceedings were dealt with in 2019: Case No. 26 (*Case concerning the detention of three Ukrainian naval vessels (Ukraine v. Russian Federation), Provisional Measures*) and Case No. 27 (*The M/T “San Padre Pio” Case (Switzerland v. Nigeria), Provisional Measures*). The Tribunal delivered its orders on Case No. 26 on 25 May 2019 and on Case No. 27 on 6 July 2019. In the second half of 2020, the case-related provision was used to finance the costs related to the consideration of the preliminary objections raised by Maldives in Case No. 28 (*Dispute concerning delimitation of the maritime boundary between Mauritius and Maldives in the Indian Ocean (Mauritius/Maldives)*), submitted to a Special Chamber established by the Tribunal to deal with the case. The Tribunal was able to accommodate the costs related to the additional case load owing to the Registry’s efficient planning and the fact that the meetings for Case No. 25 and those for the two urgent proceedings were slightly shorter than anticipated. An overexpenditure in the amount of €8,103 occurred in the budget line “temporary assistance for meetings” under Section 13, “Staff costs”, of the case-related part of the budget. The overexpenditure was due to the additional case submitted to the above-mentioned Special Chamber and the corresponding high demand for temporary assistance, as well as the above-mentioned increase in the daily subsistence allowance paid to the temporary linguistic staff. The overexpenditure can be compensated for by a transfer of appropriations within the same section.

The above-mentioned overexpenditures in section 1, “Judges”, and section 4, “Representation allowance”, were absorbed by making transfers between appropriation sections under financial regulation 4.6, in accordance with the authorization given to the Registrar by the thirtieth Meeting of States Parties (see [SPLOS/30/17](#)).

In total, an amount of €19,922,264 was charged against the 2019–2020 approved appropriations and resulted in savings amounting to €598,936. The corresponding performance rate is 97.08 per cent.

## Note 5

### Contingent liability

A net contingent liability for staff benefits as at 31 December 2020, amounting to €553,125, consists of the following:

<i>Contingent liability</i>	<i>Amount (in euros)</i>
Accumulated annual leave	356 077
Entitlement due to repatriation	197 048
<b>Total</b>	<b>553 125</b>

All contingent expenditures are charged against the budget appropriations in the period when actual payments are made. A record of all commitments for future periods, which are to constitute the first charges against relevant appropriations once these are approved by the Meeting of States Parties, is maintained in the financial statements. In accordance with the Staff Regulations and Rules of the Tribunal, the contingent liability reflected above is based on net remuneration.

In addition to the above-mentioned contingent liabilities, there is a liability for pension scheme costs for the elected members of the Tribunal. However, these expenditures are charged against the budget appropriations in the period when actual payments are made.

## Note 6

### Accounts receivable

Contributions receivable from States parties as at 31 December 2020 total €1,618,438, as detailed below. The amount overdue from assessed contributions for the 2019–2020 financial period totals €1,289,090.

The Tribunal has maintained its collection efforts, resulting in a reduction of overdue balances with respect to the financial periods 1996/97 to 2017–2018. The amount of outstanding contributions for the financial periods 1996/97 to 2017–2018 currently stands at €329,348, which is €915,008 less than the amount of €1,244,356 registered at 31 December 2018.

<i>Year of assessment</i>	<i>31 December 2020 amount (in euros)</i>	<i>31 December 2018 amount (in euros)</i>
1996/97	5 592	5 780
1998	1 342	1 410
1999	1 832	1 910
2000	5 477	6 049
2001	6 354	6 958
2002	6 100	6 683
2003	3 987	4 498
2004	3 357	3 987
2005	6 981	8 359
2006	8 693	10 277
2007	10 129	11 835
2008	10 581	12 287
2009	11 123	12 859
2010	12 679	14 415



<i>Year of assessment</i>	<i>31 December 2020 amount (in euros)</i>	<i>31 December 2018 amount (in euros)</i>
2011	16 064	18 086
2012	17 438	19 460
2013	19 954	22 157
2014	23 731	28 559
2015	25 136	40 229
2016	28 056	43 036
2017	36 114	85 722
2018	68 627	879 800
2019	478 647	
2020	810 444	
<b>Total</b>	<b>1 618 438</b>	<b>1 244 356</b>

The asset category “tax reimbursements due”, amounting to €115,113, represents mainly refunds of value added tax.

Accounts receivable under other headings, amounting to €54,207, include an education grant advance (€4,472), advance payments to vendors (€3,152), amounts due from the German authorities (premises agreement) (€47,080), an amount due to the trust fund for the law of the sea (€8,000) and certain minor miscellaneous charges (€7,503).

Prepaid expenses in the amount of €98,182 reflect payments made towards the end of 2020 that relate to the 2021–2022 budget of the Tribunal. Accordingly, those expenses will be charged in January 2021 against the provision of the budget for 2021–2022 and will be cleared from the receivables items.

## **Note 7**

### **Liabilities**

The liabilities of the Tribunal as at 31 December 2020 include:

(a) Contributions received in advance from States parties for the 2021–2022 budget period (€2,219,639);

(b) Savings from previous financial periods, which will be surrendered once the States parties concerned have contributed in full to the respective financial periods, as follows:

(i) €1,359 from the 2005–2006 financial period (see [SPLOS/180](#));

(ii) €3,210 from the 2007–2008 financial period (see [SPLOS/203](#) and [SPLOS/217](#));

(iii) €2,894 from the 2009–2010 financial period (see [SPLOS/250](#));

(iv) €949 from the 2011–2012 financial period (see [SPLOS/275](#));

(v) €4,858 from the 2013–2014 financial period (see [SPLOS/301](#));

(c) Savings amounting to €2,956,912 from the 2017–2018 financial period, which were surrendered and deducted from the contributions of the States parties for 2021 (see [SPLOS/30/3](#));

(d) Obligations arising from goods and services procured in the 2019–2020 financial period (€536,904);

(e) The remaining amount (€33) from the staff assessment special account;

(f) Accounts payable totalling €80,398.

All savings from prior years and withholdings from staff assessment will be surrendered once the contributions of the States parties concerned for the relevant financial periods have been paid in full, in accordance with the Financial Regulations of the Tribunal.

**Note 8**

**Funds and reserves**

The Working Capital Fund currently stands at €1,309,132. This corresponds to the equivalent euro amount of the appropriation decided by the eighth, eleventh, twelfth and twenty-fourth Meetings of States Parties (see [SPLOS/31](#), [SPLOS/70](#), [SPLOS/89](#) and [SPLOS/275](#)). Of that amount, €767,014 is to be used to cover the cost of considering cases where the expenditure cannot be met by the funds allocated for case-related costs.

The prior-period gains and reserves stand at €2,114,141 and represent excess income over expenditure from previous financial periods (2005–2006 to 2017–2018), in accordance with regulation 4 of the Financial Regulations of the Tribunal.

## Appendix II

### Financial report for the financial period 1 January 2019 to 31 December 2020

#### Introduction

1. The Registrar of the International Tribunal for the Law of the Sea herewith submits the financial report for the financial period 1 January 2019 to 31 December 2020, this being the sixteenth financial period and report.

2. The financial report includes: the statement of income, expenditure and changes in reserves and fund balances for the period from 1 January 2019 to 31 December 2020 (see appendix I); the statement of assets, liabilities, reserves and fund balances as at 31 December 2020 (see appendix I); the statement of cash flows for biennium 2019–2020 (see appendix I); the budget performance report for the period 2019–2020, as at 31 December 2020 (see appendix III); and the status of contributions to the International Tribunal for the Law of the Sea for the 1996/97 to 2019–2020 financial periods, as at 31 December 2020 (see appendix IV). Appendices I, III and IV are provided in order to facilitate the review of the report by States parties. The statements are in compliance with the Tribunal's Financial Regulations and Rules. The financial report shows the financial results of the Tribunal's activities in 2019 and 2020. Elements of particular importance are summarized in the following paragraphs.

3. The cash balance of €7,951,562 as at 31 December 2020 represents a decrease compared with the cash balance at the end of 2018, which stood at €8,272,322. This decrease resulted from a decrease in the amount of contributions paid in advance, a decreased amount of the budget approved for 2019–2020 in comparison with the 2017–2018 budget and a higher level of total expenditure during the 2019–2020 financial period.

#### Income

4. Income in the 2019–2020 financial period included assessed contributions amounting to €20,521,200 from 168 States parties (including the European Union). Of the total amount of contributions for the 2019–2020 financial period, €1,289,090 was outstanding as at 31 December 2020. The balance of unpaid contributions with respect to the overall budget of the Tribunal (1996/97 to 2019–2020) amounted to €1,618,438 on that date. In addition, other net income from various sources, such as miscellaneous income and the cancellation of prior period obligations after adjustments for exchange rate losses, totalled €8,409.

5. The Tribunal has maintained its efforts to collect outstanding contributions, resulting in a reduction of overdue balances with respect to its previous budgets. However, by the end of 2020, the following amounts were still pending: €34,041 for 1996/97–2004; €15,674 for 2005–2006; €20,710 for 2007–2008; €23,802 for 2009–2010; €33,502 for 2011–2012; €43,685 for 2013–2014; €53,192 for 2015–2016; €104,741 for 2017–2018; and €1,289,091 for 2019–2020. The balance of unpaid contributions with respect to the overall budgets of the Tribunal (1996/97 to 2017–2018) therefore amounts to €1,618,438. No provision for doubtful accounts receivable for the overdue balances is envisaged under the Tribunal's Financial Regulations and Rules.

#### Expenditure

6. The expenditures of the Tribunal for the 2019–2020 financial period totalled €19,922,263, which corresponds to 97.08 per cent of the budget for the period (€20,521,200). In 2019, the Tribunal completed its consideration of Case No. 25 (*The M/V "Norstar" Case (Panama v. Italy)*) and delivered its judgment on 10 April. In addition, two urgent proceedings were dealt with in 2019: Case No. 26 (*Case concerning the detention of three Ukrainian naval vessels (Ukraine v. Russian*

*Federation*), *Provisional Measures*) and Case No. 27 (*The M/T “San Padre Pio” Case (Switzerland v. Nigeria), Provisional Measures*). The Tribunal delivered its orders on Case No. 26 on 25 May 2019 and on Case No. 27 on 6 July 2019, respectively. In September 2020, the Special Chamber established by the Tribunal to deal with the case began its consideration of the preliminary objections raised by Maldives in Case No. 28 (*Dispute concerning delimitation of the maritime boundary between Mauritius and Maldives in the Indian Ocean (Mauritius/Maldives)*). Owing to the coronavirus disease (COVID-19) pandemic, the hearings and deliberations initially planned for July 2020 had to be postponed. The judgment was to be delivered in January 2021.

7. The International Civil Service Commission revised the post adjustment for Hamburg three times during the 2019–2020 financial period. The adjustments led to increases in the judges’ remuneration. The approved appropriations for the budget line “annual allowances” were overspent by €267,433. The overexpenditure in the budget line “annual allowances” could be compensated for in part with savings from the budget lines “special allowances” (€59,785) and “travel to sessions” (€69,266). Those savings resulted from the travel restrictions imposed during the COVID-19 pandemic. The overexpenditure in section 1, “Judges”, amounts to €109,944.

8. The above-mentioned revision of the post adjustment for Hamburg also resulted in increases in the salaries of staff in the Professional and higher categories. Under section 3, “Staff costs”, the budget line “established posts” shows an overexpenditure of €64,179. It should be noted that the overexpenditure would have been higher had the vacant posts in the Registry been occupied throughout the entire 2019–2020 financial period. The budget line “temporary assistance for meetings” in the same section shows an overexpenditure due to the fact that the Tribunal is no longer able to recruit only local interpreters. In addition, the daily subsistence allowance rate for Hamburg, which is payable to non-local temporary staff, was raised from €266 in March 2018, when the budget was calculated, to €306 in January 2019 and €309 in March 2020. The budget line “general temporary assistance” shows an overexpenditure of €1,970, due to certain unpredicted charges levied by the United Nations for salary surveys to be conducted. The overexpenditure in all three budget lines could be compensated for through transfers between budget lines within section 3. The balance for the section amounted to €131,675 at the end of the financial period.

9. Section 4, “Representation allowance”, shows a negative balance of €268. The representation allowance is a United States dollar entitlement, and the negative balance is due entirely to the fluctuation between the United States dollar and the euro.

10. Owing to the travel restrictions imposed during the COVID-19 pandemic, only approximately 50 per cent of the approved appropriations for section 5, “Official travel”, was used, the unspent balance amounting to €94,265.

11. Under part C, “Case-related costs”, the budget line “temporary assistance for meetings” was overspent by €8,103. The overexpenditure is mainly due to the increase in the daily subsistence allowance rate applicable to Hamburg from €266 in March 2018, when the budget was calculated, to €309 in March 2020. It can be compensated for by the transfer of appropriations within section 13, “Staff costs”. The balance of section 13 amounts to €2,901. The total balance of part C amounts to €271,003.

12. The overall performance rate of the 2019–2020 budget stands at 97.08 per cent. The above-mentioned overexpenditures under section 1, “Judges”, and section 4, “Representation allowance”, can be absorbed by making transfers between appropriation sections under financial regulation 4.6, in accordance with the authorization given to the Registrar by the thirtieth Meeting of States Parties (see [SPLOS/30/17](#)).

### **Surrender of savings**

13. The Meeting of States Parties in December 2020 (see [SPLOS/30/17](#)) took note of the 2017–2018 cash surplus in the amount of €2,956,912. The cash surplus was

surrendered and deducted from the assessed contributions of the States parties for 2021, in accordance with regulation 4 of the Financial Regulations and Rules of the Tribunal.

### **Special accounts**

14. The Nippon Foundation grant was established in March 2007, following the signature of the Nippon Foundation grant agreement. Pursuant to the agreement between the Tribunal and the Nippon Foundation, the Foundation contributed an amount of €200,000 to the Nippon Foundation's International Tribunal for the Law of the Sea capacity-building and training programme on dispute settlement under the United Nations Convention on the Law of the Sea. In accordance with regulation 6.5 of the Financial Regulations of the Tribunal, a trust fund was subsequently established, and a special euro bank account named "Nippon Foundation grant" was set up with Deutsche Bank.

15. The Nippon Foundation made a second contribution to the grant in the amount of €200,000 in March 2008, and a third in the same amount in March 2009. Ten more contributions, in the amount of €230,000 each, were made in March 2010, March 2011, March 2012, March 2013, March 2014, March 2015, March 2016, April 2017, March 2018 and March 2020, and a contribution in the amount of €226,310 was made in March 2019. At the beginning of the financial period 2019–2020, the total reserves of the trust fund amounted to €411,338. In August 2020, an amount of €354,785 was surrendered to the Foundation. That amount represents the surpluses of the respective annual programmes between 2007 and 2018. As at 31 December 2020, the balance of the total reserves was €131,260. The audited financial statement for the Nippon Foundation grant will be circulated at the Meeting of States Parties in June 2021.

16. In October 2009, pursuant to regulation 6.5 of its Financial Regulations, the Tribunal established a trust fund for the law of the sea. The trust fund is intended to promote the advancement of human resources in developing countries in the law of the sea and maritime affairs in general. Several contributions to the trust fund were received between 2009 and 2016. Korwind, a Hamburg-based company of the Republic of Korea, working in the field of renewable energy, contributed €25,000; the Korea Maritime Institute made several contributions totalling €245,482; and a contribution in the amount of €150,000 was made by China. During the 2019–2020 financial period, two contributions from the Korea Maritime Institute, in the amount of €15,000 each, and a contribution from Cyprus, in the amount of €8,000, were received. Since July 2012, the trust fund has been used to support the Tribunal's internship programme and provide financial assistance to interns from developing countries. During the financial period 2019–2020, the trust fund was also used to finance a regional workshop held in Montevideo, in November 2019. As at 31 December 2020, the balance of total reserves stood at €202,792. The audited financial statement for the trust fund will be circulated at the Meeting of States Parties in June 2021.

17. On 28 February 2020, the Tribunal received a voluntary contribution from the Republic of Korea in the amount of \$195,595. The funds were transferred to a separate bank account and converted to €171,831. The trust fund was opened to provide financial assistance to organize a workshop for legal advisers at the Tribunal. Since March 2020, €228 in bank charges have been paid. The balance of the trust fund amounted to €171,603 as at 31 December 2020.

### **Institutional arrangements**

18. The financial records of the Tribunal have been prepared using the Infor SunSystems financial software package.

(Signed) Ximena **Hinrichs Oyarce**  
Registrar

## Appendix III

## Budget performance report for the period 2019–2020, as at 31 December 2020

(In euros)

<i>Part/ section</i>	<i>Objects of expenditure</i>	<i>2019–2020 approved budget</i>	<i>2019 disbursement (as at 31 December 2019)</i>	<i>2020 disbursement (as at 31 December 2020)</i>	<i>2019–2020 expenditure (as at 31 December 2020)</i>	<i>Balance</i>	<i>Total expenditure as a percentage of approved budget</i>	
1	<b>A</b>							1
	<b>Recurrent expenditure</b>							
2	1	<b>4 449 900</b>	<b>2 233 231</b>	<b>2 326 613</b>	<b>4 559 844</b>	<b>-109 944</b>	<b>102 47</b>	2
3	1.1	Annual allowances	3 133 400	1 667 825	1 733 008	3 400 833	-267 433	108 53
4	1.2	Special allowances	833 600	422 007	351 808	773 815	59 785	92 83
5	1.3	Travel to session	298 800	128 087	101 447	229 534	69 266	76 82
6	1.4	Common costs	184 100	15 312	140 350	155 662	28 438	84 55
7	2	<b>Judges' pension scheme</b>	<b>1 625 900</b>	<b>794 416</b>	<b>760 827</b>	<b>1 555 243</b>	<b>70 657</b>	<b>95 65</b>
8	3	<b>Staff costs</b>	<b>7 707 300</b>	<b>3 754 581</b>	<b>3 821 044</b>	<b>7 575 625</b>	<b>131 675</b>	<b>98 29</b>
9	3.1	Established posts	5 036 800	2 494 243	2 606 736	5 100 979	-64 179	101 27
10	3.4	Common staff costs	2 270 200	1 101 399	984 465	2 085 864	184 336	91 88
11	3.5	Overtime	25 000	9 877	9 723	19 600	5 400	78 40
12	3.6	Temporary assistance for meetings	192 600	92 980	113 969	206 949	-14 349	107 45
13	3.7	General temporary assistance	107 900	35 134	74 736	109 870	-1 970	101 83
14	3.8	Training	74 800	20 948	31 415	52 363	22 437	70 00
15	4	<b>Representation allowance</b>	<b>12 400</b>	<b>6 234</b>	<b>6 434</b>	<b>12 668</b>	<b>-268</b>	<b>102 16</b>
16	5	<b>Official travel</b>	<b>185 000</b>	<b>85 089</b>	<b>5 646</b>	<b>90 735</b>	<b>94 265</b>	<b>49 05</b>
17	6	<b>Hospitality</b>	<b>14 700</b>	<b>4 884</b>	<b>533</b>	<b>5 417</b>	<b>9 283</b>	<b>36 85</b>
18	7	<b>Operating expenditures</b>	<b>3 202 000</b>	<b>1 297 399</b>	<b>1 830 021</b>	<b>3 127 420</b>	<b>74 580</b>	<b>97 67</b>
19	7.1	Maintenance of premises (including security)	2 454 100	1 032 876	1 408 222	2 441 098	13 002	99 47
20	7.2	Rental and maintenance of equipment	374 500	141 070	202 391	343 461	31 039	91 71
21	7.3	Communications	194 100	75 405	107 757	183 162	10 938	94 36
22	7.4	Miscellaneous services and charges (including bank charges)	42 100	15 660	20 835	36 495	5 605	86 69
23	7.5	Supplies and materials	125 600	32 388	80 094	112 482	13 118	89 56
24	7.6	Special services (external audit)	11 600	–	10 722	10 722	878	92 43

<i>Part/ section</i>	<i>Objects of expenditure</i>	<i>2019–2020 approved budget</i>	<i>2019 disbursement (as at 31 December 2019)</i>	<i>2020 disbursement (as at 31 December 2020)</i>	<i>2019–2020 expenditure (as at 31 December 2020)</i>	<i>Balance</i>	<i>Total expenditure as a percentage of approved budget</i>	
25 8	<b>Library and related costs</b>	<b>336 400</b>	<b>165 289</b>	<b>169 751</b>	<b>335 040</b>	<b>1 360</b>	<b>99 60</b>	25
26 8.1	Library – procurement of books and publications	256 300	125 628	129 683	255 311	989	99 61	26
27 8.3	External printing and binding	80 100	39 661	40 068	79 729	371	99 54	27
28								28
29 <b>B</b>	<b>Non-recurrent expenditure</b>							29
30 9	<b>Purchase of equipment</b>							30
31 9.1	Furniture and equipment	157 500	46 434	110 204	156 638	862	99 45	31
32 11	<b>Implementation of International Public Sector Accounting Standards</b>	<b>140 000</b>	<b>7 966</b>	<b>76 571</b>	<b>84 537</b>	<b>55 463</b>	<b>60 38</b>	32
33 <b>C</b>	<b>Case-related costs</b>	<b>2 690 100</b>	<b>1 864 137</b>	<b>554 960</b>	<b>2 419 097</b>	<b>271 003</b>	<b>89 93</b>	33
34 12	<b>Judges</b>	<b>2 004 900</b>	<b>1 474 350</b>	<b>262 448</b>	<b>1 736 798</b>	<b>268 102</b>	<b>86 63</b>	34
35 12.1	Special allowances	1 509 600	1 153 811	177 037	1 330 848	178 752	88 16	35
36 12.2	Compensation to judges ad hoc	177 700	107 290	56 681	163 971	13 729	92 27	36
37 12.3	Travel to meetings, including judges ad hoc	317 600	213 249	28 730	241 979	75 621	76 19	37
38 13	<b>Staff costs</b>	<b>685 200</b>	<b>389 787</b>	<b>292 512</b>	<b>682 299</b>	<b>2 901</b>	<b>99 58</b>	38
39 13.1	Temporary assistance for meetings	651 300	373 106	286 297	659 403	-8 103	101 24	39
40 13.2	Overtime	33 900	16 681	6 215	22 896	11 004	67 54	40
41								41
<b>42</b>	<b>Total</b>	<b>20 521 200</b>	<b>10 259 660</b>	<b>9 662 604</b>	<b>19 922 264</b>	<b>598 936</b>	<b>97 08</b>	<b>42</b>

## Appendix IV

## Status of contributions to the International Tribunal for the Law of the Sea for the 1996/97 to 2019–2020 financial periods, as at 31 December 2020

(In euros)

States parties	2020 scale of assessments (percentage)	Contributions assessed				Contributions outstanding				
		Previous financial periods (1996/97 to 2015–2016)	Prior financial period <sup>a</sup> 2017–2018	Current financial period <sup>a</sup> 2019–2020	Total <sup>a</sup>	Collections	Previous financial periods <sup>b</sup> (1996/97 to 2015–2016)	Prior financial period (2017–2018)	Current financial period <sup>c</sup> (2019–2020)	Total outstanding <sup>c</sup>
Albania	0.0108	13 775	2 254	2 196	18 225	18 225	–	–	–	–
Algeria	0.1867	215 183	45 350	41 021	301 554	301 554	–	–	–	–
Angola	0.0135	18 173	2 816	2 744	23 733	20 976	–	12	2 744	2 756
Antigua and Barbuda	0.0100	14 521	2 092	2 034	18 647	15 567	–	1 046	2 034	3 080
Argentina	1.2382	1 279 270	251 258	247 968	1 778 496	1 530 529	–	–	247 967	247 967
Armenia	0.0100	12 034	2 092	2 034	16 160	16 160	–	–	–	–
Australia	2.9907	3 635 667	658 284	623 900	4 917 851	4 917 851	–	–	–	–
Austria	0.9161	1 792 414	202 808	191 683	2 186 905	2 186 905	–	–	–	–
Azerbaijan	0.0663	2 502	16 900	14 953	34 355	34 355	–	–	–	–
Bahamas	0.0244	32 301	3 944	4 393	40 638	40 637	–	–	–	–
Bahrain	0.0677	62 946	12 394	12 901	88 241	88 161	–	–	80	80
Bangladesh	0.0135	17 263	2 816	2 744	22 823	21 446	–	–	1 376	1 376
Barbados	0.0100	17 833	2 092	2 034	21 959	20 941	–	–	1 017	1 017
Belarus	0.0663	49 036	15 774	14 405	79 215	72 473	–	–	6 742	6 742
Belgium	1.1110	2 070 682	249 286	234 076	2 554 044	2 554 044	–	–	–	–
Belize	0.0100	14 386	2 092	2 034	18 512	15 432	–	1 046	2 034	3 080
Benin	0.0100	13 878	2 092	2 034	18 004	16 988	–	–	1 017	1 017
Bolivia (Plurinational State of)	0.0217	16 786	3 380	3 844	24 010	24 010	–	–	–	–
Bosnia and Herzegovina	0.0162	21 367	3 662	3 430	28 459	28 459	–	–	–	–
Botswana	0.0189	28 616	3 944	3 842	36 402	36 401	–	–	–	–
Brazil	3.9894	3 644 019	1 076 858	928 799	5 649 676	4 972 070	–	–	677 605	677 605
Brunei Darussalam	0.0338	56 006	8 168	7 408	71 582	71 582	–	–	–	–
Bulgaria	0.0622	61 384	12 676	12 488	86 548	86 548	–	–	–	–



States parties	Contributions assessed					Contributions outstanding				
	2020 scale of assessments (percentage)	Previous financial periods (1996/97 to 2015–2016)	Prior financial period <sup>a</sup> 2017–2018	Current financial period <sup>a</sup> 2019–2020	Total <sup>a</sup>	Collections	Previous financial periods <sup>b</sup> (1996/97 to 2015–2016)	Prior financial period (2017–2018)	Current financial period <sup>c</sup> (2019–2020)	Total outstanding <sup>c</sup>
Burkina Faso	0.0100	11 004	2 092	2 034	15 130	10 903	101	2 092	2 034	4 227
Cabo Verde	0.0100	14 455	2 092	2 034	18 581	18 581	–	–	–	–
Cameroon	0.0176	21 479	2 816	3 157	27 452	18 349	3 129	2 816	3 157	9 102
Canada	3.6998	4 675 521	822 784	775 919	6 274 224	6 274 224	–	–	–	–
Chad	0.0100	7 293	2 092	2 034	11 419	6 016	1 277	2 092	2 034	5 403
Chile	0.5508	438 974	112 390	110 604	661 968	661 968	–	–	–	–
China	16.2457	5 584 746	2 231 178	2 735 825	10 551 749	12 183 578	–	–	(1 631 829)	(1 631 829)
Comoros	0.0100	14 386	2 092	2 034	18 512	94	14 292	2 092	2 034	18 418
Congo	0.0100	8 153	2 092	2 034	12 279	5 288	2 865	2 092	2 034	6 991
Cook Islands <sup>d</sup>	0.0100	14 386	2 092	2 034	18 512	18 514	–	–	(2)	(2)
Costa Rica	0.0839	59 513	13 238	14 963	87 714	86 718	–	–	997	997
Côte d'Ivoire	0.0176	20 311	2 536	3 021	25 868	24 078	–	–	1 789	1 789
Croatia	0.1042	144 385	27 886	24 143	196 414	196 413	–	–	–	–
Cuba	0.1083	107 236	18 310	19 903	145 449	145 448	–	–	–	–
Cyprus	0.0487	85 545	12 112	10 838	108 495	112 629	–	–	(4 134)	(4 134)
Czechia	0.4209	546 176	96 898	89 867	732 941	732 940	–	–	–	–
Democratic Republic of the Congo	0.0135	15 345	2 254	2 471	20 070	94	15 251	2 254	2 471	19 976
Denmark	0.7497	1 076 576	164 500	156 147	1 397 223	1 397 223	–	–	–	–
Djibouti	0.0100	14 386	2 092	2 034	18 512	4 281	10 105	2 092	2 034	14 231
Dominica	0.0100	14 386	2 092	2 034	18 512	17 487	–	–	1 025	1 025
Dominican Republic	0.0717	38 815	12 958	13 588	65 361	67 316	–	–	(1 955)	(1 955)
Ecuador	0.1083	24 178	18 872	20 177	63 227	52 453	–	–	10 774	10 774
Egypt	0.2517	203 616	42 816	46 393	292 825	292 824	–	–	–	–
Equatorial Guinea	0.0217	15 040	2 816	3 570	21 426	11 758	3 282	2 816	3 570	9 668
Estonia	0.0528	40 846	10 704	10 566	62 116	66 932	–	–	(4 817)	(4 817)
Eswatini	0.0100	4 222	2 092	2 034	8 348	4 411	–	1 903	2 034	3 937
European Union <sup>e</sup>	n.a.	1 354 274	190 000	185 000	1 729 274	1 729 274	–	–	–	–
Fiji	0.0100	14 794	2 092	2 034	18 920	17 903	–	–	1 017	1 017

<i>States parties</i>	<i>Contributions assessed</i>						<i>Contributions outstanding</i>			
	<i>2020 scale of assessments (percentage)</i>	<i>Previous financial periods (1996/97 to 2015–2016)</i>	<i>Prior financial period<sup>a</sup> 2017–2018</i>	<i>Current financial period<sup>a</sup> 2019–2020</i>	<i>Total<sup>a</sup></i>	<i>Collections</i>	<i>Previous financial periods<sup>b</sup> (1996/97 to 2015–2016)</i>	<i>Prior financial period (2017–2018)</i>	<i>Current financial period<sup>c</sup> (2019–2020)</i>	<i>Total outstanding<sup>c</sup></i>
Finland	0.5697	1 122 003	128 446	120 330	1 370 779	1 370 779	–	–	–	–
France	5.9908	12 632 409	1 368 678	1 274 080	15 275 167	15 275 167	–	–	–	–
Gabon	0.0203	26 831	4 788	4 390	36 009	33 944	–	–	2 064	2 064
Gambia	0.0100	14 386	2 092	2 034	18 512	458	13 928	2 092	2 034	18 054
Georgia	0.0108	27 289	2 254	2 196	31 739	31 739	–	–	–	–
Germany	8.2413	17 524 994	1 799 646	1 712 280	21 036 920	21 036 919	–	–	–	–
Ghana	0.0203	17 867	4 506	4 254	26 627	24 322	–	–	2 305	2 305
Greece	0.4953	1 159 534	132 670	114 815	1 407 019	1 407 019	–	–	–	–
Grenada	0.0100	14 386	2 092	2 034	18 512	18 504	–	–	8	8
Guatemala	0.0487	55 005	7 888	8 786	71 679	71 552	–	–	127	127
Guinea	0.0100	14 659	2 092	2 034	18 785	94	14 565	2 092	2 034	18 691
Guinea-Bissau	0.0100	14 386	2 092	2 034	18 512	94	14 292	2 092	2 034	18 418
Guyana	0.0100	14 386	2 092	2 034	18 512	18 498	–	–	13	13
Haiti	0.0100	14 521	2 092	2 034	18 647	17 630	–	–	1 017	1 017
Honduras	0.0122	15 125	2 254	2 333	19 712	18 450	–	–	1 262	1 262
Hungary	0.2788	373 573	45 350	50 377	469 300	469 299	–	–	–	–
Iceland	0.0379	70 348	6 478	7 000	83 826	87 454	–	–	(3 628)	(3 628)
India	1.1286	957 860	207 598	215 612	1 381 070	1 381 071	–	–	–	–
Indonesia	0.7348	441 769	141 966	143 686	727 421	727 421	–	–	–	–
Iraq	0.1746	95 028	36 336	35 403	166 767	148 972	–	–	17 795	17 795
Ireland	0.5021	780 071	94 362	96 892	971 325	971 325	–	–	–	–
Italy	4.4752	10 214 774	1 055 732	967 934	12 238 440	12 626 199	–	–	(387 759)	(387 759)
Jamaica	0.0108	20 214	2 536	2 333	25 083	25 082	–	–	–	–
Japan	11.5892	30 292 170	2 726 652	2 503 056	35 521 878	35 521 878	–	–	–	–
Jordan	0.0284	26 549	5 634	5 627	37 810	32 184	–	–	5 627	5 627
Kenya	0.0325	20 913	5 070	5 765	31 748	28 446	–	–	3 302	3 302
Kiribati	0.0100	12 034	2 092	2 034	16 160	16 165	–	–	(5)	(5)
Kuwait	0.3410	415 923	80 278	73 676	569 877	569 930	–	–	(52)	(52)

States parties	Contributions assessed					Contributions outstanding				
	2020 scale of assessments (percentage)	Previous financial periods (1996/97 to 2015–2016)	Prior financial period <sup>a</sup> 2017–2018	Current financial period <sup>a</sup> 2019–2020	Total <sup>a</sup>	Collections	Previous financial periods <sup>b</sup> (1996/97 to 2015–2016)	Prior financial period (2017–2018)	Current financial period <sup>c</sup> (2019–2020)	Total outstanding <sup>c</sup>
Lao People's Democratic Republic	0.0100	13 614	2 092	2 034	17 740	15 589	–	117	2 034	2 151
Latvia	0.0636	45 155	14 084	13 309	72 548	72 548	–	–	–	–
Lebanon	0.0636	57 616	12 958	12 762	83 336	77 041	–	–	6 295	6 295
Lesotho	0.0100	9 220	2 092	2 034	13 346	0	9 220	2 092	2 034	13 346
Liberia	0.0100	7 940	2 092	2 034	12 066	1 063	6 877	2 092	2 034	11 003
Lithuania	0.0961	75 347	20 280	19 623	115 250	115 250	–	–	–	–
Luxembourg	0.0907	146 451	18 028	17 977	182 456	182 456	–	–	–	–
Madagascar	0.0100	12 727	2 092	2 034	16 853	13 685	–	1 134	2 034	3 168
Malawi	0.0100	6 208	2 092	2 034	10 334	0	6 208	2 092	2 034	10 334
Malaysia	0.4615	457 384	90 700	90 985	639 069	592 148	–	–	46 921	46 921
Maldives	0.0100	13 084	2 092	2 034	17 210	10 219	2 865	2 092	2 034	6 991
Mali	0.0100	14 585	2 092	2 034	18 711	17 594	–	–	1 117	1 117
Malta	0.0230	31 721	4 506	4 529	40 756	40 756	–	–	–	–
Marshall Islands	0.0100	14 386	2 092	2 034	18 512	15 892	–	585	2 034	2 619
Mauritania	0.0100	14 386	2 092	2 034	18 512	7 158	7 228	2 092	2 034	11 354
Mauritius	0.0149	22 735	3 380	3 156	29 271	30 579	–	–	(1 308)	(1 308)
Mexico	1.7484	3 664 866	404 210	374 150	4 443 226	4 443 224	–	–	1	1
Micronesia (Federated States of)	0.0100	14 386	2 092	2 034	18 512	17 734	–	–	778	778
Monaco	0.0149	16 528	2 816	2 882	22 226	22 226	–	–	–	–
Mongolia	0.0100	14 521	2 092	2 034	18 647	18 647	–	–	–	–
Montenegro	0.0100	9 629	2 092	2 034	13 755	12 828	–	–	927	927
Morocco	0.0744	66 475	15 210	14 958	96 643	96 643	–	–	–	–
Mozambique	0.0100	14 188	2 092	2 034	18 314	17 480	–	–	835	835
Myanmar	0.0135	18 230	2 816	2 744	23 790	23 790	–	–	–	–
Namibia	0.0122	16 870	2 816	2 606	22 292	15 850	1 020	2 816	2 606	6 442
Nauru	0.0100	14 386	2 092	2 034	18 512	18 600	–	–	(88)	(88)
Nepal	0.0100	13 835	2 092	2 034	17 961	17 962	–	–	–	–
Netherlands	1.8350	3 576 658	417 448	389 388	4 383 494	4 383 494	–	–	–	–

<i>States parties</i>	<i>Contributions assessed</i>					<i>Contributions outstanding</i>				
	<i>2020 scale of assessments (percentage)</i>	<i>Previous financial periods (1996/97 to 2015–2016)</i>	<i>Prior financial period<sup>a</sup> 2017–2018</i>	<i>Current financial period<sup>a</sup> 2019–2020</i>	<i>Total<sup>a</sup></i>	<i>Collections</i>	<i>Previous financial periods<sup>b</sup> (1996/97 to 2015–2016)</i>	<i>Prior financial period (2017–2018)</i>	<i>Current financial period<sup>c</sup> (2019–2020)</i>	<i>Total outstanding<sup>c</sup></i>
New Zealand	0.3938	505 874	75 490	76 715	658 079	618 038	–	–	40 041	40 041
Nicaragua	0.0100	13 354	2 092	2 034	17 480	18 481	–	–	(1 002)	(1 002)
Niger	0.0100	3 443	2 092	2 034	7 569	–	3 443	2 092	2 034	7 569
Nigeria	0.3383	131 465	58 870	63 000	253 335	162 317	–	28 017	63 000	91 017
Niue <sup>d</sup>	0.0100	9 629	2 092	2 034	13 755	12 738	–	–	1 017	1 017
North Macedonia	0.0100	15 088	2 092	2 034	19 214	13 315	1 773	2 092	2 034	5 899
Norway	1.0203	1 541 342	239 146	219 931	2 000 419	2 000 419	–	–	–	–
Oman	0.1556	154 394	31 830	31 287	217 511	217 510	–	–	–	–
Pakistan	0.1556	138 316	26 196	28 551	193 063	177 202	–	–	15 862	15 862
Palau	0.0100	14 279	2 092	2 034	18 405	12 287	1 992	2 092	2 034	6 118
Panama	0.0609	41 944	9 578	10 845	62 367	51 580	–	–	10 787	10 787
Papua New Guinea	0.0135	15 008	2 092	2 393	19 493	14 313	695	2 092	2 393	5 180
Paraguay	0.0217	21 843	3 944	4 118	29 905	42 493	–	–	(12 589)	(12 589)
Philippines	0.2774	204 761	46 478	50 787	302 026	302 025	–	–	–	–
Poland	1.0853	1 147 602	236 892	225 441	1 609 935	1 706 653	–	–	(96 718)	(96 718)
Portugal	0.4736	953 942	110 418	101 803	1 166 163	1 166 162	–	–	–	–
Qatar	0.3816	192 651	75 772	75 614	344 037	344 037	–	–	–	–
Republic of Korea	3.0678	3 781 787	574 344	590 964	4 947 095	4 947 097	–	–	–	–
Republic of Moldova	0.0100	9 433	2 092	2 034	13 559	14 576	–	–	(1 017)	(1 017)
Romania	0.2679	244 643	51 828	52 424	348 895	348 896	–	–	–	–
Russian Federation	3.2546	3 314 513	869 824	753 502	4 937 839	4 937 839	–	–	–	–
Saint Kitts and Nevis	0.0100	14 386	2 092	2 034	18 512	13 911	475	2 092	2 034	4 601
Saint Lucia	0.0100	14 386	2 092	2 034	18 512	18 497	–	–	15	15
Saint Vincent and the Grenadines	0.0100	14 386	2 092	2 034	18 512	19 876	–	–	(1 364)	(1 364)
Samoa	0.0100	14 386	2 092	2 034	18 512	18 543	–	–	(30)	(30)
Sao Tome and Principe	0.0100	14 386	2 092	2 034	18 512	94	14 292	2 092	2 034	18 418
Saudi Arabia	1.5860	1 511 343	322 804	318 091	2 152 238	2 220 254	–	–	(68 016)	(68 016)
Senegal	0.0100	15 068	2 092	2 034	19 194	18 111	–	–	1 083	1 083

States parties	Contributions assessed					Contributions outstanding				
	2020 scale of assessments (percentage)	Previous financial periods (1996/97 to 2015–2016)	Prior financial period <sup>a</sup> 2017–2018	Current financial period <sup>a</sup> 2019–2020	Total <sup>a</sup>	Collections	Previous financial periods <sup>b</sup> (1996/97 to 2015–2016)	Prior financial period (2017–2018)	Current financial period <sup>c</sup> (2019–2020)	Total outstanding <sup>c</sup>
Serbia	0.0379	66 608	9 014	8 232	83 854	83 854	–	–	–	–
Seychelles	0.0100	14 521	2 092	2 034	18 647	18 647	–	–	–	–
Sierra Leone	0.0100	14 386	2 092	2 034	18 512	14 568	–	1 910	2 034	3 944
Singapore	0.6563	680 737	125 910	127 905	934 552	934 553	–	–	–	–
Slovakia	0.2070	190 467	45 068	42 948	278 483	278 483	–	–	–	–
Slovenia	0.1028	181 646	23 662	21 953	227 261	227 262	–	–	–	–
Solomon Islands	0.0100	13 991	2 092	2 034	18 117	17 216	–	–	901	901
Somalia	0.0100	14 386	2 092	2 034	18 512	94	14 292	2 092	2 034	18 418
South Africa	0.3681	696 410	102 532	87 238	886 180	886 180	–	–	–	–
Spain	2.9041	5 726 564	688 142	629 599	7 044 305	7 044 306	–	–	–	–
Sri Lanka	0.0595	36 430	8 732	10 296	55 458	45 828	–	–	9 630	9 630
State of Palestine	0.0108	1 865	2 092	2 118	6 075	3 830	–	127	2 118	2 245
Sudan	0.0135	18 548	2 816	2 744	24 108	1 060	17 488	2 816	2 744	23 048
Suriname	0.0100	13 913	2 092	2 034	18 039	14 147	–	1 858	2 034	3 892
Sweden	1.2260	2 139 300	269 286	255 488	2 664 074	2 664 074	–	–	–	–
Switzerland	1.5576	1 111 796	321 114	314 380	1 747 290	1 747 290	–	–	–	–
Thailand	0.4154	171 725	81 968	82 065	335 758	335 758	–	–	–	–
Timor-Leste	0.0100	3 969	2 092	2 034	8 095	7 164	–	–	931	931
Togo	0.0100	14 453	2 092	2 034	18 579	18 579	–	–	–	–
Tonga	0.0100	14 386	2 092	2 034	18 512	18 490	–	–	22	22
Trinidad and Tobago	0.0541	62 409	9 578	10 157	82 144	85 462	–	–	(3 318)	(3 318)
Tunisia	0.0338	64 627	7 888	7 272	79 787	79 787	–	–	–	–
Tuvalu	0.0100	12 034	2 092	2 034	16 160	7 449	4 585	2 092	2 034	8 711
Uganda	0.0108	14 794	2 536	2 333	19 663	11 005	3 789	2 536	2 333	8 658
Ukraine	0.0771	154 456	29 012	21 938	205 406	205 406	–	–	–	–
United Kingdom of Great Britain and Northern Ireland	6.1803	11 833 447	1 257 132	1 239 153	14 329 732	14 329 732	–	–	–	–
United Republic of Tanzania	0.0135	15 517	2 816	2 744	21 077	18 541	–	–	2 536	2 536
Uruguay	0.1177	90 339	22 252	22 782	135 373	123 402	–	–	11 971	11 971

States parties	Contributions assessed					Contributions outstanding				
	2020 scale of assessments (percentage)	Previous financial periods (1996/97 to 2015–2016)	Prior financial period <sup>d</sup> 2017–2018	Current financial period <sup>d</sup> 2019–2020	Total <sup>a</sup>	Collections	Previous financial periods <sup>b</sup> (1996/97 to 2015–2016)	Prior financial period (2017–2018)	Current financial period <sup>c</sup> (2019–2020)	Total outstanding <sup>c</sup>
Vanuatu	0.0100	13 527	2 092	2 034	17 653	16 287	–	–	1 366	1 366
Viet Nam	0.1042	51 279	16 338	18 532	86 149	86 149	–	–	–	–
Yemen	0.0135	18 174	2 816	2 744	23 734	10 946	7 227	2 816	2 744	12 787
Zambia	0.0122	14 585	2 092	2 255	18 932	94	14 491	2 092	2 255	18 838
Zimbabwe	0.0100	16 190	2 092	2 034	20 316	2 632	13 558	2 092	2 034	17 684
<b>Total</b>	<b>100.00</b>	<b>149 973 352</b>	<b>21 119 900</b>	<b>20 521 200</b>	<b>191 614 411</b>	<b>192 215 608</b>	<b>224 606</b>	<b>104 742</b>	<b>1 289 090</b>	<b>1 618 438</b>

Abbreviation: n.a., not applicable.

<sup>a</sup> Total subject to rounding differences.

<sup>b</sup> A total of 11 States parties have not contributed in full towards the period 1996–2004. The amount outstanding for that period is €34,041. In total, 10 States parties have not yet paid any contributions towards the budgets of the Tribunal.

<sup>c</sup> Figures in brackets indicate credits being carried forward to 2021 (total: €2,219,639).

<sup>d</sup> Not a member of the United Nations; assessed with the floor rate.

<sup>e</sup> Agreed contributions in accordance with the Financial Regulations of the Tribunal. For the period 2019–2020, see [SPLOS/322](#).

## Appendix V

### Performance reports for grants given to the International Tribunal for the Law of the Sea

(In euros)

#### A. Nippon Foundation grant for the period from 1 January 2019 to 31 December 2020

	<i>2019–2020</i>
<b>Income</b>	
Grants from Nippon Foundation	456 310
Interest income	–
Gains and losses on exchange	12
<b>Net income</b>	<b>456 322</b>
<b>Expenditures</b>	
Participants (subsistence allowance, travel and insurance)	195 722
Lecturers (subsistence allowance and travel)	83 197
General administrative expenses	64 805
Non-refundable taxes	1 215
Obligations	–
<b>Total expenditures</b>	<b>344 938</b>
<b>Excess of income over expenditure</b>	<b>111 384</b>
<b>Assets</b>	
Cash and term deposits	122 579
Accounts receivables	(1 189)
Prepaid expenses	9 870
<b>Total assets</b>	<b>131 260</b>
<b>Liabilities</b>	
Payable accounts	–
<b>Net assets</b>	<b>131 260</b>
<b>Reserves</b>	
Prior-period reserve	19 876
Excess of income over expenditure	111 384
<b>Total reserves</b>	<b>131 260</b>

**B. Trust fund for the law of the sea for the period from 1 January 2019 to 31 December 2020**

	<i>2019–2020</i>
<b>Income</b>	
Contributions	38 000
Interest income	–
Gain on exchange	(104)
<b>Net income</b>	<b>37 896</b>
<b>Expenditures</b>	
Internship programme	52 413
Workshops	14 282
Bank charges	854
Non-refundable taxes	16
<b>Total expenditures</b>	<b>67 565</b>
<b>Excess of income over expenditure</b>	<b>(29 669)</b>
<b>Assets</b>	
Cash and term deposits	194 792
Accounts receivables	8 000
<b>Total assets</b>	<b>202 792</b>
<b>Liabilities</b>	
Payable accounts	–
<b>Net assets</b>	<b>202 792</b>
<b>Reserves</b>	
Prior-period reserve	232 461
Excess of income over expenditure	(29 669)
<b>Total reserves</b>	<b>202 792</b>



**C. Republic of Korea trust fund for the period from 1 January 2019 to 31 December 2020**

	<i>2019–2020</i>
<b>Income</b>	
Contributions	171 831
<b>Net income</b>	<b>171 831</b>
<b>Expenditures</b>	
Bank charges	228
Obligations	–
<b>Total expenditures</b>	<b>228</b>
<b>Excess of income over expenditure</b>	<b>171 603</b>
<b>Assets</b>	
Cash and term deposits	171 603
Accounts receivables	–
<b>Total assets</b>	<b>171 603</b>
<b>Liabilities</b>	
Payable accounts	–
<b>Net assets</b>	<b>171 603</b>
<b>Reserves</b>	
Prior-period reserve	–
Excess of income over expenditure	–
<b>Total reserves</b>	<b>–</b>

## Appendix VI

### Audit procedures and results of additional audit scope

According to the assignment, we have audited the following aspects of operating procedures in addition to our audit of the financial statements of the International Tribunal for the Law of the Sea, Hamburg, for the financial period from 1 January 2019 to 31 December 2020:

(a) Whether expenses incurred during the financial period were in accordance with the appropriations approved by the Meeting of States Parties;

(b) Whether expenditures incurred had been appropriately authorized by the party designated for that purpose in the Rules of the Tribunal or the Financial Regulations and Rules of the Tribunal;

(c) Whether staff and persons paid by the Tribunal had been recruited or engaged in the manner provided for in the Rules of the Tribunal or the Staff Regulations and Rules of the Tribunal;

(d) Whether goods and services had been procured in accordance with the procedures provided for in the Financial Regulations and Rules of the Tribunal;

(e) Whether goods and services that had been procured were in line with the approved budget, properly recorded and not excessive, having regard to circumstances and the functions of the Tribunal;

(f) Whether the grants given to the Tribunal by the Nippon Foundation and the trust fund for the law of the sea and maintained in separate trustee accounts were administered in accordance with the relevant memorandums and terms of reference.

As part of our audit of the financial statements the additional procedures set out below have been performed by us.

#### 1. Approval of expenses

As instructed, we have audited whether the expenses incurred during the financial period 2019–2020 are in accordance with the appropriations approved by the Meeting of States Parties.

From the approved budget for the financial period 2019–2020 amounting to €20,521,200, a total amount of €19,922,263 was spent against approved budget lines, resulting in savings of €598,936 (see appendix III). The overall budget was underspent, with no overexpenditures incurred in the budget lines. We refer also to the explanations in the notes to the financial statements and the financial report in appendices I and II.

#### 2. Authorization of expenditures

We have audited the procedures for the authorization of expenditures as outlined in the Financial Regulations and Rules of the Tribunal and tested, on a sample basis, whether those procedures have been strictly followed by the Tribunal in all material respects.

No significant matter came to our attention as a result of the work done. In our opinion, the procedures for the authorization of expenditures were carried out in accordance with the Rules of the Tribunal and the Financial Regulations and Rules of the Tribunal.

### **3. Procedures for recruiting/engaging staff**

In the period 2019–2020 the Tribunal recruited four new staff members. We have audited, on a sample basis, whether the procedures for recruiting and engaging of the new staff members were in line with the Rules of the Tribunal or the Staff Regulations and Rules of the Tribunal.

No discrepancies came to our attention as a result of the work done. The Tribunal has carried out the procedures for recruiting and engaging staff in accordance with the Rules of the Tribunal or the Staff Regulations and Rules of the Tribunal.

### **4. Procedures for procurement of goods and services**

We have audited whether the procedures followed by the Tribunal in the order process were in line with the Financial Regulations and Rules of the Tribunal (i.e. whether they included requests for bids or tenders, fair analysis of tenders, written contracts, etc.) and tested, on a sample basis, that those procedures have been followed by the Tribunal in all material respects.

No matters came to our attention as a result of the work done. In our opinion, the procedures for the procurement of goods and services were carried out in accordance with the Financial Regulations and Rules of the Tribunal.

### **5. Examination whether goods and services which have been procured are in line with the approved budget, properly recorded and not excessive, having regard to circumstances and the functions of the Tribunal**

We conducted audit procedures to determine whether: (a) the expenditures reported for the financial period have been properly included in the statement of income and expenditures and have been charged to the appropriate budget line; and (b) the goods and services procured were necessary or not excessive with regard to circumstances and the functions of the Tribunal.

In our opinion, the expenditures for the financial period have been properly included in the statement of income and expenditures and have been charged to the appropriate budget line. The overexpenditures in the financial period could be reasonably explained and were compensated by savings under other budget lines. The equipment acquired during the financial period 2019–2020 is duly registered in the inventory list and is being used as required by the circumstances and the functions of the Tribunal.

### **6. Examination regarding the Nippon Foundation grant, the trust fund for the law of the sea and the Republic of Korea trust fund**

#### *Nippon Foundation grant*

We have audited whether the grant given to the Tribunal by the Nippon Foundation, maintained in a separate trustee account, is administered in accordance with the Nippon Foundation grant agreements.

Pursuant to the agreements, the Nippon Foundation contributed an amount of €456,310 in the period 2019–2020 to the Nippon Foundation’s International Tribunal for the Law of the Sea capacity-building and training programme on dispute settlement under the United Nations Convention on the Law of the Sea. The purpose of the grant is to finance the expenses of participations from developing countries in the aforementioned programme. The Nippon Foundation grant was invested in a special bank account.

During the financial period 2019–2020, the sum of €344,938 was withdrawn from the Nippon Foundation grant to provide funding for the programme’s activities. During the financial period, participants from several developing countries had taken part in the programme.

As at 31 December 2020, the special bank account of the Nippon Foundation grant showed a balance of €122,579.

We also refer to the performance report of the Nippon Foundation grant in appendix V.

*Trust fund for the law of the sea*

Total contributions in the amount of €38,000 were made to the trust fund, as explained in the financial report in appendix II. For the trust fund, a special bank account was set up.

During the financial period 2019–2020, an amount of €52,413 was withdrawn to provide funding for the internship programme of the Tribunal.

The special bank account shows a balance of €194,792 as at 31 December 2020.

We also refer to the performance report of the trust fund in appendix V.

*Republic of Korea trust fund*

The Republic of Korea trust fund was established in 2020. Total contributions in the amount of €171,831 were made to the trust fund, as explained in the financial report in appendix II. For the trust fund, a special bank account was set up.

During the financial period 2019–2020, an amount of €228 was withdrawn as bank charges.

The special bank account shows a balance of €171,603 as at 31 December 2020.

We also refer to the performance report of the trust fund in appendix V.

---