|  |  |  |
| --- | --- | --- |
| United Nations Commission onInternational Trade LawWorking Group III (Investor-State Dispute Settlement Reform)[xx] session[Place, date] |  |  |
|  |  |  |

 Possible reform of investor-State dispute settlement (ISDS)

 Advisory Centre

 Note by the Secretariat

Contents

[II. Establishment of an advisory centre 1](#_Toc63421278)

[**F.** **Cost and financing** 1](#_Toc63421279)

[**Annex 1 – Cost and financing (Budget model)** 10](#_Toc63421282)

 II. Establishment of an advisory centre

**F. Cost and financing**

* + 1. The Working Group requested the Secretariat to conduct preparatory work with regard to the funding of an advisory centre, taking into account the following options: (i) the advisory centre being financed by its members, by a fund established by participating developed States or voluntary contributions from other sources; and (ii) the possibility of the advisory centre charging a fee for its services or a fee to the users of ISDS (A/CN.9/1004, para. 47). Further, it was highlighted that staffing needs should be carefully considered (A/CN.9/1004, para. 37).
		2. The Working Group may wish to consider as a possible model, the Advisory Centre on WTO Law (ACWL) financial structure. The ACWL is co-financed by its developed and developing country members. The ACWL’s institutional structure is designed to ensure that the ACWL can provide its services to its developing country members and the least developed countries (LDCs) independently of any financial considerations or other influence.[[1]](#footnote-2) The Endowment Fund was created from the contributions of both the developed and developing country members. The contributions of developing countries vary with each country’s share of world trade and income per capita. LDCs are not required to contribute to the Endowment Fund in order to be entitled to the ACWL’s services. Each of the ACWL developed country members have contributed at least US$1,000,000 to the Endowment Fund or to the annual budgets of the ACWL or to both. Further, the ACWL charges fees for support in WTO dispute settlement proceedings. Initially, the fees were set out in US dollars in the Agreement of Establishing the ACWL but were converted into CHR following the decision on Currency Conversion adopted by the General Assembly on 25 April 2002. Accordingly, the fees are per hour: CHF40 per hour for LDCs; CHF162 per hour for Category C Members; CHF243 per hour for Category B Members; and CHF324 per hour for Category A Members. These fees are applied to a time budget adopted by the Management Board, which indicates the maximum number of hours that the Member or LDC may expect the ACWL to charge for each procedural step in a typical WTO dispute settlement proceeding. Additionally, the ACWL may accept contributions from governmental and non-governmental sources for specific purposes that are not related to dispute settlement cases, such as training and the traineeship programme.
		3. The Working Group may wish to note that a study has been conducted by interested organizations in cooperation with the Secretariat to estimate the costs of establishing and operating an advisory centre, as well as to identify the possible sources of financing for the centre’s operation (the Study).[[2]](#footnote-3) The Study is based on various assumptions, given the early stage of the work on this topic.[[3]](#footnote-4) The main assumptions are that the beneficiaries of the services of the centre would be developing countries with priority given to the LDCs, that cases would be at various stages and “mature” at different times and that the centre would not act as a mediation centre, but merely as a centre that provides advisory services to respondents to engage in mediation.

**1. Assessment of workload of the advisory centre and costs**

* + 1. As the budget of the centre would mainly depend on its staffing, the Study focuses on the staffing requirement for mediation and arbitration services and estimates the need based on research and a statistical analysis of ICSID awards, a range of blended hourly rates and the average duration of the cases in the sample.[[4]](#footnote-5) The estimate does not take into account that some reform options, if adopted, might result in shorter proceedings and require fewer working hours per case.
		2. It follows from the Study that a team of fifteen (15) lawyers and three (3) administrative staff could handle 4-6 mediation cases and 7-9 arbitration cases concurrently, while also providing some assistance during cooling-off periods. If it were decided to start with a smaller team and expand over time, a team of eight (8) lawyers and two (2) administrative staff could, on the basis of a conservative estimate, handle 2-3 mediation cases and 3-4 arbitration cases concurrently, while also providing some assistance during cooling-off periods. Both scenarios include the costs of a secondment programme, which would allow government lawyers from member countries to join staff of the centre as paid seconded for a period to be determined (see A/CN.9/1004, para. 44). More staff might be required if further activities should be undertaken by the centre.

**2. Budget as outlined in Annex 1**

* + 1. The Working Group may wish to consider the hypothetical budget of an advisory centre in Annex 1 to this note. It is based on the standards applied in the United Nations.[[5]](#footnote-6)
* *Scenario A*
	+ 1. The installation (and therefore non-recurring) costs of the centre would amount to US$274,525 and the recurring costs (not including rent, travel and translation costs, experts, tribunal costs, etc.) would amount to US$4,115,866 per annum, assuming that the centre has fifteen (15) lawyers as staff, one (1) executive director, three (3) senior associates, three (3) upper mid-level associates, two (2) mid-level associates, three (3) junior associates, and three (3) secondees. The total costs of establishing the centre and operating it for the first year would be US$4,289,670.
* *Scenario B*
	+ 1. On the other hand, the installation (and therefore non-recurring) costs of the centre would amount to US$252,914, and the recurring costs would amount to US$3,040,824 per annum, assuming that the centre has a staff of eight (8) lawyers, one (1) executive director, two (2) senior associates, one (1) upper mid-level associate, one (1) mid-level associate, one (1) junior associate, and two (2) secondees. The total costs of establishing the centre and operating it for the first year would be US$3,110,769.

**3. Ways of financing these costs**

* + 1. The Study suggests that funding of USD 16 million would be required for the establishment and functioning of the advisory centre for five years under Scenario A. Alternatively, it suggests that funding of USD 10 million would be required under Scenario B.
		2. The Working Group may wish to consider how these costs could be financed based on the above assessments. While acknowledging that there would be a need for the advisory centre to charge for its services to cover its costs sustainably, the Working Group had expressed that States may be required to pay for the services on sliding scale, depending on the country’s level of development and preference to be given to LDCs and developing States (A/CN.9/1004, para. 47). If so, the classification of States would need to be further considered (e.g., by using the World Bank’s income-related classification of developing countries with high-income developing countries (“Category A”), upper-middle-income developing countries (“Category B”), and lower-middle-income developing countries (“Category C”).
		3. As a one-time membership fee from the participating States might not be sufficient for the establishment and operation of an advisory centre, multiple sources of income might be required in order to meet these objectives. The Working Group may wish to consider whether the gap could be filled by: (i) voluntary contributions by States (as official development assistance); (ii) private donors and development assistance agencies or organizations; (iii) costs recovered from the claimant; and (iv) fees paid by ISDS users.

**4. Financial Structure**

* + 1. The Working Group may wish to consider the following draft provision on the financial structure of an advisory centre, to be adjusted depending on the manner in which the centre would be established.

***Draft provision 6 - Financial structure of the Centre***

*1. A trust fund shall be established to enable the sustainable operation of the Centre (the “Trust Fund”).*

*2. The Trust Fund shall receive contributions from all the Members taking into account their level of economic development and as decided by the [governing body of the Centre]. [Least developed Countries are exempted from paying a contribution.] It may also receive contributions or donations from public and private organizations and sponsors.*

*3. The Centre shall charge fees for the legal services in accordance with the schedule of fees set out in Annex on Fees to this Agreement. The fee for State Beneficiaries shall be set taking into account their level of economic development and decided by the [governing body of the Centre]. Least developed Countries are not exempted from paying a fee for [Services], [for Services except those related to information-sharing, training, and capacity building] [for legal representation].*

*4. The annual budget of the Centre shall be from the resources of the Trust Fund, as well as from the fees it charges for its services in accordance with the rates established by the [governing body].*

*5. The Centre shall have an external auditor.*

***Comments***

1. ***One-Time Membership Fee***
	* 1. The Working Group may wish to consider how to ensure smooth commencement of the activities of the centre, asincome from services would only accrue at a later stage, i.e., after the centre would commence to operate.[[6]](#footnote-7) Possible options include the payment of a one-time reasonable membership fee by developing countries.[[7]](#footnote-8) Developed States also might participate in the centre, and pay membership fees, particularly if the centre also functions as a forum for exchanging information, developing best practices, and facilitating training.
		2. Taking the example of the ACWL, the Study suggests that Category A countries could be required to pay USD 486,000, Category B countries could be required to pay USD 162,000, and Category C countries could be required to pay USD 81,000 into a fund.[[8]](#footnote-9) As the Working Group had expressed its wish to account for the level of economic development of the States, the one-time membership fee could be determined by using the ‘means test’. By contrast, LDCs may not be required to contribute to the endowment fund.[[9]](#footnote-10) The total funds gathered by these calculations could amount to USD 3,321,000 (from one (1) high-income, ten (10) upper-middle-come, and fifteen (15) lower-middle-income countries).[[10]](#footnote-11) Lastly, the developed countries could pay a fixed amount and a financial contribution could be agreed as a part of the accession protocol.[[11]](#footnote-12)
2. ***Voluntary Contributions***
	* 1. Since the Working Group has expressed that preference should be given to LDCs and Category C States, the largest part of the centre’s services would likely be dedicated towards these States. However, as a consequence, the funds generated by the advisory centre may be insufficient to cover the costs that it would likely incur.
		2. In order to fill this gap, the Working Group may wish to consider that a part of the income of the advisory centre could originate from voluntary contributions by private donors and official development assistance agencies or organizations. The potential conflicts of interest highlighted in para. 39 of document A/CN.9/1004 may be noted.
		3. As an illustration, the ACWL is financed through voluntary contributions from States, collected on a five-year cycle. The establishment of the centre enhances legitimacy and fairness in ISDS, which is seen as public service and for the public good. Thus, States and public institutions could commit to provide the required financing.
3. ***Fees to be charged to beneficiaries***
	* 1. The Working Group may further consider if and which cost of services provided by the advisory centre should be borne by the beneficiaries. The rate of these services might not be the same for all States and would need to take into account their level of economic development. Accordingly, the LDCs and non-LDC lower-middle income countries could be required to pay at a nominal rate, while the high- and middle-income developing countries could be required to pay at the market rate and discounted rate, respectively.If developed countries are permitted to avail of the centre’s advisory services, they too could be required to pay market rates.
		2. The Study indicates that charging for services (even at highly discounted rates) can help to achieve some degree of financial autonomy. The annual recurring cost in Scenario A could be USD 3,715,866, wherein the centre could function with fifteen (15) lawyers working for 22,500 billable hours on an average.
		3. The Study suggests that a break-even point can be achieved at an average hourly rate of USD 136 (for scenario A).
		4. Considering that different hourly rates could vary depending on the category of beneficiaries, while also assuming that all categories would use the services, the break-even point is achieved under the Study by the following division: Category A States could pay USD 400 per hour, Category B States could pay USD 90 per hour, Category C States could pay USD 40 per hour, and LDCs could pay USD 20 per hour. This could generate an income of USD 2,250,000, USD 506,250, USD 225,000, and USD 112,500 from the respective categories of States.
		5. However, considering that the services may be available in priority to LDCs, the break-even point might not be reached based on the above-mentioned hourly rates. So, while it is theoretically feasible to entirely finance the centre’s costs by means of discounted fees for the services charged by the centre, this may not be sufficient. In order to ensure that the centre would deliver services at the lowest possible rate, in particular to the LDCs among its members, other options might need to be explored,[[12]](#footnote-13) such as: (i) increasing the hourly rates for all categories of States; or (ii) capped hourly rates for an average number of hours per case, combined with a lump-sum amount for series of services.
		6. In addition, the Working Group had noted that ADR methods such as mediation are largely underutilised in the context of ISDS. In that context, it was stated that the role of the advisory centre in the resolution of disputes outside the adversarial methods should also be explored (A/CN.9/1044, para. 39). In order to meet this objective, the rates for amicable settlement services could be discounted (for example, a discount of 25 per cent or more could apply as compared to the fees charged in arbitration) to incentivise the use of mediation.
4. ***Recovery of costs***
	* 1. Another source of funding might be found in costs to be recovered in situations where the beneficiaries of the centre would prevail in a dispute. The Working Group may wish to consider an option requiring the ISDS tribunals to recover the costs incurred by the centre for the corresponding working hours at the prevailing market rate.
5. ***Users’ Fee from ISDS users***
	* 1. The Working Group may wish to consider a user fee that could be levied on all monies that the parties spend for ISDS. If such funds (and equivalent funds earned by the potential multilateral investment court) are taxed (in toto or in part) and dedicated to the advisory centre, it could provide stable financial support to it.
6. ***Endowment Fund***
	* 1. The Working Group may wish to consider how to guarantee a stability of income, so as to also ensure sustainability. A possible option for consideration in this context is the establishment of an endowment fund as a recipient of funds from diverse sources.
		2. As an example of funding, it could be envisaged that provisions in investment treaties could foresee a fee would need to be paid by claimants to the endowment fund of the advisory centre as a condition for using the ISDS services provided by the centre. This might contribute to the financing of the centre, while also deterring claimants from bringing frivolous claims.

**5. Sustainability**

* + 1. The Working Group may wish to note that the funding sustainability of an advisory centre should be a major focus, given the possible impact, on a longer term through its various services, on investment law. In particular, if the centre were to render assistance and defence services, beneficiaries need to be sure that the centre would be able to offer its services throughout the whole duration of a case it has taken up, which might take several years. The Working Group may wish to consider the various funding schemes in light of the need to ensure both the independence of the centre, and its long-term sustainability.
		2. The Working Group may wish to note that, depending on the funding scheme, there could be tensions, perceived or actual, between, on the one hand, client governments of an advisory centre and, on the other, existing and potential donors, which may include non-governmental organizations and philanthropic entities. The extent of conflicts would depend on the scope of services, and on whether donors may have an interest in a fair framework that gives legitimacy to the system as such, in the outcome of negotiations (between States and between investors and States), and/or in the outcome of particular cases (State-to-State or investor-State). This would also apply in a State-funded scheme, as donor States may have different perspectives regarding the objectives of the funding and the advisory centre. The objective of ensuring that beneficiaries retain the ability, while using the services of the advisory centre, to make their own decisions regarding objectives, formulation, use, and application of international investment law should be kept in mind when developing rules on the funding of the centre.
		3. It may also be noted that donors may face political or policy difficulties in supporting the defence of some types of cases. If, for instance, the case relates to nationalization without compensation, or targeted nationalizations/expropriations, of an investment by a government, there may be concerns about the use of public funds to support the defence of such conduct. Certain claims may also be controversial. Rather than strengthening support for dispute resolution foreseen by international investment treaties, the involvement of government-supported/taxpayer funded advisory centre may instead generate additional awareness of and critiques regarding the costs associated with ISDS.
		4. In that light, the Working Group may wish to consider the means to address this conflict, including care in establishing independent governance mechanisms; clear and transparent rules on allocation of decision-making authority; and appropriate, comprehensive, and effective rules regarding professional responsibility. An internal organization may allow, for instance, developed States to become members of the centre without being entitled to resource-intensive services (assistance and defence in ISDS cases) and still benefiting from other services (such as ADR services sharing of best practices). One possibility would be to ensure diversity in the services rendered by the centre, including serving as a platform of exchange of best practises and of discussion for all States. A system where membership would be opened to all States, and services tailored to the needs of categories of beneficiaries might ensure its sustainability.

**Annex 1 – Cost and financing (Budget model)**

|  |  |
| --- | --- |
| **BUDGET FOR ADVISORY CENTER FOR DISPUTE SETTLEMENT ON INVESTMENT MATTERSScenario A: 12 Lawyers** |  |
| **Budget class** | **Sq m** | **Unit** | **Total sq m** | **Cost per unit** | **Sub-Total** | **Total** |  |
| ***INSTALLATION COSTS*** |   | **$274,525** |  |
| ***a) ICT equipment1*** | ***$52,095*** |   |  |
| Laptops w. docking stations and monitors |   | 17 |   | $1,547 | $26,299 |   |  |
| Fixed telephone  |   | 17 |   | $308 | $5,236 |   |  |
| Personal Printer |   | 12 |   | $300 | $3,600 |   |  |
| Mobile telephone |   | 16 |   | $1,060 | $16,960 |   |  |
| Videoconferencing equipment |   |   |   | $5,000 | $0 |   |  |
| ***b) Furniture*** | ***$99,930*** |   |  |
|  . Individual Office1 | $39,230 |   |  |
| Management Office furniture set (D1/D2 level) |   | 1 |   | $6,117 | $6,117 |   |  |
| Standard Office furniture set (P5 level) |   | 3 |   | $2,280 | $6,840 |   |  |
| Standard Office furniture set (G6-P4 level) |   | 13 |   | $2,021 | $26,273 |   |  |
|  . Conference Room | $28,200 |   |  |
| Conference Table  |   | 1 |   | $12,000 | $12,000 |   |  |
| Conference/visitor chairs |   | 36 |   | $450 | $16,200 |   |  |
|  . Other furniture |   |   |   |   | $32,500 |   |  |
| Bookcases, filing cabinets |   | 10 |   | $2,500 | $25,000 |   |  |
| Coffee table, 4 armchairs |   | 1 |   | $7,500 | $7,500 |   |  |
| ***c) Materials and supplies*** | **$17,500** |   |  |
| Library books |   | 1 |   | $17,500 | $17,500 |   |  |
| ***d) Services*** | **$105,000** |   |  |
| Website development (multilingual) |   | 1 |   | $80,000 | $80,000 |   |  |
| Database developmet "Collection best practices" |   | 1 |   | $25,000 | $25,000 |   |  |
| ***RECURRING COSTS (per annum)*** |   | **$3,715,866** |  |
| ***a) Rent*** |   |   |   |   |   |  |  |
| Rental costs depending on location |   |   |   |   |   |  |  |
| ***b) Buildings maintenance, utilities (including security)1*** | 347 |   | ***$129,366*** |   |  |
| Management office | 27 | 1 | 27 | $10,080 | $10,080.45 |   |  |
| Standard Office 2 | 13.5 | 15 | 203 | $5,040 | $75,603.38 |   |  |
| Conference room | 45 | 1 | 45 | $16,801 | $16,800.75 |   |  |
| Library | 45 | 1 | 45 | $16,801 | $16,800.75 |   |  |
| Administrative booth/reception | 27 | 1 | 27 | $10,080 | $10,080.45 |   |  |
| ***c) Staff costs*** *3* | **$2,380,500** |   |  |
| Executive Director (D2 level)  |   | 1 |   | $231,400 | $231,400 |   |  |
| Lawyers, senior level (P5) 4 |   | 3 |   | $195,800 | $587,400 |   |  |
| Lawyers, upper medium level (P4)  |   | 3 |   | $166,600 | $499,800 |   |  |
| Lawyers, medium level (P3) 4 |   | 3 |   | $136,700 | $410,100 |   |  |
| Lawyers, junior level (P2)  |   | 2 |   | $112,700 | $225,400 |   |  |
| Secondment trainees (P2) |   | 3 |   | $112,700 | $338,100 |   |  |
| Administrative staff (G4-G6) |   | 1 |   | $88,300 | $88,300 |   |  |
| ***d) Services and supplies*** |   |   |   |   | **$806,000** |   |  |
| ICT hardware and software support, server hosting |   | 12 |   | $3,500 | $42,000 |   |  |
| Software licenses/digital subscriptions (library, electronic communication) |   | 1 |   | $80,000 | $80,000 |   |  |
| Telephone costs 5 |   | 12 |   | $9,500 | $114,000 |   |  |
| Translation costs 5 |   | 2,000 |   | $230 | $460,000 |   |  |
| Stationery and supplies |   | 12 |   | $2,500 | $30,000 |   |  |
| Photocopying/printing equipment rental and maintenance  |   | 12 |   | $2,500 | $30,000 |   |  |
| Website hosting and maintenance |   | 1 |   | $25,000 | $25,000 |   |  |
| Database developmet "Collection best practices" |   | 1 |   | $25,000 | $25,000 |   |  |
| ***d) Travel*** |   |   |   |   | **$400,000** |   |  |
| Travel costs |   | 1 |   | 400,000 | $400,000 |   |  |
| Total costs 6 |   |   |   |   |   | **$3,990,391** |  |
| Contingency reserve (7.5%) | $299,279 |  |
| ***TOTAL REQUIREMENTS*** | **$4,289,670** |  |
| 1 Based on 2019 UNOV/UNODC Standard Cost Manual  |  |  |
| 2 Includes workspace for 2 Government officials on secondment/interns |  |  |  |  |  |  |
| 3 Based on 2020 Revised UNODC Standard Salary Cost Manual |  |  |
| 4 One staff foreseen to provide support in mediation proceedings |  |  |  |  |  |  |  |
| 5 Provisions take into account that Advisory Centre is operating on a worldwide basis |  |  |
| 6 Costs have been calculated on the basis of tax exemption |  |  |  |  |  |  |  |

|  |
| --- |
| **BUDGET FOR ADVISORY CENTER FOR DISPUTE SETTLEMENT ON INVESTMENT MATTERSScenario B: 6 Lawyers** |
| **Budget class** | **Sq m** | **Unit** | **Total sq m** | **Cost per unit** | **Sub-Total** | **Total** |
| ***INSTALLATION COSTS*** |   | **$252,914** |
| ***a) ICT equipment1*** | ***$44,890*** |   |
| Laptops w. docking stations and monitors |   | 10 |   | $1,547 | $15,470 |   |
| Fixed telephone  |   | 10 |   | $308 | $3,080 |   |
| Personal Printer |   | 6 |   | $300 | $1,800 |   |
| Mobile telephone |   | 9 |   | $1,060 | $9,540 |   |
| Videoconferencing equipment |   | 3 |   | $5,000 | $15,000 |   |
| ***b) Furniture*** | ***$85,524*** |   |
|  . Individual Office1 | $24,824 |   |
| Management Office furniture set (D1/D2 level) |   | 1 |   | $6,117 | $6,117 |   |
| Standard Office furniture set (P5 level) |   | 2 |   | $2,280 | $4,560 |   |
| Standard Office furniture set (G6-P4 level) |   | 7 |   | $2,021 | $14,147 |   |
|  . Conference Room | $28,200 |   |
| Conference Table  |   | 1 |   | $12,000 | $12,000 |   |
| Conference/visitor chairs |   | 36 |   | $450 | $16,200 |   |
|  . Other furniture |   |   |   |   | $32,500 |   |
| Bookcases, filing cabinets |   | 10 |   | $2,500 | $25,000 |   |
| Coffee table, 4 armchairs |   | 1 |   | $7,500 | $7,500 |   |
| ***c) Materials and supplies*** | **$17,500** |   |
| Library books |   | 1 |   | $17,500 | $17,500 |   |
| ***d) Services*** | **$105,000** |   |
| Website development (multilingual) |   | 1 |   | $80,000 | $80,000 |   |
| Database developmet "Collection best practices" |   | 1 |   | $25,000 | $25,000 |   |
| ***RECURRING COSTS (per annum)*** |   | **$2,640,824** |
| ***a) Rent*** |   |   |   |   |   |  |
| Rental costs depending on location |   |   |   |   |   |  |
| ***b) Buildings maintenance, utilities (including security)1*** | 266 |   | ***$99,124*** |   |
| Management office | 27 | 1 | 27 | $10,080 | $10,080.45 |   |
| Standard Office 2 | 13.5 | 9 | 122 | $5,040 | $45,362.03 |   |
| Conference room | 45 | 1 | 45 | $16,801 | $16,800.75 |   |
| Library | 45 | 1 | 45 | $16,801 | $16,800.75 |   |
| Administrative booth/reception | 27 | 1 | 27 | $10,080 | $10,080.45 |   |
| ***c) Staff costs*** *3* | **$1,352,700** |   |
| Executive Director (D2 level)  |   | 1 |   | $231,400 | $231,400 |   |
| Lawyers, senior level (P5) 4 |   | 2 |   | $195,800 | $391,600 |   |
| Lawyers, upper medium level (P4)  |   | 1 |   | $166,600 | $166,600 |   |
| Lawyers, medium level (P3) |   | 1 |   | $136,700 | $136,700 |   |
| Lawyers, junior level (P2) 4 |   | 1 |   | $112,700 | $112,700 |   |
| Secondment trainees (P2) |   | 2 |   | $112,700 | $225,400 |   |
| Administrative staff (G4-G6) |   | 1 |   | $88,300 | $88,300 |   |
| ***d) Services and supplies*** |   |   |   |   | **$789,000** |   |
| ICT hardware and software support, server hosting |   | 12 |   | $3,500 | $42,000 |   |
| Software licenses/digital subscriptions (library, electronic communication) |   | 1 |   | $80,000 | $80,000 |   |
| Telephone costs 5 |   | 12 |   | $9,500 | $114,000 |   |
| Translation costs 5 |   | 2,000 |   | $230 | $460,000 |   |
| Stationery and supplies |   | 12 |   | $2,500 | $30,000 |   |
| Photocopying/printing equipment rental and maintenance  |   | 12 |   | $2,500 | $30,000 |   |
| Website hosting and maintenance |   | 1 |   | $25,000 | $25,000 |   |
| Database maintenance "Collection best practices" |   | 1 |   | $8,000 | $8,000 |   |
| ***d) Travel*** |   |   |   |   | **$400,000** |   |
| Travel costs |   | 1 |   | 400,000 | $400,000 |   |
| Total costs 6 |   |   |   |   |   | **$2,893,738** |
| Contingency reserve (7.5%) | $217,030 |
| ***TOTAL REQUIREMENTS*** | **$3,110,769** |
| 1 Based on 2019 UNOV/UNODC Standard Cost Manual  |  |
| 2 Includes workspace for 2 Government officials on secondment/interns |  |  |  |  |  |
| 3 Based on 2020 Revised UNODC Standard Salary Cost Manual |  |
| 4 One staff foreseen to provide support in mediation proceedings |  |  |  |  |  |  |
| 5 Provisions take into account that Advisory Centre is operating on a worldwide basis |  |
| 6 Costs have been calculated on the basis of tax exemption |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |

1. See *ACWL Organisational Structure*, <https://www.acwl.ch/organisational-structure/> [↑](#footnote-ref-2)
2. IAA/ILI: Note on the costs and financing of an Advisory Centre on International Investment Law (the Study)

<https://uncitral.un.org/sites/uncitral.un.org/files/aciil_note_on_costs_financing_24_august_2020_final_updated.pdf>. [↑](#footnote-ref-3)
3. Study, para 4-2.3. [↑](#footnote-ref-4)
4. Study, paras. 24-45 and Annex 2 with further details, notably an overview of all ICSID cases May 2019-May 2020, the number of hours spent on the cases, the calculation of average lawyers’ fees per case, the calculation of average number of hours per cases, and the calculation of average duration of a case. [↑](#footnote-ref-5)
5. More precisely, it refers to the UNODC Standard Salary Costs and the UNOV/UNODC Standard Cost Manual. [↑](#footnote-ref-6)
6. Study, para 16. [↑](#footnote-ref-7)
7. Ibid., para. 64. [↑](#footnote-ref-8)
8. Ibid., paras. 66–67. [↑](#footnote-ref-9)
9. Ibid., para. 67 [↑](#footnote-ref-10)
10. Ibid., paras. 69–70. [↑](#footnote-ref-11)
11. Ibid., para. 68. [↑](#footnote-ref-12)
12. Ibid., para. 96 [↑](#footnote-ref-13)